



NIGERIA LABOUR CONGRESS

MOTTO: LABOUR CREATES WEALTH

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THESE TARIFFS CANNOT STAND!

The Nigeria Labour Congress concerned at the incessant and exorbitant review of electricity tariff by the Federal government. The previous year, the charge which was N225 has been arbitrarily increased to over N700. This review whether done suddenly or in advance is without justification or rationale and stand condemned as it will negate whatever gains expected to be recorded by the much vaunted reform in the power sector.

Congress believes that the multi-year tariff structure as designed by the Nigerian Electricity Regulatory Commission (NERC) and tacitly approved by government only protects the interest of investors in the power sector and has little or no consideration for consumers, most of whom are poor and incapable of paying.

It is exploitative and saddening that these mindless reviews are not accompanied by commensurate improved services. If anything, electricity service delivery has plummeted over the years with consumers compelled to pay exorbitant tariff rates for incompetence, poor service and fraud.

Judging from the yearly percentage increase (which covers a fifteen year period in the first instance), it is predictable that less than ten percent of the present consumers will be able to pay these outrageous tariffs in the next few years.

The consequences of structuring electricity tariffs that are unreasonable and unaffordable have grave implications for the economy and the people.

This is a sad commentary on the power reform process, as it speaks volumes about its transparency, viability and ability to deliver in the interest of the nation.

Congress warns against sheepish aping of the power reform process elsewhere as well as the corruption that goes with it.

A viable power sector is key to revamping and repositioning the economy. Accordingly, nothing should be done to undermine this objective. However, a reform process which does not carry along its people or protect or protect their interest has only one direction to go – the abyss – and stands condemnable.

In the light of the foregoing, Congress calls on the Federal Government to direct NERC to as a matter of urgency, retrace its steps and review downward the entire multi-year tariff structure in the interest of the people.

Abdulwahed Omar
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