



FEDERAL REPUBLIC OF NIGERIA

NATIONAL ASSEMBLY DEBATES

**FOURTH REPUBLIC
THIRD ASSEMBLY
FIRST SESSION**

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HOUSE OF REPRESENTATIVES OFFICIAL REPORT

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HOUSE OF REPRESENTATIVES
FEDERAL REPUBLIC OF NIGERIA

Tuesday, 15th January, 2008

The House met at 11:00 a.m.

PRAYERS

(The Deputy Speaker in the Chair)

VOTES AND PROCEEDINGS

The Deputy Speaker: Hon. Members, I have examined and approved the Votes and Proceedings of Thursday, 10th January, 2008.

ANNOUNCEMENTS

Faulty Air conditioners in the Chamber

The Deputy Speaker: Hon. Members may recall that last week we had a problem with our air conditioners, and to some extent some Engineers and Technicians were able to overcome the problem and that is why you see dust within the Chambers. The Clerk has assured me that he is going to do everything possible to make the place more conducive before tomorrow.

Adherence to Sitting Arrangement

The Deputy Speaker: Let me also use this opportunity to plead that while we are in Session, every Member should be on his or her seat so that we can finish the business of the day and leave.

PRESENTATION OF PUBLIC PETITIONS

The Deputy Speaker: Any Member who has a petition to present to the House may rise to do so, please.

Wrongful Retirement from Service

Hon. Austin Nwachukwu Ehime (Mbano/Ihiteuboma/Obowo): Mr. Speaker, I have with me a petition from one of my constituents, Mr. Okafor Anthony Uzoma, who was engaged as a Lecturer in Akanu Ibiam Federal Polytechnic, Uwana Afikpo in

Ebonyi State. My constituent informed me that he was engaged as a Senior Lecturer in June, 1999 and the appointment was confirmed on 1st June 2001, after two years of probation. He also informed me that he was promoted to the rank of Principal Lecturer in 2003 and the position of a Chief Lecturer on 1st October, 2006. He was doing his job diligently without any fear or favour as a Lecturer. He was never queried, tried by any Panel nor given a warning by the Institution. Suddenly, during the Federal Government reforms on Parastatals and Agencies, he was surprised to see his name as one of those people retired after the Federal Government had put a stop on subsequent harmonisation of the Parastatals. In 2007, he was compulsorily retired and asked to leave the Service without any reason whatsoever.

I hereby present this petition for necessary action because it has caused my constituent a very severe hardship.

The Deputy Speaker: Please do.

(Petition laid)

Incomplete Payment of Severance Package

Hon. Ita Enang (Itu/Ibiono-Ibom): Mr. Speaker, this is a petition against the National Assembly Management. The petition was filed on behalf of Legislative Aides to former Members of this House and the Senate who were short-paid their disengagement benefits. The petitioners alleged that they served and they were entitled to their disengagement benefits, but in the course of payment the Management of the National Assembly, particularly the Finance Department, paid some of them 40% while others were paid 50% of their entitlements and they have since refused to pay the balance.

The petitioners have also alleged that this honourable House had in the Supplementary Appropriation, appropriated for all the Legislative Aides to the 360 Members and 109 Senators completely; but in the course of payment, most of them were paid 30%, 60% and some 65%. They have brought the petition so that this honourable House should intervene to cause that complete package of their severance benefits to be paid to them.

May I seek your leave to lay the petition on the Table.

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The Deputy Speaker: Please do.

(Petition laid)

The Deputy Speaker: Is there any other petition?
(No response) If there is no other petition, all petitions presented, are hereby referred to the Committee on Public Petitions.

The second petition presented by Hon. Ita Enang, even though it has come by way of petition, has to be treated as such. Let me call on the Chairman, House Committee on Public Petitions, to expedite action on it so that we can treat it immediately, since it is something that borders on the National Assembly Management and our former Aides for those who are returning Members. I am suggesting that the House Committee on Public Petitions should treat that immediately so that we can take the Report on Thursday.

Hon. C. I. D. Maduabum (Nnewi North-South/Ekwusigo): Mr. Speaker, it is a directive, but I will prefer Tuesday next week because both sides will be heard.

The Deputy Speaker: The Clerk is saying that it has to be investigated. This is something that is within the National Assembly. After our sitting today you can start your investigation, tomorrow you will wind up and still submit your Report on Thursday.

ORDERS OF THE DAY

The Deputy Speaker: Hon. Members, the First Business of the day is Presentation of Report.

PRIVILEGES

This Day Newspaper Publication

Hon. Igochukwu N. Aguma (Port Harcourt I): Point of Order, Mr. Speaker. It is Order V, Rule 1(b), 2 and 3; pages 11 and 12 or depending on which edition of the Standing Orders you have. My matter is a matter under Privileges and Order V, Rule 3 talks about its precedence. If I may state, in *This Day* issue of 13th January, 2008, precisely on page 29, there is an issue that cast aspersion on the integrity of this House, especially the integrity of an *Ad Hoc* Committee set up to investigate the problems in Communications Commission and, in particular, the GSM Sector.

I will like to shorten the processes as I have highlighted them on that page. The story dovetailed into page 30 and particularly the third to the last paragraph and if I may read, it says:

Ndukwe would not be the type to expend government money without requisite approvals. It is understandable that the Commission's failure to dance to the tune of the Committee, which primarily was not set up to probe the budgets of the Commission must have resulted in its making such vindictive remarks about the Commission and its Management.

I must also say that this is about the fourth time I am reading sponsored articles like this on the pages of newspapers. This article quoted one Dickson Abdullahi and though such articles have been casting aspersions on the integrity of the Report we considered on the Floor of this House as regards the Hon. Leo Ogor's Committee by saying ... *dance to the tune of the Committee* – I do not know what music the Committee had played that required Ndukwe to dance.

I want to say that our Committee on Ethics and Privileges should live up to its duties by investigating the veracity of this statement and its claims. The same article goes further to state that ... *submissions that issuing a licence to NICOMSAT would have helped to resolve the quality of service issues make a mockery of the Report.* I do not think my constituents elected me here to be a jester. I do not see how I have come here to make jokes or make a mockery of myself.

I think that we, as a Parliament, are very open in the decisions we take. I believe that our integrity should not in any way be compromised by it. I call on the Ethics and Privileges Committee, if so ruled and directed by you, to look into this matter because this is a House that has built its rock on its integrity.

I call on my Colleagues to support that the Ethics and Privileges Committee do investigate the veracity of these allegations that we are playing music for the Communications Commission to dance to.

The Deputy Speaker: Thank you very much. I recall that some time ago, the Standing Committee on Communications was charged with the responsibility of verifying certain issues that were raised in the

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Report of the *Ad Hoc* Committee. I do not know how far the Standing Committee has gone on this issue. Hon. Jerimon, can you comment on this?

Hon. Jerimon S. Manwe (Lau/K/Lamido/Ardo-Kola): Mr. Speaker, I am aware that the House, in one of its sittings, referred the Report of the *Ad Hoc* Committee to the Standing Committee on Communications, to investigate further on some allegations raised. Since that directive, the Committee has been up and doing trying to find out and investigate further to come up with a Report to the House. The Investigation is on-going and at an appropriate time, the Committee will submit its Report to this honourable House.

The Deputy Speaker: Thank you very much, Hon. Jerimon, but I think it is high time that the House gave you a time-frame, so that you can report back to the House when it is time.

Hon. Mohammed Ali Ndume (Damboa/Gwazo/Chibok): Mr. Speaker, the issue that affects the Nigerian Communications Commission and the related problems, especially that of the GSM service which culminates to what we have now, is a very serious problem in this country. In fact, on many occasions, the public had accused this House and the National Assembly as a whole for not living up to expectations in checking the performance or indeed to have true oversight on the NCC.

Besides the issuing of licence which they did some years back, I do not think the NCC has done anything to improve the services. I would appeal to this House that when issues like these come up, we should stand very firm and be serious so that Nigerians could restore their confidence in us in the area of the GSM services, especially with regard to the communication sector. We know that the services are very poor and nothing has been done about them. The institution that is responsible for making sure that the common man gets the services he is paying for should be alive to its responsibility.

Hon. Independence Ogunewe (Ahiazu Mbaise/Ezinhitte): Mr. Speaker, I want to draw our attention back to the speech that was delivered by our amiable Speaker, Hon. Dimeji Bankole, on the day he was sworn in as the Speaker of this honourable House. In that speech, he went to very great length to emphasise the fact that the House will be transparent, accountable and act with honour and integrity.

He undertook to symbolise all these and we all clapped. He did not say all these in camera. As he was making those pronouncements, the more than 150 million Nigerians were watching. Today, in case we do not appreciate the weight of what has been written on the pages of this newspaper, I would want my Colleagues to appreciate the fact that those depositions by the Speaker are being put to question. The integrity of this House is now at stake. All our activities and conducts have been put on enquiry by whosoever it is that wrote this piece.

