

VOL. 2
No. 2



Wednesday
14th January, 2009

FEDERAL REPUBLIC OF NIGERIA

NATIONAL ASSEMBLY DEBATES

FOURTH REPUBLIC

THIRD ASSEMBLY (SIXTH SENATE)

SECOND SESSION

THE SENATE OFFICIAL REPORT

CONTENTS

Votes and Proceedings
Announcements
Personal Explanation
Presentation of Bill
Consideration of Report
Adjournment

0035

**SENATE OF THE FEDERAL
REPUBLIC OF NIGERIA**

Wednesday, 14th January, 2009

The Senate met at 10.15 a.m.

PRAYERS

(The President in the Chair)

CLOSED SESSION

The President: In the Closed Session we discussed issues affecting the economy of the country, the well being of the ordinary citizen and the development and growth of the country.

Is that a true reflection of our discussions?

Several distinguished Senators: Yes.

VOTES AND PROCEEDINGS

The President: Distinguished Senators, we have the Votes and Proceedings of Tuesday, 13th January, 2009 before us for approval. Let us look at pages 381, 382, 383, 384 -

Senator Isiaka Adeleke (Osun West): Mr. President, under Remarks by the Senate President, the first line there should read thus: *The Senate President welcomes Senators back from their very short recess.*

The President: Secretariat, please note the grammar there. The Senate President *welcomes* and not *welcomed*. Let us continue with page 385.

Senator Nimi Barigha-Amange (Bayelsa East): Mr. President, on page 385, the correct name is *Nimi Barigha-Amange*. On the Report from Rules and Business, third line, the date there should be from January 13th to 2nd June, 2009 and not 30th June. That is what was submitted to us..

The President: You are correct.

Senator Anthony Agbo (Ebonyi North): Mr. President, on page 385, item No. 10 on the Report of the screening of nominees. I want to observe that the correct spelling for No. 4 person there should be Chief Lawrence Nwuruku and not Nwurukwu.

The President: Secretariat, please correct it. Now, pages 386, 387, and 388?

0036

Senator Mohammed Adamu Bello (Kano Central): Mr. President, I rise to move for the approval of the Votes and Proceedings of Tuesday, 13th January, 2009 as amended.

Senator Simeon Olasunkanmi Oduoye (Osun Central): Mr. President, I rise to second the Motion that the Votes and Proceedings of Tuesday, 13th January, 2009 be approved as amended.

Question put and agreed to.

Resolved: That the Votes and Proceedings of Tuesday, 13th January, 2009 be approved as amended.

MESSAGES FROM MR. PRESIDENT

The President: We have some messages from Mr. President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria. The first one reads thus:

January 7, 2009

*Distinguished Senator David Mark,
President of the Senate,
Senate Chambers,
Three Arms Zone,
National Assembly Complex,
Abuja*

Dear brother,

**CONFIRMATION OF APPOINTMENT OF TWO
JUSTICES OF THE SUPREME COURT OF NIGERIA**

In conformity with Section 231, Sub-section (2) of the 1999 Constitution of the Federal Republic of Nigeria, which gives the President powers to appoint a Justice of the Supreme Court acting on the recommendation of the National Judicial Council and subject to confirmation of the appointment by the Senate, I have the honour to forward the under-mentioned names for confirmation:

- 1. Hon. Justice John Afolabi Fabiyi (North Central Zone) Justice of the Court of Appeal and*
- 2. Hon. Justice Olufumilayo Oyelola Adekeye (South West Zone) Justice of the Court of Appeal.*

These appointments have been necessitated by the recent retirement from service of Hon. Justice S. U. Onu

0037

(North Central Zone) and Hon. Justice S. A. Akintan
(South West Zone).

It is my hope that this request will receive the usual expeditious attention of the distinguished Members of the Senate of the Federal Republic of Nigeria.

Yours sincerely,

(Signed)

UMARU MUSA YAR'ADUA

President, Federal Republic of Nigeria

The second message reads thus:

January 5, 2009

Distinguish Senator David Mark,
President of the Senate,
Senate Chamber,
National Assembly Complex,
Abuja.

Dear brother,

PRESENTATION OF A BILL FOR AN ACT TO
REPEAL THE EXCLUSIVE ECONOMIC ZONE ACT,
CAP 317, LFN 2004 AND THE TERRITORIAL
WATERS ACT, CAP TS LFN, 2004 AND ENACT THE
MARITIME ZONES ACT TO PROVIDE FOR THE
MARITIME ZONES OF NIGERIA AND FOR
MATTERS CONNECTED THEREWITH

I hereby introduce for formal consideration and passage into Law by the distinguished Senate, the above named Bill.

It is my hope that this Bill will receive the usual prompt attention of the distinguished Senators.

Please accept, Mr. President of the Senate and distinguished Senators, the assurances of my highest consideration.

Yours sincerely

(Signed)

UMARU MUSA YAR'ADUA

President, Federal Republic of Nigeria

The third message reads as follows:

0038

January 9, 2009

Distinguished Senator David Mark,
Senate President,
Senate Chambers,
National Assembly Complex,
Abuja.

Dear brother,

RE: 2006 CENSUS FINAL REPORT

Pursuant to the provisions of Section 213(3) of the 1999 Constitution, I crave your kind indulgence to grant me the slot of 12.00 noon on Thursday, January 22nd 2009, to enable me formally lay before the distinguished Senate the Final Report of the 2006 Census exercise.

Please accept, distinguished Senate President, the assurances of my highest consideration.

Yours sincerely,

(Signed)

UMARU MUSA YAR'ADUA

President, Federal Republic of Nigeria

The fourth message reads thus:

January 5, 2009

Distinguished Senator David Mark,
Senate President,
Senate Chambers,
National Assembly,
Abuja.

Dear brother,

FORWARDING OF A BILL FOR AN ACT TO
REPEAL THE DEBT MANAGEMENT OFFICE
(ESTABLISHMENT) ACT NO. 18 OF 2003, AND TO
RE-ENACT THE DEBT MANAGEMENT OFFICE
(ESTABLISHMENT) ACT, 2008 TO ESTABLISH THE
DEBT MANAGEMENT OFFICE AND FOR RELATED
MATTERS

I hereby introduce for formal consideration and passage into Law by the distinguished Senate the above named Bill.

It is my hope that this Bill will receive the usual prompt attention of the distinguished Senators.

0039

Please accept, Mr. President of the Senate and distinguished Senators, the assurances of my highest consideration.

Yours sincerely,

(Signed)
Umaru Musa Yar'Adua
President, Federal Republic of Nigeria

ANNOUNCEMENT

2009 Armed Forces Wreath Laying Ceremony

The President: Tomorrow, 15th January, 2009 is the Armed Forces Wreath Laying Ceremony, and distinguished Senator Ibrahim Ida, who is the Chairman Senate Committee on Defence, is inviting all of us to come and honour our departed heroes.

I know it is for Armed Forces but most of you are great supporters of members of that constituency, which is our former constituency.

Senator George Thomson Sekibo (Rivers East): Point of Order!

The President: Point of Order, distinguished Senator George Thomson Sekibo.

Senator George Sekibo: Mr. President, I am coming under Order 43, which borders on Personal Explanation.

The President: Yes, read it.

Senator George Sekibo: Order 43 reads:

PERSONAL EXPLANATION

By the indulgence of the Senate and the leave of the Senate President, a Senator may make a Personal Explanation although there be no question before the Senate; and no controversial matter may be brought forward nor debate arise upon the Explanation. The terms of the proposed statement shall be submitted in detail to the President of the Senate when his leave to make it is sought.

Sir, if you allow me, I want to make the point for which I raised the Order.

From yesterday and today, you have read five or six letters from Mr. President. The President of the Senate is the symbol of the authority of the entire Senate and the National Assembly. The name Senate President does

0040

not belong to an individual as a person. It is the symbol of authority of the institution. Therefore, when you are addressing it, (Mr. President of the Senate), if it is not properly addressed, it also means that the entire institution is not properly addressed.

The greetings on all the letters you have received and read to us since yesterday, indicated my dear brother, Distinguished Senator David Mark. It cannot be: *My dear brother* rather; it should be: *His Excellency* or *The Senate President* or whatsoever that is supposed to be addressed to you officially because when it is not addressed in that way, there are two implications.

The President: Senator George Sekibo, read Order 43 to the end.

Senator George Sekibo: I will read it again. It is procedural; it is not controversial, Sir.

The President: Nobody has asked you whether it is controversial or not.

Senator George Sekibo: Thank you, Sir. Order 43 reads:

By the indulgence of the Senate and the leave of the President of the Senate, a Senator may make a Personal Explanation although there be no question before the Senate but no controversial matter may be brought forward nor may debate arise upon the Explanation. The terms of the proposed statement shall be submitted in detail to the President of the Senate when his leave to make it is sought.

The President: Thank you. There are two key issues there. The first one is a Personal Explanation although there may be no question before the Senate. Yes, there is no question before the Senate on this, but the matter must not be controversial.

From the little talks that went on, I am sure you know already that your subject is a controversial one but more importantly, the terms of the proposed statement shall be submitted in detail to the President of the Senate when his leave to make it is sought. I do not think you fulfilled that bit.

Senator Thompson Sekibo: Mr. President, I said when your acceptance is given I will make the write-up and send to you.

