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SENATE OF THE FEDERAL

REPUBLIC OF NIGERIA

Wednesday, 25th May, 2016

The Senate met at 11.00 a.m.

PRAYERS

(The President in the Chair)

VOTES AND PROCEEDINGS

The President: Distinguished Senators, we have before us the Votes and Proceedings of Tuesday, 24th May, 2016, for your approval; we will start consideration from page to 727 to 737.

Senator Sulaiman Othman Hunkuyi (Kaduna North): Mr. President, I move that the Votes and Proceedings of Tuesday, 24th May, 2016 be approved.

Senator Joseph Utazi Chukwuka (Enugu North): Mr. President, I second the Motion that the Votes and Proceedings of Tuesday, 24th May, 2016 be approved.

Question put and agreed to.

Resolved: That the Votes and Proceedings of Tuesday, 24th May, 2016 be approved.

ANNOUNCEMENTS

Meeting of Constitution Review Committee

His Excellency,
The Senate President,
National Assembly,
Three Arms Zone,
Abuja.

Your Excellency,

Review of the 1999 Constitution

The Senate Committee on the Review of the 1999 Constitution will meet today, Wednesday, 25th May, 2016 immediately after sitting at the Senate Committee Room 204, Senate Building.

(Signed)

Senator Ike Ekweremadu
Deputy President

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PRESENTATION OF PUBLIC PETITIONS

Petition against Nigerian College of Aviation Technology, Zaria

Senator Sunny Oji Ogbuoji (Ebonyi South): Point of Order Mr. President!

The President: Order What Senator Ogbuoji?

Senator Sunny Oji Ogbuoji: I come under Order 41(1), with your permission I will read Mr. President.

Senator Sunny Oji Ogbuoji: Mr. President, Order 41(1) reads:

A Petition may only be presented to the Senate by a Senator, who shall affix his name at the beginning thereof.

Mr. President, the petition is from one of my constituents on the unlawful termination of her appointment from the Nigerian College of Aviation Technology, Zaria. There is no judiciary remedy being sought.

The President: Come and lay it on the Table.

(Petition laid.)

Petition against the Nigerian Navy

Senator Barau I. Jibrin (Kano North): Point of Order Mr. President!

The President: Order What Senator Jibrin?

Senator Barau I. Jibrin: I come under Order 41(1), with your permission I will read Mr. President.

A Petition may only be presented to the Senate by a Senator, who shall affix his name at the beginning thereof.

Mr. President, I have a petition from Mr. Suleiman who is one of my constituents. He worked with Nigerian Navy before he was dismissed from the service of Nigerian Navy. His dismissal was not in line with the Extant Rules and Regulation of that entity.

He is asking that this Senate should intervene so that he can be re-instated back to his duty because he has the desire to serve his father land through the Nigerian Navy.

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May I therefore lay the petition on the Table?

(Petition laid.)

Petition against the Nigerian Army

Senator Sulaiman Othman Hunkuyi (Kaduna North): Point of Order Mr. President!

The President: Order What Senator Hunkuyi?

Senator Sulaiman Othman Hunkuyi: I come under Order 41(1), with your permission I will read Mr. President.

A Petition may only be presented to the Senate by a Senator, who shall affix his name at the beginning thereof.

Mr. President, I have a petition from one of my constituents who was unduly dismissed from the service of the Nigerian Army. The court has discharged the case in favour of the petitioner and that was almost 10 years ago. Up till now the Nigerian Army has not implemented the decision of the court. He seeks the special intervention of this Chamber for his case to have justice. .

(Petition laid.)

Petition against PPMC Management

Senator Clifford A. M. Ordia (Edo Central): Point of Order Mr. President!

The President: Order What Senator Ordia?

Senator Barau I. Jibrin: I come under Order 41(1), with your permission I will read Mr. President:

A Petition may only be presented to the Senate by a Senator, who shall affix his name at the beginning thereof.

Mr. President, I have a petition from one of my constituents, his name is Prince Obi A. Uzoma in respect of unlawful termination of appointment by PPMC Management. He is yet to seek for judicial remedy.

With your permission may I lay the Petition?

(Petition laid.)

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Petition against NDIC

Senator Mao A. Ohuabunwa (Abia North): Point of Order Mr. President.

The President: Order What Senator Ohuabunwa?

Senator Mao A. Ohuabunwa: I come under Order 41(1), with your permission I will read Mr. President.

A Petition may only be presented to the Senate by a Senator, who shall affix his name at the beginning thereof.

I have a petition from one of my constituents, Mr. Collins Chinonye Udogwu, he believes that he was unjustly treated and dismissed by his employer NDIC.

He became a Staff of NDIC since 1989 and at the time he thought he was cruising his appointment was terminated. He has brought his petition to this Senate to look at this issue and reverse the termination.

With your permission may I lay it on the Table?

(Petition laid.)

(Petitions accordingly referred to the Committee on Public Petitions, Ethics and Privilege to be brought back in two weeks.)

PRESENTATION OF REPORT

Report on North East Development Commission Bill, 2016

Senator Mohammed Ali Ndume (Borno South): Mr. President, the first Business of the Day is the presentation of a Report of the Committee on Special Duties on the North East Development Commission Bill, 2016.

You may wish to invite Senator Abdul-Aziz M. Nyako, the Chairman of the Committee to move the Motion for the Senate to receive the Report.

Senator Abdul-Aziz M. Nyako (Adamawa Central): Mr. President, I move a Motion to lay the Report on the North East Development Commission Bill 2016.

Senator Joshua Moltobok Lidani (Gombe South): Mr. President, I second the Motion that the Senate do receive the Report of the Committee on Special Duties on the North East Development Commission Bill, 2016.

Question put and agreed to.

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(Report laid on the Table.)

Report on Tackling the Perennial Conflict between Farmers and Cattle Herdsmen

Senator Mohammed Ali Ndume (Borno South): Mr. President, the second Business of the Day is the presentation of a Report of the Committee on Agriculture and Rural Development in respect of a Motion on tackling the Perennial Conflict between Farmers and cattle Herdsmen. You may wish to invite Senator Abdullahi Adamu, Chairman of the Committee to move the Motion for the Senate to receive the Report.

Senator Abdullahi Adamu (Nasarawa West): Mr. President, the Senate at its Plenary on Wednesday, 3rd March, 2016 deliberated on a Motion on: *Tackling the Perennial Conflicts Between Farmers and Cattle Herdsmen*, and resolves, among other things, to mandate the Joint Committee on Agriculture and Rural Development, National Security and Intelligence to conduct a Public Hearing on the matter with a view to articulate -

The President: Senator Adamu you are to move for Senate to receive the Report first.

Senator Abdullahi Adamu: I move that the Senate do receive the Report of the Committee on Agriculture and Rural Development in respect of a Motion on: *Tackling the Perennial Conflict between Farmers and Cattle Herdsmen*.

Senator Samuel Ominyi Egwu (Ebonyi North): Mr. President, I second the Motion as moved by Senator Abdullahi Adamu.

Question put and agreed to.

(Report laid on the Table.)

Report on Commercial Agricultural Credit and Agriculture Credit Guarantee Scheme Bills 2016

Senator Mohammed Ali Ndume: Mr. President, the third and fourth Businesses of the day is the presentation of the Report of the Committee on Agriculture and Rural Development on the Commercial Agricultural Credit Scheme (establishment, etc.) Bill 2016; and the Agriculture Credit Guarantee Scheme Fund Act (Amendment) Bill, 2016.

You may wish to invite Senator Abdullahi Adamu to move the Motion for the two Reports to be received.

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Senator Abdullahi Adamu: Mr. President, it is my privilege to lay the Bill for an Act to provide a Regulatory Framework for the Agriculture Credit Scheme Fund, which shall promote Agriculture in Nigeria to ensure credit support for production, storage and processes of target commodities, develop market and agricultural enterprises and for other Related Matter, and the Bill for an Act to amend Agriculture Credit Guarantee Scheme Fund Act CAP A11 LFN, 2004 (Amendment) Bill, 2016 (SB. 17). I so move.

Senator Gilbert Emeka Nnaji (Enugu East): Mr. President, I second the Motion that the Senate do receive the two Reports.

Question put and agreed to.

(Reports laid on the Table.)

ORDERS OF THE DAY

MOTIONS

MATTERS OF URGENT PUBLIC IMPORTANCE

Urgent Need to address the Present Economic State of the Nation

Senator Mohammed Ali Ndume: Mr. President, the first Order of the Day is a Motion standing in the name of Senator Bassey Albert Akpan on the urgent need to address the present economic state of the Nation.