Therefore, I would like to quote what Shakespeare said in *Macbeth*:

I have given suck and know how tender it is to love a child that milks me but I will, while it was smiling in my face, pluck my nipples on her tender mouth and let her head dash against the floor if I have so sworn.

So, what I am saying in essence is that if we have all subscribed to what our Speaker said, then no man should be seen as sacred, no mountain should be seen as so high, no valley should be seen as so deep in unravelling and establishing facts that will re-establish the integrity, honour, accountability and the dignity of this Parliament, which indeed most Nigerians are even beginning to acknowledge.

I know how many telephone calls I received on the day that our Deputy Speaker made the revelation that we have, as it were, recovered certain funds which hitherto we never had access to. So, this piece of writing can make nonsense of everything we are doing here. I am saying that all efforts should be made to make sure that we get down to the root of this matter.

Secondly, by way of education, it might become very important at this point to let Nigerians appreciate one fact that the oversight responsibility of the Parliament is provided for by the Constitution of the Federal Republic of Nigeria. Indeed, the oversight powers of a Parliament would amount to nothing if you have no powers either to appropriate and to ask how appropriated funds had been used or not used. If somebody says a Committee came to probe a budget of a Parastatal which it had no powers to do, that same person in essence is saying our Constitution is stupid, the framers were mad and we have no business sitting here as a Parliament.

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Therefore, I am saying that this matter should not be handled with kids' gloves. This same Parastatal has been having a running battle with this Parliament. As a matter of fact, between December and now, this Parastatal and indeed the service providers, have had occasion to meet with Mr. President on account of poor performance. Today, we are battling with this Parastatal which we are asking to grant licences to more service providers so that competition within the system would engender efficiency and service delivery; but they would not do such.

So, what I am saying is that I align myself properly, wholly and entirely with the submissions of my Colleagues and I am saying that any right thinking individual - and I know we are all right thinking human beings here because we are all honourable Members - should align himself wholly and entirely with these submissions.

I so submit.

Hon. Agoro Lanre Adeniran (Ogbomoso North/South/Orire): Mr. Speaker, some eight weeks ago, we all sat down here considering the Report of the ad-hoc Committee on the efficiency of GSM and lowering the tariff therein. When the eleven recommendations were brought here, three were rejected and eight were consented to.

One of the eight recommendations was that the Committee on Legislative Compliance should see to the issuance of licence within two weeks, as approved by the former President and re-approved by the President, Umaru Musa Yar'Adua. This is the 9th week after the recommendations were passed as Motions. Up till today, we have not heard anything. What I want to draw out from what I have just said is that, in courts Judges do not give orders that would be disobeyed. It is appropriate for the court not to give orders at all than to give those orders that would be disobeyed thereby ridiculing the powers of the court.

I am weeping presently because we passed a Motion that we have not been able to enforce! Of course, we have a Committee on Legislative Compliance. It is unfortunate that I was part of that Committee on Legislative Compliance. We visited Mr. President last week, the same day the Executive Vice Chairman (EVC) of NCC visited. He did not just visit because he wanted to see the inner chamber of the

Villa; he visited because the President was concerned about the goings-on in the GSM industry.

It is important now that we force the House Committee on Legislative Compliance to give us the Report as directed and passed by this House. It has been found from history that whatever the House of Representatives said in the past as it concerned NCC has always been ignored. It is important to enforce whatever Motions we have passed as it relates to NCC so that we would not ridicule the powers of this Parliament.

I so submit.

The Deputy Speaker: To buttress your points, Hon. Agoro Adeniran, I have seen on the pages of Newspapers a cartoon on the Resolutions that we passed on these service providers. They were trying to show how our Resolutions are not being obeyed. Therefore, the Committee on Legislative Compliance should be up and doing so that our Resolutions are obeyed by whoever is concerned. I believe that we have discussed this matter adequately that we can now round it off; but before then, I think we have to give them a time frame. I will suggest a period of two weeks. Within this period, the House Committee on Communications should report back to the House.

Hon. Emmanuel Nwika Deeyah (Gokana/Khanna): Mr. Speaker, my understanding of the matter which Hon. Aguma raised is a matter of privilege - (*Interruptions*).

The Deputy Speaker: No, it is different; I will bring that one up. I have only taken one out of the two. Yes, Hon. Ita Enang.

Hon. Ita Solomon James Enang (Itu/Tbiono Ibom): I will rely on your ruling because it is a matter of privilege. (*Interruptions*)

The Deputy Speaker: I have not ruled yet. Yes, what do you want to say Hon. Ita Enang?

Hon. Ita Enang: Mr. Speaker, I wanted to say and I am saying that the matter before the House is a matter of privilege and it should actually be dealt with as a matter of privilege. The other issues were just adjunct which you have delivered a supplementary

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ruling. I pray that your Honour do direct that this matter should go to the Committee on Ethics and Privileges because it is a privilege of the House.

The Deputy Speaker: That will be done. Hon. Jerimon S. Manwe, please try to report back to the House within two weeks.

Hon. Jerimon S. Manwe (Lau/K/Lamido/Ardo-Kola): Hon. Speaker, the matter will be reported back fully within two weeks to the Floor of this House.

The Deputy Speaker: The Chairman Committee on Legislative Compliance, please, try to find out what is happening to our Resolution on this issue and report back to the House within one week.

At the same time the issue raised by Hon Igo Aguma is hereby referred to the Committee on Ethics and Privileges. The Committee should not just file it; they should also expedite action so that we could have the Report within two weeks.

Setting up of Special Committees or Standing Committees of the House

Hon. Friday Itulah (Esan North East/South West): Mr. Speaker, Constitutional Point of Order.

The Deputy Speaker: Yes.

Hon. Friday Itulah: I am raising my Point of Order based on the Constitution of the Federal Republic of Nigeria Section 62(1). This Section mandates the House to set up Special Committees or what we may refer to as Standing Committees of the House or Ad-Hoc Committees to carry out special investigation which it deems fit that such Committee can best carry out. At Sub-section 4 of that same Section, it says that:

Nothing in this section shall be construed as authorising such a House to delegate to a Committee the power to decide whether a Bill shall be passed into law or to determine any matter which it is empowered to determine by resolution under the provisions of this Constitution, but the Committee may be authorised to make recommendations to the House on any such matter.

What I am saying is that it is the House through a Resolution that can direct a Committee to carry out special investigation. A Committee of the House does not have the exclusive power to just go solo and carry out investigation, because such a matter falls within its jurisdiction, without a Resolution from the House. This is because in the end, it will be seen as an activity of the House of Representatives.

A particular case in point is a Report that was published at page six of yesterday's Vanguard Newspaper titled: *Reps probe BPE over alleged Seaport Concession fraud*. The story was that the House of Representatives has begun looking into allegations that the Bureau for Public Enterprise had wrongfully denied a particular company the right of ownership of the Apapa Seaport. Where did the Committee get its mandate? The Newspaper went on to say: *a Petition sent to the House Committee on Privatization dated 29th November, 2007 as signed by the Chairman - (Interruptions)*

The Deputy Speaker: Thank you very much, Hon Itulah. I have heard you. We know we are working with the Constitution, and apart from having this Constitution we also have this booklet which contains our Rules, and these Rules are not in any way in contradiction with the Constitution.

We have given the Committees power to oversight all these Parastatals and it is within their powers to do the work which they have done. So, they are not contradicting the Constitution.

PRESENTATION OF A BILL

The Deputy Speaker: Hon. Members, the First Business of the Day is Presentation of a Bill. The Clerk is invited to read the short title of the Bill.

National Council for Widows, Dependant Children and Orphans

(Establishment, etc) Bill, 2007

National Council for Widows, Dependent Children and Orphans (Establishment, Special Provisions, etc.) Bill, 2007 - presented by Hon. Arole Fancy and Others; read the First Time.

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ORDERS OF THE DAY

MOTION

Revitalising Nigeria's Textile Industry

The Deputy Speaker: The First Order of the Day is *Revitalizing Nigeria's Textile Industry* standing in the name of Hon. Ike Chinwo: Hon. Ike Chinwo is invited to move the Motion.

Hon. Solomon Agidani (Apa/Agatu): Point of Order, Mr. Speaker.

The Deputy Speaker: Yes, what is your Point of Order?

Hon. Solomon Agidani: My Point of Order is Order VIII, Rule 9 (3) on Page 30 of our Rules. I read:

(3) The Speaker shall cause such notices of motions to be numbered and published in the "Schedule of Notices of Motions" and assigned to the relevant Committee not later than seven days after the publication in the Schedule.

(4) The Committee shall examine the substance of all motions referred to it and if approved for presentation the House, shall forward its recommendation to the Rules and Business Committee for scheduling.

Mr. Speaker, this Motion has direct relevance to my Committee on Industry. I do not know anything about the notices of this Motion neither was anything referred to me nor did I make any recommendation to the Rules and Business Committee. So, I am surprised on the listing of this Motion for consideration.

The Deputy Speaker: Thank you very much. Hon. Ita Enang, can we hear from you?