The President: I am afraid that the issue you have raised is generating controversy and it is not really a

0041

Personal Explanation because I have been addressed as the President of the Senate. The other forms of salutation such as: *Dear brother* or *My dear Senate President* is not really the issue here. The main issue is that you have raised something which is rather controversial. So, I rule you out of Order.

Senator Lee Ledogo Maeba (Rivers South-East): Point of Order, Mr. President.

The President: Yes, distinguished Senator Lee Maeba?

Senator Lee Ledogo Maeba: Mr. President, I am coming under Order 40 and with your permission, I read.

The President: Read, please.

Senator Lee Ledogo Maeba: Order 40 reads:

The President of the Senate shall immediately after prayers or as soon as any new Senator-elect has taken the Oath! Affirmation of Allegiance read to the Senate any message addressed to the Senate by the President of the Federal Republic of Nigeria.

I have raised this Order to support the point raised by the distinguished Senator George Sekibo. This Order do say that any letter that is sent to the Senate is addressed to the Senate President for all the Senators here present. Distinguished Senator Joy Emodi is here and she does not fall under the umbrella *my dear brother*. (Laughter)

I want to place it on record that any message you read here from Mr. President - (Interruptions)

The President: Senator Lee Maeba, can I rule first, and if I rule in your favour then you can carry on with your explanation.

First, you said that you are raising this Point of Order in support of Senator Sekibo's Point of Order and Senator Sekibo's Point of Order has already collapsed.

Senator Lee Ledogo Maeba: I came under a different Point of Order from his.

The President: So, it is an independent Point of Order that you have raised?

Senator George Maeba: Yes, Sir.

0042

The President: Very good. Now a message addressed to the President of the Senate which was where Senator George Sekibo started from; Mr. President did not deem it necessary to say Senators of the Federal Republic. An official message has to be addressed to somebody and that person is me who represents the entire Senate. The letter has been addressed to me as Distinguished Senator David Mark. There is a section in every letter called the salutation section. Dear Mr. President, Dear His Excellency, Dear David Mark, Dear Lee Maeba or Dear Brother, these are all part of the letter. So, there is absolutely nothing wrong in the letters that have been addressed. I, therefore, rule you out of Order.

PRESENTATION OF BILLS

Office of the Surgeon General of Nigeria Bill, 2009 (SB.223)

Senator Teslim K. Folarin (Oyo Central): Mr. President, the first business of the day is the presentation of a Bill standing in the name of Senator Adeleke Olorunnimbe Mamora on the Office of the Surgeon General of Nigeria Bill, 2009.

You may wish to invite the Clerk of the Senate to read the Short Title of the Bill.

The President: Clerk of the Senate, read the Short Title of the Bill.

Office of the Surgeon General of Nigeria Bill, 2009 – presented by Senator Adeleke O. Mamora (Lagos East) - *read the First Time*.

Equipment Leasing Bill, 2009 (SB. 235)

Senator Teslim K. Folarin: Mr. President, the second business of the day is the presentation of a Bill standing in the name of Senator Joel Danlami Ikenya on the Equipment Leasing Bill, 2009.

Again, you may wish to invite the Clerk of the Senate to read the Short Title of the Bill.

The President: Clerk of the Senate, read the Short Title of the Bill.

Equipment Leasing Bill, 2009 - presented by Senator Joel D. Ikenya (Taraba South) - *read the First Time*.

0043

Whistle Blowers Protection Bill, 2009 (SB.233)

Senator Teslim K. Folarin: Mr. President, the third business of the day is the presentation of a Bill standing in the name of Senator Ganiyu O. Solomon on the Whistle Blowers Protection Bill, 2009.

You may wish to invite the Clerk of the Senate to read the Short Title of the Bill.

The President: Clerk of the Senate, read the Short Title of the Bill.

Whistle Blowers Protection Bill, 2009 – presented by Senator Ganiyu O. Solomon (Lagos West) - *read the First Time.*

PRESENTATION OF REPORTS

Report of the Committee on Establishment and Public Service on the Public Procurement Act (Amendment) Bill, 2009 (SB. 125)

Senator Teslim K. Folarin: Mr. President, the fourth business of the day is the presentation of the Report of the Committee on Establishment and Public Service Matters and the Committee on Finance on the Public Procurement Act (Amendment) Bill, 2009.

You may wish to invite Senator Mohammed Ahmed to move the Motion for the Senate to receive the report.

Senator Mohammed I. Ahmed (Kwara North): Mr. President, I wish to move that the Senate do receive the Report of the Joint Committee on Establishment and Public Service and Finance on the Bill for an Act to amend the Public Procurement Act and Other Related Matters, 2009.

Senator Abubakar Danso Sodangi (Nasarawa West): Mr. President, I rise to second the Motion moved by Senator Mohammed Ahmed that the Senate do receive the Report of the Joint Committee on Establishment and Public Service and Finance on a Bill for an Act to amend the Public Procurement Act and Other Related Matters, 2009.

Question put and agreed to.

(Report laid on the Table)

0044

Report of the Committee on Federal Character and Governmental Affairs on the Screening of Nominees

Senator Teslim K. Folarin: Mr. President, the fifth business of the day is the presentation of the Report of the Committee on Federal Character and Governmental Affairs on the screening of Elder Bob Francis Ozaka (Bayelsa State) and Hon. Lawal Ibrahim Funtua (Katsina State) as Members in the Federal Character Commission (FCC).

You may wish to invite Senator Smart Adeyemi to move the Motion for the Senate to receive the Report.

The President: Is Senator Adeyemi around? (*No response*)

Senator Teslim K. Folarin: I move that this item on the Order Paper be stood down to another legislative day.

Senator Maina Ma'aji Lawan (Borno North): Mr. President, I second the Motion that this item be stood down to another legislative day.

Question put and agreed to.

Report by leave of the Senate stood down to another legislative day.

ORDERS OF THE DAY

MOTION

Confirmation of Nomination

Senator Teslim K. Folarin: Mr. President, the first order of the day is a Motion requesting this distinguished Senate to consider the request of Mr. President, Commander-in-Chief for the confirmation of the re-nomination of Alhaji Abdulrahman Adamu (Adamawa State) as a Minister of the Government of the Federal Republic of Nigeria in accordance with Section 147(2) of the 1999 Constitution.

The carrying out of this exercise is in conformity with Order 17 of our Standing Orders 2007 (as amended) dealing with Privileges of the Floor. I move that this Senate do resolve into Committee of the Whole to conduct the confirmation hearing.

0045

Senator Maina Ma'aji Lawan: Mr. President, I rise to second the Motion moved by the Leader that the Senate do resolve into Committee of the Whole to consider the request of Mr. President, Commander-in-Chief for the confirmation of Alhaji Abdulrahman Adamu as a Minister of the Government of the Federation.

Question put and agreed to.

Confirmation of the Nomination of Alhaji Abdulrahman Adamu (Adamawa State) as a Minister of the Government of the Federal Republic of Nigeria -
CONSIDERED IN THE COMMITTEE OF THE WHOLE.

Senator Teslim K. Folarin: Mr. President, I now move that this Senate do admit the ministerial nominee and two Special Advisers to the President, C-in-C on National Assembly Matters into the Senate Chamber.

Senate Maina Ma'aji Lawan: Mr. President, I second the Motion moved by the Leader that this Senate do admit the Ministerial Nominee, Alhaji Abdulrahman Adamu and the two Special Advisers to Mr. President on National Assembly Matters into the Chamber.

Question put and agreed to.

Resolved: That the Senate do admit the Ministerial Nominee Alhaji Abdulrahman Adamu and the two Special Advisers to Mr. President on National Assembly Matters into the Chamber.

(Ministerial Nominee Alhaji Abdulrahman Adamu and the two Special Advisers to Mr. President on National Assembly Matters admitted into the Chamber)

(Alhaji Abdulrahman Adamu appeared before the Senate)

The Chairman: Distinguished Colleagues, we have before us Alhaji Abdulrahman Jimeta Adamu from Adamawa State; he is a member of ANPP.

Alhaji Adamu, you had appeared before us in the past. You are not a total stranger to this Chamber. The first time, the salvo jolted you. Make sure you can withstand it this time around. I want you to feel relaxed. You will be asked a couple of difficult questions but I am sure you are capable of answering such questions.

Distinguished Senator Mohammed Adamu Bello, you have the Floor.

0046

Senator Mohammed Adamu Bello (Kano Central): Mr. Chairman, we have been able to discuss with Alhaji Abdulrahman and we actually understand ourselves. If Alhaji Abdulrahman passes through this distinguished Chamber and is cleared, we have no doubt that he will contribute meaningfully to the growth of this nation. I am sure one of the reasons why you are calling me to ask Alhaji Abdulrahman question even though I am not prepared is simply for the fact that the issue of ANPP here and the Government of National Unity is at stake.

My question to him basically is that we have a very serious problem today. There is the issue of world economic meltdown. We have called several people to come and discuss with us and they have told us so many times that Nigeria does not have a problem but now we have seen that there is a very serious problem with the depreciation of the Naira and crippling inflation. What is going to be your own answer to this situation?

Senator Bala Abdulkadir Mohammed (Bauchi South): Mr. Chairman, I feel highly indebted to this hallowed Chamber and your goodself because right from the time some of us found privilege to be in this hallowed Chamber, we have found in you a kind of leadership that is predicated on integrity.

I asked a moral question the other day on why Alhaji Abdulrahman should emerge as a candidate of the ANPP when he was a Vice Chairman of the North East Geo-political Zone and this hallowed Chamber true to itself tailored its decision on this particular moral question as explained by my distinguished Colleague, Senator Mohammed Adamu Bello. This question also arose at the national level where the communication gap was explained.

