



THE SENATE
FEDERAL REPUBLIC OF NIGERIA

REPORT OF THE AD HOC COMMITTEE

ON

**A BILL FOR AN ACT TO REPEAL THE NATIONAL MINIMUM
WAGE ACT NO. 6, 1981 AS AMENDED, CAP N61 LAWS OF
THE FEDERATION OF NIGERIA, 2004 AND ENACT THE
NATIONAL MINIMUM WAGE ACT, 2019 TO PRESCRIBE A
NATIONAL MINIMUM WAGE FOR WORKERS; AND FOR
RELATED MATTERS (SB.722)**

TUESDAY, 19TH MARCH, 2019

1.0 REPORT OF THE AD HOC COMMITTEE ON A BILL FOR AN ACT TO REPEAL THE NATIONAL MINIMUM WAGE ACT NO. 6, 1981 AS AMENDED, CAP N61 LAWS OF THE FEDERATION OF NIGERIA, 2004 AND ENACT THE NATIONAL MINIMUM WAGE ACT, 2019 TO PRESCRIBE A NATIONAL MINIMUM WAGE FOR WORKERS; AND FOR RELATED MATTERS (SB. 722)

2.0 Introduction:

The Senate in Plenary on Thursday, 24th January, 2019 debated the general principles of a Bill for an Act to Repeal the National Minimum Wage Act No.6, 1981 (as amended) Cap. N61, Laws of the Federation of Nigeria, 2004 and Enact the National Minimum Wage for Workers; and for Related Matters (SB. 722) and thereafter referred same to the Ad Hoc Committee on National Minimum Wage for further legislative action.

3.0 Members of the Ad Hoc Committee:

The Ad hoc Committee Membership is as follows:

(i)	Senator Olusola Adeyeye	-	Chairman
(ii)	Senator Abu Ibrahim	-	Member
(iii)	Senator Shehu Sani	-	Member
(iv)	Senator Samuel Egwu	-	Member
(v)	Senator Suleiman Adokwe	-	Member
(vi)	Senator Francis A. Alimikhena	-	Member
(vii)	Senator Solomon O. Adeola	-	Member
(viii)	Senator Binta Garba Masi	-	Member

However, it should be recalled that the Senate President, on Tuesday, 12th March, 2019, named Senator Francis A. Ahimikhena as Acting Chairman of the Ad-hoc Committee on National Minimum Wage (Amended) Bill, 2019 following the departure of the Chairman, Senator Olusola Adeyeye on medical vacation abroad.

4.0 Objectives of the Bill:

The Bill seeks to prescribe the National Minimum wage for the Country and provide a legal framework for ideal review of the national minimum wage in line with the period specified under the Bill.

5.0 Analysis of the Bill:

The 18-clause Bill provides for the establishment of a Tripartite Committee on National Minimum Wage by Mr. President with equal representation from the Federal, State Governments, Organized Labour and Organized Private Sector with the Secretariat to be domiciled in the National Salaries, Incomes and Wages Commission.

The Bill provides that the Tripartite Committee shall compose of a Chairman, a Secretary, Government representatives (the Secretary to the Government of the Federation, Head of Civil Service of the Federation, Minister of Labour and Employment, Minister of Finance, Minister of Budget, National Salaries, Income and Wages Commission and State Governor from each of the six Geo-political Zones to be nominated by Governors from the Zone),

representatives of the Nigeria Labour Congress, (NLC), Trade Union Congress (TUC), Manufacturers Association of Nigeria (MAN), National Association of Chambers of Commerce, Industries, Mines and Agriculture (NACCIMA), Nigeria Association of Small and Medium Enterprises (NASME), Nigeria Employers Consultative Association (NECA) and such employers group that may be registered in accordance with Labour Laws.

Equally, the Bill provides for powers of both the Tripartite Committee and the relevant Officers of the Civil Service of the Federation to enforce the National Minimum Wage, Employers' Obligations, Monitoring and Compliance and Penalties for offenders.

