

The following Bills, which will in due course be presented to Parliament for enactment are published for general information.

## SUPPLEMENTARY APPROPRIATION (1965-66) BILL

### EXPLANATORY MEMORANDUM

This Bill makes supplementary provision for the service of the Federation for the Financial year 1965-66.

F. S. OKOTIE-EBOH,  
*Minister of Finance*

## A BILL

### FOR

AN ACT TO AUTHORISE THE ISSUE OUT OF THE CONSOLIDATED REVENUE FUND OF THE SUM OF SIX HUNDRED AND EIGHT THOUSAND SEVEN HUNDRED AND SEVENTY POUNDS FOR THE PURPOSE OF MAKING FURTHER PROVISION FOR THE SERVICE OF THE YEAR ENDING ON THE THIRTY-FIRST DAY OF MARCH, ONE THOUSAND NINE HUNDRED AND SIXTY-SIX; AND TO APPROPRIATE THAT AMOUNT FOR THE PURPOSE SPECIFIED IN THAT ACT.

[ ]

Commence-  
ment.

BE IT ENACTED by the Legislature of the Federation of Nigeria in this present Parliament assembled and by the authority of the same as follows :—

1. The aggregate amount mentioned in section one of the Appropriation Act 1965 (which provides for the issue out of the Consolidated Revenue Fund in respect of the year ending on the 31st day of March, 1966 of sums not exceeding in aggregate £78,396,370) shall be increased by six hundred and eight thousand seven hundred and seventy pounds; and the additional amount shall be appropriated to heads of expenditure as indicated in the Schedule to this Act; and subsection (3) of section one of the Appropriation Act 1965 (which provides for the lapse of balances outstanding at the end of the financial year) shall have effect accordingly.

Issue and appropriation of £608,770 from Consolidated Revenue Fund for service of 1965-66. 1965 No. 13.

Short title  
and extent.

2. This Act may be cited as the Supplementary Appropriation (1965-66) Act 1965 and shall apply throughout the Federation.

Section 1	SCHEDULE	<i>Amount</i>
<i>Head</i>		<i>£</i>
21. State House .. .. .		10,000
23. Police .. .. .		40,000
25. Ministry of Trade .. .. .		7,380
26. Ministry of Communications .. .. .		233,330
29. Nigerian Navy .. .. .		20,000
37. Ministry of Education .. .. .		6,740
42. Ministry of Finance .. .. .		17,000
43. Board of Customs and Excise .. .. .		21,200
47. Ministry of Information .. .. .		27,350
49. Prisons .. .. .		61,500
52. National Provident Fund .. .. .		16,670
53. Ministry of Lagos Affairs .. .. .		1,150
58. Ministry of Works .. .. .		117,000
61. Judicial .. .. .		1,500
62. Parliament .. .. .		10,000
67. Ministry of Housing and Survey .. .. .		17,950
	TOTAL	<u>£608,770</u>

THE ALLOCATION OF REVENUE  
(CONSTITUTIONAL AMENDMENT) BILL 1965

EXPLANATORY MEMORANDUM

The purpose of this Bill is to give effect to the recommendations as to the allocation of revenue made by the 1964 Fiscal Review Commission. These recommendations have been accepted by the National Economic Council, on which all the Governments in the Federation are represented; and the method of carrying them into effect is the second of the alternatives put forward in the Commission's report. The Bill provides for this re-allocation to be retrospective to 1st April 1965.

ABUBAKAR TAFAWA BALEWA,  
*Prime Minister*

## A BILL

### FOR

AN ACT TO AMEND WITH EFFECT FROM 1ST APRIL 1965 CERTAIN PROVISIONS OF THE CONSTITUTION OF THE FEDERATION RELATING TO THE ALLOCATION OF REVENUE.

[See section 3]

Commence-  
ment.

BE IT ENACTED by the Legislature of the Federation of Nigeria in this present Parliament assembled and by the authority of the same as follows :

Amendment  
of ss.136, 140  
and 141 of  
Constitution  
of the  
Federation.

5 1.—(1) In sections 136 (1) and 140 (2) of the Constitution (each of which provides that the Federation shall credit to the Distributable Pool Account a sum equal to thirty per cent of certain proceeds mentioned therein), for the word "thirty" there shall be substituted the words "thirty-five".

10 (2) In section 141 of the Constitution (which relates to the distribution of funds in the said Account), for the word "fractions" there shall be substituted the word "percentages", and for paragraphs (a) to (d) there shall be substituted the following paragraphs—

"(a) to Northern Nigeria, forty-two per cent. ;

(b) to Eastern Nigeria, thirty per cent. ;

15 (c) to Western Nigeria, twenty per cent. ;

(d) to Mid-Western Nigeria, eight per cent."