Hon. Ita Solomon James Enang (Itu/Ibiono Ibom): Mr. Speaker, this Motion was forwarded and it was sent to the Committee on Commerce on the 14th December, 2007. On 12th January, 2008 the Committee on Commerce and Industry through its Chairman, Hon. Gilbert Nnaji, wrote to the Committee on Rules and Business making his comment on the

Motion and saying that the subject matter of the Motion is agreeable. It was on the basis of that that we published this Motion and the letter is here signed by Hon. Prince Gilbert Nnaji.

The Deputy Speaker: Hon. Agidani, are you a Member of that Committee?

Hon. Solomon U. Agidani (Apa/Agatu): No. The relevant Committee is the Committee on Industry and not Commerce.

The Deputy Speaker: You know, it is the power of the Speaker to determine where each and every matter is referred. *(Interruptions)*

All right, read what you have and tell me where it was said that it has to be referred to your Committee.

Hon. Solomon Umoru Agidani (Apa/Agatu): The mandate of my Committee says all big established industries in this country are within the jurisdiction of the Committee on Industry; and Textiles Industries fall squarely within the ambit of the Committee on Industry.

The Deputy Speaker: Hon. Ita Enang, he said it lies within his Committee, that is, Committee on Industries.

Hon. Ita Solomon James Enang (Itu/Ibiono-Ibom): Hon. Speaker, this matter was referred to the Committee on Commerce because it was considered that it was for the Committee on Commerce.

The Deputy Speaker: Hon. Members, the Speaker, used his discretion to refer it to the Committee on Commerce. You are therefore overruled.

Hon. Ike Chinwo, you may please, present your Motion.

Hon. Ikechi Chinwo (Obio/Akpor): Mr. Speaker Sir, it is my intention to move this Motion and I move:

The House:

Notes, that high cost of production have made it uncompetitive for local industries to thrive thereby resulting to unceremonial closure;

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Concerned, that in spite of the ban placed on imported textile materials, such products still flood the Nigerian market at relatively cheaper prices than similar materials produced locally;

Worried, that over 250,000 jobs have been lost in the past 15 years as a result of the closure of textile factories in Nigeria with about 4000 jobs lost in the recent factory closure in Kaduna;

Further notes, that job losses resulting into deeper and hard biting poverty poses very serious challenges to national security;

Disturbed, that resuscitation funds intended to revitalize the textile industries is yet to translate into real production;

Aware, that Nigeria's membership of certain global governance institutions have affected some sectors of the economy including the textile industry;

Resolves to:

(i) mandate the Joint Committee on Commerce, Industry and Agriculture and Water Resources to conduct a public hearing to collate the views of all relevant stakeholders on the appropriate action(s) to be taken by government to revitalize the textile industry and to report back to the House;

(ii) invite the Ministers of Finance and Agriculture and Water Resources to explain to the House on the whereabouts of the ₦50 billion and ₦20 billion set aside for the resuscitation of textile factories and cotton production respectively;

(iii) direct the Comptroller-General of Customs to take appropriate steps towards enforcing the ban placed on imported textile materials; and

(iv) urge the Federal government to review Nigeria's participation in international trade conventions with a view to guaranteeing the welfare of Nigerians and Nigeria's interests.

I so move.

The Deputy Speaker: Is there any Second?

Hon. Leonard Okuweh Ogor (Isoko North/South): I hereby second the Motion as moved by my Friend, Hon. Ike Chinwo.

The Deputy Speaker: Hon. Ike Chinwo, you may please lead the debate.

Hon. Ike Chinwo: Mr. Speaker, this Motion, like the Chairman of Business and Rules explained, was borne out of the incessant closure of textile industries in Nigeria, the recent one of which was the United Nigeria Textiles Industry Unlimited in Kaduna (*Interruptions*)

The Deputy Speaker: I am sorry, Hon. Ike Chinwo, I did not put the Question on whether or not your Motion should be heard. Please, let me do that.

Question put and agreed to.

Resolved: That Hon. Ike Chinwo do lead the debate on the Motion dealing with Revitalizing Nigeria's Textile Industry.

The Deputy Speaker: Hon. Chinwo, you may proceed.

Hon. Chinwo: Mr. Speaker, like I said earlier, this Motion was borne out of the desire to ensure that the current situation in Nigeria is abated. A situation where our industries were closing down on daily basis is not acceptable, especially those ones that have to do with the employment of a good number of persons, and as we all know the textiles industry is one of them.

In December, 2007, we were all witnesses to the fact that the United Nigerian Textile Industry in Kaduna was closed down, out which over 4,000 persons lost their job. The question is, where will these people go? They were left jobless and those depending on them left hopeless and, of course, the resultant effect would be loss of revenue to the Kaduna State Government where the factory is sited and also there would be security problems all over the country.

We also know some reasons why this occurred. One of it is the issue of high cost of doing business in Nigeria, especially at the level of infrastructural deficiency, power and energy is at the hub of it and then, of course, roads, railways and others. As a result

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of this, our textile industries produced at a higher cost and the resultant effect is that smugglers would have a field day to allow inferior materials to come in and, of course, they would compete equally with our local industries. If somebody is into business and he is producing without making profit what would he or she do? The person would go out of business. That is the fate of our textiles industry in Nigeria. Besides, even when these products were produced, there was the problem of high cost of transportation as a result of bad roads and lack of railways to carry work material from one point to another, for instance, from Kaduna to Lagos, vice versa or to any other part of Nigeria. It adds to the high cost of production and the result of it is also lack of profit and thus resulting in decision making of the owners closing down their business.

The other point that has to be highlighted, as was pointed out in the Motion, is the fact that our Customs Officers have left our borders unpoliced to the extent that even some of these textile materials that were very poorly produced and of inferior quality are allowed into Nigeria. You would be surprised that some of them would even have the label of materials that were produced outside this country with the label of *Made in Nigeria* so that they would be allowed into the country and sold at cheaper prices. The result of it is that our local industries are also suffering.

The other point that also needs to be highlighted is the fact that, out of fear of Neo-Colonization, we entered into Trade Agreements that do not protect our local industries. A case in point is that of our membership of the World Trade Organisation. We know that as an economic policy, countries protect their local industries because if these local industries do not develop, it would be difficult for them to compete equally with industries all over the world. Therefore, there must be need for us to try and protect these industries so that they would be able to produce and perfect their production so that the result would be that of lower cost of production, the goods would be available and they will sell at profit and compete with any industry or product anywhere. Even in the United States, when we are talking about subsidy they are the champion of Free Trade and others. They still give subsidies to their farmers and industries - they are protected. Why are we not doing that in Nigeria? Why do we let our borders loose? Why do we allow goods from anywhere into the Nigerian market whether they were poorly produced or not? These were some of the reasons that led to unequal competition with the result that our textile industries were closing down. We know that at the peak of these industries in Nigeria, over one

million persons were employed with a turn over of over twenty-five billion Naira. Today, what is the situation? It is near zero and it is totally unacceptable.

The last time here, we were talking about unemployment in Nigeria. In our opinion, these are some of the issues that, as a Parliament, we should be able to rise to make companies to stand on their own because it is only the companies or industries that can employ. Government, of course, we know, is not a good employer of labour; you will only have people that will service this sector.

So, I believe that if the prayers in this Motion are adopted, and the House Committee that is saddled with the responsibility organizes a public hearing to collate views for stakeholders, we will be able to find solutions to the problems of the textile industry; they will come afloat and, of course, employment will be there for everybody.

Hon Samson Raphael Osagie (Orhionmwon/Uhunnwode): Mr. Speaker, I want to agree on all fours with the Motion tabled before us by Hon. Ike Nwachukwu for a number of reasons, amongst which are the fact that this is one country today with very high level of unemployment. And, of course, as the Representatives of the people, I know too well that one of our major challenges is the fact that our constituents lack jobs to make ends meet.

The Motion has, in itself, expressed the fact that over two hundred and fifty thousand jobs have been lost for the past fifteen years and of course the implication of this is very obvious. It means that about two hundred and fifty Nigerians and families have lost their means of livelihood and that is a very serious matter.

I want to say that the revitalization of the Nigerian Textile Industries across the country is a matter that this government must focus attention on and, indeed, ensure that some positive steps are taken towards this direction.

Hon. Ahmed D. A. Wadada (Keffi/Karu/Kokona): Mr. Speaker, for obvious reasons, raging from the responsibility and representation, I align myself to this all- important Motion. It is all-important in the sense that the Textile Industry in Nigeria constitutes a sub-sector of the larger polity and as Representatives here we are duty- bound to ensure that activities in the Nigerian economy are rejuvenated and

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carried on for the purpose of the well-being of the system.

A couple of weeks ago, before we went on Recess, I had presented a Motion here which indicated and still indicates that the real sector in Nigeria has been in comatose and, of course, the real sector in every given contemporary economy is the main driver of an economy.

The Textile Industry belongs or falls under the real sector, and for that we must do everything possible in any way and form to ensure that all the basic requirements ranging from infrastructure, facilities, enabling laws and all other factors that determine the well-being of an economy by rejuvenating the real sector of this economy, is a duty and responsibility on each and everyone of us.