I owe it a duty to this distinguished hallowed Chamber, and in fact, to Nigerians to say that this man did not emerge as a nominee after the meeting of the North East Geo-political Zone. In fact, it was Mr. President in the exercise of his privileges for appointment of Ministers that asked for two more nominees from Adamawa and Taraba States. That was how he came in.

I need to make this point so that Nigerians will understand that we are not just eating our words because Abdulrahman is not such a person. We are doing it because we have been furnished with the correct information from the Party and from the Presidency

I want to say also that I asked that question for two reasons; for morality and also for to dispel the agitation

0047

from my Constituents or State that brought me. First of all, there was a general controversy on why Abdulrahman should emerge. Everybody knows that Bauchi State performed very well during the last election; we are members of PDP and we turn into ANPP and we believed that we should have been rewarded for that performance.

The Chairman: Distinguished Senator Bala Mohammed, we want you to ask Alhaji Abdulrahman Adamu a question, not to explain what Bauchi State did or did not do. Alhaji Abdulrahman Adamu is not from Bauchi State. Your preamble is getting too long. I remember you asked Alhaji Abdulrahman Adamu a serious question the other time. That is why I called on you.

Senator Bala A. Mohammed: Mr. Chairman, the question I asked before was a moral question. As I said, I have a moral obligation to explain to the Senate and to Nigerians why I asked that question and why I am saying that I am in support of his nomination now. If I do not give you the preamble, you may not understand and my children will take me and the Senate as a culprit. That is why it is important I give the preamble.

I do not have any question other than that explanation that my State Government and the leadership of my Party is in support of Alhaji Abdulrahman's nomination in appreciation of his Party loyalty.

I do not have any other question for Abdulrahman other than to ask the Senate to, please, ask him to bow and go because he is a consistent Party loyalist from 1999 to date. Of course, it is on the basis of GNU that he is coming here. The Senate can just ask him to bow and go.

Senator Abubakar Danso Sodangi (Nasarawa West): Mr. Chairman, out of convention and in your wisdom, the nominee is brought before us and we are all very much aware that he had appeared before us just like you have given us the information.

The only problem that arose was the sentiments expressed by our Colleagues in the ANPP. They were not consulted and in your usual manner, you gave them that latitude to go and put their house in order, which they did.

I am happy that the last speaker, Senator Bala Mohammed, who was very vehement in raising the observation, has now withdrawn, and all of them on that side have now agreed. I believe also that in our own

0048

side, the PDP followers, we are welcoming Abdulrahman Adamu into the fold. The spirit of Government of National Unity is coming on board. There is nothing we are going to put to him as examination but to agree and concede to their giving him to us and then ask the gentleman to bow and go because we had asked him questions before. That is my suggestion so that we do not over-flog this matter. Let us, in the spirit of Government of National Unity, and in your good leadership, ask the man to bow and go.

The Chairman: Distinguished Senator Sodangi, my problem with that is that he came here at first and a lot of issues were raised. Senator Mohammed Adamu Bello has asked him a good question and I think we deserve to hear an answer. So, if we can take a few more questions, it will be all right.

Alhaji Adamu, one of the questions you were not able to explain when they asked you, was why you were Chairman of the Sub-Committee that nominated you. You should have given us an explanation but you did not at that time. You should tell us why you did not give that explanation.

Senator Lee Maeba (Rivers South East): Mr. Chairman, we are not here to sing praises but to ask questions. I know Abdulrahman Adamu very well. Our age is not the same but the circumstances I met him and what he told me then made me to continue to go close to him. Long ago, he told me that he believes the problem in any part of Nigeria more especially that of the Niger Delta is a disturbance to the soul of every good Nigerian because the unity of Nigeria is non-negotiable. That comment made us friends.

I want to ask him a very good question. Mr. Abdulrahman Adamu, do you still believe in that statement?

Senator Mahmud Kanti Bello (Katsina North): Mallam Abdulrahman, I will not say that Senator Bala Mohamed misled the Senate. I will not go to that extent but if it is true, then he gave us wrong information. So, in your own words, I want the Nominee to explain to us whether morally, you participated in nominating yourself as a Minister?

Senator Benjamin Nimi Barigha-Amange (Bayelsa East): I congratulate the Nominee very much. I also congratulate the various factions of the ANPP for coming together to accept him. Since you people have accepted him, we, the Majority Party do not have any option than to follow and accept him.

0049

I would like to ask him a question on the problem that is bothering the whole Nigerians, that is, prison congestion. I want to find out what solution you would proffer to the government that you have come to serve in order to decongest the about 145 prisons scattered all over the nation. Let me give you a hint, some of the prisons like the one in Port Harcourt have 2,400 inmates while the one in Yola has about 500 inmates. How are we going to decongest the prisons in Nigeria?

The Chairman: Alhaji Abdulraham Jimeta Adamu, I believe you got all the questions?

Alhaji Abdulraham Jimeta Adamu: Yes, Sir.

The Chairman: Be brief and direct with the answers, please.

Alhaji Abdulraham Jimeta Adamu: Mr. Chairman, thank you very much for the opportunity to appear before the distinguished Senators again to explain further some of the issues which I could not explain the other time I appeared. I apologise to the Senate for failing to give proper explanation on those issues at the time.

The question asked by Senator Mohammed Bello with regard to the world economic problem whether Nigeria is exempted, and what solution I would proffer if Nigeria is not exempted.

Nigeria cannot be exempted from this world economic crisis because the world now is a global village. Take for example, this proceeding is being beamed to the world and it is seen by people all over the world. Therefore, the economic problem facing, especially the big nations such as America and the United Kingdom, trickles down to us. For instance, we know that the rate of exchange of the Naira to Dollar has already gone up and it may continue to go up.

The answer to this problem is for us to try to produce more locally by making our industries work. If these industries are working, we do not have to become a consuming nation. If we do that, the effect on us economically, would be reduced. To my mind, this is one of the ways we could solve this problem especially that Mr. President has his Seven Point Agenda.

If some of these Seven Point Agenda could be properly implemented like in the energy sector; if we have steady supply of power the industries that have not been functioning would start to function very well. No industry in this country could function properly on generator. Therefore, we need a proper arrangement

where we can get enough energy to make our industries work properly.

Senator Lee Maeba spoke on the encounter I had some years back with him where I expressed my feelings about this country. I want to assure you that my feelings have not changed. I still strongly believe in one Nigeria, and we should work together to make this country move forward.

. Distinguished Senator Kanti Bello asked if I took part in nominating myself to come to this ministerial position. Mr. President, I want to assure you that I, as the National Vice Chairman of the Party in the North East, did not sit in, let alone preside over any meeting for my nomination as a nominee of the Party. Senator Bala Mohammed had already explained what happened. The meeting I presided over was the zonal meeting to confirm the position given to my Zone by the National Headquarters of the Party. That was all I did. I presided over the meeting and reported back to the National Secretariat.

On the issue of prison congestion; I always go round on my own in my local area to visit some of these prisons. What I discovered in some of the prisons was people being remanded in prison custody for minor offences, which could have been disposed off immediately they were investigated. However, the people would be detained for very long time on account of small offence which would have earned the person six months imprisonment. At times they kept them awaiting trial for a period of up to or more than two years.

The Judiciary should come up with programmes for decongesting the prisons one of which could be going to the prisons and settling these minor offences there. With such programme, a lot of these prisons would be decongested. Another programme would be the establishment of mobile court that would go from one prison to the other to check out these offences and get them sorted out.

Mr. Chairman, I believe I have responded to all the questions.

The Chairman: Distinguished Colleagues, truly the main issue that day was whether or not he presided over his own nomination. That was the crux of the matter and it is a pity he did not offer this explanation that the meeting he presided over was whether to accept the entire business of the issue of Government of National Unity or not. I believe that has been made clear enough unless anybody has a question that is exceptionally important.

0051

In the absence of any other question, is it the wish of the Senate that I ask him to take a bow and go having clarified the situation?

Several distinguished Senators: Yes

The Chairman: All right, Alhaji Abdulraman Jimeta Adamu you may take a bow, please.

(Alhaji Abdulraman Jimeta Adamu took a bow and withdrew from the Chamber)

The Chairman: I think I can put the Question now.

Several distinguished Senators: Yes

The Chairman: Will the Senate approve the confirmation of the nomination of Alhaji Abdulraman Jimeta Adamu (Adamawa State), as a Minister of the Government of the Federal Republic of Nigeria?

Question put and agreed to.

Senator Teslim Folarin: Mr. Chairman, you may now report progress.

Senator Maina Ma'aji Lawan (Borno North): Mr. President, I second the Motion moved by the Leader of the Senate that the Chairman do report progress. While seconding the Motion, I wish to note the true spirit of Government of National Unity exhibited by our Colleagues.

Question put and agreed to.

(The President in the Chair)

The President: The Senate in the Committee of the Whole, considered the request of Mr. President, Commander-in-Chief for confirmation of the nominee for appointment as a Minister of the Government of the Federation, and approved the nomination of Alhaji Abdulraman Jimeta Adamu (Adamawa State).

Is it a true reflection of what transpired in the Committee of the Whole?

Several distinguished Senators: Yes

Confirmation of the Ministerial Nominee

The President: Will the Senate now confirm the nomination of Alhaji Abdulraman Jimeta Adamu (Adamawa State), as Minister of the Government of the Federal Republic of Nigeria?

