



ACT ESTABLISHING THE NATIONAL  
SALARIES, INCOMES AND WAGES  
COMMISSION

**CAP N72, LFN 1999**



**ACT ESTABLISHING THE COMMISSION**

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**NATIONAL SALARIES, INCOMES AND WAGES COMMISSION ACT**

*(Decree No. 99 of 1993)*

*(23rd August, 1993)*

*(Chapter N72 LFRN 1999 (As Amended))*

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***Establishment and Membership of the National Salaries, Incomes and Wages Commission***

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**CHAPTER N72**

**NATIONAL SALARIES, INCOMES AND WAGES COMMISSION ACT**

***An Act to establish the National Salaries, Incomes and Wages Commission to, among other things, advise the Federal and State Government on national income policy.***

***(1993, No. 99)***

*(23<sup>rd</sup> August, 1993)*

(Commencement)

**PART I**

***Establishment and Membership of the National Salaries, Incomes and Wages Commission***



**(1) Establishment of the National Salaries, Incomes and Wages Commission**

- (1) There is hereby established a body to be known as the National Salaries, Incomes and wages Commission (in this Act referred to as “the Commission”).
- (2) The Commission shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.

**(2) Membership of the Commission**

- (1) The Commission shall comprise a chairman who shall be the chief executive of the Commission and the following other members, that is -
- (a) three full time Commissioners;
  - (b) the Permanent-Secretary, Office of Establishment and Management Services of the Presidency;
  - (c) the Permanent-Secretary, Federal Ministry of Employment, Labour and Employment;
  - (d) one representative of the Nigerian Employer’s Consultative Association;
  - (e) one representative of the Nigeria Labour Congress: and
  - (f) four other persons of proven integrity and relevant experts
- (2) The chairman and members of the Commission shall be appointed by the president.
- (3) A member of the Commission shall, subject to the provision of this Act hold office for a period of five years from the date of his appointment as a member and shall be eligible for re-appointment for a further term of five years and no more.
- (4) The supplementary provisions contained in the Schedule to this Act shall have effect with respect to the proceedings of the Commission and the other matters therein mentioned.

**PART II**

***Functions***

**(3) Functions of the Commission**

The functions of the Commission shall be to -

- (a) advise the Federal Government on national incomes policy;



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- (b) recommend the proportions of income growth which should be utilized for general wage increase;
- (c) inform the Federal government of current and incipient trends in wages and propose guidelines within which increase in wages should be confined;
- (d) keep the Federal Government informed on a continuing basis of movement of all forms of income and propose guidelines relating to profits, dividends and all incomes other than wages;
- (e) encourage research on wages structures (including industrial, occupational and regional and any other similar factor), income distribution and household Consumption patterns;
- (f) keep prices under continuous surveillance, interpret price movements and relate them to other development in the national economy;
- (g) propose measures for the regulation of prices and wages in the various sectors of the economy and for the control of hoarding;
- (h) encourage and promote schemes for raising productivity in all sectors of the economy;
- (i) establish and run a data bank or other information centre relating to data on wages and prices or any other variable and for that purpose to collaborate with data collection agencies to design and develop an adequate information system;
- (j) inform and educate the public on prices, wages and productivity, their relationships with one another and their inter-play in determining standard of living and real economic growth;
- (k) examine and advise on any matter referred to it by the Federal and State Governments concerning any of the functions conferred on it by or pursuant to this Act;
- (l) examine, streamline and recommend salary scales applicable to each post in the public service;
- (m) examine areas in which rationalization and harmonization of wages, salaries and other conditions of employment are desirable and feasible as between the public and private sectors of the economy and recommend guidelines which will ensure sustained harmony in work compensation policies in both the public and private sectors;



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- (n) examine the salary structures in the public and private sectors and recommend a general wages framework with reasonable features of relativity and maximum levels which are in consonance with the national economy;
- (o) examine and recommend effective machinery for assembling data on a continuing basis taken into account changes in the cost of living, productivity levels, levels of pay in the private sector and other relevant economy data on which public sector salary and other benefits can be reviewed annually;
- (p) examine the current rate of retirement benefit and recommend appropriate mechanism for periodic review of retirement benefits;
- (q) inquire into and make recommendations on any other matters which, in the opinion of the commission, appear to be relevant to the foregoing and therefore ought, in the public interest, to be inquired into; and
- (r) undertake any other activity which is likely to assist in the performance of the functions conferred on it by or pursuant to this Act.