Hon. Olugbenga Onigbogi (Atakunmosa East/Atakunmosa West/Ilesa East/Ilesa West): Mr. Speaker, I want to align myself totally with the Mover of this Motion.

However, to do justice to this very topic, we need to go to the foundation of our economy. Are we a productive economy or a consuming economy? There are three basic things that human beings need; one is clothing, the second one is housing and the third one is food. Until we, as a people, have total control over the production of these three items, we are just deceiving ourselves.

There is no way we can open our economy and allow our industries to compete with other industries in other industrialized nations of the world. When you look at the cost of production in Taiwan, Hong Kong, and Singapore, the rate of interest over there is about two and a half *per cent* per annum, whereas the Textile Industry in Nigeria will take loan at the rate of twenty *per cent* per annum. So, invariably, asking us to ban or close the border would mean promoting the activities of the smugglers. Some people will be so daring because the profit element is very attractive.

All what we need to do as a Parliament is, first and foremost, let us promote our value judgment as Nigerians. Unfortunately, as I am talking to you I am not a good example myself; apart from my cap, all other things I am wearing are imported. It is very unfortunate that I am using myself as a bad example, but if we can make it a point of duty whereby even in Parliament, all of us come in made in Nigeria Ankara;

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let all of us come in *Made in Nigeria* goods, definitely we will be promoting our industries.

Again, whether we like it or not, membership of the World Trade Organization does not preclude us from protecting our economy. All what we need to do is to make people who wear all these things feel more or less like half-cast. There is no way one can do justice to this topic without referring to other industries.

Hon. Khadija Buka A. Ibrahim (Damaturu/Gujba/Gulani/Tarmuwa): It is most unfortunate that in this country where unemployment should be curbed there is an increase in the loss of jobs, thereby causing more unemployment. Now, I think this has been dealt with adequately. So, I concur with the previous Members who spoke and who talked about us buying Nigerian goods at all times. I think if the notion that everything imported is better than any Nigerian goods is removed from people's minds, there will be an increase in the purchase of a lot of Nigerian goods.

The high cost of input such as LPFO and certain materials put into machinery used in textiles should be curbed, so that there will be less expenses put into the production of certain materials in textile. Also, if Nigeria is self-sufficient in the production of cotton, it will help in the increase of textile production in Nigeria.

Similarly, the very high cost of credit facilities in banks makes it difficult for industries to borrow at certain instances. So, that should be looked into as well. Government should also be able to protect its industries and farmers through all forms of subsidies as it is done in other parts of the world.

Lastly, the Nigeria Customs officers should be encouraged to enforce their laws adequately.

I so submit.

Hon. Isah Idris Umar (Igabi): I want to concur with all the submissions of my Colleagues on this issue. Unemployment in Nigeria today has really become something that probably may require the declaration of an emergency situation like the one being done in the power sector.

What I am saying is that in any country that needs to develop, national security is one fundamental responsibility of the regime in power as stated in this Motion. National security is not only in terms of

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armoury but job security. It is sad that over the years, we have been losing jobs and probably without concrete review of why the loss of jobs is occurring and re-occurring both in our public and private sectors.

What we require, as I said during our deliberations on the budget, is that industries require constant and continuous intervention. Intervention in the sense that records should be kept about what people produce. The Federal Government should be intervening where and when it is necessary. It is not in terms of input, but in terms of the expected output of the manufacturing sector. Government should constantly look into these areas and intervene from time to time, in the area of power supply, water or subsidies where necessary, so that these manufacturers can operate competitively in the international market. That is the only way forward.

Hon. Igo Aguma (Port Harcourt 1): Mr. Speaker, I am in favour of this Motion. Let us take a particular instance of the Textile Mill in Kaduna. Before it was closed down, energy constituted 49 *per cent* of its operating cost. Therefore, you find out that the highest employer of labour in Nigeria, which is the textile industry, is fast waning if not totally waned. In supporting this Motion, I believe that as a Parliament, what is worth doing should be done well.

I have problems with an issue that had hitherto been raised by way of an Amendment to a law, and that is the Customs Act. We talked on the issue of moving the powers to determine which products should be placed on ban or where we should grant waivers. We agreed that it should come to the National Assembly.

I therefore want to say that we should totally live by the law we have amended here, even though it is yet to be assented to, and say that the issue of prayer number three be expunged from the Motion; more so, when the Textile Mills are being closed down. As a matter of fact, we should even say that we should lift the ban on importation of textiles so that we can have what to wear, since all the Textiles Mills are being shut down and we cannot, as a country, go naked.

I also want to say that we should pray that the Committee should be given the joint mandate to look into the activities in the industry. I believe that prayer number two should be subsumed totally by prayer number one, because inviting the Ministers of Finance, Agriculture and Water Resources to explain to the House is not necessary. This is because they will

explain to the Committee and the Committee will report back to the House.

This Motion is laudable and I believe my Colleagues should pass it with the Amendment I have proposed. I so support the Motion.

The Deputy Speaker: Please, send your Amendments forward.

Hon. Solomon Agidani (Apa/Agatu): Mr. Speaker, my disagreement initially with this Motion did not have anything to do with the letters and spirit of the Motion. It only had to do with the procedure, and so I support the Motion, coming in line with Mr. Speaker's discretion.

Mr. Speaker, we are all aware that the textile industries are comatose and they are not the only industries that are suffering this level of backwardness. The submission made by the Manufacturers Association of Nigeria to our Committee in the recent past, shows that at least 60 *per cent* of our industries are producing below thirty *per cent* capacity. Another 40 *per cent* that are purely food and beverages are healthy to the extent of 90 *per cent* and accounts for only 10 *per cent* of all the industries put together in the country. Certainly, this is worrisome and we must find ways and means of turning around the fortunes of our industries.

The major problems confronting our industries include power supply, which we are all aware of, and protection, in which we are supposed to play a role in trying to make laws to protect these industries against unfair competition. The laws exist, but we might have to strengthen the laws for proper implementation whereby local industries must be protected against unfair competition from outside.

We also believe that when you produce and you are not patronized, it means you do not have a market; and how do you continue to sustain production? So, our taste for locally made goods must be enhanced. One way we can do that is to increase tariff on imported substitutes, so that even if they are not actually banned, the fact of putting excessive duty on imported substitutes will force our local consumers to fall back to the local industries for the local substitutes.

For instance, if you put on a particular lace material a 50 *per cent* duty as against a zero duty from a

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local production, certainly in terms of competition, the man who has money and wants to prioritize his needs might prefer the local substitute to the imported one on which he has to pay 50 *per cent* additional duty.

What is the consequence of all these? The consequence is job losses. Over 300,000 jobs have been lost and the multiplier effect in the cotton production sub-sector is better imagined. Most of the farmers have lost sources of income because they cannot continue to produce cotton for user companies that do not exist.

The first way out, of course, is that as a Parliament, we must look at the options available by strengthening the laws. The Customs and Excise Department must be given supervisory role that would adequately reduce the number of illegal entry points into the country. Whereas they are manning the Airports and the Seaports, there are so many other illegal points that the Customs are not manning at the moment and so we find a situation where, whether we like it or not, these leakages infiltrate into our country, and we find a situation where what we are trying to stop at the level of law-making cannot easily be done because we do not have appropriate measures to cover all the borders that we have.

Thank you.

The Deputy Speaker: I think we have discussed a lot on those who are in favour of this Motion. I do not want a situation whereby a Leader would be the last person to discuss on the matter. So, Minority Leader, please reserve your comments.

I want to take those who are against the Motion.

Hon. Olumuyiwa B. Obadina (Ifọ/Ewekoro): Mr. Speaker, I disagree with the few points as raised in the Motion. It is not that I am against the Motion. I actually wanted to explain that when I stood up the first time.

On the issue of cotton revitalisation in Nigeria, particularly textiles, the whole thing really boils down to raw materials and energy. However, we need to know the following facts which are very important; basically I will just briefly take us on the importance of these things as they affect textile production in Nigeria. There are basically two types of cotton; and it is important we get these facts right. There is the short staple cotton and there is the long staple cotton.

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As at today, long staple cotton is the order of the day. In the Northern part of Nigeria, short staple cotton is predominant, while in the Southern part of Nigeria - in about four or five States - Kwara, Ekiti, Osun and Ogun States - it is strictly long staple cotton.

The Deputy Speaker: Is Kwara part of the Southern States?

Hon. Dele Obadina: Well, it is in the Middle Belt. What I am saying in essence is that the problem we have is more of ecological problem. The major problem we have now is that attention is not being paid to long staple cotton which is very crucial.

In the past, the former President set up a Presidential Initiative Committee on cotton production, called National Cotton Development Committee (NCDC), just like you have for cocoa. The former Minister, Mallam Adamu Bello, was the Chairman of that Committee. He chaired that Committee for eight years.