6.0 Committee Meeting:

The Committee resolved to utilize the option of Meeting instead of Public Hearing as a methodological device to fast-track the process of the assignment to ensure timely submission of its report to the Senate.

Therefore, the Committee met on Wednesday, 13th March, 2019 in Meeting Room 431, Senate Wing, New Building, National Assembly Complex at 2.30pm and deliberated exhaustively on the Bill.

7.0 Observations/Findings:

Following the clause by clause consideration of the Bill and the prevailing economic realities of the Country, the Committee observes the following:

- (i) The Bill recommends the sum of N27,000.00 (Twenty Seven Thousand Naira) as a National Minimum Wage.
- (ii) That failure to keep records of Employees attracts a fine not exceeding the sum of N5,000.00 (Five Thousand Naira)

8.0 Recommendations:

The Ad-hoc Committee makes the following recommendations:

- (i) That the sum of N30,000.00 (Thirty thousand Naira) be approved as the new National Minimum Wage as contained in clause 3(1) of the Bill;
- (ii) That the fine for not keeping records of employees should not exceed N75,000.00;
- (iii) The Federal Government should put in place procedure that will lead to a review of the Revenue Sharing Formula to enhance States capabilities towards implementation of the new national minimum wage; and
- (iv) The Ministers of Finance; and Budget and National Planning should, as a matter of urgency compute and forward to the National Assembly for inclusion in the 2019 Budget, the actual amount required for the new national minimum wage.

9.0 Conclusion:

On behalf of Members of the Ad-hoc Committee, I wish to express our sincere gratitude to the Senate for the opportunity to serve in this regard.



Senator Francis A. Alimikhena
Acting Chairman



Siyaka Abdulwahab Sadiq
Committee Clerk

A BILL FOR An Act to Repeal the National Minimum Wage Act, No.6, 1981 as amended, Cap. N61, Laws of the Federation of Nigeria, 2004 and Enact the National Minimum Wage Bill, 2019 to prescribe a National Minimum Wage for Workers and for Related Matters (SB.722)

Clause	Provisions of the Bill	Recommendations of the Ad-hoc Committee	Committee of the Whole
Commencement	ENACTED by the National Assembly of the Federal Republic of Nigeria-	Retained	
Objective of this Bill	1. The objective of this Bill is to prescribe the national minimum wage and provide for a legal framework for a seamless review of the national minimum wage within the period specified under this Bill.	Retained	
Application	2. The provisions of this Bill shall apply throughout the Federal Republic of Nigeria.	Retained	
Employer to pay minimum wage	3.-(1) As from the commencement of this Bill, every employer, except as provided for under this Bill, shall pay a wage not less than a national minimum wage of N27,000.00 per month to every worker under his establishment. (2) The National minimum wage as prescribed in Sub-Clause(1) of this Clause shall be the minimum total amount of money an employer of labour is required to pay the lowest paid worker or employee monthly in his establishment (3) Any agreement for the payment of wages less than the national minimum wage as prescribed in Sub-Clause (1) of this Clause, shall be void and of no effect whatsoever. (4) The National Minimum wage shall be for duration of five (5) years, after which it shall be reviewed in line with the provisions of this Bill.	3.-(1) As from the commencement of this Bill, every employer, except as provided for under this Bill, shall pay a wage not less than a national minimum wage of N30,000.00 per month to every worker under his establishment. Retained Retained Retained	

Exemptions	4.-(1) The provisions of Clause 3 (1) of this Bill shall not apply to- (a) an establishment in which workers are employed on part-time basis; (b) an establishment at which workers are paid on commission or on piece-rate; (c) an establishment employing less than 25 persons; (d) workers in seasonal employment such as agriculture; and (e) any person employed in a vessel or aircraft to which the laws regulating merchant shipping or civil aviation apply. (2) The Minister of Labour and Employment shall, through the National Labour Advisory Council and by Order Published in the Federal Government Gazette grant other exemptions as he deems necessary in the interest of the national economy, taking into consideration reports from National Salaries, Incomes and Wages Commission or such other body that may make representation for exemption.	Retained	
Establishment of Tripartite Committee on National Minimum Wage	5.-(1) There is established, a Tripartite Committee on National Minimum Wage (in this Bill referred to as the Tripartite Committee") consisting of representatives of Government; Organised Labour and Organised Private Sector, on equal representation. (2) The Secretariat of the Committee shall be domiciled in the National Salaries, Income and Wages Commission.	Retained	
Composition of the Tripartite Committee	6.-(1) The Tripartite Committee which shall be appointed by the President shall be composed as follows: (a) A Chairman; (b) A Secretary;	Retained	