You may wish to invite Senator Bassey Albert Akpan to move the Motion.

Senator Bassey Albert Akpan (Akwa-Ibom North East): Mr. President, I do move that the Senate:

Aware that the National Bureau of Statistics (NBS) last week released the Nation's economic score card for the first quarter of the year 2016 for Gross Domestic Product (GDP), inflation and unemployment;

Observes that the report depicts that the nation's economy plunged into a recession with a decline of 0.36 *per cent* year-on-year in real terms, which is a drastic drop from 2.11 *per cent* in last quarter of 2015 in GDP;

Further observes that from the Report, unemployment rate rose to 12.1 *per cent* in the first quarter of 2016 from 10.4 *per cent* in last Quarter of 2015. Unemployment also increased to 19.1 *per cent* from 18.7 *per cent* in the same period while the rate of inflation rose from 9.6 *per cent* in January 2016 to 13.8 *per cent* in April 2016 with the attendant increase in prices of basic food commodities and services in the country;

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Worried that the declining Gross Domestic Product (GDP) and unemployment besides the current high inflation rate clearly shows that the economic policies are not achieving desired impact and requires an urgent review to avoid further plunge in our economy;

Further worried that the current economic contraction is the first major drastic slump since June, 2004, which according to the Central Bank of Nigeria is a 12 year-low, while the World Bank's position is a 21 year-low;

Recalls that the Central Bank of Nigeria has in March, 2016 deployed a contracting monetary policy increasing benchmark interest rate from 11 *per cent* to 12 *per cent* and cash reserve ratio from 20 *per cent* to 22.5 *per cent*. The question is, why contracting monetary policy instead of expansion monetary policy of boosting economic activities at such a critical time as this;

Deeply concerned that the continued complacency of the current state of our economy if allowed unchecked will set the tone for a full blown economic recession by the end of June 2016 as already confirmed by the Central Bank of Nigeria in her Monetary Policy Committee (MPC) meeting of yesterday;

Disturbed that the current economic situation in the country coupled with lack of required foreign exchange to boost imports of raw materials for our domestic industries will worsen the unemployment and poverty situation in the country;

Considering the decline in oil production in the Niger Delta by 800,000 b/d vis-à-vis the bench mark production for 2016 budget of 2.2 mb/d, owing to the vandalism of oil pipelines, in addition to the inability of Non-oil revenue collecting agencies like the Customs and FIRS to meet our revenue targets owing to the economic crunch; and

Convinced that with the current economic slump, meeting the key budgetary revenue projections of the 2016 budget is practically impossible and the need to have a rethink to avoid deepening budget deficit or poor budget implementation.

Accordingly resolves to:

- (i) Invite the Minister of Finance and the Governor of the Central Bank of Nigeria to brief the Senate on the Monetary and Fiscal Policies adopted to salvage the current economic situation in the country.

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Mr. President, the release of this data from the National Bureau of Statistics led to the emergency meeting of the Central Bank Monetary Policy Committee meeting of the past two days, which only yesterday sustained the contracting monetary policy that had been deployed in March, 2016. The only hope according to the words of the Central Bank Governor is that they believe that with the signing of the budget and the effective implementation of the budget, the fiscal policy elements will stabilise the economy.

I am only worried because just yesterday, Naira was completely devalued and this has being the sentiment that has been expressed in the last couple of months by all experts. However, we must be able to understand the fact that with the passage of the Medium Term Expenditure Framework, which has a benchmark exchange rate of ₦197; and with the devaluation of the naira, which has made the official exchange rate with the parallel market rate, one begins to wonder what would be the fate of the ordinary Nigerian.

We have a responsibility to invite the Governor of the Central Bank and the Minister of Finance to brief this Senate. We must be able to agree on the modalities that we will redeploy to salvage the economy of this great country.

I urge this distinguished Chamber to support this Motion so that we can move Nigeria forward for the collective good of all Nigerians.

The President: Distinguished Colleagues, since the Prayer is requesting the invitation of the Minister of Finance and Governor of the Central Bank, I guess their briefing would guide whatever our contribution is, Is there any seconder before I put the question?

Senator Biodun Olujimi (Ekiti South): Mr. President, it is very clear that this situation arose because there is no visible economic policy in Nigeria as it is with the devaluation of the Naira. I second the Motion hoping that when the two people who have been invited, that is the Minister of Finance and the Governor of Central Bank come and see us, they will come with an economic blueprint and ways of applying palliative to this our economy.

Main Motion put and agreed to.

Resolves to:

Invite the Minister of Finance and the Governor of the Central Bank of Nigeria to brief the Senate on the Monetary and Fiscal Policies adopted to salvage the current economic situation in the country.

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Intervention on the Reforms and Strengthening of Local Government Administration in Nigeria

Senator Mohammed Ali Ndume: The second Order of the Day is a Motion standing in the name of distinguished Senator Abdullahi Gumel and seven others on the *Intervention of the Reforms and Strengthening of Local Government Administration in Nigeria*.

You may wish to invite Senator Abdullahi Gumel to move the Motion.

Senator Abdullahi A. Gumel (Jigawa North-West): Mr. President, I do move as follows:

The Senate:

Deeply worried by the flood of petitions from Nigerians and stakeholders in particular on the current situation of State and Local Government Relations (SLR) especially in the light of the rampant dissolutions of elected Council officials and enthronement of unelected Care-Taker Committees (CTC), and the long-standing issue of funding for the Councils in line with their Constitutional responsibilities;

Aware that various attempts to resolve this SLR impasse via alteration of the 1999 Constitution of the Federal Republic of Nigeria have failed and the matter has not been addressed. This negates and hurts the attainment of the lofty goals of democracy and inclusiveness at the grassroots, which may indeed lead to the collapse of the Local Government system in some States of the Federation;

Concerned that this has already adversely manifested in very low morale, performance and quality of governance at the Local Government level with its detrimental effect on the state of infrastructure, welfare, employment and empowerment opportunities of Nigerians, especially those in the rural areas;

Reaffirming the Senate President's enunciation of the 8th Senate Policy Thrust at the Inauguration of Senate Committees, wherein he emphasised his commitment to:

Pay more attention to the development of institutional capabilities of States and local governments to deliver effective public service;

Conscious of the Senate's commitment that:

It is now much more important to see the Senate Committee on States and Local Government advise the Senate on how we can elevate the capabilities of the States and Local Governments to deliver adequate and qualitative public service to Nigeria citizens;

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Acknowledges the Concern of Mr. President, who in his Inaugural Address on the 29th of May 2015, indeed captured the feeling of Nigerians as he did not mince words in stating that:

Relations between Abuja (Federal Government) and the States have to be clarified, if we are to serve the country better. Constitutionally there are limits to the powers of each of the three tiers of governments but that should not mean that the Federal Government should fold its arms and close its eyes to what is going on in the States and Local Governments. Not in the least is the operation of the Local Government Joint Account;

Further acknowledges the policy direction of Federal Government expressed by the Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo GCON in his address at the recent NIPPS workshop as follows and I quote:

Local Government must be given more than a casual attention as this government is determined to support the efficiency of the Local Government administration and the strengthening of their operations and capacities.

Other eminent Nigerians equally showed dissatisfaction with the existing administration of Local Government including distinguished statement of former President Olusegun Obasanjo who holds the governance as inference responsible for the poor quality performance of Local Government Council. Several conferences, seminars and workshops have not only emanated on the dispensing state of the Local government in Nigeria but also indicted the role of State governments.

Notes however, that the State Governors see the attempts by the Federal Government to interfere in the affairs of the Local Government System as an aberration;

Notes also that the call for review of Local Government Administration has not only become more strident but now seems to demand urgent attention, which are adequately provided for in the 1999 Constitution of the Federal Republic of Nigeria (as amended) which without need for further alteration invite legislative exploration to strengthen State-Local Government Relations and indeed enhance their performances; and

Is determined to utilise its legislative mandate and commitment:

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To make laws for the peace, order and good governance of the Federation or any part thereof with respect to any matter included in the Exclusive Legislative List and also:

- (a) *any matter in the Concurrent Legislative List set out in the first column of part 11 of the Second Schedule to the Constitution to the extent prescribed in the second column opposite thereto; and*
- (b) *any other matter with respect to which it is empowered to make laws in accordance with the provisions of this Constitution.*

Accordingly Resolves to:

- (i) *Mandate the Senate Committee on States and Local Government to conduct a Public Hearing on the Reforms aimed at Strengthening Local Government Administration in Nigeria within the context of the 1999 Constitution of the Federation of Nigeria (as amended) and other extant laws; and make recommendations.*

I so move.