**PART III**

***Staff of the Commission***

**(4) Secretary and other employees of the Commission**

- (1) There shall be appointed by the President on the recommendation of the Commission, a Secretary to the Commission who shall not be below the rank of a Permanent-Secretary in the Civil Service of the Federation.
- (2) The secretary shall -
  - (a) be the accounting officer of the Commission;
  - (b) assist the Chairman -
    - (i) in carrying out the day-to-day activities of the Commission; and
    - (ii) in ensuring that all rules and regulations relating to management of the human, material and financial resources of the Commission are adhered to in accordance with the objectives of the Federal Government; and
  - (c) carry out such other duties as may be required of him, from time to time, by the Chairman.
- (3) The Commission may appoint such number of other persons to be employees of the Commission as may deem fit.



- (4) The commission may develop and submit to the President appropriate conditions of service covering remuneration, fringe benefits, pension schemes and other benefits which would enable it attract and retain high quality man power.

**(5) Application of Pension Act**

- (1) Service in the Commission shall be pensionable under the Pension Act, and accordingly, employees of the Commission shall, in respect of their service in the Commission be entitled to pensions, gratuities and other retirement benefits as are prescribed thereunder.

(Cap. P4)

- (2) Notwithstanding the provisions of subsection (1) of this section, nothing in this Act shall prevent the appointment of a person to any office on terms which preclude the grant of a pension and gratuity in respect of that office.
- (3) For the purpose of the application of the Pension Act, any power exercisable thereunder by the Minister or authority of the Federal Government (not being the power to make regulations under section 23 thereof) is hereby vested in and shall be exercisable by the Commission and not by any other person or authority.
- (4) Subject to subsection (2) of this section, the Pension Act shall in its application by virtue of the subsection (3) of this section to any office, have effect as if the office were in the Civil Service of the Federation within the meaning of the constitution of the Federal Republic of Nigeria 1999.

(Cap. P4. Cap C23)

**PART IV**

***Units of the Commission***

**(6) Operational arms of the Commission and their duties**

- (1) The Commission shall have at its discretion, the following operational arms and agencies, that is:
- (a) the Pay Research Unit;
  - (b) the Incomes Analysis Unit;
  - (c) the Wages and Productivity Unit;
  - (d) the Price Intelligence Agency; and
  - (e) the Job Evaluation and Grading Unit.



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- (2) The Pay Research Unit shall be responsible to the Commission for
- (a) collecting and analyzing data on the cost of living. Productivity, levels of pay in the private sector and such other data as would enable it determine the extent of adjustment (if any) to be made in wages structure in the public service;
  - (b) carrying out such other duties as may be assigned to it, from time to time, by the Commission.
- (3) The Incomes Analysis Unit shall be responsible to the Commission for-
- (a) making inquiries into the various aspects of income distribution as well as changes in the pattern of distribution of income in the form of wages, profit, rent, dividends and collecting data relative thereto;
  - (b) conducting investigations relating to interpersonal and regional distribution of income and collecting data relative thereto;
  - (c) analyzing profits, rents, dividends and other non wage incomes in other to enable the Commission determine appropriated] guidelines relative thereto; and
  - (d) carrying out such other duties as may be assigned to it from time to time, by the Commission.
- (4) The Wages and Productivity Unit shall be responsible to the Commission for:
- (a) evaluating, on a continuing basis, trends in wages, productivity and economic growth with a view to providing the Commission with such information as would enable the Commission determine permissible increases in wages in the private sector;
  - (b) where so directed by the Commission, promoting and assisting to implement schemes for reason productivity in public and private;
  - (c) carrying out such other duties as may be assigned to it, from time to time by the Commission.
- (5) The Price Intelligence Agency shall be responsible to the Commission for:
- (a) studying and interpreting price movements (including re-sale price maintenance) on a counting basis; and
  - (b) carrying out such other duties of a similar nature to the foregoing as may be assigned to it from time to time by the Commission.





## PART V

### *Financial Provision*

#### **(7) Fund of the Commission**

- (1) The Commission shall establish and maintain a fund from which shall be defrayed all expenditure incurred by the Commission
- (2) There shall be paid and credited to the fund established pursuant to subsection (1) of this section -
  - (a) such moneys as may, from time to time, be granted or lent to the Commission by the Government of the Federation or of a State;
  - (b) all moneys raised for the purposes of the Commission by way of gift, loan, grant-in-aid, testamentary disposition or otherwise;
  - (c) all subscriptions, fees and charges rendered or publications made by the Commission; and
  - (d) all other assets that may, from time to time, accrue to the Commission.
- (3) The fund shall be managed in accordance with rules made by the President and without prejudice to the generality of the power to make rules under this subsection, the rules shall in particular contain provisions-
  - (a) specifying the manner in which the assets of the fund of the Commission are to be held and regulating the making of payments into and out of the fund; and
  - (b) requiring the keeping of proper accounts and records for the purposes of the fund in such forms as may be specified in the rules.