Amendment  
of s.138 of  
Constitution  
of the  
Federation.

20 2. In section 138 of the Constitution (which relates to the allocation of excise duty levied on tobacco or on any particular class, variety or description of tobacco), after the word "tobacco", in each of the six places where it occurs, there shall be inserted the words ", motor spirit or diesel oil".

Amendments  
to be  
effective as  
from 1st  
April 1965.

3.—(1) On and after the date on which this Act comes into operation in accordance with section 4 of the Constitution, sections 1 and 2 of this Act shall be deemed to have come into force on 1st April 1965; and at or before the end of the quarter immediately following the quarter in which this Act comes into operation as aforesaid there shall, in the case of each Region, be paid by the Federation to that Region or by that Region to the Federation, as the case may require, such sum as will discharge any liability occasioned by this Act in respect of the period beginning with 1st April 1965 and ending with the date on which this Act comes into operation as aforesaid. 5 10

(2) Sections 143, 144 and 145 of the Constitution (which relate respectively to set-off, to the charging of sums on Consolidated Revenue Funds, and to the certifying of payments by the Director of Audit of the Federation) shall apply for the purposes of the foregoing subsection as if that subsection were contained in Part 2 of Chapter IX of the Constitution. 15

Short title,  
extent and  
interpreta-  
tion.

4.—(1) This Act may be cited as the Allocation of Revenue (Constitutional Amendment) Act 1965 and shall apply throughout the Federation.

(2) In this Act "the Constitution" means the Constitution of the Federation, and "quarter" means a quarter of a financial year. 20

## EXPLANATORY MEMORANDUM

The purpose of this Bill is to vest in the Minister of Establishments the power to declare any post in the Nigerian Law School pensionable and to make the provisions of the Pensions Act (Cap. 147) apply to any office thus declared pensionable.

J. C. OBANDE,  
*Minister of Establishments*

**A BILL****FOR**

AN ACT TO PROVIDE FOR MAKING CERTAIN OFFICES CONSTITUTED BY THE COUNCIL OF LEGAL EDUCATION PENSIONABLE.

[See section 2 (2)]

Commence-  
ment.

BE IT ENACTED by the Legislature of the Federation of Nigeria in this present Parliament assembled and by the authority of the same as follows :—

Power to  
apply  
Pensions  
Act to  
offices in  
Council of  
Legal  
Education's  
law school.  
1962 No. 12.  
Cap. 147.

1.—(1) In the case of any office constituted (whether before or after the passing of this Act) by the Council of Legal Education (in this Act referred to as "the Council") in the exercise of its power under section 4 (3) (b) of the Legal Education Act 1962 to establish and maintain a school for conducting courses of study prepared by the Council, the Minister may by order published in the Federal Gazette declare that office to be a pensionable office for the purposes of the Pensions Act.

(2) Subject to subsections (3) and (4) below, the provisions of the Pensions Act shall apply to any office declared to be pensionable under subsection (1) above as if that office were an office in the public service of the Federation within the meaning of the Constitution of the Federation.

(3) For the purposes of the application of the provisions of the Pensions Act in accordance with subsection (2) above—

(a) paragraph (1) of section 7 of that Act (which confers on the Minister power to waive the requirement to give notice of desire to retire under the age of forty-five) shall have effect as if for the references to the Minister there were substituted references to the Council; and

(b) the power under section 9 (1) of that Act to require an officer to retire at any time after attaining the age of forty-five, subject to his being given six months' notice in writing, shall be exercisable by the Council and not by any other authority.

(4) Nothing in subsection (2) above shall prevent a person from being appointed to any office declared to be pensionable under subsection (1) above on terms which preclude, or will if he is not confirmed in that office preclude, the grant of a pension or gratuity under the Pensions Act to him in respect of his service in that office.

(5) In this section "the Minister" means the Minister of the Government of the Federation responsible for pensions.

Short title,  
extent and  
commence-  
ment.

2.—(1) This Act may be cited as the Legal Education (Pensions) Act 1965 and shall apply throughout the Federation.

(2) This Act shall be deemed to have come into force on 1st June 1962 (the date on which the Legal Education Act 1962 came into force), and any order made under section 1 (1) of this Act may be made so as to have effect from any date not earlier than that date. 5

## THE BORROWING BY PUBLIC BODIES BILL 1965

## EXPLANATORY MEMORANDUM

The object of this Bill is threefold. In the first place, it regulates the acceptance by certain bodies of external loans and credit facilities; in the second place, it authorises the Federal Minister of Finance to issue, under certain conditions, Federal Government guarantees in respect of loans and credit facilities raised by Federal statutory corporations and limited liability companies in which the Federal Government holds a controlling interest; and thirdly, it authorises the Federal Minister of Finance to issue, under certain conditions, Federal Government guarantees to cover loans and credit facilities raised by Regional statutory corporations and limited liability companies in which a Regional Government holds a controlling interest.

