

Humongous severance and Pension used to maintain and compensate retiring Governors in Nigeria

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Seventeen state governors will hand over to their successors on May 29, 2023 and retire into lives of luxury with generous benefits for their services to their respective states even amidst economic crises, mounting debts and unhappy and underpaid workers and pensioners. Governors Nyesom Wike, Ifeanyi Okowa, Udom Emmanuel, Abdullahi Ganduje, Badaru Abubakar, Bello Matawalle, Ben Ayade, Okezie Ikpeazu and David Umahi of Rivers, Delta, Akwa Ibom, Kano, Jigawa, Zamfara, Cross River, Abia and Ebonyi states are set to benefit from generous retirement/pension benefits. Others outgoing governors who will benefit from the largesse are Ifeanyi Ugwuanyi, Samuel Ortom, Darius Ishaku, Abubakar Bello, Abubakar Bagudu, Nasir El-Rufai, Simon Lalong, Aminu Masari and Aminu Tambuwal of Enugu, Benue, Taraba, Niger, Kebbi, Kaduna, Plateau, Katsina and Sokoto states, respectively.

The outgoing governors, most of who will be completing two terms of eight years in office on May 28, will be entitled to generous monetary pensions, mansions to be built in locations of their choice, luxury vehicles and domestic as well as security aides, among others, based on laws passed by their respective state houses of assembly.

In Rivers State Wike and his deputy, Dr. Ipalibo Banigo, will enjoy generous benefits after leaving office as provided in the Rivers State Pensions for Governor and Deputy Governor Law, 2012. The law provides that three new vehicles should be purchased for former governors, and the vehicles are to be changed every four years. This is in addition to the payment of 100 per cent of their basic salaries, 300 per cent of their annual basic salary for furniture, free medical services and provision for entertainment. Their deputies also enjoy certain perks. The pension law for former governors and their deputies was enacted by the administration of former governor Rotimi Amaechi and made other provisions such as two choice houses in any area of their choice in Rivers State and Abuja and three cars replaceable every three years for the governor. The law also provides that 20 per cent, 10 per cent and 10 per cent of the annual salary of the incumbent governor should be earmarked for utility, accommodation maintenance and entertainment, respectively. Wike will be entitled to all these except he decides otherwise.

In Delta state Okowa is entitled to a furnished duplex in Delta State or any other state in the country; medical treatment for him and members of his immediate family; two vehicles, including a



utility vehicle, every two years; two armed policemen and one Department of State Security officer; 15 days' annual vacation

in any place of his choice and other benefits. The deputy governor is also entitled to similar perks. The Delta State Governor and Deputy Governor Pension Rights and other Benefits Law, 2005 was signed into law by former governor James Ibori, who ruled the state between 1999 and 2007. The law was later amended in 2009 as the Delta State Governor and Deputy Governor Pension Rights and Other Benefits (Amendment) Law, 2009. The law makes provision for ex-governors to be paid allowances and other benefits pegged at N50m yearly. Such perks include one duplex in any city of their choice within Nigeria, one sport utility vehicle and a backup car

replaceable every two years, an office with four aides, two security personnel and monthly salaries, among others. Each of the four domestic workers will earn N100,000 monthly.

Akwa Ibom reportedly spends an average of N267.78m yearly on ex-governors and their deputies and Governor Emmanuel and his deputy are expected to enjoy the same as the state's Pension Act, 2014 provides. They are also entitled to the replacement of official and utility vehicles every four years. A former governor of the state, Godswill Akpabio, drew the ire of Nigerians in 2014 when he allegedly sought to draw N100m as medical allowance as provided for in the law.

In Kano State Governor Ganduje and his deputy are entitled to 100 per cent of their basic salaries, six-bedroom house and free medical treatment for them and members of their families upon handover on May 29, 2023. The law guiding pension rights for former governors and deputy governors also states that they will get well equipped offices.

The Jigawa State 'Former Public Officers Pension and other Benefits Law No. 15 of 2015' stipulates that a governor, who successfully completes his term without impeachment will be entitled to a monthly pension equivalent to the current salary of the current governor, two brand new vehicles to be provided by the state government and to be replaced after every four year, six-bedroom fully furnished house, two personal assistants not below grade level 10, two drivers selected by the governor and to be paid by the state, a fully furnished office in any location of choice and fully paid medical treatment within Nigeria and abroad. The deputy governor is also to get a monthly pension equivalent to the incumbent's salary, one assistant not below level eight, one brand new vehicle, four-bedroom flat and an office in a location of his choice



In Zamfara State where Governor Bello Matawalle lost his re-election bid and will complete his four-year tenure on May 28, 2023. The 'Grant of Pension to Governor or Deputy Governor (Amendment Law), 2006' made provision for pension and other benefits to former governors. It provided pension for life equivalent to the salary of the incumbent, two personal staff members, two vehicles replaceable every four years, two drivers, free medical for former governors, their deputies and their immediate family members in Nigeria or abroad. It stipulated N7m monthly for former governors and N2m to former deputy governors, but former governor Abdul-aziz Yari reviewed it to N10m and N5m monthly, respectively. However, the law was repealed by the state House of Assembly on November 26, 2019.