	(c) Government's representatives consisting of the following: (i) The Secretary to the Government of the Federation, (ii) Head of Civil Service of the Federation, (iii) Minister of Labour and Employment, (iv) Minister of Finance, (v) Minister of Budget and National Planning, (vi) The Executive Chairman, National Salaries, Income and Wages Commission, and (vii) a Governor from each of the six Geo-Political Zones to be nominated by the Governors from that Zone; (d) Organised labour .consisting of representatives from: (i) Nigeria Labour Congress, (ii) Trade Union Congress, (iii) any such labour Centre that may be registered in accordance with the Labour Laws; (e) Organised Private Sector consisting of representative from: (i) Nigeria Employer' Consultative Association, (ii) Manufacturers Association of Nigeria, (iii) Nigeria Association of Chambers of Commerce, Industry, Mines and Agriculture, (iv) Nigeria Association of Small and Medium Enterprises, and (v) any such employers group that may be registered in accordance with the Labour Laws. (2) Without prejudice to the membership listed under Sub- Clause (1) of this Clause, the Minister of Labour and Employment may, make recommendation for the appointment of additional members to the President.	Retained	
Powers of Tripartite Committee	7. Pursuant to the provisions of Clause 3 (4) of this Bill, the Tripartite Committee shall have the power to make recommendation on the National Minimum Wage.	Retained	

Meetings of the Tripartite Committee	8. The Tripartite Committee shall be convened by the Chairman as may be expedient, but not later than six months to the expiration of the existing National Minimum Wage, to consider a new National Minimum Wage, provided that, the proceedings and other supplementary provisions relating to the Committee shall be decided by the members.	Retained	
Employer's obligations in respect of minimum wage	9.-(1) An employer shall pay to the workers a wage not less than the national minimum wage subject to statutory deductions. (2) Any employer who fails to comply with the provisions of Sub- Clause (1) of this Clause commits an offence and is liable on conviction to: (a) pay a fine not exceeding 5% of the offenders monthly wage; (b) pay all outstanding arrears of the workers' wages; and (c) pay an additional penalty of not less than the prevailing Central Bank of Nigeria lending rate on the wages owed, for each month of continuing violation, provided that the power to order payment on account of wages under Sub-Clause (2) of this Clause, shall not be in derogation of the right of the worker to recover wages due to him by any other proceeding in a court of competent jurisdiction	Retained	
Employers to keep records	10.-(1) An employer shall keep such records of wages or conditions of employment as are necessary to show that the provisions of this Bill are being complied with in respect of workers in his employment and to retain the records for a period of three years after the period to which they refer, (2) Any employer who fails to comply with the provisions of Sub-Clause (1) of this Clause commits an offence and is liable on conviction to: (a) a fine not exceeding N5,000.00; and	Retained (a) a fine not exceeding N75,000.00; and	

