

# Federal Republic of Nigeria Official Gazette

No. 108

Lagos - 22nd June, 2011

Vol. 98

Government Notice No. 246

The following is published as Supplement to this Gazette:

Act No.

Short Title

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Industrial Training Fund (Amendment) Act, 2011.

A 373-380

Printed and Published by The Federal Government Printer, Lagos, Nigeria FGP 153/122011/2,000 (OL 103)

Annual Subscription from 1st January, 2011 is Local: N15,000.00 Overseas: N21,500.00 [Surface Mail] N24,500.00 [Second Class Air Mail]. Present issue N1,500.00 per copy. Subscribers who wish to obtain *Gazette* after 1st January should apply to the Federal Government Printer, Lagos for amended Subscriptions.

# INDUSTRIAL TRAINING FUND (AMENDMENT) ACT, 2011



#### ARRANGEMENT OF SECTIONS

#### SECTION:

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- 2. Amendment of section 1 (c).
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- 11. Amendment of section 11.
- 12. Amendment of section 13.
- 13. Amendment of section 15.
- 14. Amendment of section 16.
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# INDUSTRIAL TRAINING FUND (AMENDMENT) ACT, 2011 ACT No. 19

An Act to amend the Industrial Training Fund Act Cap. 19, Laws of the Federation of Nigeria, 2004; and for Related Matters.

[3rd Day of June, 2011]

Commencement.

ENACTED by the National Assembly of the Federal Republic of Nigeria—

1. The Industrial Training Fund Act Cap. 19 Laws of the Federation of Nigeria, 2004 (in this Act referred to as "the Principal Act") is amended as set out in this Act.

Amendment of Cap. 19 LFN, 2004.

2. Section 1 (c) of the Principal Act is amended by substituting for the words "Federal Ministry of Industry" in line 3, the words "its parent Ministry".

Amendment of section 1(c).

3. Substitute for section 2 of the Principal Act a new section "2"—

Substitution for section 2.

# "Utilization of the fund"

The Fund shall be utilized to—

- (a) provide, promote and encourage the acquisiuon of skills in industry and commerce with a view to generating a pool of indigenous trained manpower sufficient to meet the needs of' the private and public sectors of the economy;
- (b) provide training for skills in management for technical and enterprenual development in the public and private sectors of the economy;
- (c) set training standards in all sectors of the economy and monitor adherence; and
- (d) evaluate and certify vocational skills acquired by apprentices, craftsmen and technicians in collaboration with relevant organizations."
  - 4. Section 4 (1) of the Principal Act is amended—

Amendment of section 4(1).

- (a) in paragraph (e), by substituting for the word "or" in line 2, the word "and" immediately after the word "industry"; and
- (b) in paragraph (f), by substituting for the word "or" in line 2, the word "and" immediately after the word "industry".
- 5. Section 5 of the Principal Act is amended by substituting for subsection (2) a new sub-section "(2)"—

Substitution for section 5(2).

"(2) The Council may, from time to time, appoint officers, agents or employees of the Fund to assist the Director-General in the performance of his duties under this Act, who shall be subject to the general control of the Director-General."

Substitution for section 6.

- 6. Section 6 of the Principal Act is substituted for a new section "6"—
- "(1) Every employer having either 5 or more employees in his establishment, or having less than 5 employees but with a turnover of N50m and above per annum, shall, in respect of each calendar year and or the prescribed date, contribute to the Fund one per centum of his total annual payroll.
- (2) Any supplier, contractor or consultant bidding or soliciting contracts, businesses, goods and services from any Federal Government Ministry, Department, Agency commercial, industrial and private entity shall fulfill statutory obligations of his employees with respect to payment of training contribution to the Fund."
- (3) Any liable organization, public or private including companies situate in the free trade zone requiring approval for expatriate quota and/or utilizing custom services in matters of export and import, must show proof of compliance with this Act in respect of payment of training contribution of his employees and all regulatory agencies of the Federal Government shall ensure compliance with section 6 (1)-(3) of this Act.
- (4) The Ministry may, with the approval of the Federal Executive Council by order published in the *Gazette*, vary the rate of contribution prescribed in subsection (1) of this section".

Amendment of section 7.

- 7. Section 7 of the Principal Act is amended in subsection (1), by substituting for the word—
  - (a) "sixty" in line 1, the word "fifty"; and
  - (b) "adequate" in line 3, the words "in accordance with the Fund's reimbursement schemes".

Amendment of section 8.

- 8. Section 8 of the Principal Act is amended—
- (a) in subsection (1), by substituting for the word:
  - (i) "levies" in line 1, the word "contributions"; and
  - (ii) "Fund" in paragraph (a) line 3, the word "Council";
- (b) in subsection (2) (a), by substituting for:
  - (i) the figures "5,000" the figures "500,000.00"; and
  - (ii) the figures "10,000" the figures "1,000,000.00"; and
- (c) in subsection 2 (b), by substituting for the figures "1,000" in line 2, the figures "50,000.00".

Amendment of section 9.

