

A POSITION PAPER PRESENTED BY HIS EXCELLENCY, OTUNBA (DR) CHRISTOPHER ADEBAYO ALAO-AKALA, JP, psc, THE EXECUTIVE GOVERNOR OF OYO STATE ON THE ISSUE OF PAYMENT OF 27.5% TEACHERS' SALARY STRUCTURE AT THE FORUM OF GOVERNORS OF 36 STATES OF THE FEDERATION HELD AT ABUJA ON MONDAY, 9TH MARCH, 2009.

Members will recall that the agitation by the Nigeria Union of Teachers (NUT) for a separate Teachers Salary Structure for teachers of Secondary and Primary Schools in the Country was initially directed to the Federal Government. The non-committal attitude of the Federal Government to the demands of the Union led to a nationwide strike action embarked upon by teachers across the 36 States of the Federation.

2. In the midst of the crisis, the Federal Government came up with a pronouncement that there was no teacher directly under its employment who is a member of NUT, and therefore, it could not negotiate with the NUT on its request for Teachers Salary Structure. In order to salvage the situation and save the future of Nigerian leaders of tomorrow, the Forum of Governors in the 36 States of the Federation took up the challenge and waded into the crisis. The Forum held series of meetings followed by the technical committee meetings of relevant government officials across the 36 States of the Federation.

3. Members will also recall that TSS table was circulated at the Governors Forum. The Technical Committee of the Forum considered

the table and after careful consideration dropped the idea of having a separate salary structure for teachers in the Country but adopted certain special teachers-related allowances for professional teachers which summed up to 27.5% increase over the existing salaries of teachers across the 36 States of the Federation.

4. May I say with every sense of responsibility that before the adoption of 27.5% special teacher-related allowances by the Governors Forum, Oyo State did a comparative analysis of the existing Salary Structure for workers in the State vis-viz the Teachers Salary Structure presented to the Governors Forum. (Copy of the analysis is hereto attached as Annexes I & II). The result showed that Oyo State Government was already paying far above the recommended Teachers Salary Structure submitted to the Governors Forum. The Basic salary of Oyo State Workers (Teachers inclusive) was higher than the proposed Teachers Salary Scale. The gross salary of Oyo State workers was also higher than the then proposed Teachers Salary Scale. That was why Oyo State felt comfortable that there was no cause for alarm if the Teachers Salary Structure was eventually approved by the Governors Forum. The N.U.T., Oyo State brought up its proposed Teachers Salary Scale which was derived from the current basic pay of workers in the State. The graphical illustration of the foregoing comparative analysis vis-a-viz salary of workers as at January 2007, salary of Workers with effect from

August 2007 to date, TSS table presented to Governors forum for consideration of the Technical Committee, proposed TSS by NUT Oyo State and comparative salary table for Secondary and Primary School Teachers for January 2007 and February 2009 is hereto attached as Annexes III & IV. Kindly peruse the tables for a minute.

5. It is necessary to intimate this forum that the average monthly commitment of Oyo State Government in term of salaries and wages (inclusive of payment of pensions and gratuities is ₦2.3 billion. In February 2009, the sum of ₦1.6 billion was received from the Federation Account. The balance of ₦700 million was augmented with internally generated revenue. In March 2009, this figure will increase when the salaries of 1,086 Federal Teaching Service (FTS) teachers absorbed into the state teaching service by Oyo State Universal Basic Education Board (SUBEB) and Oyo State Post Primary Schools Teaching Service Commission (TESCOM) are added to the wage bill. A situation whereby all funds received by the State are channeled to payment of salaries and wages alone will not be in the best interest of the State. The citizenry will definitely suffer.

6. However, when the 22.5% special teacher-related allowance was approved by the Governors Forum, the Salary structure became unmanageable for Oyo State government. The Forum cannot explain differential peculiarities in wages and Salary Structure of various

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6. However, when the 27.5% special teacher – related allowances was approved by the Governors Forum, the Forum was aware that there will be differential peculiarities in wages and salary structure of the various states and therefore made it a clause in the communiqué that the application of this 27.5% increase will depend on the peculiar circumstances of each State. The above condition was noted to have been inadvertently omitted in the agreement Signed by the chairman of this Forum with the NUT; thereby creating a false impression that this Forum had a blanket and universal agreement with the NUT on payment of 27.5% increase in salary of teachers. Without trying to be immodest Oyo State was paying a minimum wage of N9, 400.00 for its worker before the adoption of the 27, 5% increase.

At that period some States of the Federation were still paying between N4, 500.00 and N5, 500 as minimum wage for their workers.

States before it entered into that 27.5% increase on existing basic salaries of Teachers. Without trying to be immodest, Oyo State was paying a minimum wage of ₦9,400.00 for its workers before the adoption of the 27.5% increase. At that point some States of the Federation were still paying between ₦4,500.00 and ₦5,500.00 as minimum wage for their workers.