	(b) an additional penalty not exceeding- N10,000.00 for each day the offence continues.	Retained	
Officers and their powers	11.-(1) The Minister of Labour and Employment may authorise any officer in the civil service of the Federation to act for the purpose of this Bill, and every authorised labour officer within the meaning of the Labour Act shall be deemed to have been so authorised. (2) Every authorised officer shall be furnished with a letter of his authority and identification when visiting an employer's premises for the purposes of this Bill and shall, if so required, produce both documents to the employer or other person holding a responsible position of management at the said premises. (3) An authorised officer may- (a) require the production by an employer of wages sheets pay roll or other records of wages and records of conditions of employment , inspect and examine them and copy any' part; (b) order any person or body of persons found to have contravened any of the provisions of this Bill to take remedial action within a specified period of time; and (c) make recommendation for the prosecution of any person who contravenes the provisions of this Bill. (4) An officer who is authorised in that behalf by general or special directions of the Minister may, if it appears to him that a sum is due from an employer to a worker to whom this Bill applies or to a person who has been such a worker on account of the payment to him of wages less than the national minimum wage, may institute on behalf and in the name of that worker or person, civil proceedings for the recovery of that sum and in any such proceedings, the court may make an order for the payment of costs by the authorised officer as if he were a party to the	Retained	

	proceedings. (5) The power given under Sub-Clause (4) of this section for the recovery of a sum due from an employer to a worker or other person, shall not be in derogation of any right of a worker or a person who has been a worker to recover that sum by civil proceedings.		
Monitoring and compliance	12.-(1) The Federal Ministry of Labour and employment and the National Salaries, Incomes and Wages Commission shall collaborate to monitor the implementation of the national minimum wage in line with the provisions of the Labour Act and the National Salaries, Incomes and Wages Commission Act. (2) Any report of non-compliance with the provisions of this Bill discovered by the authorized officer upon routine inspection shall be forwarded to the Minister of Labour and Employment and copied to Labour Centres and employment Associations. (3) The Minister of Labour and Employment shall upon receipt of such report activate the machinery for enforcing compliance within 30 working days. (4) Monitoring of compliance with this Bill shall commence 6 months after the effective date of the commencement of this Bill.	Retained	
Enforcement	13. The national minimum wage may be enforced by the aggrieved worker, Trade Unions and Minister of Labour and Employment as follows: (a) a worker who is paid an amount less than the national minimum wage shall be contractually entitled to whichever is the higher amount of the difference between his pay and the amount of the national minimum wage that he should have been paid; (b) without prejudice to the right of the worker to take his case directly	Retained	

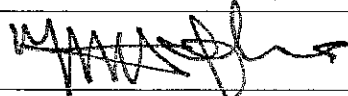
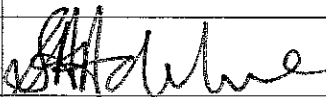
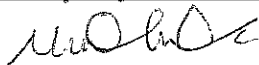
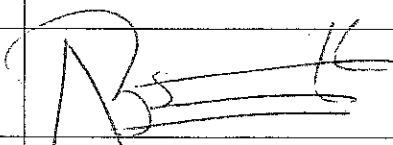
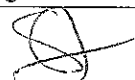
	(b) he has used all due diligence to ensure that this Bill is complied with. (3) Where a defendant seeks to avail himself of the provisions of Sub-Clause (2) of this Clause - (a) the prosecution as well as the person whom the defendant charges with the offence shall have the right to cross-examine him if he gives evidence and any witness called by him in support of his plea, and to call rebutting evidence; and (b) the court may make such order as it thinks fit for the payment of the costs by any party to the proceedings, other than the prosecution, to any other party thereto. (4) Where it appears to an authorised officer that an offence has been committed in respect of which proceedings might be taken under this Bill against an employer, and the officer is reasonably satisfied that the offence of which complaint is made was due to an act or default of some other person and that the employer could establish a defence under Sub-Clause (2) of this Clause, the officer may make recommendation for a proceedings to be taken against that other person, and in any such proceedings the defendant may be charged with the offence and on proof that the offence was due to his act or default, be convicted for the offence for which the employer might have been charged.		
Other offences and Penalties	15. Notwithstanding the provisions of this Bill, a person, commits an offence and is liable on conviction to a fine not exceeding N250,000.00 or to imprisonment for a term not exceeding six months or to both, where the person: (a) refuses or neglects to furnish the means required by an authorised officer as being necessary for any entry in the exercise of his powers under this Bill; (b) hinders any authorised officer in the exercise of his powers under	Retained	

