

THE PRICE CONTROL (ESSENTIAL GOODS) BILL, 2015

ARRANGEMENT OF CLAUSES

Clause

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A BILL

FOR

AN ACT TO PROVIDE FOR THE MANDATORY CONTROL OF THE PRICE OF
ESSENTIAL GOODS AND FOR CONNECTED PURPOSES

Sponsored by Senator

[] Commencement

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

1 1. This Act may be cited as the Price Control (Essential Goods) Short Title
2 Bill. 2015.

3 2. Notwithstanding any provision to the contrary in any other Fixing Prices
4 enactment or law, the Minister for the time being responsible for finance
5 shall, by order, fix the maximum retail and wholesale prices for the
6 following essential goods-

- 7 (a) maize;
- 8 (b) maize flour;
- 9 (c) wheat;
- 10 (d) wheat flour;
- 11 (e) rice;
- 12 (f) cooking oil;
- 13 (g) sugar;
- 14 (h) diesel; and
- 15 (l) petrol

16 3. An order made under this Act may -
17 (a) fix the maximum service charge that may be made for any Orders under
18 service in relation to any such goods; the Act

19 (b) prohibit any person carrying on any business or gainful
20 occupation specified in the Order from increasing the price of any goods

1 sold by him in the course of such business or occupation above the price which
 2 was ordinarily charged by him for like or similar goods, or the charge which
 3 was ordinarily made by him for any like or similar service, on a date or during a
 4 period specified in the order; and in any proceedings brought for failing to
 5 comply with an order made under this paragraph the burden of proving the
 6 price ordinarily charged or the charge ordinarily made on the date or during the
 7 period specified shall be upon the defendant;

8 (c) prescribe the type of packing, weight, size, quality, marking and
 9 the processing and ingredients of any such goods manufactured in Nigeria;

10 (d) prescribe the amount of the deposit which any person selling any
 11 price- controlled goods subject to the condition that any container of those
 12 goods is to be returned may require in respect of any such container, and
 13 prescribe the amount (which may exceed the amount of the deposit) which
 14 such person shall, on the return of the container, refund to the person by whom
 15 the container is returned and the conditions subject to which the refund shall
 16 become payable.

Scope of Orders

17 4. In the exercise of his powers under this Act, the Minister may-

18 (a) fix a maximum price or a maximum service charge for any area of
 19 Nigeria which differs from the maximum price or maximum service charge
 20 fixed in respect of like or similar goods or services for another area or other
 21 areas:

22 (b) fix a maximum price for goods which includes any charge made
 23 for any service, whether a price controlled service or not, rendered in relation to
 24 the sale of those goods;

25 (c) fix a maximum service charge for any service which includes any
 26 price or charge for the sale of goods, whether price-controlled goods or not,
 27 sold in connection with that service.

Commencement
of Orders

28 5. Every order made under this Act shall come into operation on the
 29 day on which it is made, unless another date is specified, and every such order
 30 shall be published in the Gazette.

- 1 6.- (1) A person who sells any price-controlled goods or penalties Offences and
2 renders any price controlled service at a price or charge which exceeds the Penalties
3 maximum price or the maximum service charge as the case may be, commits
4 an offence.
- 5 (2) A person who purchases or offers to purchase any price-
6 controlled goods at a price or charge which exceeds the maximum price for
7 the goods, or who pays or offers to pay for any price-controlled service a
8 charge which exceeds the maximum service charge fixed, commits an
9 offence.
- 10 (3) A person who commits an offence under this Act is liable to
11 imprisonment for a term of two years or to a fine of one hundred thousand
12 naira, or both.
- 13 7. The Minister may make Regulations for the better carrying Out Regulations
14 of the intent and purposes of this Act.
- 15 8. This Bill may be cited as the Price Control (Essential Goods) Citation
16 Bill, 2015.

EXPLANATORY MEMORANDUM

This Bill seeks to provide a legal frame work for the control of the prices of goods which are essential to the needs of Nigerians

MEMORANDUM OF OBJECTS AND REASONS

The purpose of this Bill is to establish a legal framework to require the Minister responsible for finance through the Utility Charges commission to fix the maximum retail and wholesale prices for the essential goods listed in Clause 2.

These goods are maize, maize flour, cooking fat or oil, sugar, diesel and petrol.

Clause 6 makes it an offence for a person to sell or to buy the essential goods at a price which exceeds the maximum price fixed for these goods.

This Bill has become necessary because attempts by the

Government to use market forces to lower prices as well as Government exhortations to traders not to overcharge consumers of these essential goods have not borne fruit.

It has become critical to control the prices of the listed goods in order to protect Nigerians from exploitative and unscrupulous business persons. If enacted, this Bill will help to mitigate the effects of the food shortage with which the country's ordinary citizens are grappling.

It is important to note that the market for most of these essential goods is dominated by a few market players who appear to work in cahoots to frustrate the forces of demand and supply. The result of this cartel like behavior is that the prices of these goods has remained unreasonably high and out of the reach of most of our people even when these prices should be coming down in light of prevailing international prices and the global recession. We must not allow our citizens to be oppressed in this manner.

The enactment of this Bill shall not occasion additional expenditure of public funds.