The Bill repeals the Statutory Corporations (Guarantee of Loans) Act 1959.

F. S. OKOTIE-EBOH,  
*Minister of Finance*

## ARRANGEMENT OF CLAUSES

*Clause*

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. Bodies to which Act applies.</li> <li>2. Restriction on acceptance by bodies to which Act applies of external loans.</li> <li>3. Power to give guarantees in respect of external loans to bodies to which Act applies.</li> </ol> | <ol style="list-style-type: none"> <li>4. Power to give guarantees in respect of other loans to bodies to which Act applies.</li> <li>5. Previous guarantees deemed to have been given under this Act.</li> <li>6. Interpretation.</li> <li>7. Short title, extent, commencement and repeals.</li> </ol> |
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# A BILL

FOR

AN ACT TO REGULATE THE ACCEPTANCE BY CERTAIN BODIES OF EXTERNAL LOANS AND CREDIT FACILITIES AND TO AUTHORISE THE MINISTER OF FINANCE TO GIVE GUARANTEES IN RESPECT OF LOANS AND CREDIT FACILITIES TO BE MADE OR AFFORDED TO SUCH BODIES ; AND FOR CONNECTED PURPOSES.

[See clause 7 (2)]

Commence-  
ment.

BE IT ENACTED by the Legislature of the Federation of Nigeria in this present Parliament assembled and by the authority of the same as follows :—

5 1. The bodies to which this Act applies are the following, that is to say—

Bodies to  
which  
Act applies.

(a) any body corporate established directly by a law enacted (whether before or after the passing of this Act) by Parliament or having effect as if enacted by Parliament ;

10 (b) any company over which the Government of the Federation has control ;

(c) any body corporate established directly by a law enacted (whether before or after the passing of this Act) by the legislature of a Region or having effect as if enacted by such a legislature ;

15 (d) any company over which the Government of a Region has control.

2.—(1) A body to which this Act applies shall not accept any external loan except with the prior consent of the Minister.

Restriction  
on acceptance  
by bodies  
to which Act  
applies of  
external  
loans.

(2) An application for the Minister's consent under this section to a proposed external loan shall be in such form as the Minister may direct.

20 (3) The Minister shall not give his consent under this section—

(a) in the case of a loan proposed to be accepted by a body falling within section 1 (a) or (b) of this Act, unless he is satisfied of the feasibility of the project, scheme or other purpose for which the loan is required ;

25 (b) in the case of a loan proposed to be accepted by a body falling within section 1 (c) or (d) of this Act, unless he is satisfied that the feasibility of the project, scheme or other purpose for which the loan is required has been duly investigated by the Government of the Region concerned and that the application for the Minister's consent to the loan has been approved by the Executive Council of that Region.

30 (4) Without prejudice to subsection (3) above, the Minister shall not give his consent under this section to any proposed loan except with the prior approval of the Council of Ministers.

35 (5) Nothing in this section shall be construed as derogating from the provisions of any other enactment which restricts the borrowing of money by any body to which this Act applies or requires the consent of any authority to the borrowing of money by any such body.



Power to give guarantees in respect of external loans to bodies to which Act applies.

3.—(1) Where the Minister has given his consent under section 2 of this Act to any external loan proposed to be accepted by a body to which this Act applies, he may, subject to this section, guarantee in such manner and on such conditions as he thinks fit the repayment of, and the payment of any interest on or other charges in respect of, that loan.

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(2) A guarantee shall not be given under this section until the body to which the loan is to be made has provided to the satisfaction of the Minister—

(a) for appropriating and duly applying the loan for the purpose for which the loan is to be made ; 10

(b) for ensuring that any part of the loan which cannot be applied for the purpose for which the loan is to be made will be applied only for such other purposes as may be approved by the Minister ;

(c) for the establishment and regulation of such sinking fund or funds for the purpose of the repayment of the principal of the loan or any instalment thereof as the Minister may require. 15

(3) Without prejudice to subsection (2) above, a guarantee shall not be given under this section in respect of a loan proposed to be made to a body falling within section 1 (c) or (d) of this Act unless at the time when the guarantee is given there is in force a law enacted by the legislature of the Region concerned providing that where any sum is paid by the Minister in fulfilment of any guarantee given or deemed to have been given under any Act of Parliament authorising him to give guarantees in respect of loans or credit facilities proposed to be accepted by such bodies as are mentioned in section 1 (c) and (d) of this Act, a sum equal to that sum shall for the purposes of section 143 of the Constitution of the Federation be deemed to have become due from that Region to the Federation in respect of a loan made by the Federation to that Region, and may be set off by the Federation under that section accordingly. 20 25 30

(4) Without prejudice to subsections (2) and (3) above, the Minister shall not give a guarantee under this section in respect of any proposed loan except with the prior approval of the Council of Ministers.

