

HOUSE OF REPRESENTATIVES

COMMITTEE ON LABOUR, EMPLOYMENT AND PRODUCTIVITY

Report of a One-Day Public Hearing on the call
for a state of Emergency and legislative
intervention in the unemployment crisis in
Nigeria (HR.144/2015).

NOVEMBER, 2016

1. INTRODUCTION

In furtherance of its determination to ensure transparency, accountability and strict adherence to the rule of law, especially regarding the reaction to what may seem as unwholesome behavior by Ministries, Departments and Agencies (MDAs) under its supervision, the House of Representatives Committee on Labour, Employment and Productivity held a one-day Public Hearing on the crisis facing the labour market in Nigeria (HR.144/2015).

The Hearing was in conformity to the House resolution of Wednesday, 12th August 2015 mandating its Committee on Labour, Employment and Productivity to hold a Public Hearing on the above matter.

The Hearing was held at Conference Room 028 of the House of Representatives, New wing and was presided by the Chairman of the Committee Hon. Ezenwa Francis Onyewuchi the Hearing drew stakeholders and participants from MDAs, private sector, unemployed members of the public and other stakeholders.

In his welcome address, the Chairman stated that the Public Hearing was aimed at addressing the lingering state of unemployment in Nigeria. He blamed the situation on years of combination of corruption, military rule, negligence, adverse policies and the under utilization of human capital. The Chairman also expressed the Committee's determination to ensure that all deliberation in the Public hearing were channelled as recommendations to the House with a view to ensuring government take a stance to stem the menace of unemployment. He further stated that it was also the desire of the Committee to ascertain the level of compliance of various MDAs with all House resolutions on the subject matter.

While declaring the Public Hearing open; the Speaker of the House of Representatives, Rt. Hon. Yakubu Dogara, who was represented by the Deputy Minority Whip of the House Hon. Binta Bello, stated that the level of unemployment had reached an alarming point. She pointed that the unemployment ratio of eligible youth stood at about 50% and was said to be growing at a rate of 16% annually, hence the call by the House of Representatives to take the much needed proactive measures to stem the tide. Hon. Dogara

pointed out that poverty and unemployment are key contributors to the rise of crime and insurgency witnesses in the country gainfully as no employed individual would throw their career away to pursue a life of crime. He pointed out that if the youth were gainfully employed, they could channel their God given energy and talent into the mainstream society which the country can harness in her drive towards industrialization and economic development.

The mover of the motion on the floor of the House of Representatives, and the leader of the House, Hon. Femi Gbajabiamila sent Representative to the Public Hearing as he was unavoidably absent.

2.0 PRESENTATION BY STAKEHOLDERS

2.1 FEDERAL CIVIL SERVICE COMMISSION:

The civil service commission stated that it is committed to uphold the core values of the federal civil service. The commission stated that it frowns at the extortion of job seekers by prospective employers. The normal trend was for ministries with vacancies to declare them through the office of the Head of Civil Service of the Federation, then vacancies are declared and appointments are made on merit. It pointed out that only Ministries go through process. Agencies however are allowed to seek out individuals to fill in their specific needs in their vacant positions.

The commission agreed that the unemployment level in the country is indeed at a crisis level and that all arms of government need to work together in synergy in order to ensure that an enabling environment is created for massive job creation.

It also recommended that emphasis should be laid on creating more job opportunities through the exploitation of sectors such as Agriculture and Mining, and efforts should be made to revamp the private sector so that Government's burden would be lessened.

2.2 FEDERAL CHARACTER COMMISSION

The commission declared that as regulatory agency it is mandated to ensure that even distribution of employment opportunities to all the geographical zones in the country, so that Chief Executive Officers do not abuse employment opportunities to favour people from their geographical zones alone.

The commission pointed out that its function is also to intervene in the operation of any agency (including those unemployment matters), subject to the approval of the president where in the opinion of the commission, the function of the agency concerned is relevant to the functions of the commission and the commission is of the opinion that it is not being effectively implemented.

The commission is empowered to demand and receive returns on employment and socio-economic indices from any enterprise or corporate body, and penalize any enterprise which does not comply with a request from the commission.

2.3 NIGERIA SOCIAL INSURANCE TRUST FUND

The fund stated that the continual neglect by the public and private enterprises in exploiting critical sectors such as agriculture and mining, which are capable of employing large numbers of people, is one major reason for the increasing rate of unemployment. It also pointed out that corruption, unfavourable Government policies, poor management practice, industrial decay, lack of purposeful leadership, lack of good governance and the placement of unfavourable terms and conditions as prerequisite to getting employment are some of the factors that have ensured the menace of high rate of unemployment persist.