0052

Question put and agreed to.

Resolved: That the nomination of Alhaji Abdulraman Jimeta Adamu (Adamawa State), as a Minister of the Government of the Federal Republic of Nigeria, be confirmed by the Senate.

Senator Jibril Mohammed Aminu (Adamawa Central): Mr. President, Alhaji Abdulraman Jimeta Adamu is from my Constituency. I am his Senator. I watched with much gratitude, pleasure and pride the way the Senate dealt with his matter. It is very pleasing, indeed, and I would like to assure the Senate that he would be a very good and useful Minister of the Federal Republic of Nigerian. He will not let down this confidence and love demonstrated by the Senate this morning.

I thank you, Sir.

The President: It is in the true spirit of the Government of National Unity and we believe that his performance in the current administration would be in that same spirit where he would give his best in spite of his belonging to a minority or opposition party.

PRESENTATION AND CONSIDERATION OF THE REPORT

Report of the Committee on Establishment and Public Service Matters

Senator Teslim Folarin: Mr. President, the second Order of the day is the presentation and consideration of the Report of the Committee on Establishment and Public Service, on the screening of the following as the Chairman, Director General/CEO and Members of the National Pension Commission.

The names are as contained in the Order Paper. You will also recall that this Report was laid on the Table yesterday, Tuesday, 13th January, 2009.

Without wasting much time, you may wish to invite Senator Mohammed I. Ahmed (Kwara North), Chairman of the Committee, to move the Motion for the presentation and consideration of the Report.

Senator Ahmed I. Mohammed (Kwara North): Mr. President, I wish to move that the Senate do consider the Report of the Committee on Establishment and Public Service, on the screening of the following persons as Chairman, Director General/CEO and Members of the National Pension Commission, and approve the recommendations therein.

0053

Senator Grace Folashade J. Bent (Adamawa South): Mr. President, I stand to second the Motion moved by Senator Mohammed Ahmed.

Question put and agreed to.

Resolved: That the Senate to receive and consider the Report of the Committee on Establishment and Public Service on the Screening of Presidential Nominees for the National Pension Commission.

Senator Mohammed I. Ahmed (Kwara North): Mr. President, pursuant to Section 154(1) of the 1999 Constitution and in line with Section 16(1)(a) to (c) and 16(3) of the Pension Act 2004, the President of the Federal Republic of Nigeria wrote to the Senate requesting for Confirmation of Appointments of Chairman/Director-General/CEO and Members of the National Pension Commission.

The Senate at its sitting on Thursday, 10th November, 2008 mandated its Committee on Establishment and Public Service to screen the nominees and report back to the Senate its findings. The Membership of the Committee is as contained on page 2.

The Methodology adopted

The Committee met and considered the methodology for its assignment. All nominees were invited to appear before the Committee with the following documents and credentials:

- Current Curricula Vitae
- Declaration of Assets and Liability
- Clearance Letter from Security Agencies; and
- Other relevant Credentials

In compliance with the provisions in Part II, Section 16(1)(a) to (c) and 16(3) of the Pension Act, 2004 on the Appointment of Chairman/Director-General/CEO and Members of the Commission, the nominees were screened on Wednesday, 17th December, 2008. The Committee duly sighted the originals of the Security Clearance and Code of Conduct Slips presented by the nominees. The pages that follow contain the resume of the nominees.

In the light of the above, the Committee recommends that the Senate do confirm:

0054

1. Chief Oluwole Alani Adeosun, OON as Chairman, National Pension Commission.
2. Mr. Mohammad Kabiru Ahmad as Director-General/CEO of the Commission.
3. Mr. Pius Nnaemeka Akubueze as Commissioner.
4. Miss. Eyamba Theresa Henshaw as Commissioner.
5. Dr. Musa Abdullahi Ibrahim as Commissioner and
6. Mr. Manzuma Tsoeda Mamman as Commissioner.

On behalf of the Committee on Establishment and Public Service, I thank you all for the opportunity given to the Committee to serve.

Senator Teslim K. Folarin: Mr. President, I move that this Senate do resolve into the Committee of the Whole to consider the Report.

Senator Ahmad Rufa'i Sani (Zamfara West): Mr. President, I second the Motion moved by the Leader that the Senate do resolve into the Committee of the Whole to consider the Report.

Question put and agreed to.

Confirmation of Presidential Nominees for the National Pension Commission - CONSIDERED IN THE COMMITTEE OF THE WHOLE.

Senator Bassey Ewa-Henshaw (Cross River South): Mr. Chairman, the nominees for the Pension Commission are all being recommended for a second term. That suggests that the President of the Federal Republic is completely satisfied with the performance that they have done in their first term.

I have gone through the Committee's Report; the Committee has done an excellent job and the Committee does agree that the President of the Federal Republic has wisely decided to re-appoint all of them and thus endorse that recommendation.

Therefore, I go along with the Committee's Report. I should add that one of the nominees is my niece although I was not responsible for her nomination. She is there on merit going by the qualifications that she has. She is a qualified accountant; a former Accountant-General of Cross-River State. She has many years of financial experience. So she is totally qualified and I do endorse the Committee's Report that they all be confirmed.

0055

Senator Felix Kolawole Bajomo (Ogun West): Mr. Chairman, I am a Member of the Committee that screened the Members of the Commission for another term.

Prior to that, I had been involved in some oversight activities with this particular organization and I am, in fact, very pleased to report that even though the issue of Pension is very new in the Administration of Executive functions in this country, the Members of this Board - the nominees had been screened - have performed very wonderfully, particularly in view of their proactive activities. I would make claim to the fact that even as at now, the Act that put them in place is, in fact, being reviewed with a view to ensuring that their performance is more enhanced.

It is my pleasure to recommend that all the nominations be approved.

Senator Ike Ekweremadu: Mr. Chairman, let me start by joining others in commending the very good work of the Chairman of this Committee and his Members. Of course, he is very consistent with his background as former Secretary to the Government and a very ranking Senator.

I would like to make a passionate appeal in respect of the nominee representing the South-East. If you look at this Report, apart from the Chairman of the Commission that was born in 1930s, the next is the nominee from the South-East who was born in 1941. That means he is about sixty eight years now. So another four years will bring him to seventy two years.

We would want, if it pleases this distinguished Senate to give us a little time in respect of the nominee for the South-East to enable us consult further with him and other people to be sure that he is in a good frame of mind to represent the South East appropriately in a very serious Commission as the Pension Commission and also to ensure that every part of the zone is equally being represented in relevant Commissions. This is because we have sworn to do justice to all manner of people and that includes all areas and communities to ensure as well that at the end we are carrying along all parts of the South-East.

If it pleases our distinguished Colleagues, we would be requesting that the confirmation of the nominee from the South-East be deferred till next week.

Senator Tawar Umbi Wada (Gombe South): Mr. Chairman, I associate myself with the commendations made to the Committee for doing a very good job.

0056

Those people are going for the second term. We have been monitoring through oversight and other functions the activities of all MDAs, (Ministries, Departments and Agencies). We can say without mincing words that the Pension Commission has performed creditably well. That simply means that all the Members irrespective of age, height, colour and sizes have performed creditably. Therefore, any groundwork against any Member should have been done at the Committee level. The Committee has recommended those persons and there is nothing on the face value of the documents before this Senate to signify that any of them is disqualified.

I urge my respectable Deputy Senate President that we as a distinguished Senate need not dig beyond what is on the face value of the documents before us and generally as a distinguished Senate adopt the recommendations of the Committee and then pass the entire Membership of the Committee as it stands.

Senator George Thompson Sekibo: First of all, I commend the Chairman and Members of the Committee on Establishment and Public Service. They have done a precise work in detail. At the end of the Committee's work, it has recommended that all the six Commissioners be returned. The Committee gave details of the interview that was conducted on each of them and for each of them the Committee considered the persons suitable to go back. Again, as Senator Wada has said, if you watch the activities of the National Pension Commission in the past few years, they have been doing very well. That being so, we have to encourage them.

The Deputy Senate President made a point about the age of the nominee from the South-East. The present age of the man cannot disqualify him from being a Commissioner of the Pension Commission. If that cannot, we cannot be thinking about the futuristic age that in the next five years he will be this and then use that as a yardstick to drop him.

I will appeal that we wait. In the next four or five years when the man is overdue, more consultations can then be done for his replacement. On that note and considering the fact that we have a precise and clear Report before us, I would suggest that the Question be put for us to adopt the Report.

Senator Nuhu Aliyu (Niger North): My distinguished Colleagues, I would like you to have a second look at Senator Nuhu Aliyu born in 1941 and still going strong.

Several distinguished Senators: Yes! Yes!

0057

Senator Nuhu Aliyu: I would like to appeal to the Deputy Senate President to overlook the issue of age. That nominee is my age mate. What I know is that in the next four years, I believe the gentleman will still be going strong. In fact, distinguished Senator Jibril Aminu is much older than me and still going strong. In fact, the number of years of the gentleman from the South-East will make him more qualified because age is very important as far as pension matters are concerned.

As my other Colleagues said, please, let us allow and confirm the Report of the Committee that has done wonderfully well. I am in support of the Report and I would like Mr. Chairman to put the Question. I am sure all of them will go through.

Senator Hosea O. Ehinlanwo (Ondo South): Mr. Chairman, I lend my voice to the praise we have been pouring on the Committee. Why I have to speak is because it has come to the question of age. The more the age of a candidate, the more active he is and the better his performance.