Senator Mohammed Danjuma Goje (Gombe Central): Mr. President, I second this very important Motion on the issue of deteriorating situations of our Local Governments in this country; being somebody who was involved first between 1981-1983, I was Chief Executive of our Local Government and I also served as a Governor for eight years.

These days I weep and cry deeply because of the bad situations of our Local Governments. Virtually, what we operate in this country now is a two tier government, the Federal Government and the State Government. In fact, in practice, Local Government does not exist. There is a need to do the needful by conducting a Public Hearing and ensuring that we effect the necessary constitutional amendment that will restore and guarantee the independence of our Local Government so as to operate as a true third tier of government in this country.

For this reason and many other reasons that would come later on, I hereby second this Motion and urge my Colleagues to support it.

The Deputy President: But it is good to hear from a former Governor.

Senator Mohammed Ali Ndume: Mr. President, this Motion is coming in most appropriate time as we are preparing for the Constitution amendment.

I recall that in the 7th Senate, the National Assembly also recommended the strengthening of the Local Government but it could not see the light of the day because the Governors were still in charge. Remember in the 6th Assembly we recommended the autonomy of the State Houses of Assembly, as I said, it could not see the light of the day, not because the State did not recognise or need that autonomy; but because of the fact that the Governors were against it.

The intent behind conducting this Public Hearing is really to solve this problem, which is very serious. In this country, in the Constitution by name, we have three tiers of government but actually they converted the three tiers of government to two tiers. Local governments do virtually not exist. In the last statistics carried out, out of the 774 Local Governments about 620 were administered by Caretakers including all the Local Governments in Akwa Ibom.

This cannot continue if we really want development to reach the grassroots and democracy is government of the people, for the people, and by the people and majority of these are people at the Local Government level. It is very important to conduct this Public Hearing and I want this Senate to urge the Committee to really conduct real Public Hearing even if it requires doing so on zonal basis to sensitise Nigerians. By so doing by the time the Constitutional amendment is being carried out this amendment will see the light of the day.

They hide under this provision of joint account to milk the Local Government. Some of the Local Governments for the past six years or thereabout are given a token of ₦500,000 from their monthly allocation as what they call *security votes* and that is all. Most of the things that you see happening at the State Headquarters, particularly, are done with the moneys that are withdrawn from the Local Governments. There is the need for change, especially now with the government of change; it should be seen that there is change in our system.

Senator Godswill Obot Akpabio (Akwa Ibom North-West): Mr. President, this is an issue that I want to support and we should do everything to strengthen Local Government Administration in Nigeria. I will not want to join issues with the Senate Leader, as my Leader. He knows that Borno State has not done any Local Government election since 1999 and he kept representing the people and he has always run Borno State with Caretaker Committee. As a Governor, I conducted three elections into Local Government and they had three year tenure and concluded their three years. I did another election, they concluded another three years, making it six. And then I did another election and that, of course, dovetails into the administration of the current Governor.

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The Deputy President: I am not asking you to respond to Senate Leader, just contribute.

Senator Godswill Obot Akpabio: The Senate Leader specifically mentioned Akwa Ibom. Akwa Ibom actually, should be a role model of what Local government administration in Nigeria should be. And not only has it achieved a lot, they do not have anything like deductions, I always gave them their money - but there is a problem. In practice, autonomy for Local Government is good but that tier of government is always populated, majority of them are people who are inexperienced.

When I was a Commissioner for Local Government, we found out that whenever monies were given to Local Governments, the practitioners would rather use the money for projects. They want to do projects and will not remember that the salaries of the labourers, the Local Government staff, should also constitute projects. So, some of the Local Governments in Nigeria would be owing nine (9) months, 10 months, 13 months and sometimes 14 months arrears of salaries of teachers and workers. This was the practice and where a worker stays for up to one year without salary and the worker has children, you can imagine! The State Government must intervene and so, in practice, it is not that easy.

Again, this is a Constitutional matter and the reality is that the Nigeria Constitution on its own has a problem. The problem here is that the Constitution says that the State Houses of Assembly should *make laws for the proper administration of Local Government*, and not just the creation of the Joint Account. So, while we are talking about the autonomy of Local Government we should also realise that there is need to amend the section of the Constitution which says that the State Houses of Assembly in various States should make laws for the proper administration of Local Government across Nigeria. That provision on its own means that on the one-hand, you recognise three tiers of government, on the other hand, you hand over the third tier of government to the State Houses of Assembly, and by implication to the State. This is the anomaly and it is something that is constitutional; on the whole, I support the need to strengthen that tier of government so that it can deliver to the people at the grassroots level.

The Deputy President: I know this is a very popular Motion, so I will just appeal to our Colleagues to keep their contributions short so that many people will contribute.

Senator Bala Ibn Na'allah (Kebbi South): Thank you Mr President. Speaking constitutionally, I refer the Senate to Section 7 of the 1999 Constitution as amended and it says:

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CFRN S.7 - (1) The system of Local Government by democratically elected Local Government Councils is under this Constitution guaranteed; and accordingly, the Government of every State shall, subject to section 8 of this Constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils.

Section 162 (5) says:

The amount standing to the credit of Local Government Councils in the Federation Account shall also be allocated directly to the State for the benefit of their Local Government Councils on such terms and in such manner as may be prescribed by the National Assembly.

The issue is; have we made any prescription to this effect since 1999? Sub-section (6) says:

Each State shall maintain a special account to be called "State Joint Local Government Account" into which shall be paid such allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State.

Sub-section 7 says:

Each State shall pay to the Local Government Councils in its area of jurisdiction such proportion of its revenue on such terms and in such manner as may be prescribed by the National Assembly.

So, the responsibility has always been that of the National Assembly to make a law pursuant to this provision prescribing how this money is going to be paid and directing specifically, the payment of that money in such a manner as to reflect the necessary intendment of this Constitution. And the intendment is simple: *to take government nearer to the grassroots*. That is the intendment. But in 1999 when Nigerian had the misfortune of falling under the feeble hands and questionable leadership of the PDP-led Federal Government, the consequence is what we are seeing today. That is the near non-existence of Local Government as a third tier of government.

Now, the responsibility lies on us, in pursuance of the provision of Section 162(5), (6), (7) and (8) read conjunctively, to prescribe in specific terms by a law here to criminalise the abuse of that law by any government in such a manner as to secure the existence of Local Government. This, in my view, should be what this particular Motion should aim at.

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I am of the opinion that in addition to the prayer, the Committee vested with the responsibility of conducting this Public Hearing does not even need to go zonal. What is important is the desire of the 170 million Nigerians as reflected in this Constitution, which we have all sworn to uphold, protect and defend. And the desire is simple:

To have a Local Government system, a council that is democratically elected with a law by the National Assembly prescribing how their monies should get to them.

This will now spell a radical departure from what we used to have from 1999 to date.

Senator Paulker Izibefien Emmanuel (Bayelsa Central): Mr. President, I support this Motion bearing in mind the current situation we find in our Local Governments across the country. It is an obvious fact that most of these Local Governments cannot even pay salaries. If you go to some Local Governments, you find out that for the past one year salaries have not been paid.

I was privileged to be in local council in the early 90s, and I can remember vividly that as at then, Local Governments could execute rural roads and build culverts in their different domains. Today as we speak, ordinary payment of salaries within the Local Government confines is not just possible.

Earlier speakers have mentioned that attempts have been made to correct that area of the Constitution that vests law for good administration of local councils under the purview of the State Assemblies. It is very difficult for us to amend that area because it is the Governors that are enjoying the benefits of this joint account between council and the State.

Just like the Leader mentioned, you hardly find a local council that has elected officers. The Minority Leader mentioned that in Akwa Ibom elections were conducted, that is fantastic! But if you go to many States you will see appointees of Governors carrying out the functions of elected officers which the Constitution seriously frowns against. But, it is difficult to implement these laws because of the Governors' interests. In fact, I agree with the views of those who express the fact that, as it stands today in this country, we only have two tiers of government, the State and the Federal Government.

It is quite unfortunate that even the State is diving down, because most States cannot even pay salaries. So, it is better for us, in any way possible, that we strengthen the administration of these 774 local councils. I agree with the singular idea that the Motion seeks to derive that we conduct a Public Hearing.