My point is that I do agree with you that we have job losses all over the country, but we are not getting it right because attention is not being paid to agriculture as a whole. In the current Budget for 2008 which is yet to be passed, seven *per cent* of that National Budget is for Agriculture. In the last budget of 2007, Agriculture got over sixteen *per cent*. Presently, Agriculture and Water Resources, put together, is just seven *per cent*. If you x-ray the seven *per cent*, three *per cent* of that goes to recurrent, and capital budget is just about four *per cent* for Agriculture and Water Resources. I wonder where we are going.

Lastly, I would just want to summarise that we should note the following:

1. the ginning machines should be given attention;
2. seed breeding and seed production should be given attention;
3. most of the machineries we have are obsolete; and, of course,
4. we should also pay much attention to raw materials. This is because in the international communities today long staple cotton is actually the order of the day.

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The Deputy Speaker: Thank you very much, but you have not spoken against the Motion.

Hon. O. B. Obadina: Yes, I said it clearly that I am not against the Motion; I am for it and I want the industry to be revitalised.

The Deputy Speaker: Thank you. Hon. Dambatta, when I was looking for those who are in favour of the Motion you raised your hand; now that I am looking for those who are against the Motion you are raising your hand again.

Hon. Labaran Y. Dambatta (Dambatta/Makoda): Mr. Speaker, whichever way, we have something to contribute and I want to contribute on the side of the opposition. However, the essence of intellectualism as it applies to this debate is that whether you are for or against the Motion, a better and quality debate would come out at the end of the exercise. If you give me the permission I will contribute.

The Deputy Speaker: Go ahead and oppose the Motion.

Hon. Labaran Y. Dambatta: Mr. Speaker, my contribution in opposing the Motion as presented is not really to discourage the Presenters of the Motion. This is because nobody would oppose any Motion that would create employment in Nigeria. However, we just have to go beyond what we called *effect* and look at the *causes* and I think that the Motion was not detailed enough. In the first instance, I was in favour of the Motion so that I could make an input in expanding it to cover other areas; but when you denied me the opportunity, I decided to be on the opposition so that I can still make input to expand it in another direction.

Mr. Speaker, in any problem, there are causes and effects. The intent of the Motion as presented is understood and we sympathise with it; but we have to look deeply into the causes. There are two issues; the issue of comparative advantage and competitive advantage.

In the 1950s, 60s and 70s, when the cotton industries, ginning industries and the textile industries were well integrated; they were the actual spinners of the economy, particularly in the North and Nigeria as a whole. We started having comparative advantage when competitions set in because it is a primary production function. Presently, some secondary technologies

started coming in, such as synthetic fibres. There is competition all over the world and our market was subjected to the openness of the terrain and we could not compete.

My contribution here is that, if we want to revitalise that industry then we have to go back to the basics. In other words, we have to go first of all, to the production function which Hon. Obadina talked about; and that is Agriculture.

The Deputy Speaker: Thank you very much. I think we can terminate the debate on this issue at this point.

We have one Amendment by Hon. Igo Aguma: The first Amendment is: *that paragraph two be removed as it is covered by paragraph one.* Is there any Second to this proposed Amendment?

Hon. Stanley O. Ohajuruka (Umuahia North/South Ikwunano): Mr. Speaker, I second the Amendment as moved by Hon. Igo Aguma.

Amendment put and agreed to.

The Deputy Speaker: The second Amendment is: *that paragraph 3 should be removed based on the position of the House, having amended the Customs Act.*

Is there any Second to this Amendment?

Hon. Friday Itulah (Esan North East/South west): I have a comment. I think the Amendment of SEMA law as compared to the input are not related at all.

The Deputy Speaker: Are you seconding the Amendment?

Hon. Friday Itulah: The Amendment cannot be seconded. It is baseless.

(Amendment lapses)

The Deputy Speaker: Thank you very much. Now, we will take the question on the entire Motion.

Question put and agreed to.

Resolved:

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(i) mandate the Joint Committee on Commerce, Industry and Agriculture and Water Resources to conduct a public hearing to collate the views of all relevant stakeholders on the appropriate action(s) to be taken by government to revitalize the textile industry and to report back to the House;

(iii) direct the Comptroller-General of Customs to take appropriate steps towards enforcing the ban placed on imported textile materials; and

(iv) urge the Federal government to review Nigeria's participation in international trade conventions with a view to guaranteeing the welfare of Nigerians and Nigeria's interests.

The Deputy Speaker: Let me say here that the observations made by Hon. Agidani are genuine. When you are talking about industries, you are talking of production and these textiles fall under production.

When you are talking about Commerce, you are talking about marketing and distribution. The topic that we have discussed now is not marketing and distribution, but rather, it is a topic on how to enhance the production. Therefore, Hon. Ita Enang, next time when we have this type of Motion, you should please refer it to the appropriate Committee.

CONSIDERATION OF REPORTS

Committee on Public Petitions

Report on the petition by Brigadier-General (Dr.) J. O. Ayeni against the Nigerian Army

Report on the petition by A. A. Bello and O. A. Akinsanya on disengagement of Cooperative Bank Staff against Skye Bank –

Report on the petition by BUA International Limited against Bureau of Public Enterprises.

The Deputy Speaker: The second Order of the Day is the Consideration of the Report of the Committee on Public Petitions. The first one is the petition by Brigadier-General (Dr.) J. O. Ayeni against

the Nigeria Army. The Report was laid on December 13th, 2007. Hon. C.I.D. Maduabum will now move the consideration of the Reports.

Hon. C. I. D. Maduabum (Nnewi North/South/Ekwusigo): Mr. Speaker, may I move that the House do consider the Report on the Public Petitions Committee on the petition by Brigadier-General (Dr.) J. O. Ayeni, against the Nigerian Army and approve the recommendations therein. I so move.

The Deputy Speaker: I think it is better you move the three petitions together so that we can treat all at once; instead of moving them one after the other.

Hon. C. I. D. Maduabum: I move that this House do consider the Reports of the Committee on Public Petitions on the Petition by A. A. Bello and O. A. Akinsanya on behalf of disengaged staff of Cooperative Bank, against Skye Bank and approve the recommendation therein.

I also move that this House do consider the Report of the Committee on Public Petitions on the petition by BUA International Limited against the Bureau of Public Enterprises and approve the recommendations therein.

I so move.

The Deputy Speaker: Is there any Seconder?

Hon. Ibrahim Umar Bala (Kumbotso): Yes, I second the Motion moved my Colleague, Hon. C. I. D. Maduabum.

Question put and agreed to.

Resolved: That the Report on the petitions by the four petitioners be considered.

Hon. Tunde Akogun (Akoko Edo): I move that this House do resolve into the Committee of the Whole to consider these Reports. I so move.

Hon. Baba Shehu Agaie (Agaie/Lapai): I do second the Motion as moved by my able Leader.

Question put and agreed to:

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Resolved: That the House do resolve into the Committee of the Whole to consider the Reports.

Report on the petition by Brigadier-General (Dr.) J. O. Ayeni against the Nigerian Army – CONSIDERED IN THE COMMITTEE OF THE WHOLE HOUSE.

The Chairman: Hon. C.I.D. Maduabum, can you please lead the debate on the first Report.

Hon. C. I. D. Maduabum: The first Report is on the petition by Brigadier-General (Dr.) J. O. Ayeni against the Nigerian Army alleging victimization in his retirement. This Petition was presented by Hon. Ike Chinwo on 18th July, 2007 and can be summarised as follows.

The Petitioner, Brigadier-General J. O. Ayeni, was commissioned a 2nd Lieutenant in the Nigerian Army Medical Corps on 24th May, 1980 and progressed through the ranks and got promoted to the rank of Brigadier-General on 28th December, 2002. He had earlier been confirmed Chief Stomatologist in 1991.

On June 12th, 2007, he received a letter of notification of retirement, signed by the Military Secretary. The letter stated the reasons for the retirement as undeployability, arising from lack of establishment or restructuring. The petitioner thereafter applied for retirement and received a letter from the Nigerian Army directing him to proceed on terminal leave until 15th July, 2007 - his effective date of retirement.

Given that he was about 56 years at the time of retirement, the officer believed that his retirement was premature. As a Brigadier-General or Medical Consultant in the Army Corps, he can reach the age of 60 years before retirement. He is therefore praying that this House should prevail on the Nigerian Army to re-instate him into service.

An investigative hearing on this petition was held on Wednesday, 14th November, 2007 with Major General I. G. Penab, Chief of Army Administration, representing the Chief of Army Staff. The Army, in its response, agreed with most of what the Brigadier General said but in their defence, with respect to the petition, they stated that over a period of time, there had been a problem of stagnation of medical officers in the Army Medical Corps and to address the problem, the

Nigerian Army decided on a phased but gradual retirement of the top hierarchy of the corps.

The Army stated that the age ceiling for the rank of Brigadier General to retire is 54 years irrespective of the type of Commission even though there is a foot note suggesting that a Medical Consultant and a Chaplain or Imam of Brigadier General rank or equivalent and above could remain in service up to 60 years. However, the Army said that this provision is not binding on the Army Council which is the final authority on these matters.