#### **(8) Expenditure of the Commission**

The Commission may, from time to time, apply the proceeds of the fund established pursuant to section 7 of this Act to -

- (a) the cost of administration of the Commission;
- (b) the payment of the salaries, fees and other remuneration, allowances, pensions and gratuities payable to members of employees of the Commission.



**(9) Annual estimates, accounts and audit**

- (1) The Commission shall not later than 31 October in each year, submit to the President an estimate of its expenditure and income during the next succeeding financial year.
- (2) The Commission shall keep proper accounts of the Commission in respect of each year and proper records in relation thereto and shall cause its accounts to be audited not later than 6 months after the end of each year by auditors appointed from the list of auditors and in accordance with the guidelines supplied by the Auditor-General for the Federation.

**PART VI**

***Miscellaneous***

**(10) Guidelines and enforcement thereof**

- (1) The Commission may, from time to time, and shall when so directed by the President, prepare guidelines on any question relating to wages or other forms of income or to prices, charges or other sums payable under transactions of any description relating to any form of property, rights, services to any description or to returns on capital invested in any form of property, including dividends in relation to any of its functions under or pursuant to this Act.
- (2) Guidelines prepared pursuant to subsection (1) of this section, shall be submitted to the President who may direct such action thereon as he may consider fit in the circumstances.
- (3) Where the President directs the enforcement of any restraint or any other matter. Then it shall be duty of the Commission to implement any such direction and if it thinks fit, through any of its operational arms.
- (4) The Commission shall give public notice, in any manner as it may determine of any restraint or any other matter requiring to be enforced pursuant to this section.

**(11) Penalty for contravention of guideline**

- (1) A person who contravenes a guideline issued under the provisions of section 10 of this Act or regulations made thereunder is guilty of an offence.
- (2) A person guilty of an offence under subsection (1) of this section is liable on conviction to a fine of N10,000 or to imprisonment for a term of 2 years or to both such fine and imprisonment.



**(12) Level of increase in salaries in trade disputes**

Notwithstanding anything contained in the Trade Disputes Act, where the Industrial Arbitration Panel is of the view after arbitration, that a case has been made for an increase in salaries, the Industrial Arbitration Panel shall then refer the decision as to the level of increase to the Commission for advice.

(Cap. T8)

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(Cap. T8)

**(13) Submission of collective agreements to the Commission**

Where collective agreements between employers and employees involve increase wages, salaries and fringe benefits, three copies of the collective agreements shall be submitted to the Commission for advice.

**(14) Power to Obtain information**

- (1) For the purpose of the efficient dispatch of the functions of the Commission under this Act, the secretary or any other officer of the Commission may by notice in writing served on any person in charge of any undertaking, require the person to furnish in such form as the secretary or other officer may direct, information on such matter as may be specified by him.
- (2) a person required to furnish information pursuant to subsection (1) of this section, shall within thirty days from the notice comply with the requirement.

**(15) Independence of the Commission**

In the discharge of its duties of advising the Federal and State Government on national incomes policy and ways of enhancing productivity in both the public and private sectors of the economy and in proposing guidelines on relative prices and incomes, the Commission, shall not be subject to the direction or control of any other authority or person.

**(16) Offences**

- (1) If a person required to furnish information pursuant to section 14 of this Act fails to furnish the information as required under this section, shall be



guilty of an offence and liable on conviction to a fine of ₦10,000 or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

- (2) If a person, in purported compliance with a requirement to furnish information as aforesaid, knowingly or recklessly makes any statement therein which is false in a material particular, shall be guilty of an offence and liable on conviction to a fine of ₦10,000 or imprisonment for a term not exceeding three months or to both such fine and imprisonment.
- (3) A person, who willfully obstructs, interferes with, assaults or resists, an officer of the Commission or abets any other person to obstruct, interfere with, assault or resist the officer shall be guilty of an offence and liable on conviction to a fine of ₦10,000.00 or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

**(17) Offences by bodies cooperate, etc.**

- (1) Where an offense under this Act is committed by a body corporate, firm or other association of individuals-
  - (a) every director, manager, secretary or other similar officer of the body Cooperate;
  - (b) every partner or officer of the firm;
  - (c) every trustee of the body concerned;
  - (d) every person concerned in the management of the affairs of the association; and
  - (e) every person who was purporting to act in any such capacity as aforesaid, shall severally be guilty of that offence and liable to be proceeded against and punished for the offence in like manner as if he himself committed the offence unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.
- (2) For the purposes of this section, “director’ in relation to a body corporate established by or under any enactment or law for the purpose of carrying on under national ownership, an industry or undertaking or part of an industry or undertaking, being a body corporate whose affairs are managed by its members, means a member of that body cooperate.