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We have to put this sentiment to the public and I believe if the public buys this sentiment that the councils are not working and make an outcry, we will achieve the aim which this Motion intends to achieve.

Therefore, I join my colleagues to support this Motion for it to come into fruition, and once more, we would see our councils performing the duties for which these councils were established.

Senator Oluremi Shade Tinubu (Lagos Central): Mr. President, I rise to lend my voice to this very important Motion at this time in the history of our country. I want to also support most of my Colleagues that have contributed that it is time we started a revolution to move our country forward.

The third tier of government that is the Local Government is very important to the development of any State. We can use my State, which is a very frontline State, as an example. I have seen the quality of the representation that they have at the Local Government, I believe that when the Local Governments are given the autonomy that they deserve, and it is not be abused, you will see qualitative people with good qualifications contesting to hold the post of Local Government Chairmen. If we are able to do that constitutionally, give them the autonomy they deserve and put in place ways of checks and balances of how to run the Local Government efficiently well, Nigerians will benefit a lot and the development that we so much crave for will be achieved.

I believe that the Public Hearing that is being proposed will go a long way because contributions will be taken from various sectors and areas in the country that will give meaningful contributions to how we can go about this.

I support this Motion and I thank you for giving me the opportunity to speak.

Senator Joshua Moltobok Lidani (Gombe South): Mr. President, I have the privilege of being a Chairman of the Local Government Council, under the Military, as a Chairman under the Caretaker Committee. I also contested under the Zero Party System and I won to become the Chairman of the elected Local Government. I also have the privilege of serving as a Deputy Governor of Gombe State. I had the privilege of knowing what happens in the Local Government System and what happens at the State level.

The problem is simple; it is not the issue of the powers of the National Assembly in prescribing the distribution of funds as Senator Bala Na'allah mentioned, that is, Section 7.

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The greatest problem we have is the provision relating to the Joint Account Fund. That is the main problem because the Constitution requires that all funds be paid into that joint fund, and it is at the joint fund level that funds will be distributed to the various Local Governments. The provision mentioned by my Colleagues, Senator Bala Na'allah, only mentioned the manner in which the National Assembly can make law to prescribe for the distribution of these funds just like revenue allocation formula. But even if we make law pursuant to that section, it will not cure the problem. What will cure the problem is to take out the provision relating to joint funds of the Local Governments. If that is removed then the Local Government will be getting their funds directly from the Centre and then they will be able to utilise these funds in accordance to their needs and requirements of the Local Governments. So long as the money is paid directly to the joint fund and the State Government is represented in that joint fund, definitely Local Government's autonomy will be curtailed.

Another problem that is militating against the autonomy of the Local Governments is the provision for State Independent Electoral Commission. It is the State Independent Electoral Commission that conduct elections for Local Government and these bodies are established and appointed by the State Governors. They appoint their nominees and control elections through these nominees. If the Local Government elections are conducted by Independent National Electoral Commission, it will ensure some measure of credibility and some sanity in the system. If they are elected at the National level, the manipulation that is done by the State Independent Electoral Commission will not be done by the Independent National Electoral Commission. This is because we will have credible people who will be appointed and elected by their own people and they will be able to withstand any pressure from the State Government.

Unless we remove these provisions the Local Governments will continue to suffer and it will continue to be regarded as appendages of the State. There is no need for any Public Hearing on this matter. The Public Hearing will not solve this matter; the only solution to it is through Constitutional Amendment. Amend this sections that are inhibiting the performance and independence of the Local Governments. Therefore, I urge that instead of conducting a Public Hearing on this matter, let the Committee on the Review of the Constitution take up this matter and then proceed to recommend that these sections under reference be expunged from the Constitution.

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Senator Aliyu Sabi Abdullahi (Niger North): Mr. President, the issue of Local Government is something that we should be ashamed of because the Constitution says the security and welfare of the people is the primary purpose of government. Yet either by design or omission, we have allowed one or two sections of the Constitution to prevent that particular provision that is actually targeted at our people from becoming a reality.

I am a son of former Local Government employee and I recalled very vividly how Local Governments were able to solve basic problems of the rural areas in terms of the provisions of bridges, clearing the roads, providing employment to people in the rural areas. Today what we are witnessing is Local Government Secretariat that has been over taken by weeds and animals simply because one or two provisions have been allowed to stay. Today, all of us are getting the heat because these are the people who elected us and on a daily basis you are faced with all forms of request. Things that ordinarily the Local Government is supposed to address are issues now being faced with in terms of requests dealing with this subject matter.

The very erudite submission by Senator Lidani has said it all. We have seen what has happened in the past and some people rejected the autonomy as it has been said. As ridiculous as it is, some people went to the extent that there is no need for Local Government; yet if you go back to the Local Government, you will see that they represent the very core of what constitutes Nigeria today.

If we want to do justice and be fair to our people, and if we want to be counted as people who really saw the experiment that we have conducted on the lives of our people over the past 16 years, it is time for us to do the needful and follow Senator Lidani's submission to the effect that we expunge those wicked provisions.

Local Governments are supposed to be given allocations but what has happened to these allocations? Just recently, I looked at the allocations to my Local Governments in my zone: ₦130 Billion over ten years! If you go to these Local Governments you cannot pinpoint a project that is ₦10 to ₦15 Million. This is great disservice that we have done to the Local Governments.

If this National Assembly cannot put to rest these unfortunate situations, with respect to the Local Government, to my mind, I want to say that we have failed. I am convinced that we are not here to fail, we want to succeed. I urge my Colleagues that it is time to deal with this reality. Remember, you deal with reality or reality will deal with you.

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Senator James Ebiowou Manager (Delta South): Mr. President, I rise to lend my voice in supporting this particular Motion but not the prayers. In Delta State where I come from we have a democratically elected Local Government Council Chairmen and Counsellors in place. If you are from a State like Borno, where there is no democratically elected Local Government Council in place and you are talking here, it is unfortunate - with due respect.

When you are making laws for Nigerians and it is not clear enough, the person who is affected by that law will administer the law to suit his own purpose, which is the problem we have with the Local Government Councils in this country today. Section 7 of the Constitution is talking about guaranteeing democratically elected Local Government Council. The same provision is talking about House of Assembly determining their functions and so many other things. That is the problem we have, because the provisions are not clear enough.

Section 162 talks about public revenue, and 162(6) talks about Joint Local Government Council Account with the State Government in charge. That is another problem that we have. Senator Na'allah, the Deputy Senate Leader, quoted so many provisions of the Constitution but he avoided 162(8), which has also empowered the Local Government Councils to do one, two or three things about the account of the Local Government Councils. The Houses of Assemblies that is another problem that we have.

Mr. President, we have seen quite a lot of Governors who had served and they are here with us and when they are out of their Government Houses they change. The one close to me, the Minority Leader, he has told us that in his time, three times Local Government Council elections were conducted, maybe he is the only one out of the hook. But my own State too like I told you is also out of it, but how many States are we talking about? We are talking about 36 States in this country. Even those who were with us here and they had left here for the State Government Houses, you can see what is happening. Therefore, it is a Nigerian problem.

As the Presiding Officer today, Mr President, you are the Chairman of the Constitution Amendment Committee, and you know that the country is already charged, Nigerians are fed up with what is happening in the Local Government Councils. There is no doubt about that. Do we need a Public Hearing to galvanise support? On the ground, the public opinion is already against what is happening in the Local Government Council, and the only way out is a constitutional amendment. We must be courageous enough to do the needful but you will have grievances here and there no doubt about that.

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You will remember what happened in the last exercise. We wanted autonomy for the National Assembly and the State Houses of Assembly, but State Houses of Assembly were against it. With due respect to the Minority Leader, you were a Governor at that time and your State House of Assembly also voted against their own autonomy. A man voting against his own autonomy, do you think he will vote for the autonomy of another person?

The problem we have is a Nigerian problem, so we must be courageous enough to amend the Constitution of the Federal Republic of Nigeria in very clear terms and give direct powers with proper direct funding to the Local Government Council. That is the only way out in my own view. It is not about Public Hearing as canvased by the mover of this Motion.

The Deputy President: Since you mentioned so many former Governors, I guess I should invite Senator Kwankwaso to respond to you.