They also said that based on the relevance of the application of the requisite section of the harmonised terms and conditions of service for Officers, the retirement of Brigadier General Ayeni followed due process and was in the interest of the nation. They said that the retirement of the petitioner was neither selective nor borne out of victimisation but in the interest of the service and the nation.

The findings of the Committee therefore are:-

1. That the Brigadier General Ayeni was properly retired by the Army having attained the retirement age ceiling of 54 years for the rank of Brigadier General.

2. As at the time of the Petition, the petitioner had, indeed, exceeded his retirement age by two years.

3. Although the harmonised terms and conditions of service for the officers suggested that a Medical Consultant, Chaplain or Imam of the Brigadier General Rank or equivalent and above could remain in service up to 60 years based on exigency of duty, the Army Council did not exercise their discretion in his favour on this issue.

The Chairman: Thank you very much, Hon. CID Maduabum. You have only one recommendation and that is that the petition of Brigadier General G. O. Ayeni be discountenanced as due process was adhered to in his retirement. So, I will put the Question.

Question put and agreed to.

Resolved: That the recommendations of the Committee on Public Petitions be upheld.

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Report on the petition by A. A. Bello and O. A. Akinsanya on disengagement of Cooperative Bank Staff against Skye Bank – CONSIDERED IN THE COMMITTEE OF THE WHOLE HOUSE.

The Chairman: The next one is the Report on the Petition by A. A. Bello and O. A. Akinsanya to be presented by Hon. Maduabum.

You do not have to read the whole Report because we have it already.

Hon. C. I. D. Maduabum: It is just to take the House through it, because some Members may not have read it.

The Chairman: No, once you have circulated your Report, you have done your job and it terminates there as far as the Report is concerned.

Hon. C.I.D. Maduabum: The findings of the Committee on this Petition are:

1. That records show that there was a mutual agreement between the defunct Cooperative Bank and the representatives of the Trade Union on 30th January, 2006

2. That the entitlements to any staff that would disengage after consolidation will comprise:-

(a) Gratuity to qualifying staff

(b) Leave bonuses and six months extra share payment. There was no agreement on redundancy benefits.

(c) Skye Bank complied with the terms of the 30th January, 2006 agreement and paid all persons concerned accordingly. This agreement of 30th January, 2006 superseded the terms of the national collective agreement entered into by the parties earlier on.

3. CBN did not make any pronouncement or issue any circular that ₦1,000,000 (one million naira) should be paid to any disengaged staff. The Central Bank Deputy Governor confirmed this.

4. The parties have amicably resolved the issue of NSITF deductions.

The Chairman: The recommendation is, that since the issue of Nigeria Social Insurance Trust Fund has been amicably resolved, all other issues in the petitions by former staff of Cooperative Bank now Skye bank be dismissed as it lacked merit.

Hon. Terngu Tsegba (Gboko/Tarka): Mr. Chairman, we all know the working of the NSITF. It is a very difficult Body and its payment is very slow and the Chairman has not told us how the issue of NSITF has been resolved, whether the staff have been paid their entitlements or not. I think it is proper that we know how it has been resolved, otherwise, we would hold Skye Bank responsible and it has to pay the staff.

The issue of Staff retirement is what we should take very seriously. This organisation is known to be unwilling to pay staff terminal benefits. People who spend their youthful lives in organisations should earn their retirement benefits. The Chairman should be able to tell us whether the resolution of this NSITF meant that the staff were paid their retirement benefits. We have just been told here that it has been resolved, but how is it resolved? I think it is important to know how the issue has been resolved.

Hon. C.I.D. Maduabum: The matter was resolved to the satisfaction of the Union because the records have been computed and they have been asked to bring their particulars so that the relevant people would pay them. They were satisfied during the hearing that that matter was no longer a matter to be pursued.

The Chairman: So, they would be paid?

Hon. C.I.D. Maduabum: They would be paid.

The Chairman: Is there any other comment? I will now put the Question on the recommendation.

Question put and agreed to.

Resolved: That the recommendations of the Committee on Public Petitions be upheld.

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Report on the petition by BUA International Limited against Bureau of Public Enterprises – CONSIDERED IN THE COMMITTEE OF THE WHOLE HOUSE.

Hon. C. I. D. Maduabum (Nnewi North-South/Ekwusigo): Mr. Chairman, this petition was brought by BUA International Limited in respect of the privatization of the Delta Steel Company Limited, Aladja, Delta State. The petition was referred by the House to the Committee on Public Petitions for legislative action on 5th November, 2007.

The Petitioner's case as summarised was that four Companies sent expressions of interest - (*Interruptions*)

The Chairman: Is that the finding?

Hon. C. I. D. Maduabum: Should I go to the findings?

The Chairman: Yes.

Hon. C. I. D. Maduabum: That is all right. I started with the summary because this matter is a public matter and the public is watching. Some of them are not privy to this Report that we all have. That was why I thought we could talk about it a bit. However, I will go to the findings as directed. The Committee found as follows:

The Chairman: If you think that there is something important for Members to know you can tell us.

Hon. C. I. D. Maduabum: There is no problem, let me go to the findings. The Committee found as follows:

1. That the BPE and NCP concluded the process of the sale of Delta Steel Company to BUA International Limited but at the stage of receiving payments it arbitrarily cut off the Company and ceased all communications with it.

2. Secondly, the National Council on Privatization and the Bureau for Public Enterprises did not communicate to BUA International Limited that it had cancelled the process leading to its emergence as the winner of the bid for Delta Steel Company before engaging Global Infrastructures Holdings

Limited in another transaction under the willing buyer/willing seller method.

3. In spite of the denial by the BPE that the offer letter written by its Director General, Dr. Julius Bala, could not be traced in its file, there is abundant evidence that the offer letter to BUA International Limited wherein the terms of the transaction were re-stated was actually written by BPE as the signature of the offer letter was consistent with the signature of Dr. Bala on all other correspondences. There were also at least three subsequent correspondences with BUA by BPE after the offer letter tending to show that there was a settled agreement.

4. There is clear evidence of arbitrariness in the sale of Delta Steel Company to Global Infrastructures Holdings Limited and BUA International, an indigenous Company, was unfairly treated in the process of the exercise.

5. The sale of Delta Steel Company to Global Infrastructures Limited was subsequently made a more favourable term to Global Infrastructures than initially made to BUA International. For example, the completion of the rail line from Itakpe to Warri among other issues was not included in the sale to Global Infrastructures but was in the BUA's sale.

6. When BUA International learnt through the grapevine that government was negotiating with another Company, it upped its bid to \$31 million but no communication was received from government.

The critical thing here is that even as we speak government has not terminated the processes of the sale to BUA International. So, the Committee felt that the processes were wrong and the Company was unfairly treated. In fact, the Global Steel Company did not participate in the bidding at all. They were just on their own and were invited to just bring a proposal; they brought a proposal and they were just taken. They were not considered with any other Company in terms of bidding with the BPE's willing buyer/ willing seller method. They were dealt with alone. This is the general finding of the Committee. Our recommendations are there.

The Chairman: Let me read the recommendations.

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1. That due process was not adhered to in the procedure leading to the purchase of Delta Steel Company by Global Infrastructure Holdings Nigeria Limited.

2. That Delta Steel Company should be handed over to BUA International Nigeria Limited which won the right to Delta Steel Company in an open competitive and transparent bidding.

These are the recommendations. Yes, Hon. Leo Ogor, do you have any comments to make?

Hon. Leonard Okuweh Ogor (Isoko North/Isoko South): Mr. Chairman, I think it is very important that we look at the history of these recommendations. In respect of this petition, Mr. Speaker did direct that the Committee on Privatisation and the Committee on Public Petition should collectively look at this issue. The fact still remains that this Report was written without the knowledge of the Committee on Privatisation. However, let me touch on the basis, which is this recommendation.

The recommendations state that due process was not followed in giving this particular Company to Global Infrastructure Nigeria Limited. It is important for us to be abreast with the Privatisation Act. If the BPE wants to privatise any Company, there is what is called the reserved price. You must at every given time achieve the reserve price. If you do not, BPE does not have that obligation to sell that Company to you.

I would, therefore, refer my Colleagues to the BPE's Act itself which states: *Where the shares of an enterprise are not to be offered for sale by public issues of shares or private placement, the Council who actually is in charge here may approve that the shares be offered for sale through a willing seller and a willing buyer basis or through any other means.* This is the Act itself.

The basis here is that the offer price that was given by BUA for this particular Company was \$20.5 million. This Company now was sold to Global Infrastructure on a willing buyer/willing seller basis for \$30 million.

It is important for us to abreast ourselves that we have, in the whole process, achieved another \$10 million into the coffer which has been fully paid by Global Infrastructure as the records indicate.

I will, therefore, ask that we take a detailed analysis of the situation before we come out with a recommendation that will jeopardize the total investment of this Company as it relates to Global Steel. Let me also point out that this Company that was abandoned for ten years is, as at today, operating at 60 per cent capacity. This Company has never, in any way, achieved this capacity.