I have looked at the membership of the Commission; the Chairman was born in 1938. In the Report, the Committee has recommended him for a second term which means the man who was born in 1941 is even younger. We belong to the same age bracket and we are still performing up till today; we are in business. So, I would lend my voice to the fact that this Senate must listen to the recommendation of the Committee. Since they have recommended all of them, they have performed creditably well.

I would also want to lend my voice to that of the Committee that we allow all of them to go and perform the second time.

Senator Ike Ekweremadu: After listening to the nominee's age mates (*Laughter*) and after consultation with my Colleagues from the South East, we have decided to withdraw our earlier request.

Actually, our initial position was that we had expected the nominee to speak to our Colleagues from the South-East as that would enable them determine his suitability for the job, which he did not do. But, having considered the appeal of our Colleagues, and our desire to pray to God to grant him good health and strength to represent us appropriately, it is our desire to withdraw the earlier request and appeal to our distinguished Colleagues to grant him easy passage.

The Chairman: Thank you very much the Deputy Senate President and those in the same age group of Mr.

0058

Nnaemeka Akubueze for your very useful contributions particularly, the emphasis on the fact that you are still performing very well. Distinguished Senator Jibril Aminu summed it up. He said performing very well in all facets. I think Mr. Akubueze has had a reprieve this afternoon. So, let me now put the Question.

Would the Senate approve the nomination of Chief Oluwole Alani Adeosun as a Chairman of the National Pension Commission?

Question put and agreed to.

Would the Senate approve the nomination of Alhaji Muhammad Kabiru Ahmad as the Director General/Chief Executive Officer of the National Pension Commission?

Question put and agreed to.

Would the Senate approve the nomination of Mr. Pius Nnaemeka Akubueze as the Commissioner in the National Pension Commission?

Question put and agreed to.

Would the Senate approve the nomination of Ms Eyamba Theresa Henshaw as a Commissioner in the National Pension Commission?

Question put and agreed to.

Would the Senate approve the nomination of Dr. Musa Abdullahi Ibrahim as a Commissioner in the National Pension Commission?

Question put and agreed to.

Would the Senate approve the nomination of Mr. Manzuma Tsoeda Mamman as a Commissioner in the National Pension Commission?

Question put and agreed to.

Senator Teslim K. Folarin: Mr. Chairman, I move that you now report progress.

Senator Maina Ma'aji Lawan: Mr. Chairman, I second the Motion that the Chairman do now report progress.

Question put and agreed to.

0059

(The President resumed the Chair)

The President: The Senate in the Committee of the Whole considered the Report of the Committee on Establishment and Public Service, on the Screening of the Presidential Nominees for appointment as Chairman, Director-General/Chief Executive and Commissioners of the National Pension Commission and approved the following:

1. Chief Oluwole Alani Adeosun (OON), (South West) - Chairman
2. Mr. Muhammad Kabiru Ahmad, (North- East) - Director General
3. Mr. Pius Nnaemeka Akubueze (South -East) - Commissioner
4. Mr. Manzuma Tsoeda Mamman (North -Central) - Commissioner
5. Dr. Musa Abdullahi Ibrahim (North -West) - Commissioner
6. Ms. Eyamba Theresa Henshaw (South -South) - Commissioner

Is this a true reflection of what transpired in the Committee of the Whole?

Several distinguished Senators: Yes.

Confirmation of Presidential Nominees

The President: Would the Senate Confirm the nomination of the Chairman, Director-General/Chief Executive and Members of the National Pension Commission as follows:

1. Chief Oluwole Alani Adeosun - Question put and agreed to.
2. Alhaji Muhammad Kabiru Ahmad - Question put and agreed to.
3. Mr. Pius Nnaemeka Akubueze - Question put and agreed to.
4. Ms. Eyamba Theresa Henshaw - Question put and agreed to.
5. Dr. Musa Abdullahi Ibrahim - Question put and agreed to.

0060

6. Mr. Manzuma Tsoeda Mamman - Question put and agreed to.

Resolved: That the Senate do confirm the nominations of Chief Oluwole Alani Adeosun, Alhaji Muhammad Kabiru Ahmad, Mr. Pius Nnaemeka Akubueze, Mr. Manzuma Tsoeda Mamman, Dr. Musa Abdullahi Ibrahim, and Ms. Eyamba Theresa Henshaw as Chairman, Director General/CEO and Commissioner of the National Pension Commission.

That concludes the Chairmanship and Commissionership appointments in the National Pension Commission. I thank all of you for your contributions. The lesson from the case of Mr. Pius Nnaemeka Akubueze is the fact that all the Commissioners must learn to relate with their representatives. They will not operate in isolation. Again, the fact that anybody is re-nominated does not mean that he should distance himself because we are truly the representatives of the people.

I want to particularly thank our Colleagues for your consideration and also the Deputy Senate President (DSP) for accepting the will of the majority of the people. He is a true democrat to the core and those who come from the military background and who understand democracy know that when we lay wreath for them tomorrow, they are true defenders of democracy.

CONSIDERATION OF A BILL

Chartered Institute of Management Accountants Bill, 2009

A Bill for an Act to Establish the Chartered Institute of Management Accountants to Provide for the Control of the Membership and to Promote and Foster the Practice of the Arts and Science of Management Accountancy in the Federation and for Other Purposes Connected Therewith, 2009.

Senator Teslim Kolawole Folarin: Mr. President, the third and last Order of the day is the Second Reading of the Chartered Institute of Management Accountants Bill, 2009. The Bill was read the First Time on Tuesday, 24th July, 2007.

You may wish to invite Senator Omar A. Hambagda to move the Motion for the Bill to be Read the Second Time.

Senator Omar A. Hambagda (Borno South): Mr. President, I want to take it that since it is an itemized matter, I will just go straight to the business.

0061

I am pleased to have the opportunity to lead the debate on the general principles of this important Bill which seeks to establish the Chartered Institute of Management Accountants of Nigeria (CIMA) for the purpose of enabling the Institute control its membership and promote and foster the practice of the arts and science of management accounting in Nigeria. This Bill was read the First Time in this Chamber on June 24, 2007.

Before proceeding to highlight the main features of the Bill, permit me to make a few remarks on the evolution of Management Accounting. Management Accounting as a professional accounting body was first registered in England and Wales as the Chartered Institute of Costs and Works Accountants (ICWA) in 1919.

In response to increased sophistication and complexity in the management of private and public organisations which resulted from the rapid scientific and technological advances of the 21st Century, the Institute had to fundamentally restructure its curricula and course contents resulting in re-designation of the name of the Institute to Institute of Cost and Management Accountants (CIMA) and Chartered Institute of Management Accountants (CIMA) in 1966 and 1987 respectively.

Today, the CIMA professional qualification stands apart. It is highly regarded around the world because of its emphasis on strategic management and the fact that students can apply what they are studying directly to everyday activities.

The three core learning pillars – Management Accounting; Strategic and Operations Management; and Financial Management give in-dept expertise and strategic skills, whilst the practical experience requirements ensure that learning is integrated into the day-to-day tasks and real skills are developed. The CIMA syllabus also covers such key areas as risk assessment, ethics and project management in detail. Thus, the CIMA syllabus delivers more management content, more management accounting, and more strategy than other professional accountancy qualifications.

Presently, the Chartered Institute of Management Accountants of England and Wales registers more than 85,000 students annually from 156 countries around the world.

Like most other professional institutions in Nigeria, such as the Institute of Chartered Accountants of Nigeria (ICAN), Chartered Institute of Marketing of

0062

Nigeria (CIMN), Chartered Institute of Purchasing and Supply of Nigeria (CIPS), *et cetera*. which were formed by members who qualified from institutes based in the United Kingdom, the Institute of Management Accountants of Nigeria which is being considered today was also formed by those Nigerians who qualified from the Chartered Institute of Management Accountants of England and Wales.

There are three basic reasons why we should support the establishment of the Chartered Institute of Management Accountants of Nigeria. Firstly, with the increasing desire for transparency and accountability in the management of our organisations, there is need to step up the training of professional accountants whose specialisation is based on Costs, Costs Estimates, Budgeting and their relationships to the operations and strategic visions of our organisations.

Secondly, the curricula and course contents of the British Institute which, has hitherto acted as the training centre of Nigerian professionals obviously reflect the needs and circumstances of British industry and commerce. As a result, those Nigerians who qualify from the British Institute have to do a lot of re-orientation and re-training in order for them to function effectively and efficiently in the Nigerian environment.

Thirdly, Nigerians wishing to acquire these qualifications have to spend a lot of foreign exchange registering for the examinations as well as paying to sustain their membership. It is for these reasons that I urge you, my distinguished Colleagues, to support this Bill.

Highlights of the Bill:

The functions and objectives of the Chartered Institute of Management Accountants of Nigeria are captured in Clause 2 of the Bill under consideration and include, among others, to:

- (a) Impart specialised knowledge and expertise in its members in the collection, collation, interpretation and communication of a wide range of information and the furnishing of advice regarding costs, costs trends, measurement of performance against standards, budgets, pricing and the effect of changes in volume of sales and production and other matters necessary for facilitating sound day-to-day control and prudent application and management of available resources.

0063

- (b) Determine the standards of knowledge and skills to be acquired and attained by persons seeking to become registered members of the Institute.
- (c) Promotion and development of the Arts and Science of Management Accountancy including promotion of continuous education and training of members admitted to practice thereof; and
- (d) Maintain discipline in the profession and amongst members.