7. Moreover, during the period when the Forum entered into the blanket agreement on 27.5% Salary increase for Teachers, the effect of global economic meltdown had not been really felt in the Country. For instance, oil was sold for about \$147 per barrel by that period while the price had fallen drastically by January 2009 to as low as \$35 per barrel. This unfortunate economic depression had led to dwindling revenue accruing to States from the Federation Account. With this downward economic trend, it is difficult for Oyo State Government to pay the 27.5% Salary increase to its teachers.

8. As a matter of fact, payment of the 27.5% salary increase to teachers has a far-reaching implication on the State. The situation will lead to avalanche of similar agitation for wage increase by officers in other cadres across the State Civil Service who are equally Professionals in their various callings. The Engineers, Accountants, Administrative Officers, Surveyors, Doctors etc will no doubt request for their own share of the cake if the salary increase is adopted for teachers in the State and

there would be no basis to reject their demands. After all, "What is good for the goose is good for the gander". In a nutshell, conceding to payment of 27.5% for teachers in Oyo State will amount to sending invitation to endless agitation for similar wage increase by other professionals across the service which ultimately will result in protracted industrial unrest because the meager resources of the State Government cannot accommodate such financial commitment at this austere period. In any case, the 2nd October 2007 agreement between the Oyo State Government and Labour provided for a unified salary structure for all the workers in Oyo State Service. To single out any cadre for consideration now is like courting trouble.

9. In order to stem the tide of this unsavory trend I like to advise this august Forum to rescind ^{the} ~~its earlier~~ agreement on payment of 27.5% salary increase for teachers and allow the policy of deregulation to take its course. We should all realize that Nigeria is a Federal State and as such a uniform salary structure is impossible. Each State should be left to decide on what to pay as allowances to its workers (Teachers inclusive) based on its financial ability. It is by so doing that we can guarantee industrial peace and harmony in our States especially during this period of global economic melt-down.

10. Before I conclude, I want this Forum to take note that payment of Salaries and Allowances not approved by Salaries and Wages

Commission will be tantamount to illegality. Therefore the Forum is advised to bear this in mind in reaching conclusion on this subject matter.