Hon. Alex Ikor Ukam (Akamkpa/Blasé): Point of Order, Mr. Chairman.

The Chairman: Order what?

Hon. Alex Ikor Ukam: Order V, Rule 1(b). My point of Order is on the fact that my right to contribute effectively on this Motion has not been granted on the note that we have just received the Report today when we were coming into the Chamber. It is important to learn how to serve Members copies of a Report a day or two in advance before we commence any debate on any serious matter.

The Report under consideration is one that affects lives of people and it has to do with the relationship of such persons with the policy of government, past or present. Right here, we were just being served copies of these Reports. You would agree with me that if you watch out you would see hon. Colleagues trying to rush through the Report to see whether they can catch up with the presentation by the Chairman of the Committee.

So, Mr. Chairman, I am saying that you either rule by your own authority to order that whenever a Report is to be presented or to be considered Members should be served a day or two in advance.

The Chairman: Your observation is noted.

Hon. Yusuf Maitama Tuggar (Gamawa): Mr. Chairman, as you are aware, we have been presenting Reports to the House based on hearings that we have been carrying out. These Reports touch on all sectors. For instance, we have not had a situation where a Committee that has an oversight function on the Police, Health or Banking is insisting to be part of a particular public hearing or investigation. Even though this matter was discussed with the Speaker, we acquiesced; the Committee on Privatization was part and parcel of the public hearing that was conducted and they made

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contributions. The general decision of the majority of our Members both of the Privatization and Public Petition was what led to the findings and recommendations that are being read on the Floor today.

The case in question is simple and straightforward. It is non-esoteric; one does not have to have any special knowledge to understand it.

There was a bidding exercise conducted by the Bureau for Public Enterprise (BPE). A winner emerged with a bid price of \$20.5 million. The President at that time, President Olusegun Obasanjo, decided unilaterally against the recommendations of the Bureau of Public Enterprise, as well as the National Council on Privatization, to beef up the price to \$25 million. The winner agreed to pay the price and initiated the process of making the payment. Again, there was an *about-face* because the President decided that he would no longer sell it to BUA but wanted another company to be the core investor which is Global Infrastructure, for \$30 million. The winner still went back and pleaded to pay \$31 million. This is one side of the story.

Looking at the actual company which is BUA, is it a bona fide company? Has it been participating in manufacturing; is it an industrial group with a proven track record? It has been doing business with Delta Steel Company, that was how it became interested in taking over Delta Steel Company and running it.

Conversely, Global Infrastructure is a company owned by the two Mital brothers, Pramode and Vito Mital who were actually fighting themselves and wanted to bring the battle into the Nigerian soil. They have to sort themselves out before they could come to take over some Nigerian enterprise.

Hon. Samson R. Osagie (Orhionmwon/Uhunnwose): Mr. Chairman, I have gone through the entire gamut of this Report but I am at sea whether there are things to be read in between the lines, because like the Lawyers would say, it is *res ipsa loquitur*. The procedure that was adopted by the body empowered to do so did their job; a letter was sent to the company that won the bid. At the end of the day a company that did not even bid got it. What can we say? We must learn to call a spade by its name; that is why we are here. If we cannot stand by the truth on any matter, then we are not worthy to be Representatives.

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I want to say that, considering the fact that the Chairman of this Committee is a very responsible Member of this House, I do not see anything wrong with the judgement of that Committee as far as their recommendation is concerned. I so support.

Hon. Njidda A. Gella (Maiha/Mubi North/South): Mr. Chairman, definitely this is a very serious and global issue. Any government all over the world without a steel industry is not a developing country. We, therefore, have to take the issue seriously. If we are taking judgement we should make sure that what we are doing is the right thing and that it will be productive to our economy.

The issue at stake definitely was misdirected. It was ill conceived, there was no due process and due diligent. I repeat that the entire process of privatization has some dirty deals (*Interruptions*)

The Chairman: Hon. Njidda Gella, you should stick to the issue on ground.

Hon. Njidda A. Gella: I am sticking to the issue on ground because it started from there. Where, for instance, a company bided and was refused, though some negotiations went behind, and he was ready to make up the amount, yet somebody else came and bided more, which is what we are looking at; the highest bidder.

Hon. Njidda A. Gella: I can hear an hon. Member asking if he participated in the bid; if he had not participated, then it is wrong (*Interruptions*)

The Chairman: Thank you very much, Hon. Njidda

Hon. Njidda A. Gella: I have not exhausted my contributions; and as the Chairman of that Committee I should be allowed to speak.

My Committee and the Committee on Public Petitions were mandated to carry out the job, but we have not been allowed to make our own contribution. I do not know how they could unilaterally submit their own Report without giving our own compendium on the matter. We are supposed to jointly submit the Report.

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The Chairman: I was here in the Chamber when the matter was brought and it was referred to the Committee on Public Petitions. No matter what you discussed somewhere else, that would not be as effective as what we have discussed on the Floor of the House.

Hon. Bala Ibn Na'Allah (Zuru/Wasagu/Sakaba/Fakai): My contribution has to do with putting the records of this House straight; and it is very important. I have always said that when Members took the Oath of Office on the day they were sworn-in, they did swear to uphold, protect and defend the Constitution of the Federal Republic of Nigeria and the Rules of the House.

The Rules of the House are very clear that any matter coming before the House by way of Public Petition shall be referred to the Committee on Public Petitions duly established by the Rules of the House. So, even if there was any joint referral, it is in contradiction to the express provision of the Rules of the House and, therefore, you cannot put something on nothing and expect it to stand. So, it therefore means that the records of the House, as it stands today, is that the Public Petitions Committee is bound by the Votes and Proceedings of the House of Representatives. That is one.

The second aspect that I want to comment upon is on the merit of the matter itself. In the last House, if I may recall, we had three of these cases where people went through the due process of bidding and at the end of the bidding period, even when they emerged as winners of the bid, they were refused arbitrarily by the Executive arm of Government. We have had one that even came from America on which we conducted Public Hearing. My Friend, my Colleague, and well respected Hon. Leo Ogor, argued that the Provision of the BPE Act gave rights to BPE to refuse the highest bidder and give it to the reserved bidder. That is a fantastic story. So, he said because the offer was not up to the reserved price, the BPE can refuse to give the winner of the bid which is a fantastic story. However, the same law imposes an obligation on BPE to write to the winner of the bid that *you are unable to meet the reserved price and therefore we are refusing you that*. You have read through the length and breadth of this Report and there was nothing near to that by BPE. So, to use the words that *the sale was arbitrarily done* is even using the mildest language by the Public Petitions Committee of this House. They were being very mild in the use of their language. I am of the opinion that if we must contain the position taken by my Friend, Hon. Osagie, this House should not be in difficulty in saying

that what was done was not right and, therefore, putting what ought to have being done in proper place and granting the same place to BUA International Limited.

Hon. Melaye Daniel Dino (Kabba/Bunu/Ijumu): Hon. Speaker, I just want to buttress the position as lucidly elucidated by Hon. Ibn Na'Allah. In this House, we are responsible Members and that is why we are called hon. Members. With very due and high respect to my Colleague, Hon. Leo Ogor, I want to say that his argument on this matter is from a point of limitation of information. If we look at the Report as written by the Committee on Public Petitions, the argument that the present owners of Delta Steel are operating at 60% capacity does not arise; because we will need celestial powers to know if one BUA operates below 60% or above 60%. So, since the House is a responsible House and the Rule of Law is what we are preaching, we must respect the Constitution of the Federal Republic where the House Rules derive their powers from. This case is a case of abuse by BPE by the last government. If this has been ameliorated and valued by the Committee in question, we must then apply what I call sporadic initiative of reasoning by taking an instantaneous agreement here to support the resolution of this responsible information.

Hon. Mohammed Ali Ndume (Damboa/Gwoza/Chibok): Mr. Chairman, hon. Colleagues, what I really want to say had already been mostly captured by my Colleagues who spoke previously. I want to emphasise on this that just as we have this honourable Committee on Public Petitions, it is one of the windows of hope to Nigerians to come and address certain abnormalities. I would have preferred to say this if C.I.D. Maduabum were not around; that we have a credible Chairman as the Chairman of Public Petitions Committee and the Committee's Report is here. It is not voluminous and Members can read through this Committee Report and, at least, have a grasp of what happened and the procedure and whatever they did.

Now, aside the fact that due process was not followed and again that this company that is struggling to take over what they actually deserve to get, after following due process, is mostly owned by Nigerians. The issue of compromising on few Dollars or even, at most, a large amount against the interest of any Nigerian that is even making an attempt, should not be encouraged. Let us not even say that this company is competent enough, but if it has the intention, Nigerians should try as much as possible to encourage such company because that is what we are supposed to do.

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The Chairman: Hon. Nkiru Onyeagocha has the Floor, please.