Clauses 3, 4 and 5 of the Bill provide for the categories of membership of the Institute, election of principal officers of the Institute, establishment and composition of the Council for the Institute and appointment of Board of Fellows.

Clauses 7, 8 and 9 of the Bill provide for funding, powers of borrowing, annual estimates and auditing of the Institute. Specifically, the Bill places the burden of financing its activities on the Institute, while Government may only give grants-in-aid when it deems necessary. But to all intents and purposes, the Bill does not have any direct financial implication for the Government.

Clauses 10, 11, 12, 13 and 14 provide for the appointment and duties of the Registrar of the Institute as well as qualifications to be attained by persons seeking to register as students for purposes of acquiring the qualifications of the Institute.

Clauses 15 and 16 provide for discipline of members including provision for establishment of Disciplinary Tribunal and Investigation Panel, while Clauses 17, 18 and 19 deal with miscellaneous and supplementary issues.

Clauses 21 and 22 address rules and regulations of the Institute, while the rest of the Bill are Schedules that provide for various issues relating to the operations of the Institute.

From the brief highlight of this Bill, it is clear that the Institute of Management Accountants is one professional organisation that will add value to the increasing desire of the Nigerian economy for effective, efficient and economical management of resources of both the private and the public sector organisations.

0064

I, therefore, urge you all my distinguished Colleagues to support this Bill and give it an accelerated passage.

Thank you for your attention.

Senator Mohammed A. Muhammed (Bauchi Central): Mr. President, I am a Fellow of the Institute of Chartered Accountants of Nigeria. I do not support this Bill. What does the presenter mean by management accounting? What is the difference between management accounting and accountancy generally?

What is happening is that people who do not want to go through the rigours and high standards set by Institute of Chartered Accountants of Nigeria (ICAN) go around getting it in an easier way. In Nigeria today where we have problem of corruption and mismanagement, we have to go for higher standards.

In fact, what brought about the setting up of the Institute of Cost and Management Accountant in the United Kingdom in those days was to differentiate between an Industrial Accountant and the Chartered Accountant who is looking after the general financial business. With the deployment of IT, all accounting functions are now really the same whether you are an accountant in an industry, a commercial bank or a trading organisation, IT has brought all accounting functions together.

On this issue of standards, there was a lot of opposition against ICAN and ANAN was established for accountants in the local governments, ministries and departments of governments. Let us not establish organisations just for the sake of establishing them to bring down the standards. In fact, there are quite a number of ANAN members who keep saying that Nigeria needs more of these bodies but let us keep to the standards.

Really, accountancy is accountancy; it is one profession and I do not want to draw any line of distinction for management accountants. Everybody is a management accountant. It is only in accountancy that even a small cashier in the shop corner will call himself an accountant. You do not get people calling themselves doctors if they are not qualified but in accountancy even the housewife expending the housekeeping money calls herself an accountant.

Please, let us keep the standards and strengthen ICAN especially now that a lot of problems are caused through financial indiscipline in the economy. So, I do not support the Bill.

0065

Senator Kabiru Ibrahim Gaya (Kano South): Mr. President, my views are contrary to what the last speaker has just said. The issue of giving job opportunities to people is of paramount importance. I know we had similar problems initially in other professional institutions.

The Chartered Institute of Cost and Works Accountant (ICWA) has been in existence in England since 1919. There is no reason setting up another organisation like this in Nigeria. It is bureaucracy that stops other people from becoming qualified professionals in the system. That is why we keep on bringing professionals from outside the country to assist us in our jobs internally. We had just proposed a Bill on local contents to encourage Nigerians to be full professionals so as to service this nation effectively.

So, I congratulate Senator Hambagda for this Motion which seeks to give employment to Nigerians. It is a highly programmed Bill and I sincerely support it in that direction.

Senator Felix Kolawole Bajomo (Ogun West): I believe I owe it as a duty to let us into some aspects of accountancy development not only in this country but all over the world. Nigeria as a nation, should be careful not to create a situation that would make us totally different from other nations. The fact that Britain, our Colonial Master at one time, adopted a particular approach to professionalism does not mean that Nigeria should continue to follow suit. If it was correct and appropriate for us to continue to drive on the left rather than on the right as is being done in the other parts of the world, then Nigeria would have no need to change from driving on the left to the right.

If ICWA, Municipal Treasurers and Institute of Chartered Accountants still exist in UK it is because of the peculiar situation in Britain. In France, Germany, South Africa, Uganda and Ghana you would not find them there. Even Britain has now realised that the continued proliferation of accounting profession is not in their interest. Attempts have been made by the CIMA in the UK to merge with the Institute of Chartered Accountants of England and Wales. Negotiations are ongoing and they have almost reached an agreement.

In 1965, all the qualified accountants in this country; Municipal Treasurers, CIMA, Certified Accountants, Municipal Treasurers, *et cetera* including CPF of America came together to form a body called the Institute of Chartered Accountants of Nigeria and the syllabi of all these professions were collapsed into one. They also gave emphasis to management

accounting as a separate curriculum in the syllabus of the Institute.

As it is now, the syllabus of Management Accountants has equally been merged with ICAN syllabus. Having another body is going to create a kind of proliferation. It is like creating different body for Ophthalmologists within the same Medical Association and not as a separate association. You can have areas of specialisation. Today, Chartered Accountants specialise in auditing, management accounting, consulting and insolvency. Now we have ANAN which specialises in government accounting as it also exists in ICAN.

I believe that we have sufficient number of Institutes and Associations to handle our accounting needs in Nigeria. The continued proliferation of Institutes and Associations, is in my view, not good for this country.

The President: Minority Leader, are you also a member of the profession?

Senator Maina Ma'aji Lawan: Mr. President, I am not a member of the accountancy profession but I rise to lend my voice in support of the sponsor of the Bill, Senator Omar Hambagda, the authentic Comrade.

The debate on creating more professional bodies in the accountancy profession did not start with this one. I recall that in the House of Representatives between 1979 and 1983, the debate on the establishment of ANAN came up. The Bill on ANAN at that time appeared novel. ICAN, which then was the only professional umbrella, fought tooth and nail; nothing was spared including the use of blackmail and professional tactics, *et cetera*. Today, after the passage of the ANAN Bill, I am sure even practitioners do acknowledge that ANAN has a place in the management of the accountancy profession in Nigeria.

It is true that it may chop off something from ICAN that is understandable. However, I want my Colleagues to give a deeper reflection into the content of this Bill. Cost and Management Accounting is a specialised aspect within the accountancy profession. I have a little background to it but because of the might and the advantageous head start of a given professional body, we should not simply kill the essential bodies in specialised sectors that want to assert their independence and set their own standards.

With this, I lend my voice and call upon my distinguished Colleagues to draw from the lesson of the acrimony between ANAN and ICAN then and give the

0066

0067

Institute of Cost and Management Accountants as proposed the backing that they deserve.

Senator Audu Idris Umar (Gombe Central): Mr. President, I lend my voice in support of this all-important Bill. I have noted the reservation expressed by distinguished Senator Mohammed A. Mohammed and Senator Felix Bajomo as professionals and as members of ICAN. I know it is a very difficult thing asking a member of ICAN to accept that any other professional accounting body be established by law in this country.

This was clearly manifested when the debate on the establishment of ANAN was on. Indeed, it was fought rigorously and they had occasion to go to court. The question that we should ask ourselves in matters of this nature is whether the establishment of ANAN has in any way contributed in the advancement of public accountability and public accountancy. In other words, has the establishment of ANAN helped the cause of the profession or diminished it? The simple answer is that the establishment of ANAN has helped greatly in enhancing the quality of accountancy in this country. That being so, I believe that allowing the establishment of this particular Institute will help to further raise the quality of practice of accountancy profession in this country.

We are in a democracy now and if you take a look at the spirit of the Constitution, the public control on funds in this country is enormous. Section 162 of the Constitution says that all money accruing to the Federation goes to one account and all moneys from this particular account which is the Federation Account is shared among the three tiers of government.

A lot of money; in fact, billions of Naira go to the Local Governments and the State Governments as well as the Federal Government. We have managers of our accounts at various tiers of government. We need to train them; we need to regulate their conducts and attitude. The establishment of this Institute will help a lot in giving opportunities to managers of our moneys at the various tiers of government to be trained and regulated.

Whether you have an Institute such as ICAN whose examinations sometimes are deliberately made difficult to be passed and deliberately intended to restrict the number of people that would qualify, I think we would be doing a very big service to this country if we allow the establishment of other Institutes, not just this Institute but other institutes that would regulate the conduct of our managers of our finances at various levels of government.

0068

For this reason and many others, I support that we pass this Bill, send it to the appropriate Committee that will look at the letters of the Bill and see where amendments can be made and finally submit its report to this hallowed Chamber. I so support the Bill.

Senator Anyim Chukwu Ude (Ebonyi South): Mr. President, when we talk of accountants and accounting, one cannot forget the quantum of corruption in this country; whether corruption in NNPC or in Nigerian Railways or in aviation industry, you will find that Accountants' figures are involved.

I would like to know whether the creation of more professional institutions will help to reduce corruption in Nigeria. I believe that one way of getting an answer to that would be to refer this Bill to the appropriate Committee for Public Hearing, where we, who are not professionals, would be able to get more facts. At the end of the day, we would be able to know whether it is the more the merrier or the fewer the better in the area of reduction of corruption in Nigeria.

