

LEAD DEBATE ON
A BILL FOR AN ACT TO AMMEND THE INDUSTRIAL TRAINING FUND
ACT
AND FOR RELATED MATTERS

Sponsor: Senator Saidu Ahmed Alkali (Gombe North)

INTRODUCTION

Mr. President, distinguished colleagues, I thank you for this privilege to lead the debate on a Bill for an Act to amend the Industrial Training Fund (Amendment) Act, 2011 which was read for the First Time in this hallowed Chamber on Wednesday, 16th December, 2020.

BACKGROUND

The Industrial Training Fund was established by Decree 47 of 1971, now an Act as amended in 2011. It's to develop the nation's human resource capacity by continuous training and retraining of its workforce for optimum output and performance. To achieve this, the ITF provides key services such as research, development of training programmes, administration of the Students Industrial Work Experience Schemes (**SIWES**), collection of training contributions as mandated by law from liable organizations and payment of reimbursement, after such organizations have provided evidence of such training, in order to encourage employers to consistently train their employees for greater productivity.

As Such, Mr. President, distinguished colleagues, the original intention and mandate of the **ITF** as contained in the extant Act is to provide, promote and encourage the acquisition of skills in industry and commerce with a view to generating a pool of indigenous trained manpower sufficient to meet the need of the private and public sectors of the economy.

The extant law of the ITF, while laudable and a major improvement of the old establishment Decree (now Act of the National Assembly), has still not translated to significantly reducing the huge unemployment and under-employment gaps in the country, as intended. According to the most recent Labour Force Survey of the Nigeria Bureau of Statistics (**NBS**), the nation's overall unemployment rate 33.3%, under-employment rate at almost 22.8%, while youth unemployment/underemployment rate, stands at an alarming 42.5%.

Regrettably also, the various intervention programmes and policies by successive governments, to enhance the capacity of the nation's workforce through various youth empowerment schemes, skill acquisition and job creation policies, have not particularly succeeded in bringing the problem of unemployment and employability, especially among youths, under control.

The inadequacies of the extant law have resulted, amongst other things, in:

- i. non-adherence to the requirement of proof of up-to-date contributions to the Fund for persons and corporate organizations bidding for or soliciting contracts both from government and private organizations;
- ii. light and non-deterrent punishment for persons who forge the Fund's certificate of compliance and other official documents, leading to huge loss of revenue for the **ITF** and the Consolidated Revenue Fund of the Federation; and
- iii. weak and ambiguous interpretation of key words used in the extant Act but having huge implications on the efficiency of the Fund and unending court litigations.

OBJECTIVES OF THE BILL

In order to address the foregoing inadequacies of the extant Act, the Bill seeks to:

- i. make the fulfillment of ITF obligations a statutory requirement and prerequisite on the part of persons and corporate entities, for the consideration for the award of contracts by government and private establishment;
- ii. ensure that persons who knowingly forge or falsify official documents belonging to the Fund receive commensurate punishment for their unscrupulous actions, as deterrence; and

- iii. provide explicit, lucid and unambiguous interpretation and explanation of terms used in the extant Act to ensure proper understanding and aid effective implementation.
- iv. strengthen the Industrial Training Fund to administer, supervise and enforce the industrial training reforms of government, which is very much needed in our country today.
- v. expand the powers of the Council to diversify sources of income of the fund to facilitate making investments in any profitable ventures to guarantee its sustainability and realization of objectives.
- vi. provide the necessary training, skills acquisition and vocational know-how that will create jobs and bring our teeming youthful population, out of poverty and joblessness.
- vii. arrest the upsurge in crime and criminality, across the country attributed to the twin evil of widespread unemployment and poverty.

Mr. President, distinguished colleagues, it is imperative to note that the amendments proposed are not incompatible with related legal or policy frameworks that regulate industrial training or any empowerment programme in Nigeria. In this context the Bill seeks to ensure that the Industrial Training Fund is repositioned, well-funded and equipped to establish more industrial and model skills training centers, in addition to the ones currently being run in Lagos, Kano, Abuja and Jos and thus primed to fulfill its core mandate of providing the necessary training, skills acquisition and vocational know-how, essential for today's knowledge-based economy and the Nigeria of our dreams.

In addition, Mr. President and my respected colleagues, the passage of this Bill into law, is one veritable and cost-effective way, of drastically reducing the population of our youths in the unemployment bracket, arrest the rising national insecurity, by offering our teeming young men and women, the opportunity to unleash their potentials and redirect their energies positively, which will undoubtedly translate into economic growth and all-round development for our country.

CONCLUSION

Mr. President, distinguished colleagues, there is no consequential financial implication on the government, with respect to this Bill, because the Industrial Training Fund saddled with its implementation, is already in existence.

I urge you therefore, my respected colleagues to support this Bill for Second Reading and expeditious passage into law. Thank you.