In Sokoto state Governor Tambuwal is expected to inherit the Sokoto State Pension Law, which makes provision for N200m every four years for former governors, while his deputy is entitled to perks amounting to N180m, being monetisation for other entitlements, including domestic aides, residences and vehicles that can be renewed after every four years. Section 2 (2) of the Sokoto State Grant of Pension (Governor and Deputy Governor) Law, 2013 states, "The total annual pension to be paid to the governor and deputy governor shall be at a rate equivalent to the annual total salary of the incumbent governor or deputy governor of the state, respectively."

In Abia State Governor Ikpeazu is entitled to 100 per cent of his salary and official vehicles worth N20m to be replaced every four years, a police orderly, two operatives of the Department of State Service, two policemen for the security of his house, as well as allowances for cooks, stewards, driver and gardener, while his deputy will enjoy similar benefits. The law also made provision for medical attention for the former governors and their deputies. The Pension Law for former governors and deputy governors of the state also provides that former governors are entitled to "the sum of money as may from time to time be granted by the state government by way of pensions, allowances and privileges in accordance with this law."

In Niger State Governor Abubakar Sani Bello will vacate the Government House in Minna to the Senate to represent the Niger North Senatorial District and will be a beneficiary of a pension scheme introduced by the Abdulkadir Kure administration, which provides for the payment of pension to former governors and deputy governors and the provision of two drivers on GL 07, two personal assistants on Grade Level 08, security aides and an SUV renewable every year. He will also get a mansion in a location of his choice.

In Katsina State Governor Masari will complete his second term on May 28. He served as the Speaker of the House of Representatives before becoming the governor. The Katsina State Pension Law, 2011 as amended provides pension for all former governors of the state, including those who served in the old Kaduna State from which Katsina was carved



out of. The governor, just like his predecessors, is to enjoy free houses and medical services under the law as well as pension benefits of N2.22m monthly, vehicles and personal aides.

The Ebonyi State Political Office Holders Amendment Law, 2011 makes provision for the payment of pension to Governor Umahi, who is set to move to the Red Chamber of the National Assembly. The law also made provisions for vehicles and personal aides, among others, for the governor and his deputy. However, the pension laws for former governors and their deputies in Cross River, Enugu, Taraba, Kebbi, Kaduna and Plateau states could not be obtained as of the time of going to press but it is obvious that the humongous pension is a general standard in almost all the states of the federation..

Very unfortunately despite the provisions for huge payoff for the governors and their deputies, in most of the states, civil and public servants have been at loggerheads with the state governments over non-payment of living wages, including the nationally agreed minimum wage, while pensioners languish in penury after serving the states meritoriously.

In Abia State, the Chairman of the Nigeria Labour Congress, Uchenna Obigwe, said, "The state ministry workers are not being owed. Those owed include workers of the Abia State University Teaching Hospital, Aba; Health Management Board, Umuahia; Abia State Polytechnic, Aba; College of Education (Technical), Arochukwu; secondary school teachers and the Abia State Universal Basic Education Board, as well as pensioners. "None of them is owed less than 10 months, particularly Abia Poly, Arochukwu Technical, ABSUTH and HMB workers. Some are owed more than 20 months." As of March, workers of the state Health Management Board, according to the Chairman, Nigeria Union of Allied Health Professionals, Dave Otuiheneme, are owed 14 months' salaries, while the Chairperson of Medical and Health Workers Union in the board, Chidinma Wokoma, said March 31, 2023 made it 15 months that the workers had not been paid.

The outgoing administration of Governor Ortom in Benue State is leaving behind a backlog of salary arrears with some workers alleging that they were owed between nine and 13 months. Primary school teachers are said to be the worst hit as they are owed between 14 and 15 months' salaries, while their counterparts in secondary schools are allegedly owed eight to 10 months' salaries. Pensioners are not left out as local government retirees are said to be owed 72 months' pension allowances, while state pensioners are owed 36 months allowances. This is the scenario that pervades almost all the states in the country. Workers are being owed across board for periods spanning several months and sometimes years. Even teachers and health workers are suffering the same fate in some of the states.