I recommend that we pass this on to the relevant Committee to organise a Public Hearing to give more information to this distinguished Senate.

Senator Ibrahim Saminu Turaki (Jigawa North-West): Mr. President, the problem we have in Nigeria is in having one accounting body, because ICAN has become too strong. I just want to give two examples: I remember that before we had the National Social Insurance Trust Fund, which failed because Accountants usually look at the past records. I am a trained actuary and we look at the future. If you look at the candidates we have just confirmed their appointments for Pension Commission, there are four Accountants against one Actuary. As we speak, the Pension Fund has lost almost 28 *per cent* of its value today as the Naira devalues. My Uncle bought his house in Bauchi in the 1960s for N1,000; today, that house may worth N10 million or N50 million and that is why we said 25 *per cent* of the money should be invested in housing estates which has not been done.

I remember the Director General of PENCOM (Pension Commission) saying that he has lost almost 30 *per cent* on shares that they invested in because of this economic crisis and this money belongs to the pensioners in the next 40 years. In 20 or 30 years time, I will be their age and I would be going for that money.

For us to argue that we cannot have another body is wrong, because Management Accountants are for particular purposes and it has nothing to do with what

0069

causes corruption. As a matter of fact, corruption is not caused by that. If you go to Jigawa State we do not have many Chartered Accountants.

A good Chartered Accountant does not mean a good Management Accountant. In my profession as an Actuary, I read law in addition to reading Accountancy but it does not make me a Lawyer or an Accountant. Senator Kabiru Gaya would not claim to be a Quantity Surveyor even though he read Quantity Survey; he is an Architect. So, there is no point for this argument. The passage of the Bill will help our country, our economy and help us give better services especially now that we are talking of PPP and Private Investment in Infrastructure. If you do not have Management Accountants, how will you do it?

We should look at the Bill and pass it to the relevant Committee because we are losing a lot by putting Accountants where they do not belong. I wanted to speak based on my profession when we were doing screening of the nominees for PENCOT but I was not able to catch Mr. President's eyes. PENCOT has four Accountants and one Actuary yet it is not their profession but that of Actuaries.

The President: Sorry, which one is for the Actuaries that you did not speak?

Senator Ibrahim Saminu Turaki: It was during PENCOT consideration. As Governor of Jigawa State, in 2001 I assented to a Law and Comrade Adams Oshiomhole was the President of Nigerian Labour Congress then, he organised a riot in Jigawa State then saying that we would not have Contributory Pensions Scheme. The Law we passed then is the same Law that was now passed at the Federal level. I remember we did 17 *per cent* for Government and 8 *per cent* for employees. We had the first Mortgage Scheme under our Pension Scheme and today it is fully funded. Federal Government has two Pension Schemes and Jigawa State has only one but we were the first in the country to have that. We were able to do that because it was my profession.

Senator Suleiman Adokwe (Nasarawa South): Mr. President, I rise to lend my support to this Bill. Inasmuch as I am always in tandem with Senator Mohammed, this is one time that I will not follow him for the simple reason that he traced the history of ICAN itself. At a certain point in this country, ICAN was seen as not standard because anybody who had ACCA from UK was seen as the best Accountant. But over time, ICAN has now assumed almost the same status as anybody who has an ACCA from the UK.

0070

In similar fashion, we were able to come up with ANAN and at that time, like Senator Mohammed said; most Accountants in the Ministries and Local Governments were people who simply started as Clerical Accountants and went for six months or one year course and became Executive Officers (Accounts), and eventually rose to become Accountant-Generals of State Governments with very little exposure to other trainings. As a result of ANAN, they were forced to go back for re-training even if it did not reach the standard of ICAN, if we can concede to them that they are the better standard. At least, it exposed those people to certain trainings that updated their knowledge.

At a certain point, Accountants in Ministries who did not have any form of ANAN training could hardly reconcile bank accounts of the Ministries with other transactions they held on behalf of the Government with banks. But now, that has improved tremendously. If at the moment, we want to establish an Institute of Chartered Management Accountants that will further broaden the play ground for people who would operate accounts at various jurisdictions.

I believe, too, that while we are making international comparisons, we must also take note of our local economy. Sometimes, we want to state best practises comparing the Nigerian economy to that of France, UK, America and so on and so forth, but we forget that apart from very key sectors of the economy, like the oil industry and a few others, most of the sectors of our economy are at the rudimentary stage and so, we should be able to make provisions for people who can manage some of these developments.

Most of the small scale industries we have cannot afford the services of the holder of ICAN. They should be able to get the services of somebody that can do some cost management analysis for them in order to improve upon their businesses.

In the light of this, I want to support this Bill and that it should be given the necessary accelerated hearing.

The President: Senator Omar, just for clarification purposes. Would an Actuarist immediately qualify to be a member of this body or he has to take some other courses like Architecture or Quantity Surveyor? This is because my understanding really is that there will be syllabus for this particular group and you can do any examination. If you are able to pass through, then you would qualify to be a member. I just want a clarification when you are responding to the several questions that have been posed here.

0071

Now, let me take the last contributions from here. Distinguished Senator Ida, you have the Floor.

Senator Ibrahim Mohammed Ida (Katsina Central): Mr. President. I am a qualified Chattered Banker, an Economist and also a Lawyer. I am giving my background because honestly speaking, this is an issue that interests me very much. I want to lend my support to it and in so doing, I want to clarify certain issues.

Some points have been raised to the effect that there are so many accounting bodies. But, I want to make it very clear that accounting could be divided into two aspects: There is the financial accounting that deals with the preparation of final accounts, trial balance, profit and loss accounts, balance sheets, appreciation of accounts *et cetera*. There is also the cost and management accounting that deals with production, breakeven points, marginal costing and revenue; the idea being to determine the cost of an item in order that you can fix a price for it.

This one is a profession that has been going on for a long time. Nigerians were sent abroad to the United Kingdom to train as Cost and Management Accountants. What is happening now is exactly what happened in respect of ICAN and Chattered Institute of Bankers. What is being proposed here is that rather than going to train as management accountant in the United Kingdom and depriving yourself of local condition and environment, it is to be domiciled here and the syllabi will include among other things, Nigerian laws on taxation and so on; domiciling a qualification that we use to go abroad to acquire.

It is a very important thing that is being proposed and as I said, we need to have locally produced Cost and Management Accountants particularly at this time when many of our industries are down and we want to increase our industrial output. Cost and Management Accounting is very critical in the improvement of the productive sector of any economy.

We have so many Financial Accountants but very few Cost and Management Accountants. I say this with all the emphasis I can command. In this event, I do not think we have any choice than to refer this Bill to the appropriate Committee for an in-depth work to be done because whether we do it now or later, we have to have our local Cost and Management Accounting set up as we have in the case of Bankers which was formerly Institute of Bankers of London but now Chattered Institute of Bankers of Nigeria. ACCA used to be in London but now we have ICAN. There is everything good in having our Cost and Management Accountants

0072

produced here in Nigeria. The Institute that is being proposed in this Bill is the best thing that could happen in that direction.

The President: Are there Senators who want to speak against this Bill?

Senator Lee Ledogo Maeba (Rivers South East): Mr. President, I rise to speak completely against this Bill for these obvious reasons.

We will be doing disservice to the nation if we sit down here and do things that will lower the standard of our educational system that is already dipping. ICAN is a body that is recognised all over the world. Whenever you go you can use ICAN certificate to work. It is accepted in the United Kingdom and throughout the European Union. This thing they talk about ANAN, the certificate is not tenable anywhere outside the four corners of this country. Nigerians are trooping into Ghana because Ghana has maintained a primitive and traditional standard of education.

Accountants who left schools without coping to the tenets of accountancy, have been failing ICAN examinations and now they have found a way to pass through the easy channel.

If you become a Management Accountant, what is the difference between you and a Chattered Accountant? We cannot sit down here and dismiss the words spoken by a former President of Institute of Chattered Accountants of Nigeria that Management Accountancy is in the syllabus of Institute of Chattered Accountants of Nigeria. A chartered Accountant is an Accountant who has read everything about accountancy. He is an embodiment of accountancy. He has read accountancy; absorbed and digested it and he is the kind of person who can manage our traditional accounting system.

We do not need to cut standards. The Council of Engineers, COREN; many Engineers who could not pass their examinations have been doing the same thing in creating bodies that are not recognised any other place in the world.

So, I believe that at this time when we are charting the education system in Nigeria to be a place where people can come from other countries to study. Nigerians are trooping into Ghana, they even started going to Cote d'Ivoire. When shall we have an educational system that works, respected and rigorous?

0073

We should be mindful of lowering our standard which is not helping us; either in accountancy, engineering or in medicine.

I believe that adapting to traditional system that works is what we should insist on. When you talk of ACCA in London, have they changed it? They kept to it. ICAN has come to stay. Anybody who cannot pass the examination should go to another profession like carpentry and forget accountancy (*Laughter*). When we talk of corruption, it is because we do not have the real people who sit there and insist on the right code for accounting. When we talk of corruption, it is because we have people who are ready to cut standards because they have no alliance to any professional body whose ethnics they would breach if they lower their standard.

The Institute of Chartered Accountants have set that ethical standard that if you are found wanting they can withdraw your certificate. Which certificate will you withdraw from ANAN? It is neither here nor there; it is not recognised anywhere.