**(18) Submission of annual report**

The Commission shall, not later than six month after the end of each year, submit to the President a report on the activities of the Commission and its administration during the immediately preceding year and shall include in such report the audited account of the Commission and auditor's comment thereon.

**(19) Power to give directives**

Subject to the provisions of this Act, the President, may give to the Commission directives of a general nature or relating generally to matter of policy with regard to the exercise by the Commission of its functions and it shall be the duty of the Commission to comply with the directives.

**(20) Repeal of Cap. 372, LFN 1990**

The Productivity, Price and Incomes Board Act is hereby repealed and the Board established under the repealed Act is hereby consequently dissolved.

(Cap.372, LFN 1990)

**(21) Transitional provisions**

- (1) At the commencement of this Act, the Management services Department of the Office of Establishments and Management Services and the operational arms of the Productivity, Prices and Incomes Board located in
  - (a) the federal Ministry of Finance; or
  - (b) the Federal Ministry of Employment, Labour and Productivity; or
  - (c) the Federal Ministry of Commerce,shall cease to exist and their right and obligations shall reside in the Commission established by this Act.
- (2) Accordingly, the existing staff of the agencies dissolved by subsection (1) of this section, shall be deemed to have been absorbed by the commission, so however that -
  - (a) a staff may opt out of the Commission within sixty days of the coming into force of this Act; or
  - (b) the Commission may, on advice, dispense with the services of an existing staff whose level of competence is adjudged inadequate for coping with the task or the Commission.



## **(22) Regulations**

The President may make regulations generally for the purposes of this Act and without prejudice to the generally of the power hereby conferred, regulations may-

- (a) prescribe the forms to be used for the purposes of this Act;
- (b) prescribe or contain such administrative or procedural provisions as appear to the President expedient in order to facilitate the operation of this Act.

## **(23) Interpretation**

In this Act, unless the context otherwise requires

“**Chairman**” means the Chairman of the Commission;

“**Commission**” means the National Salaries, Incomes and Wages Commission established by section 1 of this Act;

“**Member**” means the member of the Commission and includes the Chairman;

“**Price**” includes a charge of any description; and

“**Wages**” includes salaries, personnel emoluments fringe and retirement benefits

## **(24) Short title**

This Act may be cited as the National Salaries, Incomes and Wages commission Act

### **SCHEDULE**

#### ***(Section 2 (4).)***

#### ***Supplementary provision relating to the Commission***

#### ***Proceedings of the Commission***

1. (1) The Commission shall meet for the conduct of its business at such time, place and on such day as the chairman may appoint but shall meet not less than twice in a year.  
  
(2) At a meeting of the Commission the chairman shall preside, but in his absence the members present shall elect one of their member to preside.
2. The Commission shall have power to regulate its proceeding and may make standing orders for that purpose and subject to any such standing orders and to paragraph 3 of this schedule, may function notwithstanding-
  - (a) any vacancy in its membership or the absence of any member; or



- (b) Any defect in the appointment of a member; or
  - (c) that a person not entitled to do so took part in its proceedings.
3. The quorum at any meeting of the Commission shall be a simple majority of the member
  4. Where standing orders made under paragraph 2 of this Schedule provide for the Commission to co-opt persons who are not members of the Commission, such persons may attend meetings of the Commission and advise it on any matter referred to them by the Commission but shall not count towards a quorum and shall not be entitled to vote at any meeting of the Commission

#### Committees

5. The Commission may appoint one or more committees to advise it on the exercise performance of its functions under this Act and it shall have power to regulate the proceedings of its committees

#### Miscellaneous

6. (1) Any contract or instrument which if entered into executed by a person not being a body corporate would not be required to be under seal, may be entered into or executed on behalf of the Commission by any person generally or specifically authorized in that behalf by the Commission.  
(2) Any member of the commission or of a committee thereof, who has a personal interest in any contract or arrangement entered into or proposed to be considered by the Commission or a committee thereof, shall forthwith disclose his interest to the Commission or committee, as the case may be, and shall not be entitled to vote on any question relating to such contract or arrangement.
7. (1) The common seal of the Commission shall not be used or affixed to any document except in pursuance of a resolution duly passed at a properly constituted meeting of the Commission and recorded in the minutes of the meeting.  
(2) The fixing of the seal of the Commission shall be authenticated by the signature of the chairman or some other member authorized generally or specifically by the Commission to act for the purpose.  
(3) Any document purporting to be a document duly executed under the seal of Commission shall be received in evidence and shall unless the contrary is proved, be deemed to be so executed.



**CHAPTER N72**

**NATIONAL SALARIES, INCOMES AND WAGES COMMISSION ACT**

**SUBSIDIARY LEGISLATION**

No Subsidiary Legislation

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