Senator Musa Mohammed Rabi Kwankwaso (Kano Central): Mr. President, I am very happy to say that I had an opportunity to be a Member of House of Representatives and I am sure I can remember my opinion about the position of Local Governments, especially as it relates to the Constitution of the Federal Republic of Nigeria on the running of the Local Governments. I also had an opportunity to be in the Constitutional Conference and had that opportunity to be part of the 1999 Constitution. Further, being a two-term Governor, I am happy to say that, given the Constitutional provision, I cannot go back and become a Governor again. For that reason, I am very delighted to say that my opinion is based on the practical experience as a Legislator and as a former Governor.

I believe what is required today is one capacity building that involves the States and Local Governments; one, is the issue of Civil Servants, and two, is the issue of those who are aspiring for those positions. In our own part of the country you will find many people who are aspiring to become councillors, really many of them constitutionally are eligible, but in terms of experience, age wise, education, and working experience may be not. Probably, many other Local Governments or many constituencies are better in terms of people with better experience and age wise. This situation is with the Local Government Chairmen, State Assemblies and even other elected or elective positions. So there is the need to give ourselves all the support we require to mobilise good people to go into politics to become Councillors, Chairmen, Governors *etcetera*; that is very critical and important.

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Let me contribute on the issue of sending the monies directly to the Local Government. From my own experience, it has been tested in the past, tested in the sense that monies were being sent directly to the Local Governments but that was before the 1999 democracy. It did not work! So, 1999 Constitution had to revert it, and now that it is reverted we have seen some issues in many States. In other word, it is not all the States that we had all these challenges; in some States we had very successful Local Governments and State Governments under our circumstances.

The issue of amending the Constitution is important, but I have to say that we have seen it practically that over the years the National Assembly have tried to work out some amendments, which did not work practically because you need two-third of the Houses of the Federal Republic of Nigeria. I do not see, under this circumstance, how State Assemblies will give independence in terms of resources to the Local Governments. Of course, it is debatable but from my own experience in Kano, it is practically going to be very difficult to send the monies directly to Local Governments and see real result, particularly because of this issue of capacity. So, I do not see the issue of just amending the Constitution yielding the desired result.

I want to say that what we will require is the capacity building of our Local Governments personnel, and of course, encouraging good and experienced people to join politics. Many times we often hear that the salary of Councillors is more than the salary of a University Professor. Probably that is true, but the idea is to encourage the University Professor to retire job and go back to his Local Government to contest election so that he can take the experience of Professor into the Local Government. But we are not expecting a Councillor to resign and go to the University and become a Professor. The provision is very adequate to have very high quality people in the Local, State and Federal Government.

The Deputy President: But I did not hear you saying you conducted election.

Senator Musa Mohammed Rabiu Kwankwaso: I am happy to say that we conducted election in Kano, and I am happy to tell you that 44 out of 44 Local Government Chairmen are APC and 484 out of 484 Councillors are APC.

Senator Mallam Ali Wakili (Bauchi South): Mr. President, those of them that were part of the decision on either to strengthen or bastardise the Local Government system has spoken.

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They have told us their experiences and we are trying to abide by it. But from the average pedestrian person from where I come, he sees those of them in authority as the stumbling block for the distraction of the Local Government system.

Since everybody is of the consensus that we need to have a holistic look at the issue of the Local Government, it is easier for you to take a ruling now so that we can conclude it. Let us have the Public Hearing, let us have it as initiated on zonal basis so that many people can have access to speak for or against what they think is happening.

Senator Samuel Nnaemeka Anyanwu (Imo East): Mr. President, I am aware that you were once a Local Government Chairman, and I am aware you that were once a member of the State House of Assembly; so, this issue being discussed is not new to you. I want to speak out of experience as a two term Local Government Chairman, I want to say the reason this Motion came up by Senator Abdullahi Abubakar Gumel is as a result of issues that came up during the Committee discussions.

Mr. President, as a presiding officer I want to say this is my first time in the Senate. I am sure that even the Local Government Chairmen today who are care takers or elected watching the debate on this Motion will be very happy that they will see a sign of succour at the end of the day, because they are all in bondage. Why I say they are in bondage is because some of them have in one way or the other been asked to sign their resignation by their Governors if they do not allow the Local Government funds to go to them. What Senator Joshua Lidani said about the State joint allocation Committee is very apt and important.

This is because from Revenue Mobilization and Fiscal Allocation Committee they recognised the Local Government system. Ordinarily, they would have sent this money directly to Local Government but because there is a provision in the Constitution of the Joint Committee, they send money to States where the Accountant General or Commissioners of Finance will seat. Even today most Local Governments that have the responsibility for paying traditional rulers, which is enshrined in the Constitution has been removed by the State Government. I hope the 8th Senate will make history if Local Government allocation is being sent to them directly, no matter what happens, no matter what the Chairman does with the money. Local Government system is a position that can make or mar a Chairman of a Local Government.

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From what is happening today, all those appointed caretaker Chairmen, unless the Governors bring them to the House of Assembly or to any other position, none of them can tell you he can be able to win any election in their States. This is because they have been side-lined by the people; they cannot have the power or ability to do anything in their local governments. It is what Senator Rabi'u Musa Kwankwaso said that it depends on some States.

When I was a Local Government Chairman between 1999 - 2000 I was able to tar a road, build schools, but since the inception of the traditional committee and sole administration, the Local Government system ended. Why most of us today are feeling uncomfortable to even go back home because of the worry from our constituents is because the Local Government system is not working.

Mr. President, you know that if in Local Government where you have a Chief Executive Chairman that is in charge of his Council, with Councillors, Supervisors and there are few contracts going on, it is the last hope of the common man. Some people cannot even go to the State or Federal Government, that is why in the wisdom of our forefathers they were able to get the third tier of government as Local Government system, which will help to ensure that people in the rural areas feel the impact of governance, but today it is no longer there. What ordinarily, Local Government can do is what the Federal are now doing.

Therefore, it is important that we look at this issue of joint allocation and, of course, we want to have interaction that is why it is important to have this Public Hearing so that we can be able to bring the stakeholders in a round table and come out with a communiqué that will help even in the amendment of the Constitution. I believe we will make history if the Local Government will on their own receive their allocations. It is then we can be able to judge them on their performances. They will have no excuse to say no funds.

I remember, with due respect, that what is keeping most past Governors with EFCC today is because of Local Government funds. This is what EFCC will first look at, because they are aware of these things we are talking about. It is important that this issue will be properly addressed.

Senator Umar Ibrahim Kurfi (Katsina Central): Mr. President, this is an issue which everybody will have to contribute, because it is an issue that affects everybody in this Chamber. The Local Government issue that we have now affects all of us. Local Government is the mirror whereby every local man will see what is happening in the three tiers of Government.

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Therefore, it is important that we have to go back to the Constitution and amend it, which is the only way we can solve this, according to Senator Joshua Lidani. There is need for us to review the Constitution so that each and every Local Government will get its allocation direct. What is happening now is that most of these Local Governments do not do anything because the monies are been tied down by the Governors, so they hardly do anything for the people.

If the Local Governments are functioning most of us will not have the problem we are having, and majority of us here are having problems with our constituents. If they are functioning it will reduce a lot of problems for us.

I support this Motion that we should do our best to make sure that this Motion is passed, and we should try and see that the Local Governments are not grossly underfunded.

Senator Monsurat J. A. Sunmonu (Oyo Central): Mr. President, I am lucky to say that I was once a Speaker of the State and during the last dispensation we actually worked with Mr. President over the amendment of the 1999 Constitution. As a one-time Speaker, I know that some of the Speakers actually had problems with their Governors on the autonomy of the State Houses of Assembly and also the Local Government.

I am standing here today to say that my Governor actually supported me. Therefore, in Oyo State we were able to pass both the State and the Local Government autonomy last year towards the end of the 7th Assembly. Unfortunately, some of the Speakers have got no courage to vote for the autonomy of the Local Government. If we have to do anything here, we should understand that everything goes back to the State, so there is no way we should not recognise the State Houses of Assembly. They are the people that would ratify whatever we do here.

I believe that there should be Public Hearing in the sense that if they know that they have the support of their people it will give the Speakers and the State Houses of Assembly Members the courage they need to vote for Local Government autonomy and the State.

I am in support of this because I am talking from my own experience. The experience that I had would be quite different from others. I was the Deputy Chairman Conference of Speakers from 2011-2015 and I could understand what other Speakers were saying as at that time. Many of them had problems but I did not have problem with my own Governor and everything went through. I am glad to hear some of the ex-Governors here today supporting this.

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It is necessary and it will be good for us to have Public Hearing on this issue. It would even be more beneficial at the Local Government level because they deal with the grassroots, and it will ease the problems for people at the national level.