(5) Any sums required for fulfilling any guarantee given under this section shall be charged on and issued out of the Consolidated Revenue Fund of the Federation, and any sums received (whether from the body to which the loan in question was made or from the Region concerned, if any, or from any other source) by way of repayment of any sums so issued shall be paid into the said Fund. 35

(6) As soon as possible after any guarantee is given under this section, the Minister shall lay a statement of the guarantee before the House of Representatives. 40

(7) Where any sum is issued for fulfilling a guarantee given under this section, the Minister shall, as soon as possible after the end of each financial year beginning with the one in which the sum is issued and ending with the one in which all liability in respect of that sum and in respect of interest thereon is finally discharged, lay before the House of Representatives a statement relating to that sum. 45

4.—(1) Where a body to which this Act applies proposes to accept any loan other than an external loan, the Minister may, subject to this section, guarantee in such manner and on such conditions as he thinks fit the repayment of, and the payment of any interest or other charges in respect of, that loan. 50

Power to give guarantees in respect of other loans to bodies to which Act applies.

(2) An application for a guarantee under this section in respect of a proposed loan shall be in such form as the Minister may direct ; and—

(a) subsection (3) of section 2 of this Act shall apply in relation to the giving of a guarantee under this section as it applies in relation to the giving of the Minister's consent under the said section 2 ; and

(b) subsections (2) to (7) of section 3 of this Act shall apply in relation to a guarantee under this section as they apply in relation to a guarantee under the said section 3.

5. —(1) Any guarantee given before the commencement of this Act by the Minister as to the repayment of, or the payment of interest on or other charges in respect of, any loan made to a body to which this Act applies (including, in particular, any guarantee given or deemed to have been given under the Statutory Corporations (Guarantee of Loans) Act 1959) and not repaid in full (including all interest and other charges) before the commencement of this Act shall be deemed for all purposes to have been given under and in accordance with section 3 or 4 of this Act, according to whether the loan is an external loan or not.

Previous guarantees deemed to have been given under this Act. 1959 No. 19.

(2) The power of the Minister under the said Act of 1959 to guarantee loans shall include and be deemed to have always included power to guarantee any loan within the meaning of this Act.

6.—(1) In this Act the following expressions have the meanings hereby assigned to them respectively, that is to say—

Interpretation.

“company” means a company formed and registered under the Companies Act ;

Cap. 37.

“control”, in relation to a body corporate, means the power of a person to secure, by means of the holding of shares or possession of voting power in or in relation to that or any other body corporate, or by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate, that the affairs of the first-mentioned body corporate are conducted in accordance with the wishes of that person ;

“external loan” means a loan whereby money is borrowed outside Nigeria or any arrangement under which a body to which this Act applies is to be afforded credit facilities outside Nigeria ;

“loan” includes any arrangement under which a body to which this Act applies is to be afforded credit facilities, and references to the making, acceptance, guaranteeing, repayment or application of a loan or to any other form of transaction relating to a loan shall be construed accordingly ;

“the Minister” means the Minister of the Government of the Federation responsible for finance ;

“the Region concerned”, in relation to a body falling within section 1 (c) or (d) of this Act, means the Region by whose law the body is established or whose Government has control over the body, as the case may be.

(2) For the avoidance of doubt it is hereby declared that any reference in this Act to a company or body over which the Government of the Federation or the Government of a Region has control includes a reference to any company or body over which the Federal Ministry of Finance or a Regional Ministry of Finance, as the case may be, has control. 5

Short title,  
extent,  
commence-  
ment and  
repeals.

7.—(1) This Act may be cited as the Borrowing by Public Bodies Act 1965, and shall apply throughout the Federation.

(2) Section 5 (2) of this Act shall come into force on the date on which this Act is passed; and the provisions of this Act other than section 5 (2) shall come into force on such date as the Minister may by order published in the Federal Gazette appoint. 10

1959 No. 19.  
Cap. 58.  
Cap. 134.

(3) The Statutory Corporations (Guarantee of Loans) Act 1959, the proviso to section 34 of the Electricity Corporation of Nigeria Act, and section 24 of the Nigerian Coal Corporation Act are hereby repealed. 15