**9.** Section 9 (2) of the Principal Act is amended by substituting for subsection (2), a new subsection "(2)"—

- "(2) Notwithstanding the provisions of subsection (1) of this section, the Director-General may if he thinks fit, waive in whole or in part any penalty imposed under this section."
- 10. Section 10 (1) of the Principal Act is amended by substituting for the words "such fund as Amendment of the Minister may direct" in lines 2 and 3, the words "accordance with the relevant laws of the Federal Republic of Nigeria."

Amendment of section

11. Section 11 of the Principal Act is amended by substituting for subsection (2) and (3), new subsections "(2)" and "(3)"—

Amendment of section 11.

- "(2) Any action for the recovery of contributions under this section may be instituted by the Council, Director-General, agents or officers of the Fund on behalf of the Director-General, and where the action is instituted in a magistrate's court, any person authorized by this sub-section may appear and conduct the case.
- (3) For the purposes of this section "contribution" includes under payment or for late payment, as the case may be."
  - 12. Section 13 of the Principal Act is amended by substituting for—

of section 13.

- (a) the marginal note, a new marginal note:
- "Power of the courts to decide in disputes relating to liability"; and
- (b) the word "Minister" in line 2, the word "court".
- 13. Section 15 of the Principal Act is amended—
- (a) in sub-section (1), line 4, by deleting the words "levy or"; and
- (b) in sub-section (3) (a), by substituting for the figures:
  - (i) "5,000", the figures "500,000"; and
  - (ii) "10,000", the figures" 1,000,000"; and
- (c) in sub-section (3) (b), by substituting for the figures "1,000", the figures "50,000".
- 14. Section 16 of the Principal Act is amended by inserting, in the alphabetical order, the definition of—

Amendment of section 16.

"payroll" means the sum total of all basic pay allowances and other entitlements payable within and outside Nigeria to any employee in an establishment, public or private;

"employees" means all persons whether or not they are Nigerians employed in any establishment in return for salary, wages or other consideration, and whether employed full-time or part-time, and includes temporary employees who work for periods of not less than thirty days;

Amendment

Amendment of section

15.

"contribution" include underpayment and any interest or penalty payable or for late payment, as the case may be;

"The prescribed date" means-

- (a) in respect of year two thousand and eleven, means a date not later than three months from the date of commencement of this Act; and
- (b) in respect of every subsequent year, means a date not later than 1st April of the following year."

Amendment of Schedule.

15. The Schedule to the Principal Act is amended as set out below—

#### Paragraph 1

The Governing Council shall consist of thirteen members to be appointed by the Minister and shall comprise;

- (a) one representative each from the following Federal Ministries—
  - (i) Labour and Productivity;
  - (ii) National Planning Commission;
  - (iii) Budget office of the Federation;
- (*iv*) one representative of the Nigerian Labour Congress, Trade Union Congress in rotation for one year at a time;

#### Paragraph 2

The President shall, on the advice of the Minister, appoint the Chairman of the Council.

### Paragraph 3

The Council shall appoint a Vice-Chairman from its members not being a member representing the same interest as the Chairman.

# Paragraph 9

Any member appointed under paragraph 1 (d) to (h) of this Schedule shall hold office for two years and may be eligible for reappointment.

# Paragraph 11

Subject to paragraph 2 of this Schedule, the Council shall meet quarterly or at least twice each year.

# Paragraph 13(2)

The quorum for any meeting of the Council shall be five representing at least three interest groups.

Paragraph 14

A member of the Council shall be paid out of the moneys at the disposal of the Council, such remuneration and allowances in accordance with Financial and Administrative Guidelines of the Federation.

**16.** This Act may be cited as the Industrial Training Fund (Amendment) Citation. Act, 2011.

I certify, in accordance with Section 2 (1) of the Acts Authentication Act, Cap. A2, Laws of the Federation of Nigeria 2004, that this is a true copy of the Bill passed by both Houses of the National Assembly.

Salisu Abubakar Maikasuwa, mni Clerk to the National Assembly 2nd Day of June, 2011.

#### EXPLANATORY MEMORANDUM

This Act amends the Industrial Training Fund Act Cap. 19, Laws of the Federation of Nigeria, 2004.

# SCHEDULE TO INDUSTRIAL TRAINING FUND (AMENDMENT) BILL, 2011

(1) Short Title of the Bill	(2) Long Title of the Bill	(3) Summary of the Contents of the BIll	(4) Date passed by the Senate	(5)  Date Passed by  the House of  Representatives
Industrial Training Fund (Amendment) Bill, 2011.	An Act to amend the Industrial Training Fund Act Cap. 19, Laws of the Federation of Nigeria, 2004; and for related matters.	This Bill seeks to amend the Industrial Training Fund Act Cap. 19, Laws of the Federation of Nigeria, 2004.	1st June, 2011	19th May, 2011

I certify that this Bill has been carefully compared by me with the decision reached by the National Assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act Cap. A2, Laws of the Federation of Nigeria, 2004.

I ASSENT.



Salisu Abubakar Maikasuwa, mni Clerk to the National Assembly 2nd Day of June, 2011.

Dr. Goodluck Ebele Jonathan, GCFR President of the Federal Republic of Nigeria 3rd Day of June381, 2011.