I am in support of it and I am really glad that I am a member of the Committee on the State and Local Government in the Senate. If we have this, we will move round all the States to sensitise the State Houses of Assembly for them to support this particular amendment. Therefore, I am in support of it but I am as well in support of us having Public Hearing. This would help the State Houses of Assembly in having that courage to vote for it. Otherwise, if we pass it here and they do not do it, it does not mean anything. We should consider the State Houses of Assembly in whatever we do from here.

Senator Kabiru Ibrahim Gaya (Kano South): Mr. President, I want to commend Senator Abdullahi Gumel for raising this Motion and I believe it is a very important Motion that will help in retrieving part of the problems we have at the grassroots. I was the Chairman of States and Local Governments in the last Senate and it was in my Committee that we proposed independence of the Local Government during the Constitution Review. Unfortunately, while on course some of our colleagues here blocked the passage of that Bill. Now the problem we have in Local Government Areas is that the Local Government Chairman and the Council members do not go to the office because they do not even have the funds to sit in the office and do anything.

This Motion is very important and I support all the Members that support it. It is very important that we support the Local Government activities and also appeal to the Governors to do the right thing. I remember in 1991 when I was elected as a Governor, in 1992 Senators Adeleke, Shaaba Lafiagi and I were running the local governments with direct fund from the Federal Government, and we even gave them 10 *per cent* of IGR. Sometimes we borrowed them money to do some jobs. I know I borrowed money to build International Market and that Market still exists in Kano State. Therefore, we should allow the State and the Local Government to be independent and that would help us.

The problem we are having in various Local Governments or villages is because the people in those areas are not employed. You will find that some of the jobs that were supposed to be done by Local Government Chairman, the Senator will put that project as his constituency project – providing bole-holes, tarring small roads and putting electricity in other areas.

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These are jobs for Local Government but because we are closer to the people, they come to us and complain and we have to do those things.

I believe that we have to change Section 162(6) and (8); they are in conflict in the Constitution and we need to amend this section and then lobby the State Governors to please accept the independent of Local Governments. If it means talking to President Buhari to talk to the Governors so that they can agree and allow the third tier of Government to operate, we will do it.

Senator Dino Melaye (Kogi West): Mr. President, although this is a very fantastic Motion by distinguished Senator Abdullahi A. Gumel, this Motion has no capacity to solve the problem of Local Government autonomy. I would start by saying that my own State, Kogi State in the last four to six years Local Government workers got 20 *per cent* salaries highest 30 *per cent* to 40 *per cent* salaries in those years. Why? It is because of the satanic manifestations of Governors in misappropriating the Local Government resources through the very nefarious Committee called Jack.

Senator Godswill Obot Akpabio (Akwa-Ibom North West): Mr. President, Point of Order.

The Deputy President: What is your Point of Order Minority Leader?

Senator Godswill Obot Akpabio: Let me just come under Order 43 to make a personal explanation. It is important that we address issues without using abusive language. When you talk about satanic manifestations by Governors, Senator Dino has not been a Governor, so he would not understand the problems of Local Government. Because I had already spoken, I will just give him two basic things that bedevilled Local Governments:

- (1) The Constitution vests the payment of Primary School salaries on Local Government.

The Deputy President: You are contributing again, we have noted the point you have raised. Senator Dino, can you withdraw the statement so that we proceed?

Senator Dino Melaye: Mr. President, I just want to admonish my colleague Senator Akpabio.

The Deputy President: Just withdraw it so that we make progress.

Senator Dino Melaye: I did not stop them.

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The Deputy President: No, you said satanic manifestation.

Senator Dino Melaye: That satanic manifestation, I can prove that.

The Deputy President: We do not want you to prove it; just withdraw it so that we make progress.

Senator Dino Melaye: Mr. President I still stand that any public looting or looting of public funds is not only satanic, it is wicked, devilish and barbaric; manifestation of stealing is what is supposed to go to the citizens. I am from Kogi State, my brothers and sisters who are in Local Government got 30/40 *per cent* salaries of what they are supposed to get. For four to five years, they have not received their salaries; that is not only satanic, it is wicked to human life.

The Deputy President: Senator Dino, there is a point I am making, you are making general statement. There are several Governors who are very good with the administration of their State including Local Government administration, and so to put them together and say they are satanic, it is not fair to them, please.

Senator Dino Melaye: I did not say all, I said some and I used my own State; I did not use Akwa Ibom. Section 162(5) of the CFRN 1999, as amended, is very clear and if I have the permission of Mr. President, I will read Section 162(5). It says:

The amount standing to the credit of Local Government Councils in the Federation Account shall also be allocated to the State for the benefit of their Local Government Councils on such terms and in such manner as may be prescribed by the National Assembly.

Senator Godswill Akpabio: Point of Order Mr President.

The Deputy President: Senator Akpabio, what is your Point of Order?

Senator Godswill Akpabio: Thank you. Let me come under Order 53(7) even when you had ruled earlier and Senator Dino Melaye ignored your ruling. With your permission, I will read. *It shall be out of Order to use offensive and insulting language.* It is very clear.

We are much mature people. Some of us have been Ministers, Governors and some Speakers of various Assemblies and Deputy Speakers of House of Representatives.

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When you use abusive language, it will connote that the Senate is not a Local Government council, it is not a House of Assembly; we must be careful with the kind of language that we use. I do not know what happens in Kogi State but I would prefer that Senator Dino should say that it is satanic in Kogi State for what Kogi State Governors are doing. He should not generalise it because some of us who have served this country diligently will feel bad.

The Deputy President: I have heard you. The Order is sustained. Senator Dino I still insist that you have to moderate your language.

Senator Dino Melaye: Thank you very much Mr President. I want to continue that what is in Section 162(5) of CFRN and in Section 8 gave the National Assembly the powers and prerogative to actually set a standard for the administration of funds. May we please, in the interest of our Oath in this Chamber on 9th of June and some others who came after 9th of June, take bold steps for the first time to make sure that we amend the Constitution this time in the interest of the public and the general good of the masses of this country?

Mr. President, except for those who have fears of their sins of the past, nobody, will be against a situation whereby State Independent Electoral Commission (SIEC) will continue.

Senator Enyinnaya Abaribe (Abia South): Point of Order!

The Deputy President: Senator Enyinnaya Abaribe, make your Point of Order.

Senator Enyinnaya Abaribe: Mr. President, my Point of Order is from Order 53(8). I was a Member of the 6th Senate in which the Constitution was amended. I was also a Member of the 7th Senate in which the Constitution was amended and so Order 53(8) which says *no Senator shall impute improper motives to any other Senator* should apply now to Senator Dino Melaye:

Senator Dino Melaye cannot say that we amended the Constitution for other purposes and not for the people of Nigeria. Therefore, that aspect of his speech should be withdrawn.

Senator Dino Melaye: Which one?

Senator Enyinnaya Abaribe: In fact, everything you have said should be withdrawn (*Laughter*).

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The Deputy President: All right, I have noted that. Senator Dino, it is time for you to round up now.

Senator Dino Melaye: Thank you very much. By the time I am done I would be the Senator with the highest Point of Order being raised against!

What I am saying, in essence, is that if we do not amend the Constitution, if we allow State Governors to continue through SIEC to conduct elections into Local Government offices, both Councillorship and Chairmanship, we will continue to have this problem. So, we must amend the Constitution such that Independent National Electoral Commission (INEC) will conduct Local Government elections. It is then that the Governors will have no manipulative powers of installing *okada* riders and people who must have taken oath at nights to be Chairmen of Local Governments. More fundamental is that Local Government elections should be conducted by INEC and not by SIEC.

Finally, the Committee chaired by you, looking into the amendment of the Constitution, must also address Nigerians and publish the votes of each State House of Assembly as regarding this Constitution amendment, especially that of Local Government autonomy. We want to know what House of Assembly is voting against the wishes and aspirations of Nigerians.

I also want to react to the submission by my uncle here, the former Governor of Kano State. Democracy will continue to be government of the people, by the people, and for the people. If some people have decided to vote illiterates, semi-illiterates, educated illiterates as their Local Government Chairmen, that will be the problem of that particular Local Government. We have DLGs in each Local Government who are supposed to assist Local Government Chairmen to administer justice.

Finally, the time is now for past, present and future Governors to be born again.