	this Bill; (c) refuses or neglects to produce any document or to give any information which any authorised officer in the exercise of his powers under this Bill requires him to produce or give; (d) makes, or causes to be made, or knowingly allows to be made, any wage sheet, record of wages or record of conditions of employment which is false; (e) produces or causes to be produced, or knowingly allows to be produced, any such wages sheet or record to an authorised officer in the exercise of his powers under this Bill, knowing the wage sheet or record to be false; or (f) furnishes any information to any authorised officer in the exercise of his powers under this Bill, knowing the information to be false.		
Repeal and Savings provisions	16.-(1) The National Minimum Wage Act No.6, 1981 as amended, Cap. N61, Laws of the Federation of Nigeria, 2004 is repealed. (2) Without prejudice to Section 6 of the Interpretation Act and notwithstanding the repeal of the enactment specified under Sub-Clause (1) of this Clause: (a) proceedings may be taken on any offence committed under the repealed Act, in same manner as if the offence has been committed under the corresponding provisions of this Bill; (b) any proceeding or cause of action pending or existing immediately before the commencement of this Bill, by or against any person or body arising from the repealed Act in respect of rights, interest, obligations or liabilities of the person or body aforesaid may be continued or, as the case may be, commenced and any determination of a court of law tribunal or other authority or person may be enforced to the same	Retained	

	extent that any such proceedings, cause of action or determination would have been continued, commenced or enforced if this Bill had not been made.		
Interpretation	17. In this Bill, unless the context otherwise requires- "authorised officer" means an officer in the Public Service of the Federation authorized or deemed to have been authorized to act for the purpose of this Bill; "authorised Labour Officer" means any Public Officer serving in a Ministry or Department for which the Minister of Labour and Employment is responsible; and with the consent of the state authority, any officer in the public service of the state, for the purposes of this Bill; "Employer" means any person who has entered into a contract of employment to employ any other person as a worker either for himself or for the service of any other person, and includes the agent, manager or factor of that first mentioned person and the personal representative of a deceased employer; "Minister of Labour and Employment" means the Minister responsible for labour matters; "Minister of Finance" means the Minister responsible for finance; "Minister. of Budget and National Planning" means the Minister responsible for budget; "national minimum wage" means the national minimum wage prescribed under by Clause 3 of this Bill; "part-time work" means work of a duration shorter than those for comparable full-time work in a sector or occupation;	Retained	

	"Piece-rate" means any type of employment in which a worker is paid according to the quantity produced regardless of time; "wage" means remuneration or earnings (however designated or calculated) capable of being expressed in terms of money fixed by mutual agreement or by law which is payable by virtue of a contract by an employer for work done or to be done for service rendered; and "worker" means any person who has entered into-or works under a contract with an employer whether contract is for manual labour or clerical work or is expressed or implied or oral or written, and whether it is a contract of service or a contract personally to execute any work or labour, but excludes the exemption contained in this Bill.		
Short title	18. This Bill may be cited as the National Minimum Wage Bill, 2019.	Retained	
Explanatory Memorandum	(This note does not form part of this Bill but intends to explain its purports) This Bill repeals the National Minimum Wage Act No.6, 1981 as amended, Cap. N61, Laws of the Federation of Nigeria, 2004 and Enact the National Minimum Wage Bill, 2019 to prescribe a National Minimum Wage and provide a legal framework for seamless review of the National Minimum Wage.	Retained	

COMMITTEE MEMBERS

S/N	NAME	DESIGNATION	SIGNATURE
1.	Senator Francis A. Alimikhena	Chairman	
2.	Senator Olusola Adeyeye	Member	
3.	Senator Suleiman A. Adokwe	Member	
4.	Senator Abu Ibrahim	Member	
5.	Senator Binta Garba Masi	Member	
6.	Senator Solomon O. Adeola	Member	
7.	Senator Samuel O. Egwu	Member	
8.	Senator Shehu Sani	Member	
	Siyaka Abdulwahab	Committee Clerk	