Meanwhile, the NLC and the Trade Union Congress have condemned the humongous pension benefits that await outgoing governors and their deputies as pension laws in most states across the country make provisions for such. The workers'

unions regarded the development as criminal and anti-workers, while threatening to take legal action against such. The Vice-President, NLC, Adewale Adeyanju, told Saturday PUNCH, "It is a criminal act for outgoing governors and their deputies to get humongous severance packages or retirement benefits under the guise of pension. "These are elements that have subjected the people that voted them into office to poverty. They have subjected workers to poverty in their father's land. **"Many of these workers can't even survive on the N30,000 minimum**

wage, which many of these governors are finding hard to pay, yet someone that has only spent four or eight years in office is going home with millions or billions of naira as pension. That is impunity. "Up till now some of the state governors cannot pay the minimum wage; they also find it hard to pay retired workers' pensions. And what do they do when they are going? All they do is to make sure that they are satisfied, while the people putting in so much energy to earn money for the government through their labour and also vote them in are left dissatisfied." Adeyanju added, "However,



it'll be wise for the outgoing governors to imitate the incumbent Lagos State governor. You can see what happened in Lagos when he came in; he cancelled the pension allowance, and that's how it should be. "Unfortunately, what these other governors do whenever they get into office is to sponsor bills at the state Houses of Assembly to legalise this systemic corruption to pay themselves millions and billions after they leave office.

"As a body, the NLC can't afford to close our eyes to this kind of illegality. The NLC condemns this act. Actually, we are going to come out and issue a statement regarding this. If one or two state governors had condemned this act in the past, then I don't see any reason why the NLC will not support such governors by saying no to others, who want to loot the state treasury through humongous pension allowances just for serving for eight years." Also, condemning the development, the General Secretary, TUC, Nuhu Toro, said, "This issue of governors trying to pay themselves huge severance packages or pensions is criminal and is not acceptable.

"In a country where the cost of living keeps skyrocketing, people cannot afford three square meals, rather than improving the livelihood of the workers and their families who try to create this wealth, the outgoing governors have decided to loot and go away with our common resources. "The Trade Union Congress of Nigeria will resist this move. The governors claim that there is no money; shamefully, some of them have not paid their workers the minimum wage of N30,000. "The average worker cannot eat, take care of their families, or get basic medical care; the worker cannot send their children to school because the minimum wage is not enough. The value of the minimum wage is already eroded. How can a governor without conscience after looting the state treasury, still come around to say he wants to be paid a juicy package? It's even morally wrong. It's ungodly and unacceptable, and we will resist it.

"We will resist it under the law, but I want to tell you that the TUC under the leadership of Festus Yusuf will not allow it. We won't

tolerate such from any state governor. We'll be ready to galvanize all workers to confront them head-on."

Economists have faulted the mouth-watering pension benefits that await outgoing governors and their deputies come May 29. The experts noted that in the light of the domestic and external debts, low revenue and multidimensional poverty across states, awarding humongous benefits to the soon-to-be governors and their deputies was not economically sustainable. A senior economist with SPM Professionals, Mr Paul Alaje, in a telephone interview with Saturday PUNCH described the humongous as a burden on the states.

He said, "The pension is a burden for any payer, the government and the state. The practice in Nigeria where the chief executive, especially for state governments, has to be paid an almost forever humongous amount that is not realistic. In some states, they are paid almost 100 per cent of what they were earning or what is obtainable for the concurrent governor. "It only shows that people think they don't have a life outside political offices and that is why such an amount will be budgeted for somebody who is no longer in office and who is not contributing directly to the growth and development of the state.

"It is unrealistic for this practice to continue. What I think should be done is for the pension to apply to the chief executive as it applies to every other person. More than 60 to 70 per cent of our states are bleeding in terms of financial boost and this continues every four years. "What we are doing is, we are deliberately plunging our country into a coma. A time will come and we are close to it when all we are generating as internally generated revenue will just be enough salaries and pensions, and only take care of political officeholders without any infrastructural development. We must condemn in strong terms the spending of the little resources we have to better the lives of politicians at the detriment of the states."

The founder of Cowry Assets Management Limited, Johnson Chukwu, explained that the intended objective of the pension laws had failed to prevent governors from pillaging state resources.

He stated, "The objective of the pension was to discourage governors from pillaging the resources of the states. It was designed to prevent them from stealing because they would have an assured future after their tenure as governors, but that has not been achieved.

"The objective of the policy has failed and its implications are now apparent because the states have resources and only a few people are entitled to the full resources of the state, so my take is that, we should make political offices close to people who see them as places of livelihood because the challenge we have today is that many people go into political offices as a means of livelihood.

"They don't have any source of income and lack plans for their future and they think public office is the only way they can achieve insurance for their future. We have to go back and scrutinise the qualifications of these office holders and this should include what they have achieved before their foray into politics."