

A BILL

FOR

AN ACT TO AMEND THE NIGERIA SOCIAL INSURANCE TRUST FUND (NSITF) ACT, CAP. N88, LFN, 2004 TO PROVIDE SOCIAL SECURITY TO ALL ELIGIBLE CITIZENS OF NIGERIA WHO ARE ORDINARILY RESIDENT IN NIGERIA WHETHER EMPLOYED IN THE PRIVATE OR PUBLIC SECTOR, UNEMPLOYED AND AGED WITHOUT DISCRIMINATION AND; FOR RELATED MATTERS

Sponsored by Hon. Essien Ayi

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

- 1 1. The Nigeria Social Insurance Trust Fund Act Cap. N88 Laws of
2 the Federation of Nigeria, 2004 (in this Act referred to as "the Principal Act")
3 is amended as set in this Act. Amendment of
CAP. N88
LFN, 2004
- 4 2. Section 4(1) of the Principal Act is amended- Amendment of
Section 4
 - 5 (a) by inserting, immediately after the existing paragraph (d), a
6 new paragraph "(dd)"-
7 "(dd) one member each from the 6 geo-political zones of Nigeria to
8 be appointed by the President on the recommendation of the Minister"; and
9 (b) in paragraph (d), by substituting for the word "three" the word
10 "four".
- 11 3. Section 5 of the Principal Act is amended by substituting for the Amendment of
Section 5
12 word "three", the word "four" wherever it appears in subsections.(1) and (2).
- 13 4. Section 7 of the Principal Act is amended- Amendment of
Section 7
 - 14 (a) by substituting for the word "three", the word "four" wherever it
15 appears in subsections (1) and (3); and
16 (b) in subsection (4), by deleting the words "and the Nigeria
17 Employers Consultation Association" in lines 1 and 2.

Amendment of Section 8	1	Section 8 of the Principal Act is amended by inserting, after the word
	2	"President" in line 2, the words "on the recommendation of the Board through
	3	the Minister after investigations,".
Amendment of Section 10	4	6. Substitute for section 10 a new section "10"-
Application	5	(1) This Act shall apply in respect of every citizen of Nigeria who
	6	resides ordinarily in Nigeria and who-
	7	(a) is employed in the Public Service of the Federation, Federal
	8	Capital Territory and the private sector; or
	9	(b) is unemployed, aged, disabled or disadvantaged.
	10	(2) Every citizen of Nigeria to which this Act applies, shall be
	11	registered with the Board in such manner as may be prescribed by regulations
	12	made under this Act".
Amendment of Section 11	13	7. Section 11 of the Principal Act is amended by inserting, after
	14	paragraph (d), a new paragraph "(e)"
	15	"(e) a citizen of Nigeria who falls under section 10(1)(b) of this Act
	16	shall be exempted from making any form of contributions to the Fund".
Amendment of Section 12	17	8. Substitute for section 12 of the Principal Act a new section "12" -
Contributions	18	12. Subject to the provisions of this Bill, contributions to the Fund.
	19	established by section 1 of this Act are contributions payable on behalf of the
	20	employee by the employer in both public and Private sectors against the
	21	contingency of employment injury as stipulated in the Employee's
	22	Compensation Act, 2010."
Amendment of Section 13	23	9. Substitute for section 13 of the Principal Act a new section "13" -
Contribution to be paid	24	13.(1) Contributions to be made under section 12 of this Act shall be
	25	paid on a monthly basis at the rate prescribed by the Employee's Compensation
	26	Act, 2010.
	27	(2) The contributions payable in respect of each month shall fall due
	28	on the last day of the month in each year or as may be prescribed by regulations
	29	made under section 40 of this Act."

- 1 such of its employees as it may determine and may assign the inspectors to such
2 areas of Nigeria as the Board may determine."
- Amendment of
Section 20
- 3 **13.** Section 20 of the Principal Act is amended-
- 4 (a) in subsection (1), by substituting for the expression "of N10,000",
5 the expression "not exceeding N1,000,000 or to imprisonment for a term not
6 exceeding one year or both";
- 7 (b) in subsection (2) (b), by substituting for subparagraphs (i) and
8 (ii) new subparagraphs (i), and "(ii)"-
- 9 (i) in the case of first offence to a fine not exceeding N1,000,000.00 or
10 imprisonment for a term not exceeding one year or both, and
- 11 (ii) in the case of second or subsequent offence to a fine of not less
12 than N2,000,000.00 or imprisonment for a term not exceeding two years or
13 both"; and
- 14 (c) by inserting immediately after the existing subsection (2) a new
15 subsection "(3)".
- 16 "(3)-Notwithstanding the provisions of any other law and without
17 prejudice to the penalty stipulated in subsections (1) and (2) of this section, the
18 Board shall, in addition to the penalty stipulated under this Act, cause to be
19 blacklisted any institution, both in the public or private sector, which fails to
20 pay the prescribed contribution."
- Amendment of
Section 30
Annual report
- 21 **14.** Substitute for section 30 a new section "30"-
22 "30", The Fund_ shall; not later than 30th September in each year,
23 submit to the National Assembly a report of its activities during the
24 immediately preceding year and shall include in such report its edited
25 accounts".
- Amendment of
Section 31
- 26 **15.** Section 31 of the Principal Act is amended by inserting
27 immediately after the word "by" in line 2, the words "reference to the relevant
28 provisions of the Employee's Compensation Act, 2010 and any other
29 applicable legislation that may come in force and computed by".

1 **16.** Section 39 of the Principal Act is amended by substituting for
2 the word "Minister" in line 1, the words "Federal Government of Nigeria".

Amendment of
Section 39

3 **17.** Section 44 of the Principal Act is amended by inserting, in
4 alphabetical order, the following-

Amendment of
Section 44

5 "aged" means any citizen of Nigeria who is ordinarily resident in Nigeria
6 and is above 65 years of age;

7 "beneficiary" means any person who is entitled to benefits payable under
8 this Act;

9 "child benefit" covers ,a child who is a citizen of Nigeria 'and is between the
10 ages of 0-18 without any support; and

11 "unemployed benefit" covers any citizen of Nigeria who is ordinarily
12 resident in Nigeria and is between the ages of 18 and 35 without any
13 employment.

14 **18.** This Act may be cited as the Nigeria Social Insurance Trust
15 Fund (Amendment) Bill, 2016.

Citation

EXPLANATORY MEMORANDUM

This Act amends the Nigeria Social Insurance Trust Fund Act, ;Cap. N88
LFN, 2004 to provide social security, protection to all eligible citizens of
Nigeria whether employed in the private or public sector, unemployed and
aged without any discriminationn.