Senator Jonah David Jang (Plateau North): Mr. President, I do not think there is anything wrong with the Constitution of the Federal Republic of Nigeria. What is wrong is that the people of Nigeria cannot implement what we have given ourselves as a Constitution. No matter how good a Constitution is, if the implementation is faulty then we can continue to amend until *kingdom comes*, and we would not have gotten it right.

To my understanding of a federal system, there should normally be two tiers of government in a federal system. The wise men and women that made up this Constitution had decided that the State Assemblies should make laws for the successful and good governance and running of the Local Government.

If the Houses of Assembly are unable to do their own work properly to checkmate the excesses of Governors, then that is something that should be seriously looked at to ensure that Governors do not exceed the powers given to them by the Constitution. As it has rightly been said here, there are some States that have implemented the Constitution very well, as far as local elections and funding is concerned.

As far as I am concerned, I was privileged to be a Governor for eight (8) years in Plateau State and I never took a kobo from the Local Government funds. The Local Government funds were always going to the Joint Account; they sat every month and shared according to the formula. If you go to Plateau today, you can see the projects done by Local Governments because of the funds released to them. So, it cannot just possibly be generalised.

I would submit that a system should be in place where Houses of Assembly must get it right. It is the people that have elected them, those members of the Houses of Assembly were also elected by the same people that elected you as Governor, so, who are you representing? Who are the members of the Houses of Assembly representing? Therefore if it is something that should have a synergy, let every member of the National Assembly from time to time meets with their State counterparts at home and discuss some of these things. That will help the Houses of Assembly to also mature in implementing some of these things so that the Constitution can work. We should not just be sitting down here and keep talking of amending Constitution when the implementation is completely wrong.

Senator Samuel Ominyi Egwu (Ebonyi North): Mr. President, a lot have been said about this Motion which has gained a lot of support. I wish to support this Motion to the extent that it has conformed to true federalism as opposed to what we are practising now. We should not look at it only in the form of strengthening the Local Government administration by way of giving them funds, which will not solve the problem. The decay and inefficiency of the Local Government, I would say is not caused by their lack of funds only; the system is with the people. If you give Nigerians the best of Constitution and we apply our Nigerian nature to it, it will not work. That is why I feel that we should go beyond that.

The last Administration convened a National Conference where issues concerning this country's challenges were discussed. Prominent Nigerians from all works of life were brought together and for about six months deliberated on the issue of this country, including this Local Government system. I want to ask, what has happened to that Report?

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We need to bring out that Report and possibly this National Assembly will look at it and accept those areas they have deliberated on and reject the areas they feel is not necessary. Abandoning that Report and here we are talking about Constitution without reference to the areas we have discussed, it is not fair.

So I want to submit that while I support this Motion, we should go beyond Local Government issue so that once we are tackling this issue of Constitutional ineffectiveness, it should be all embracing where everything concerning all the challenges we are facing in this country would be addressed. As far as we have Nigerians operating this Constitution, as much as we give money to the Local Government directly, the abuses will also be there. So, I do not think that the Governors are the problem of Local Governments; it is with all of us. I advise that we make reference to the issues that have been discussed collectively by all Nigerians, and that is the last National Conference.

The Deputy President: Thank you. Distinguished Colleagues, we have spent over an hour debating this Motion. I just want to appeal to those who will not be able to contribute for understanding. We have done a lot of justice to this particular Motion.

The issue of the Local Government administration is something that is worrisome to everybody because they are nearest to the people in terms of the levels of government. So, we are all conscious of their importance and also worried about the abuse we have found out today either from the Local Government operators themselves or the Governors who are supposed to protect them under Section 7.

I believe that the Constitution and the existing laws made sufficient provisions for the strengthening of the Local Government administration. In terms of the Joint Local Government Account, essentially, that provision was aimed at bringing together funds that belong to Local Government from the federation and then the government of the State will also complement the funds, add additional funds from the internal revenue of the State so that the Local Government will now have an enhanced income, but these has been observed in the breach.

So most of the problem is human, it is the operation of the existing laws that is actually causing the problem. I have been a Local Government Chairman myself and at the time I was Chairman, funds were being allocated to the Local Government directly from the Federation Account and it made a lot of difference.

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But even now where the money goes to the joint account, I believe that most Governors have managed it in such a way that they cannot be part of the people being complained against now. So, there is human factor here, and what we need to put in place is the modalities that will make sure that this abuse is reduced to the barest minimum.

I believe that the Public Hearing is the way to go so that Nigerians will come up with modalities and suggestions on how to ensure that there is no abuse at that level of government, because it is a very important level of government for our people. Having said this, I will now put the question.

Main Motion accordingly put and agreed to.

Resolved to:

Mandate the Senate Committee on States and Local Government to conduct a Public Hearing on the Reforms aimed at Strengthening Local Government Administration in Nigeria within the context of the 1999 Constitution of the Federation of Nigeria (as amended) and other extant laws; and make recommendations.

Financial Inclusion: Tool for Socio-Economic Development and Stability

Senator Bala Ibn Na'allah: Mr. President, the third Order of the Day is a Motion, standing in the name of Senator Mustapha Bukar on Financial Inclusion: Tool for Socio-Economic Development and Stability.

You may wish to invite Senator Mustapha Bukar to move his Motion.

Question proposed.

Senator Mustapha Bukar (Katsina North): Mr. President, this Motion is coming at a very apt time considering the discussions we have had on the Floor of this Senate today. Financial inclusion is deliberate financial services at affordable costs to the society. As I speak today, of the 12 Local Governments in Katsina State, only two of them have banks, which means that majority of our people is financially excluded. We did not have access to finance or financial services. Therefore, I wish to move the Motion that:

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The Senate

Notes with dismay that the impact of the National Programme for Socio-Economic Development and the associated CBN interventions have been negligible and ineffectual due to poor conception, insufficient coverage, lack of awareness, poor implementation framework, lack of stakeholder buy-in-commitment, and dearth of rural infrastructure to support the strategy, amongst others;

Aware that there is a strong correlation between poverty, gender, literacy and financial inclusiveness, and that the bulk of the financially excluded reside in remote locations of which 60 *per cent* of them are female, while 40 *per cent* have little or no formal education;

Further recalls that the National Financial Inclusion Strategy (NFIS) was launched on 2nd October, 2012 and the various CBN-anchored interventions towards improving the levels of financial inclusion in the country have already come on stream;

Observes that achieving the sustainable Development Goals (SDGs), adopted by Nigeria alongside 193 other countries in September 2015, will not be attainable by the 2030 timeline if a significant proportion of our population have little or no access to financial services that support economic empowerment;

Equally aware that financial inclusion contribute to National Economic Development by boosting savings, investments, exports, foreign exchange earnings, production of goods and services, viability of the financial services industry, thereby promoting social security and stability; and

Worried that locally-driven social initiatives and programmes will fall significantly short of achieving their objectives if the primary targets who are mainly in the financially excluded segment of society are unable to access such benefits, thereby pushing them further into poverty.

Accordingly resolves to:

- (i) *Urge* the Federal Government to invest in enabling infrastructure in the Telecommunication and Power Sectors to facilitate extending financial services to the financially excluded segments of the society;

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- (ii) *Direct* the Committees on Banking, Insurance and other Financial Institutions and Industries to liaise with the relevant Federal Government Ministries, Departments and Agencies (MDAs) to prioritise financial inclusion by designing suitable programmes and strategies to extend the current frontiers of Financial Inclusion to cover all regions and segments of the society;

- (iii) *Urge* the CBN to take proactive measures to enhance financial inclusion through increased rural banking and financial services, especially in the disadvantaged States and Local Governments, by specifically requiring all Deposit Money Banks (DMBs) to develop and extend suitable products and channels to financially excluded segments of the society within 24 months;

- (iv) *Direct* the Committee on Constitution Review to consider enshrining Financial Inclusiveness as a basic citizens right under Chapter IV of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

Mr. President, as I mentioned earlier, in my own constituency, we have quite a number of market traders that are trading with a lot of money and every week the trading money increases to ₦1 Billion or ₦2 Billion. But the common man actually operates with little or no information or any financial paid services being provided to them. That means they can never get out of poverty, as long as they are financially excluded. Right now they do not have any access to any financial services of whatever form. Globalization has brought about communication and everywhere in Nigeria is connected. Those technologies that are available have not been used to connect my people to get access to financial services, and as long as we do not address this issue the problem of poverty will continue, and they will continue to be excluded from the economy.

When you go to the rural areas, you will discover that these people have no information whatsoever, they do not have any dealing with the government. The elites only are enjoying whatever services the government is providing. We just talked about Local Government services, which have been crippled in this country. The third tier of government is not functioning and these people are not given any attention from the government.