In conclusion, in my opinion, the world is looking at us because these proceedings are beamed live. They are looking at us from U K and America and this standard has been accepted around the world. So we should keep to that rigorous traditional standard that has been accepted and allow Senator Hambagda to advise the lobbyists to go and adapt to ICAN rules so that we can have a good accounting ethics.

Senator Jibril Mohammed (Kaduna Central): Mr. President, I am going to speak entirely against the position presented by Senator Lee Maeba (*Prolonged Laughter*). The argument of Senator Maeba is completely out of the concept of the arguments in favour or against this Bill.

The Bill is not setting any standards for examination. All it seeks to do is to further professionalise the department of accounting that is lacking in this country. So many people will like to go into businesses but we do not have any accountants to guide them. This Bill seeks to achieve professionalism in that line. Cost and Management Accountants are likely going to lead us into ways of establishing small businesses and industries.

This country has been battling to set up small and medium scale business enterprises for a long time. We have made several laws but so far, we have not been able to implement provisions of these laws because we do not have sufficient guidance. So many young people

0074

in our country now are battling to go into one field of industry, marketing or the other but they do not have a guide.

I believe this Bill, if passed, is likely going to guide a lot of our young industrial minds to go into businesses prepared with proper understanding of the cost and management of those businesses. It is going to help the people of this country. It is not a question of setting or not setting examinations. It is better to make this clarification.

Senator Nicholas Yahaya Ugbane (Kogi East): Mr. President, it is necessary to explain the difference between these two bodies as a final user of accounting information. As a Fellow of the Chartered Institute of Bankers and having risen to the peak of that profession, I have been opportune to use information provided by ICAN and CIMA.

Usually, when there is a monopoly, any attempt to create another body that is equally unique and dignified is always resisted. That is the situation today. We have Association of Certified and Chartered Accountants and Institute of Cost and Management Accountants all of United Kingdom. They are still there. They are negotiating to merge but they have not succeeded because each body has its own ethics and practices.

The difference is that while ICAN places emphasis on taxation, CIMA is on costing and management. If you ask these two bodies to supply information, what is strategic to the user of that information as the Chief Executive is the information provided. So, for the purposes of strategic planning, operation management and quantitative analysis which has to do with forecasting and assessment of what will happen in an organisation, information from CIMA is very important. It is not a question of lowering the standard. Cost Management Accountants have their own standards. ICAN has its own standards as well.

We also have to contend with the issue of frustration. You need to be an Articled Clerk in a firm of Chartered Accountants for so many years before you qualify. CIMA has its own standards but then the two bodies are different and there is no point trying to frustrate one at the expense of the other.

I am in support of this Bill and we should allow it to go to the Committee. I want to endorse the recommendation of Senator Anyimchukwu Ude that there should be Public Hearing. Establishment of this body would be better for all of us. There is no point trying to prevent one body from coming up. There is

0075

always a danger of monopoly and this equally competent accounting body recognised all over the world should see the light of the day in Nigeria.

Employers of labour are at liberty to engage those they want to engage. If they think graduates of ICAN are suitable to their operations they will engage them. On the other hand, if they feel graduates of CIMA are more useful to them they will engage them and the labour market will prove it.

The President: Senator Umar, you have to clarify this. Senator Nicholas, you said the two bodies in the United Kingdom are trying to merge and my understanding is that they have agreed to merge but the issue now is the terms of the merger. Is that the correct information because that is your argument?

Senator Nicholas Y. Ugbane: I took that from what Senator Kola Bajomo said. As far as I am concerned, I am not aware of any progress made in that regard.

On my own, I support this Bill; I want it to go and no amount of merger will come up; we are not even sure of its success. Therefore, I endorse the Bill. I want it to scale through.

The President: Senator Ahmed Lawan, are you against Senator Nicholas Ugbane's position?

Senator Ahmed Lawan (Yobe North): No, but I have a submission to make.

The President: Senator Umar, you have to make some clarifications.

Senator Omar A. Hambagda: Mr. President, the first Colleague talked about IT. I am surprised that he talked about IT as an opposition to the admission of management accounting. Management accounting looks at the cost and financial implications of management decisions as well as its operation within the organisations. Members of ICAN are auditors; they are Chartered Accountants. The law says that organisations' accounts must be audited by Chartered Accountants. That is the position.

When the late General Abacha's regime clamped down on banks, ICAN said that they were not internal managers but auditors. They audit the cost of operations. Management Accountants are the operation people. Therefore, it is not correct to suggest that IT is going to eliminate Management Accounting. It should rather eliminate those who deal specifically on figures.

0076

Management Accounting that tries to integrate and analyse the cost information, financial information and management decisions is actually more important.

Secondly, Senator Bajomo said that when they designed ICAN they included management accounting, taxation and auditing. What kind of qualification is that going to be? Can you really be strong in any area when you pile everything like that? You want to be a specialist surgeon, a specialist paediatrician, a specialist physician; jack of all trade. That explains the problem of accounting in the country.

A distinguished Colleague talked about reduction in corruption. This morning we have been talking about budgeting. We put cost of projects, but nobody attempts to analyse the life span of the projects on which you have expended money. What is going to be the implication on inflation? How can you use your wealth of experience, for example, to benefit your organisation?

On the public accountants that they have integrated into ICAN, there is no accounting in government; what they are doing is bookkeeping because there is deficiency in training. If the Chartered Institute of Public Accountants were there, they would have focused on government accounting and come up with stronger and more robust method of managing government accounting. But ICAN is blocking everybody yet they are unable to provide anything.

What I am saying is that if we are going to account properly for efficiency and effectiveness of management of our resources, then management accounting is the profession that will add value to that. It is likely to have greater capacity to reduce corruption than ICAN would want us to believe.

There was a question raised regarding the entry of other professionals; Architects, Quantity Surveyors and so on. *(Interruptions)*

Senator Lee L. Maeba: Point of Order, Mr. President!

The President: What is the Point of Order, Senator Lee Maeba.

Senator Lee L. Maeba: Mr. President, it is Order 77(3) of our Standing Orders. With your permission, I read: *A compendium of the background information and financial implications shall accompany every Bill.* Debate and argument are being generated here because there is no compendium of background information and

0077

financial implications attached to this Bill. Based on the provision of this Order, I move that this Bill be stood down until we have the background information and the financial implications of this Bill.

The President: Thank you very much, Senator Lee Maeba. You raised Order 77(3) on the compendium of background information and financial implications of the Bill. If you read the Order properly, and I hope that is not where the error in your debate came from, it is not a body that would be set up by the government; it is just a professional body, therefore, there is no question of financial implications.

The bodies that will set them up will run it the way they want to. I just want to ensure that my explanation has gone down well with you first or do you see it otherwise?

Senator Lee L. Maeba: Of course.

The President: Where will the money come from?

Senator Lee L. Maeba: Complying with our Rule is a rigorous exercise and I wish Mr. President who interprets the Rule to tell me what is compendium of background information.

We have been ignoring this but it is very necessary for distinguished Senators to know what brought about the Bill. It is our right. Even if we have been ignoring it in the past, it is very necessary when arguments arise that we need the compendium of the background information of a Bill it should be made available. It is a tradition in every Parliament. So, I submit that I do not understand where this Bill is coming from. I need a background information about this Bill.

The President: If you say that you do not understand it, it is a different subject matter.

Senator Lee L. Maeba: I do not understand it, Sir.

The President: That is precisely what Senator Omar Hambagda was trying to do to make you understand.

Senator Lee Maeba, in the first place, my interpretation of the Rule is final but I want to carry you along in the course of this interpretation. So, all that he is doing is giving further explanation as to the issues that he had already detailed out in his covering note. In the general principles of the Bill that he has put across, he has given further explanations. I thank you for giving me an opportunity to rule you out of Order.

Senator Omar Hambagda, you have to round up in two minutes, please.

0078

Senator Omar A. Hambagda: On the qualification of other professionals; normally if you have any qualification, you submit to the Institute. The Institute has a Committee to study the course content of the qualification you have. In some cases, they may give you waiver in Foundation Papers if they realise that the qualification you have has covered sufficient ground. But one is exempted from the professional stage.

Finally, on the background information, I gave a historical background of the evolution of this profession and I said that like ICAN, Institute of Marketing and all other professionals that qualified from the United Kingdom, they tried to domesticate their qualifications. This is being put forward by Chartered Management Accountants who qualified from the UK. So, I do not know what additional information distinguished Senator Lee Maeba needs. I have also specified on page 4 that there is no financial implication to the government. The Institute is self sponsored.

The President: I think I should put the Question now on the Second Reading of the Bill?

Several distinguished Senators: Yes.

Question put and agreed to.

The President: The Bill is referred to the Committee on Establishment as the lead Committee and the Committee on Finance. They should report the Bill back to the Senate in four weeks time.

Bill read the Second Time and referred to the Committees on Establishment and Finance to report in four weeks time.

ADJOURNMENT

Senator Teslim K. Folarin: Mr. President I now move that the Senate do adjourn till tomorrow, Thursday, 15th January, 2009 at 10.00 a.m.

Senator Ahmed I. Lawan: Mr. President, I second the Motion moved by the Senate Leader.

The President: Before I put the Question, let me remind distinguished Senators that wreath laying at the Armed Forces Remembrance Day will be by 10.00 a.m. tomorrow, 15th January, 2009 for those who may wish to attend.

Question put and agreed to.

Resolved: That the Senate do stand adjourned till tomorrow, Thursday 15th January, 2009 at 10.00 a.m.

The Senate adjourned accordingly at 2.00 p.m.