It is declared that unemployment is a cankerworm that is eating deep into the fabric of the Nigerian society and the legislative call for the state of emergency is apt. The commission stated that it is a sad trend that N.Y.S.C scheme churns out three batches of graduates into the labour market thus culminating to three batches of job seekers each year to add to the already saturated labour market. Also sad is the fact that Nigeria imports most of its food requirements when it has a large portion of arable land with the adequate workforce to cultivate the land.

many Nigerian youths also use I.C.T facilities for criminal purpose, these skills according to the fund should be channeled to build a thriving I.C.T sector for the good of the nation.

The fund stated that to tackle the massive problem of unemployment in the country corruption should be tackled seriously. The agricultural sector should be made more attractive and rewarding S.M.Es. and local content should be encouraged. The fund maintained that unnecessary importation should be stopped forthwith. The power sector should also be reformed as on it lay the bedrock of industrialization.

2.4 FEDERAL MINISTRY OF LABOUR AND EMPLOYMENT

The Ministry stated that it is mandated to assist workers to find suitable employment to applicants with suitable skills with Government Ministries and Agencies that require them; it is also mandated to register, monitor and regulate the activities of private employment Agencies amongst other things.

The ministry pointed out that some of the grave challenges to employment opportunities in the country include a rapid and yearly influx of new entrants into labour market without a reciprocal increase in employment opportunities to accommodate them. It submits that the private sector is not robust enough to accommodate it's would be share prospective employees. High poverty rate also makes it difficult for job seekers to raise capital in order to opt for a life of entrepreneurship. The Ministry maintains that with the rate of unemployment in the country, a minimum of four (4) million jobs needs to be created annually. The Ministry stated that all MDA's must henceforth involve the Ministry of labour in all recruitment exercises they wish to embark on for adequate monitoring.

2.5 JUSTICE AND EQUITY ORGANISATION

The organisation explained that there is the need for legislative injection of holistic approach in order to tackle unemployment and its accompanying ills of criminality, corruption, prostitution and corporate greed, the lack of will to follow laid down procedures and the seeking to shift blames and responsibilities. The

organisation stated that these vices do not thrive in isolation but are direct manifestations of the lack of opportunities and the feeling of hopelessness as a result of lack of confidence in their government and society.

The organisation maintained that if let to persist; the current situation poses grave danger to future of the nation as responsible and confident leaders cannot emerge in such a society. The organisation believes all levels of government have to work in synergy to ensure that decent jobs are created. It stated that decent jobs need not be ones that have high remunerations but one in which all stable qualities and legal securities are available.

2.6 NATIONAL DIRECTORATE OF EMPLOYMENT

The Directorate submitted that its stand has always been to train youth to be self-reliant entrepreneurs with emphasis on small and medium scale businesses. It seeks to emphasize the over dependence on white collar jobs which never seems to be readily available

The Directorate further explained that its back to school programmes in which secondary school students are trained with mentality and ideology of meeting the needs of remote and immediate environment is another way of solving the problem.

2.7 MICHEAL IMOUDU NATIONAL INSTITUTE FOR LABOUR STUDIES

It is the position of the Institute that the call by the National Assembly for a state of emergency and legislative intervention in the employment crisis in Nigeria is timely and the House should fully deploy the instrumentality of the Public Hearing to ensure things are put in the right perspectives.

The Institute stated that most societal vices indulged by a high percentage of the youth today could be traced to the high level of unemployment and lack of productivity. It affirmed that Nigerian graduates are employable that all they need is training to suit the specific needs of the employers. It called on all stakeholders to stop playing lip service in order to tackle this problem head on. According to the institute, an ideal regulatory system needs to be maintained in

order to ensure the already bad situation does not escalate to an unmanageable one. Marginalization and discrimination also need to be discouraged by all means in order not to make nonsense of all efforts made by government at tackling the menace.

As a means of achieving this; the Institute is of the opinion that the National Assembly should have an Act establishing the progressive Industrial Policy for the country, especially in sectors with the capacity for mass recruitment. That the existing laws be reviewed to ensure that vocational training is structured in a manner that technical skills can be acquired in school and internship to be supported by entrepreneurs of private businesses.

