

## NEWSEXTRA

# Election Uncertainty, Oil Price Stall Construction in Nigeria

Political uncertainty over Nigeria's election on Saturday and economic turmoil from low oil prices have delivered a double blow that has slashed revenues and triggered layoffs for businesses across Africa's biggest economy.

But while some, such as consumer goods firms, are less exposed to Abuja's troubles, others like construction firms heavily dependent on government cash are facing frozen projects, unpaid bills and mass redundancies, putting badly needed infrastructure development on ice, industry sources say.

"The situation is terrible and there is more ... to come," one construction industry source told Reuters.

"There is a desperate lack of funds."

The fall in world oil prices to \$55 a barrel, half what they were in June, could not have come at a worse time for Africa's biggest producer.

The run-up to an election is traditionally when government finances come under huge pressure from election spending on advertising and patronage.

Standard and Poor's ratings agency downgraded Nigeria to B+ from BB- last week.

The naira has fallen 20 per cent since being devalued in November.

Because this vote is expected

to be so closely fought, much more money has been needed to fight it.

Capital spending in the budget has been slashed and a source in parliament said government contracts are massively in arrears because it is easier not to pay contractors than to hold back salaries.

The top 10 construction companies in Nigeria accounted for 70,000 jobs a year ago but since then their workforces have been cut by a third, industry sources said.

"Most of the companies tightened their belts because of no payments, while overheads are getting higher," expatriate civil engineer Daniel Hazim said.

"That's why the majority of construction companies are passing pink slips to

their employees ... expats and locals."

Thousands of job losses are bad timing for President Goodluck Jonathan's re-election bid, but they may do little to sway an electorate divided along regional and ethnic lines.

Jonathan, a southern Christian, faces main opposition candidate Muhammadu Buhari, a former military ruler and a northern Muslim.

Yet the job losses are also a reminder that whoever leads Nigeria after the election will need to end its dependence on oil as the motor for the economy.

"We have neglected agriculture, solid minerals, we have neglected human empowerment, we simply sell oil," political analyst and

lawyer Onyedachi Emenika told Reuters TV yesterday.

The country needs a candidate who will diversify the economy, he said.

In the meantime, contractors are suffering. A spokesman for the Ministry of Works said it had received only 44 billion naira out of 98 billion naira allocated last year.

The minister, Mike Omenkamen, was quoted in local newspapers as saying that contractors were owed about 220 billion naira between 2011-2014 and that 177 projects lacked sufficient funding to move forward.

Leading construction firm Julius Berger and several other large firms have all stopped working on projects such as roads and bridges because the government is not paying them, industry sources say.

Firms with a smaller presence, such as Italy's Salini Impregilo, which is building Abuja's giddy Millennium Tower, are in similar difficulties.

Julius Berger declined to comment and Salini officials were not immediately available for comment.

Government infrastructure projects always moved slowly, but firms were forced to scale down to skeleton crews last year and several are not expecting to resume work in 2015 at all.

A project to rehabilitate the 340 km (200 miles) Ibadan-Akoka-Warri railway to transport iron ore and coal, crucial to revamping an ageing steel mill, restarted work in August 2014 but was shut down again when funds dried up, a source close to the project said.

Now it will remain on hold until the government can fund it.

## Jonathan: Lee Kuan Yew's Glowing Example will Inspire Global Positive Devt

Laiyeola Andrews in Abuja

President Goodluck Jonathan yesterday commiserated with the government of Singapore on the passing away of the founding father and former Prime Minister, Mr. Lee Kuan Yew.

In a statement, Prime Minister Lee Hsien Loong and the people of Singapore that Nigeria stands in full solidarity with them as they mourn their legendary father who transformed Singapore from a small port city into a highly developed and prosperous centre of global enterprise.

"The president and people of Nigeria, for whom the globally acclaimed achievements of Singapore under the leadership of Lee Kuan Yew have been a great source of inspiration over the years, join his compatriots and many admirers across the developing world in paying very well deserved tribute to the late Prime Minister who moved his country "from the third world to the first world" with immense

wisdom, courage, resilience and perseverance.

"In doing so, the late Lee Kuan Yew set a magnificent and enduring example for present and future world leaders to follow and President Jonathan believes that the leadership of his nation will continue to inspire positive development across the world for many years to come.

"As they mourn the beloved architect of their nation's rapid development and prosperity, the President urges the people of Singapore to take solace in the knowledge that Lee Kuan Yew will be remembered and honoured forever as a celebrated global citizen whose leadership style, writings, speeches and glorious example will eternally motivate leaders in government and private enterprise."