Hon. Nkiruka Onyeagocha (Isuikwato/Umunneochi): Mr. Chairman, I want to say one thing and I have to be distinct. The Due Process was not adhered to when they gave it to Delta Steel Company yet, we are practicing the Rule of Law. Also, from the evidence before me here, which is what the Committee had investigated, whether there is something that had happened outside which we did not know and which is not contained in this paper, this paper had said due process was not followed. So, if the Delta Steel Company is more in capacity - having more money and more this and that, as long as they were time barred when the bid was considered, that angle should be looked at. If they had come to the bid, maybe they would have won. However, because they did not participate on time or maybe because somehow somebody knows somebody somewhere so they got the bid, we should not encourage that. The Delta Steel Company should hand over everything to BUA International which is the Company that got the bid.

The Chairman: Hon. Emmanuel Bello is recognised, please.

Hon. Emmanuel Bello (Gombi/Hong): Mr. Chairman, it is very clear that due process was not followed arising from the Report before us. If Global International goes for arbitration, they may not get what they want from arbitration. However, what I want to do is to amend the recommendation of (2) thus:

That is, Delta Steel Company (DSC), should be handed over to BUA International Limited which won the right of Delta Steel Company in an open competitive and transparent bidding. In addition to that, Nigerian jobs should be protected under the take over agreement by BUA.

The Chairman: Please, the Chairman, Committee on Bureau of Public Enterprises - (*Interruptions*)

Hon. Danlami Hamza (Fagge): Point of Order!

Hon. Dino Melaye (Ijumu/Kabba-Bunu): Point of Order!

The Chairman: Hon. Danlami, please be patient.

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Hon. Njidda A. Gella (Maiha/Mubi North/South): The point I am trying to raise here is to exonerate BPE from this Act. The BPE is not part of this deal, and were not aware. They were only informed to consent to the deal.

The Chairman: What is your Order Hon. Dino Melaye? Hon. Danlami, I am coming to you, please. But you have just one minute, please.

Hon. Danlami Hamza: Mr. Chairman, hon. Colleagues, like some of our Colleagues have already spoken, we are duty bound to support the present regime's stand on the issue of Due Process. The Due Process was not followed. In addition to handing over to BUA International Limited as recommended by the Public Petition Committee, I am of the opinion that some crimes under the purview of the Economic and Financial Crimes are likely to have been committed. I am even recommending that the issue of how Global Steel came in should be investigated. It is a serious issue to this country. (*Applause*)

The Chairman: If that is your Amendment, you may forward it to the Chair. Hon. Kamil Akinlabi, you have the Floor, please.

Hon. Mudashiru Kamil Akinlabi (Afijio/Atiba/Oyo East/Oyo West): Mr. Chairman, I draw my inference from the response of the BPE. Let me refer you to item 4 (i); the response of the BPE, which says 'a substantial part of the representation made by BUA International Limited is correct' and I go further to (iv) *BUA International Limited subsequently offered US Dollars \$25 million*. Approval was sought for the offer to BUA International Limited at the rate of financial offer along with other conditions. The BPE never denied that they offered BUA International Limited offer to take over Delta Steel Company. The fact that they said the Letter of Offer was not in existence does not *ipso facto* mean that that letter does not exist. They actually offered BUA International Limited a letter and still offered another person the same offer, knowing fully well that there was an offer in existence.

Mr. Chairman, I urge that this should be given to BUA International Limited.

The Chairman: Hon. Uchendu (*Interruption*)

Some hon. Members: Mr. Chairman, put the Question.

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The Chairman: Please, be patient; I will put the Question.

Hon. Andrew Igbonule Uchendu (Ikwerre/Omuma): Mr. Chairman, thank you very much for finally giving me the opportunity. As far as I am concerned, Hon. C. I. D. Maduabum and his Committee has done an excellent job on this particular assignment.

I served as the Deputy Chairman of the House Committee on Privatization during the last Session, and we had to contend with the issue concerning the Privatization of Delta Steel.

Mr. Chairman, the Report of this Committee has most brilliantly articulated what we found out to be a situation we could not have helped. I think that having complied with the directive of this House to investigate the petition properly brought before the House, we have no other option than to comply with looking into the details of the Report and its Recommendations. As far as I am concerned, they have done a good job and the BUA International Limited should be given this job they most ably won. Having said that, I must draw the attention of the House to the fact that this is a fundamental Resolution, and the compliance would be of great essence.

The Chairman: Finally, I think when the former Speakers want to speak, you allow them to speak last. So, Hon. Tsegba, you have the Floor, please.

Hon. Terngu Tsegba (Gboko/Tarka): Mr. Chairman, it is on record that Global Company Limited is busy stripping both the physical and financial assets of Delta Steel Company. The Company, as at today, has laundered over ₦30 Billion taken from about eight Nigerian Banks. Since these banks are public quoted companies and owned by the Nigerian public, it is part of our responsibilities to ensure that we investigate this and that these monies are recovered back to Nigeria.

Mr. Chairman, I am therefore making an Amendment in line with my Colleagues that the EFCC be mandated to investigate the allegation of money laundering against the Global Steel Company and recover same for the benefit of our people.

The Chairman: Please, put it in writing. Let us take the Amendments before I put the Question. The first Amendment is from Hon. Emmanuel Bello. It reads thus: *In addition to the take-over by BUA*

International Limited, Nigerian jobs should be protected under the new take-over agreement by BUA International Limited.

Is there any Seconder?

Hon. Stanley O. Ohajuruka (Umuahia North/South Ikwunano): I do second the Amendment.

Amendment put and agreed to.

The Chairman: Former Speaker Pro-tempore, we are waiting for your Amendment. The other Amendment is from Hon. Danlami Hamza. It reads thus: *In view of the fact that Global Infrastructure Holding Limited did not bid for the Delta Steel Company in the first place, the matter of how the Delta Steel Company was sold to Global Infrastructures Holding Limited be investigated by the EFCC to uncover any illegality carried out.*

I think it could be merged with the previous Amendment that EFCC should be mandated to investigate allegation of money laundering of about ₦30 billion or \$250 million against Global Steel Company Limited, that is, the money taken from Nigerian Banks as loan. This could be merged together.

Is there any Seconder to this Amendment?

Hon. Olaka J. Nwogu (Eleme/Oyigbo/Tai): I second the Amendment as moved by the former Speaker, Pro-tempore.

Amendment put and agreed to.

The Chairman: Now, let me put the Question on the Prayers.

Question put and agreed to.

Resolved: (i) That due process was not adhered to in the procedure leading to the purchase of Delta Steel Company by Global Infrastructures Holdings Nigeria Limited.

(ii) That Delta Steel Company should be handed over to BUA International Nigeria Limited which won the rights to Delta Steel Company in an open competitive and transparent bidding. In addition to the take-over by BUA International Limited, Nigerian jobs

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should be protected under the new take-over agreement by BUA International Limited.

(iii) That in view of the fact that Global Infrastructures Holding Limited did not bid for the Delta Steel Company in the first place, The Economic and Financial Crimes Commission (EFCC) be urged to investigate the matter and allegation of money laundering of about ₦30 billion or \$250 Million against Global Infrastructures Holdings Limited.

Hon. Tunde Akogun (Akoko Edo): I move that the House do revert to Plenary.

The Chairman: The House is hereby reverted to Plenary.

(The Deputy Speaker resumed the Chair)

House in Plenary

The Deputy Speaker: Hon. Members, the House in the Committee of the Whole considered the following Reports from the Committee on Public Petitions.

(1) Petition by Brigadier-General J. O. Ayeni against the Nigerian Army: The House approved the recommendation.

(2) The House approved the recommendation on the petition by A. A. Bello and O. A. Akinsanya against Skye Bank.

(3) The House approved the recommendation as amended on the petition by BUA International Limited against the Bureau of Public Enterprises (BPE)

Adoption of Reports

Hon. Tunde Akogun (Akoko-Edo): Mr. Speaker, I move that this House do adopt the recommendations by the Committee of Whole.

I so move.

Hon. Baba Shehu Agaie (Agaie/Lapai): Mr. Speaker, I do second the Motion as moved by my able Leader.

Question put and agreed to.

Resolved: That the House do adopt the recommendations by the Committee of the Whole.

ANNOUNCEMENTS

Notice of meetings

Constituency Projects Committee

The Deputy Speaker: There will be a meeting of Constituency Projects Committee by 4.00 p.m., today, at Room 411, new wing.

(Signed)

Chief Whip.

The Benue Caucus Meeting

There will be a meeting of Benue Caucus in the Chamber after sitting.

(Signed)

Hon. Solomon Agidani.

Caucus Leader

ADJOURNMENT

Hon. Tunde Akogun: Hon. Speaker, I move that this House do adjourn till tomorrow, Wednesday, 16th January, 2008 at 2.00 p.m.

Hon. Baba Shehu Agaie: Mr. Speaker, I do second that this honourable House do adjourn till tomorrow, Wednesday, 16th January, 2008.

Question put and agreed to.

Resolved: That the House do stand adjourned till tomorrow, Wednesday, 16th January, 2008 at 2.00 p.m.

The House adjourned accordingly at 1.30 p.m.