

ENUGU STATE GOVERNMENT, NIGERIA: DOMESTIC EXPENDITURE ARREARS AS AT 31ST DECEMBER 2018

In Enugu State, just like any other State in Nigeria, domestic expenditure arrears include: arrears of salaries, contractors' obligations arrears, pensions arrears and gratuities arrears.

As at the end of December 2018, Enugu State Government had no outstanding salaries unpaid. So also, there were no outstanding contractors' obligations' arrears and no outstanding pensions unpaid.

These positions were clearly reflected in Enugu State Government domestic debt and service figures report, forwarded to the Debt Management Office, Abuja for the quarter ended 31st December, 2018.

This scenario was made possible because of prudent financial management being practiced by this administration for example, consideration of cash availability before the award of a contract, efficient cash forecast to pay monthly salaries and pensions, etc.

Let us add that Enugu State Government paid salary bonus (Thirteenth month) to its workers in both 2017 and 2018 fiscal years.

However, by 31st December 2018, Enugu State Government outstanding domestic expenditure arrears was **₦18,052,228,794.77** (Eighteen billion fifty two million two hundred and twenty eight thousand seven hundred and ninety four Naira seventy seven Kobo) only.

The domestic expenditure arrears as at 31st December, 2018 was solely outstanding gratuities owed to retired workers from 2010 to 2018, as there were no contractors' obligations arrears, salaries arrears nor pensions arrears.

The unpaid gratuities from 2010 to December 2018 is analyzed as below.

Year	No. of retirees involved	Amount (₦)
2010	573	589,236,504.72
2011	800	627,,889,973.27
2012	903	1,326,356,304.15
2013	911	1,223,707,702.84
2014	1,140	2,785,879,907.49
2015	940	1,721,625,044.29
2016	1,428	2,974,925,557.60
2017	1,422	2,905,484,608.77
2018	1,465	3,897,123,191.64
Grand Total	9,582	₦18,052,228,794.57

The accumulated gratuities were as a result of long sluggish reduction of the outstanding gratuities by previous administrations in the State and rapid increase in the number of workers that retire annually in recent years.

Specifically, on 1st May 2018 the State Government initiated a program to liquidate the outstanding gratuities by the release of **₦100,000,000.00** (One hundred million Naira) only monthly to pay beneficiaries on first come first paid basis. This initiative has yielded dividends as all arrears of gratuities owed to retirees up to 2009 have been cleared.

Presently there is a proposal to double the amount being paid and even go beyond, all in an effort to clear the outstanding gratuities.

State Government had earlier carried out biometric data capture of all pensioners and further set up a committee mandated to verify and pay outstanding gratuities to beneficiaries in order of retirement as documented in the office of the Accountant General.

Total amount owed to individual retiree as gratuity, is as contained in the Enugu State Government Retiring Benefits Authority duly completed for the particular retiree. The original of this document is given to the retiring officer. However, any retiree who wishes to confirm the amount of gratuity owed to him/her by the State Government is free to go the Pensions Unit, Office of the Accountant General, Enugu State.

From:
Debt Management Office, Enugu.
18th April, 2019.

