

**5 MARCH 2007**

**Vol 2 No. 10**

**ISSN 0795-3089**

## **African Scientific Committee Meets NUC on African University of Science and Technology, Abuja**

**A**t the instance of the Executive Secretary, the NUC Management on Thursday, 22 February, 2007 played host to Professor Wole Soboyejo, Chairman, African Scientific Committee, in connection with the establishment of the African University of Science and Technology, Abuja.

Addressing the NUC Management, Professor Soboyejo explained that the Nelson Mandela Foundation, with the support of the World Bank and All African Heads of State founded the African University of Science and Technology. .

Professor Soboyejo disclosed that President Olusegun Obasanjo had endorsed the project and that the Honourable Minister of Federal Capital Territory, Mallam Nasir El-Rufai had allocated 250 hectares of land for the University at the Abuja Technology Village.

He added that the university intended to create notes of excellence that would serve as resources to universities in Africa. He stated that similar institution would be established simultaneously in Nigeria, BukinaFaso and Tanzania. According to him, the campus would open in the next one year with an initial class of 50 to 100 students enrolled in four degree programmes in Materials, Mathematics and Computers, Environment and Water and Gas.

Professor Soboyejo further disclosed that many of the leading scientists in the World were Africans who were employing their expertise to develop various continents of the World except Africa. Such experts in the diaspora, he added, would be encouraged to bring up students who would have total knowledge in technology. He emphasized that the university would try to connect knowledge to application and at the same time improve local content.

Professor Soboyejo explained that his group was at present, engaging in discussions with industries and societies as well as university lecturers in Africa and solicited for the support of the NUC in the realization of the project.

Responding, the Executive Secretary regarded the development as a blessing to the university system. He advised that the opportunity to honour Nelson Mandela, which would start from Nigeria should be adequately utilized.

The Executive Secretary promised to introduce Professor Soboyejo to the Coordinator of the Nigerian Experts and Academics in Diaspora Scheme (NEADS), Professor N. O. Adedipe for proper streamlining of his activities. Thereafter, the Executive Secretary advised Professor Soboyejo to obtain the necessary application form for the establishment of the University in Nigeria.

# Implementation of the Contributory Pension Scheme in the University System

The operation of the Contributory Pension Scheme has been generating undue restiveness within the university system, due to conflicting interpretations by universities of the Pension Reform Act of 2004. The clarification provided by the Executive Secretary of the National Universities Commission (NUC) in his letter of 25 January, 2007 to all Vice-Chancellors of Universities and Directors of Inter-University Centres, did not seem to have settled the matter as the three University Unions (ASUU, SSANU, and NASU) had already embarked on strikes in some universities, while some others had served notice of their intention to do so.

Consequently, the National Universities Commission facilitated a meeting of the Association of Vice-Chancellors of Nigerian Universities (AVCNU) held on Thursday 22 February 2007 at the Virtual Library Building to deliberate on the issue, among others. The following key officers of government, concerned with the policy and implementation of the Pension Scheme as well as other matters affecting the university system, were invited and they addressed the meeting:

- \* The Director General of the Budget Office: Mr. Olabode M. Augusto, MFR;
- \* The Director General of Pension Commission: Alhaji Mohammed Kabir Ahmed;
- \* The Director General, Bureau for Public Service Reforms: Dr. Goke Adegoroye.

These officers made elaborate presentations on the operation of the old and new pension schemes, as well as other similar matters affecting the university system such as the Public Service Reform and the on-going Federal Government/ASUU negotiation and the 2004-2005 arrears of monetization demanded by SSANU.

After extensive discussions, the following facts germane to the policy and operation of the new Pension Scheme and the demand for arrears were established:

1. The Contributory Pension Scheme started on July 1, 2004;
2. The employee contribution to the Scheme is 7½ % (of Basic, Housing and Transport) while Government contribution is also 7½ %;
3. Only employees who will be retiring from the system before July 1, 2007 (i.e. have three or less years to retire from service of a university from July 1, 2004) are exempted from the Scheme;
4. Employees of the universities who will be retiring after June 30, 2007 must compulsorily contribute to the Scheme. For the avoidance of doubt, there is no moratorium whatsoever for such category of employees as being claimed in some quarters;
5. The contributions by employees are deducted at source by the employer (Government, through the Budget Office) while only the Net salary of Staff is sent to the universities. However, to provide evidence of contribution by an employee, the university must reflect the 7 ½ % deducted at source on the pay slip of staff. This

translates to the pay slip showing the gross salary, the 7 ½% Pension Scheme deduction, other deductions; with the net (gross less all deductions including the Pension Scheme Deduction) being the amount payable to staff;

6. There must be no further deduction in respect of pension from the salary of staff. Thus, in effect, the total actual deduction from the salary of staff in respect of the Scheme shall not be more than the stipulated 7 ½ %;
7. Many staff of universities who have registered with Pension Fund Administrators (PFAs) have confirmed that their Retirement Saving Account (RSA) have been credited with their own employee contributions as well as the employer contributions. Also indicated in their RSA are the interests generated from the investment of these contributions over time;
8. The University of Abuja and the University of Sokoto claimed to have inadvertently, deducted more than the stipulated 7½ % from the salaries of their staff and have kept such excess deduction in a special account. The Budget Office had directed that the two universities pay back to their staff any deduction in excess of the stipulated 7½ %;
9. Obafemi Awolowo University (OAU) paid back the 7 ½ % contributions made by its staff since July 2004 despite the fact that only 7 ½ % has been deducted from the salaries of staff at the University in accordance with the operation of the Scheme. According to the Vice-Chancellor, this was done due to excessive pressure by the Unions (staff and students). However, the Vice-Chancellor stated that the staff unions agreed that staff would pay back the refund should it be established that they were not entitled to it;
10. Available information was also to the effect that the Federal University of Technology, Akure (FUTA) made similar erroneous refund to staff;
11. OAU and FUTA are operating, in effect, a non-contributory pension scheme for their staff in contravention of the laid down policy of government;
12. The Director General of the Budget Office wondered where OAU and FUTA got money to pay such huge amount of money running into several millions of naira, which monies had been deducted at source and already credited to the RSAs of their staff who have registered with PFAs while the contributions (employee and government) of those who have not registered with PFAs yet are with the Pension Commission. Consequently, the Vice-Chancellors of OAU and FUTA are to ensure that the monies erroneously paid to staff are returned forthwith to the coffers of their universities.
13. The policy on monetization was implemented in phases, starting with the main ministries. The main condition for implementation is REFORM. The government was magnanimous enough to approve the implementation of the policy on monetization in the Universities even though they were yet to address the issues involved in the reform activities. Consequently, there are no arrears due to University Staff as fallout from the implementation of monetization.