The President prayed that God Almighty will grant Lee Kuan Yew's soul eternal rest and comfort his family, people of Singapore and admirers in other countries of the world."

## Shagari Appeals to Politicians to Give Peace a Chance, Shun Violence

Mohammed Aninu in Sokoto

Second Republic President, Alhaji Shehu Shagari, yesterday called on Nigerians, especially politicians on Nigeria, to give peace a chance ahead of this week's presidential election.

Shagari spoke against the backdrop of rumours making the rounds in the social media that he was dead.

Speaking with journalists at his residence at Sanaa Road in Sokoto, the former president reminded politicians of the need to put Nigeria first no matter their ambition.

According to him, nobody should sponsor or perpetrate violence in the name of politics, as it is not a d-o-r-die affair.

He emphasised that anybody who sponsors or perpetrates violence was working against the interest

of Nigerians.

"As Nigerians go to the polls on Saturday, it behooves on all Nigerians to put Nigeria first irrespective of ethnic and religious differences.

"God gives power to whoever He wishes and takes leadership. Nobody should sponsor or perpetrate violence as the country belongs to all of us.

"So, politicians in the country should strive hard for a united Nigeria and refrain from doing anything that will destroy the country," Shagari said.

The former president said God does not make a mistake and has a reason for bringing various ethnic groups in the country. He appealed to Nigerians to live in peace with another irrespective of political difference for peace to continue to reign in the polity.



**LENDING A HELPING HAND**  
Director, Just Friends Club of Nigeria (JFCN), Mr. Ugo Ngegne (right), presenting items to an official of the National Emergency Management Agency (NEMA), Mrs. Chinwe Opara (second right), during JFCN's visit to the internally displaced persons (IDPs) camp at Area 1, Abuja...

## Judge Asks YDM Leaders to Correct Misrepresentation or Face Jail

Tobi Soniyi in Abuja

Justice Ahmed Mohammed of the Federal High Court in Abuja has given officials of the Youth Democratic Party (YDP) 24 hours to address a press conference to correct the misrepresentation of the judgment he delivered on March 4, 2015 or risk contempt.

In the judgment which was misinterpreted by the party, the court ordered the Independent National Electoral Commission (INEC) to register YDP as a political party but the party officials went ahead to tell the press that the court also ordered that the party be allowed to participate in the forthcoming elections or postpone them.

Justice Mohammed, who also yesterday ordered the party officials to file an affidavit of compliance, threatened to jail them if they failed to carry out his directives.

The judge had on March 12, summoned the party's officials to appear in court yesterday

to explain how they came about the court pronouncement ordering their inclusion in the polls.

Justice Mohammed, in a bench ruling after listening to the party's counsel, Kelvin Nwofe (SAN), and INEC's lawyer, Mr. Wole Balogun, ruled that a case of contempt had been established against the party's officials from the two affidavits filed by them.

He, however, held that because the court was not out to unnecessarily join issues with anybody and that in view of plea for mercy by the party's lawyer, he would "reluctantly temper justice with mercy."

The court ruled: "It is clear that the court did not order to include them in the ballot papers or to shift the elections.

"The case of contempt is clearly established in the circumstances of this case and learned senior counsel for the plaintiff has pleaded with the court to temper justice with mercy and to forgive the plaintiff's officials.

## Mark Excited by Approval of National Conference Report by FEC

Omoluolu Ogunmade

In what appears to be a green light for the preparedness of the National Assembly to endorse the National Conference report, Senate President, David Mark, yesterday said the approval of the report by the Federal Executive Council (FEC) last week would facilitate the creation of more states by the National Assembly.

The conference, it was learnt, had recommended the creation of 19 more states across the country. If implemented, it will bring the number of existing states in Nigeria to 55.

According to a statement, Mark said state creation remained a top priority of the National Assembly because it was a reflection of the wishes and aspirations of the majority of Nigerians.

Mark, the statement added, gave the assurance while addressing his constituents in Oyo State Government Area of Barua State ahead of next Saturday's general election.

He insisted that state creation was desirable because it would bring governance closer to the people and ultimately address the imbalances inherent in the system.

He urged the people to remain steadfast with the peoples Democratic Party (PDP) because "the party's programmes are people-oriented and dividends of democracy assured."

He listed projects facilitated by the current administration to Barua State to include the approval of the School of Health and Medical Sciences of the University of Agriculture, Makurdi, disclosing that President Goodluck Jonathan will perform the ground breaking ceremony of the institution tomorrow in Oyo State.

Mark further said the multi-billion naira Otobi Multiple-purpose Dam that is under construction in the state would address water problem in the state and its environs besides the employment opportunity it would create for the people.