11. I thank the Forum for granting me audience to present this position paper.

12. Long live Forum of Governors of 36 States of Nigeria. Long live Federal Republic of Nigeria.

COMPARATIVE ANALYSIS OF THE GROSS ANNUAL SALARY OF THE PROPOSED TSS AND ANNUAL BASIC

SALARY OF THE CURRENT SALARY TABLE IN OYO STATE

ANNEX I

	HAPPS 05														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Oyo	TSS 01	74,086.00	77,124.00	80,280.00	83,376.00	86,472.00	89,568.00	92,664.00	95,760.00	98,856.00	101,952.00	105,048.00	108,144.00	111,240.00	114,336.00
Oyo	TSS 02	79,882.00	79,882.00	83,090.00	86,294.00	89,498.00	92,702.00	95,706.00	99,110.00	102,314.00	105,518.00	108,722.00	111,926.00	115,130.00	118,334.00
Oyo	TSS 03	94,238.00	94,238.00	98,143.00	102,048.00	105,953.00	109,858.00	113,763.00	117,668.00	121,573.00	125,478.00	129,383.00	133,288.00	137,193.00	141,098.00
Oyo	TSS 04	122,112.00	125,793.00	131,414.00	135,028.00	140,717.00	145,388.00	150,019.00	154,670.00	159,322.00	163,973.00	168,624.00	173,275.00	177,926.00	182,578.00
Oyo	TSS 05	129,386.00	131,200.00	133,014.00	140,828.00	145,842.00	150,456.00	155,270.00	160,084.00	164,898.00	169,712.00	174,526.00	179,340.00	184,154.00	188,968.00
Oyo	TSS 06	160,356.00	165,648.00	171,533.00	177,120.00	182,707.00	188,294.00	193,882.00	199,469.00	205,056.00	210,643.00	216,230.00	221,818.00	227,405.00	232,992.00
Oyo	TSS 07	164,435.00	170,184.00	175,933.00	181,682.00	187,351.00	193,090.00	198,809.00	204,538.00	210,267.00	215,996.00	221,725.00	227,454.00	233,183.00	238,912.00
Oyo	TSS 08	189,014.00	195,397.00	202,320.00	209,973.00	215,536.00	222,278.00	228,931.00	235,584.00	242,237.00	248,395.00	255,215.00	262,039.00	268,861.00	275,501.00
Oyo	TSS 09	193,818.00	200,341.00	207,483.00	214,285.00	221,107.00	227,929.00	234,751.00	241,573.00	248,395.00	255,215.00	262,039.00	268,861.00	275,501.00	282,154.00
Oyo	TSS 10	222,523.00	229,333.00	237,154.00	244,459.00	251,784.00	259,099.00	266,414.00	273,730.00	281,045.00	288,360.00	295,675.00	302,990.00	310,306.00	317,621.00
Oyo	TSS 11	228,180.00	235,581.00	243,182.00	250,983.00	258,184.00	265,885.00	273,186.00	280,687.00	288,188.00	295,689.00	303,190.00	310,691.00	318,192.00	325,693.00
Oyo	TSS 12	261,505.00	272,189.00	284,731.00	295,294.00	307,839.00	319,421.00	330,994.00	342,547.00	354,110.00	365,674.00	377,237.00	388,801.00	399,364.00	411,928.00
Oyo	TSS 13	263,241.00	274,877.00	288,519.00	299,149.00	309,785.00	321,421.00	333,057.00	344,693.00	356,329.00	367,965.00	379,601.00	391,237.00	402,873.00	414,509.00
Oyo	TSS 14	292,478.00	304,704.00	318,930.00	329,155.00	341,381.00	353,606.00	365,832.00	378,058.00	390,283.00	402,509.00	414,734.00	426,959.00	439,184.00	451,409.00
Oyo	TSS 15	294,307.00	306,810.00	318,913.00	331,215.00	343,519.00	355,822.00	368,125.00	380,428.00	392,731.00	405,034.00	417,337.00	429,640.00	441,943.00	454,246.00
Oyo	TSS 16	323,496.00	336,660.00	349,619.00	362,561.00	375,142.00	389,304.00	402,466.00	415,627.00	428,790.00	441,950.00	455,112.00	468,273.00	481,434.00	494,595.00
Oyo	TSS 17	325,518.00	338,763.00	352,003.00	365,253.00	378,498.00	391,743.00	404,988.00	418,233.00	431,478.00	444,723.00	457,968.00	471,213.00	484,458.00	497,703.00
Oyo	TSS 18	361,742.00	378,612.00	397,232.00	415,051.00	433,821.00	450,590.00	468,360.00	486,130.00	494,514.00	503,899.00	513,283.00	522,667.00	532,051.00	541,435.00
Oyo	TSS 19	360,537.00	378,248.00	395,959.00	413,570.00	431,381.00	449,092.00	466,803.00	484,514.00	502,225.00	519,936.00	537,647.00	555,358.00	573,069.00	590,780.00
Oyo	TSS 20	400,104.00	421,459.00	442,814.00	464,170.00	485,525.00	505,880.00	523,275.00	549,590.00	570,946.00	593,043.00	615,744.00	639,979.00	667,355.00	697,355.00
Oyo	TSS 21	398,771.00	420,055.00	441,339.00	462,623.00	483,907.00	505,191.00	526,475.00	547,759.00	569,043.00	590,327.00	611,611.00	632,895.00	654,179.00	675,463.00
Oyo	TSS 22	446,088.00	470,333.00	494,578.00	518,303.00	543,028.00	567,274.00	591,509.00	615,744.00	639,979.00	664,214.00	688,449.00	712,684.00	736,919.00	761,154.00
Oyo	TSS 23	444,611.00	468,784.00	492,917.00	517,070.00	543,028.00	567,274.00	591,509.00	615,744.00	639,979.00	664,214.00	688,449.00	712,684.00	736,919.00	761,154.00

COMPARATIVE ANALYSIS OF SALARY TABLES

Annex iii

S/NO	GL	TSS	SALARY OF WORKERS AS AT JANUARY 2007	SALARY OF WORKERS W.E.F. AUGUST 2007 TO DATE	TSS TABLE PRESENTED TO GOVERNOR'S FORUM FOR CONSIDERATION OF THE TECHNICAL COMMITTEE	PROPOSED TSS BY NUT OYO STATE	REMARKS
	GL.05	01	7,100.00(Monthly) ₦	11,566.00 (Monthly) ₦	6,173.80 (Monthly) ₦	13,323.00(Monthly) ₦	
			85,200.00(Annually)	138,792.00 (Annually)	74,086.00 (Annually)	159,876 (Annually)	
	GL 10	06	22,212.00 (Monthly)	28,938.00 (Monthly)	18,543.58 (Monthly)	34,212.00(Monthly)	
			266,544.00 (Annually)	347,796.00 (Annually)	222,523.00 (Annually)	410,544.00 (Annually)	
	GL 12	07	25,701.00 (Monthly)	32,745.00 (Monthly)	21,800.00 (Monthly)	38,777.00 (Monthly)	
			308,412.00 (Annually)	392,940.00 (Annually)	261,606.00 (Annually)	465,324.00 (Annually)	
	GL 16	11	38,786.00 (Monthly)	54,078.00 (Monthly)	33,342.00 (Monthly)	63,217.00 (Monthly)	
			465,432.00 (Annually)	648,936.00 (Annually)	400,104.00 (Annually)	758,604.00 (Annually)	

COMPARATIVE SALARY TABLE FOR TEACHERS

Annex iv

	JANUARY 2007		FEBRUARY 2009	
	STRENGTH	SALARY ₦	STRENGTH	SALARY ₦
SECONDARY SCHOOL TEACHERS	14,100	467,715,077.17	13,695	622,680,277.40
PRIMARY SCHOOL TEACHERS	28,309	714,084,628.33	27,295	964,534,923.80