Other suggestions made by the institute include:

1. To adequately fund MDAs with statutory responsibilities in the area of employment in order for them to effectively lead the Governments drive at massive job creation.
2. The review of labour laws with the aim of creating industries, strengthening existing jobs and creating new ones.
3. That the planned comprehensive programme on social security by the Federal Government should integrate Unemployment component.

2.8 NATIONAL INSTITUTE FOR LEGISLATIVE STUDIES (N.I.L.S)

The Institute advocated for legislative intervention in tackling the crisis, it views legislation as an instrument and a powerful means of attaining economic development

The Institute further urged the legislators to conduct a review of the existing labour laws and conditions of service in the public service. The process and content of legislation is vital in ensuring accountability, transparency, innovations, integration, competitiveness, efficiency and a level playing field. It further described as unfortunate the absence of a reliable data on the level of

unemployment in country and explained that this makes it difficult for properly planning.

3.0 OBSERVATIONS

In considering submissions made by stakeholders, the Committee made the following observations:

- The Committee frowned at what it termed as lack of quality insight and depth in some of the presentations. It expected more light to be shed on the influence of lack of power, lack of competitive market structure, unfavourable entrepreneur environment, lack of capital and the lack of adequate apprenticeship entrepreneurship system as the causes of unemployment in the country.
- It also wondered if the Office of the Head of Civil Service of the Federation and Ministry of Labour has the accurate data to proactively monitor the number of unemployed and underemployed persons in the country.
- The Committee sought to know how the registration process of the Federal Civil Service Commission actually translates into Job opportunities for Nigerians
- Why are Government parastatals allowed to conduct their own recruitment exercises without the knowledge and Supervision of the Federal Civil Service Commission unlike what happens in the main Ministries?
- What is being done to protect Nigerian Job Seekers from fraudsters in the future and to regulate the activities of employment agencies?
- A significant part of the efforts by government at tackling the unemployment issues should hence forth be channeled into strengthening Agencies such as the N.D.E in order for them to be financially viable in coping with the problem.

4.0 RECOMMENDATIONS.

As a direct representatives of the people and considering that the Public Hearing was principally geared at proffering practical solutions to the crisis facing the employable workforce in the nation, which if tackled effectively is bound to bring respite to the millions caught in the quagmire the Committee preferred the following recommendations:

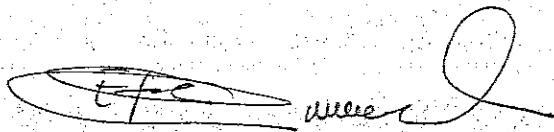
- That MDAs and private organisations need to be alive to their corporate social responsibilities that they need to ensure all resources at their disposal are employed to ensure they contribute their quota in fixing the crisis.
- The committee promised effective oversight to ensure no one is found culpable.
- Those in labour market should shift their interest to entrepreneurial and self employment options with the mentality of helping themselves and creating jobs for others.
- That sectors of the economy with the capacity of employing large numbers of individuals such as agriculture sector extractive industries and the textile sector have to be expanded to is all encompassing in order to fulfill their potential.
- All Government institutions as a point of necessity need to ensure they do not renege on their principal function of providing decent means of existence for the citizenry.
- The best way to create the much-needed jobs is accelerate Government policies in order to encourage existing businesses and social responsibility of the corporate organisations.
- To reduce unemployment, crimes, and social unrest in the country, Government must fix and reform the power sector and provide other critical infrastructure.

- Government should make provisions for bailout funds for distressed public and private sectors.
- Government should plan comprehensive programmes on social security so that it can integrate the unemployed.
- The relevant agencies of Government with statutory responsibility in the area of employment should have their capacity boosted to effectively lead the effort of creating employment.
- That serious attention should be placed on industrial sectors with mass employment capacity. Also a programme of industrial restructuring and investment should be put in place
- That a Bill on vocation be structured in a manner that it evolves to reform our school curriculum system to encourage the Vocational and technical skills. This Bill should also incorporate apprenticeship system that is supported by entrepreneurs and business.
- That existing vocational centres be properly equipped and made functional in tune with curriculum and programmes.
- Policies of government have to begin to portray the direction of creating mass employment through the means of manufacturing and industrialization and to desist from the nature of importation and dependency for which the country has become known for.

5.0 CONCLUSION

The committee pointed out that unemployment and extortion of helpless job seekers is an issue the House of Representatives of the people will not take lightly and the legislators would ensure that the much needed legislative intervention is duly applied.

The committee further prays that its recommendations will be adopted.



Hon. Ezenwa Francis Onyewuchi
Chairman



Aliyu S. Garba
Committee Clerk