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Any Legislator the National Assembly knows that he will provide the services of a local Councillor or a Chairman because he is the only one that is actually accessible to this rural people. We provide most of the immediate things that they need because there is nothing that is taking care of their needs. They do not have any access, in fact, quite a number of them have trade but they cannot improve on it because they do not have any access to any financial services.

In conclusion, financial inclusion is the process of ensuring access to appropriate financial products and services needed by vulnerable groups and the weaker section of our community. It is important and necessary that these people are brought in the fold of financial services of Nigeria.

Senator Isiaka Adetunji Adeleke (Osun West): Mr. President, I want to support the Motion. In supporting the Motion I will like to add that 64 *per cent* of adult population in the country today are currently underbanked. Ironically this underbanked population control about 75 *per cent* of the daily retail transactions. The result of the above scenario is the increasing number of informal financial sectors and operators whose activities are not regulated, even though they control high-volume of liquidity. What we can do is to strengthen our traditional and informal financial means, such as what we call in Yoruba, *Ajo*, *esusu* in Igbo, and cooperative in other clime. I commend the mover of this Motion.

Senator Bala Ibn Na'allah (Kebbi South): Mr. President, this Motion is very clear and straightforward enough. In fact, it is an attempt to reproduce what has already been provided for under Section 16(1) of the Constitution, the only reason being that, it is provided under what we referred to as non-justiciable right. As at the time of making the Constitution that may be the thinking or the premise of our Constitution. However, we must admit the fact that time changes and it has changed to the level where there is the need to make an attempt to justify the existence of this rights as they are enshrined under Section 16. I am of the view that this does not require much debate and it is something that we can just go to the prayers of the Motion and conclude.

If I have the permission of the Senate to emphasis the fact that Section 16 has adequately made provision that:

The State shall within the context of ideal and objectives for which provisions are made in this Constitution, harness the resources of the nation and promote national prosperity and efficiency and a dynamic and safe reliance economy that guarantees the distribution of income.

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That exactly is what the Motion seeks to capture. I therefore, urge my Colleagues to support and go straight to the prayers of the Motion.

Senator James Ebiowou Manager (Delta South): Mr. President, mine is to support the Motion ably moved by my very able Vice Chairman. The Motion is very straightforward, it is unambiguous and it is very clear, the prayers are also very straightforward.

Senator Mallam Ali Wakili (Bauchi South): Mr. President, I am going to speak so passionately in support of this Motion. I always said that I come from Bauchi South where population is twice the population of some of the States of the Federation. I come from Bauchi South ravaged by weather and poverty, accentuated by bad governance and misrule.

The greater majority of my constituency are excluded financially within the Nigerian State; three out of the seven Local Governments that I represent do not even have a Community Bank not to talk of any Commercial Bank. Take the case of Das Local Government, one of the Emirates in Bauchi State. The Local Government was created since 1976; it has one of the greatest agricultural potentials within the Nigerian State. On the issue of food security, rice is very abundant inside that Local government, it has a daily market that people come to from far and near, from within and outside the State, from all the parts of the federation. The come to transact business but unfortunately not even a bank is there.

You go to Kirfi Local Government it is agriculturally fertile, cottons and other animals market in abundant but not even a Community Bank.

Bogoro where the greatest elites of the part of the State come from, those people are financially excluded. You cannot even send simple ₦2,000.00 or ₦1,000.00 to anybody to go and cash, he has to either come to Bauchi or he has to go to neighbouring State of Plateau or other places.

With this and my earlier Motion on the issue of the rejuvenation of NIPOST, Banking, Haulage and Money Orders that we are talking about, if some of those things can be done, my people will be included. I support the Motion, and call on the Senate to support this Motion and ensure that all the prayers are granted.

Senator Joseph Gbolahan Dada (Ogun West): Mr President, on the issue of financial inclusion, if you notice over the years the Central Bank Currency Reforms have tried over the years, from 2008 to 2009, to allow the banks to set up branches in rural areas.

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One fact remains that most of them closed down, because you must remember that the bank itself is a private business. The people that set it up, they set it for financial advantages and when they set up all those branches in rural areas and there is no business in those areas eventually they closed down. They cannot enforce the reform law; it is the market forces that determine the location where you put your bank or your business.

Central Bank of Nigeria can only facilitate enabling law to make it possible but the environment itself must be viable first to do that. The best way for the nation to look at all these things is to seek special funds, a seed capital that might be available for these banks to take that risk and go to those areas that have no enough market potentials to develop; otherwise, we will keep-on having the same issues. We have People's Bank, they went bankrupt; 80 *per cent* of Microfinance banks went bankrupt and these are the microeconomic system that is supposed to support all these industries but they were not there.

I remember during my campaign period, I went to one place called Ila-oke there was no bank. The only bank that was there was Lion Bank and it was robbed by armed robbers, and since then there has been no bank. The people wanted a bank there but I told them that there was no way I could bring a bank there because the place was not viable. What we need to do is that the CBN and Federal Government must make effort to produce this basic capital that can be a bailout for bank that would go to all those areas.

The Deputy President: Thank you Distinguished Colleagues for your contributions, I will like to thank the distinguished Senator for bringing up this matter which is very important. The welfare of citizens actually is the primary purpose of government and you cannot be talking about their welfare if they are excluded from the financial sector services. So it is important that, while we note that commercial banks are actually commercial and they are all driven by market forces and profit. The government must make conscious effort through Community Banks, Micro Finance and some other opportunities, which government can offer to citizens. This is to ensure that those who are in the villages and local places would have access to financial services so that we can all grow together. It will make for inclusiveness in the governance of this country and in growth strategy.

I would like to thank you again for bringing up this and I do hope that government will take this matter seriously to ensure that Nigerians, no matter where they live, would have a feeling that they are part and parcel of the citizens and inhabitants of this country. I will now go to the Prayers.

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(1) *Urge the Federal Government to invest in enabling infrastructure in the telecommunication and power sectors to facilitate extending financial services to the financially excluded segments of the society.*

Question put and agreed to.

(2) *Direct the Committee on Banking, Insurance and other Financial Institutions and Industries to liaise with the relevant Federal Government Ministries, Departments and Agencies to prioritise financial inclusion by designing suitable programmes and strategies to extend the current frontiers of financial inclusion to cover all regions and segments of the society.*

Question put and agreed to.

(3) *Urge the CBN to take proactive measures to ensure financial inclusion through increased rural banking and financial services, especially in the disadvantaged States and Local Governments by specially requiring all deposit money banks to develop and extend suitable products and channels to financially excluded segments of society within 24 months.*

Question put and agreed to.

(4) *Direct the Committee on Constitution Review to consider enshrining Financial Inclusiveness as a basic citizens right under Chapter IV of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).*

Question put and negatived.

Resolved: That the Senate do:

(1) *Urge the Federal Government to invest in enabling infrastructure in the telecommunication and power sectors to facilitate extending financial services to the financially excluded segments of the society.*

(2) *Direct the Committee on Banking, Insurance and other Financial Institutions and Industries to liaise with the relevant Federal Government Ministries, Departments and Agencies to prioritise financial inclusion by designing suitable programmes and strategies to extend the current frontiers of financial inclusion to cover all regions and segments of the society.*

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(3) Urge the CBN to take proactive measures to ensure financial inclusion through increased rural banking and financial services, especially in the disadvantaged States and Local Governments by specially requiring all deposit money banks to develop and extend suitable products and channels to financially excluded segments of society within 24 months.

Suspension other Items on the Order Paper

Senator Bala Ibn Na'allah: Mr. President, having considered the mood of the Senators, I move that all other items on the Order Paper be stood down to the next Legislative Day.

Senator Godswill Obot Akpabio (Akwa-Ibom North West): Mr. President, I support the Motion moved by the Leader.

Question put and agreed to.

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(With the leave of the Senate, other items on the other paper stood down to another Legislative Day.)

ADJOURNMENT

Senator Bala Ibn Na'allah: Mr. President, having concluded the Business of the Day on the Order Paper, I move that the Senate do stand adjourned to Thursday, 26th May, 2016 at 10:00 a.m. prompt.

Senator Godswill Obot Akpabio: Mr. President, I second the Motion as moved by the Leader.

Question put and agreed to.

Resolved: That the Senate stand adjourned till Thursday, 26th May, 2016 at 10:00 a.m. prompt.

The Senate adjourned accordingly at 1:24 p.m.