

# **NUPENG-PENGASSAN**

## **COMMUNIQUE ISSUED AT THE END OF THE NATIONAL EXECUTIVE COUNCIL (NEC) MEETING OF THE NATIONAL UNION OF PETROLEUM AND NATURAL GAS WORKERS (NUPENG) AND PETROLEUM AND NATURAL GAS SENIOR STAFF ASSOCIATION OF NIGERIA (PENGASSAN) HELD AT THE BENIN MOTEL PLAZA BENIN ON WEDNESDAY, NOVEMBER 26, 2008**

The joint National Executive Council (NEC) of NUPENG & PENGASSAN met today, Wednesday November 26, 2008 at Motel Benin Plaza Benin City, Edo State and after exhaustive deliberation on all issues affecting Oil & Gas workers in the country resolved as follows;

### **PETROLEUM INDUSTRY BILL**

The NEC in session welcomes the report of the Oil and Gas (Policy) Implementation Committee (OGIC) and urges the Federal Government of Nigeria to endeavour to adhere to the spirit and letter of the Committee's recommendation with due cognizance of National contents Development drive, as any deviation will mess up the whole transformation.

### **PETROLEUM SUPPORT FUND (PSF)**

The Joint Council recognize Government efforts at assuaging the upsurge in the international prices of Crude Oil through the introduction of the Petroleum Support Fund (PSF); however, the Joint Council is totally opposed to the outright removal of subsidy on petroleum products in Nigeria in view of its attendant effects on costs and standard of living.

Additionally, the Joint Council calls on Government to use this auspicious moment to take far-reaching and enabling measures that will nurture supply management principles to encourage both public and private sector

participation in downstream refining and infrastructure provision which will adequately deal with the growing demand of petroleum products and upgrading/expansion of existing one to boost local refining capacity in order to eliminate the current fuel supply and demand gap in the country, empowering regulatory institutions for proper price monitoring and ensuring compliance with government policy directives, exploiting alternative sources of crude supply to the refineries especially through mother vessels, rail transport system and linking shell crude through pipeline networks to the refineries in addition to building of strategic crude oil reserve for local refineries to avoid immediate shutdown of plants any time there is disruption in supplies through acts of vandalism.

The joint council hereby calls on the Government of President Yar' Adua to pursue sincere and pragmatic investment of both public and private entrepreneur in the power sector without any further delay so as to stop the incidence of absolute reliance on Government for electric power generation by Nigerians and local industries, with its attendant effects as no nation can develop industry without power supply stability.

### **CASUALISATION/CONTRACT STAFFING**

It was agreed at the Joint NEC in session that if the ongoing strike action by Chevron NUPENG in-House contract workers in protest against Chevron attempt to frustrate Unionisation of POLMAZ workers persist beyond Monday December 1, 2008, Oil workers nationwide solidarity strike will be called.

### **PRIVATISATION OF NNPC SUBSIDIARIES AND OTHER RELATED MATTERS**

The joint NEC in session reiterates its opposition to the planned sale of Pipeline and Product Marketing Company (PPMC) & Nigeria Gas Company

(NGC) and awaits the Federal Government favourable response on the issues raised by NUPENG and PENGASSAN on same, having submitted relevant documents through the Ministries of Labour and Energy (PETROLEUM) in compliance with the request made by the Government through the communiqué of October 22, 2008.

On the sale of Eleme Petrochemicals to Indorama Company, the House frowns at the unilateral change of the sale formula from 51: 49 to 85:15 for the core investor and Nigerian Government respectively and the covert plan to hand over the plant 100% to the said Company (Indorama) without taking the Unions into account or meeting with them.

The Unions therefore stress that they have completely lost confidence in the Director General of the BPE and will not have anything to do with the BPE under her leadership. Furthermore, the Joint NEC calls on the Federal Government to direct FCDA to remit the proceeds from the sale of properties of NNPC Pension Funds Ltd in 2006 for the sake of fairness and equity and in order to ensure continuous industrial harmony in the aggrieved sector.

## **NATIONAL CONTENT DEVELOPMENT/EXPATRIATE QUOTA ABUSE**

The Joint NEC in session frowns at the faulty implementation of the National Contents Development Policy against the backdrop of the observed total neglect of Human Capital Development issues and the mere resort to equipment/vessel fabrication and material acquisition programmes.

This to us is not mutually reinforcing and economically sustainable, given the global reality of rapid economic progress made in technical based economies.

The Joint councils calls on Federal Government to reverse the growing trend of giving jobs to expatriate where evidence abounds that we have competent and qualified Nigerian companies and individuals that can carry out such jobs with utmost efficiency without compromising international standards.

## **JOINT VENTURE OPERATIONS**

The Joint Council observes with dismay the failure of Government to meet her cash all obligations/counterpart funding in Joint Venture projects leading to unnecessary delay in project executions and issues of delay/non-payment of workers' salaries by Services Contracts.

The House demands the Government change its negative attitude in order not to jeopardize the transformation agenda of the present administration in the Oil and Gas.

Similarly, the Council calls on the Federal Government to empower oil multinationals to extend oil and gas exploration activities to Ogun and Lagos States sedimentary basins up to the Badagry axis which are less volatile and secure.

## **BELBOP/CONOIL ISSUES**

The Joint NEC in session condemns in its entirety the unfriendly labour practices of the management of the above named company with respect to flagrant violations of the agreement between the company on one hand and NUPENG & PENGASSAN on the other.

The Joint Council hereby calls on BELBOP/CONOIL Management to respect the spirit and letter of the agreement in question by recalling all the affected employees including the union official without further delay. The House shall be compelled to take necessary industrial action if our call is not heeded within the next 21 working days effective from the date of release of this communiqué.

## **NIGER DELTA SECURITY SITUATION**

The Joint Councils at the casual attitude of Government in handling the insecurity and under-development problems in the Niger Delta region as shown by the observed collusion of government functionaries both in uniform and outside uniform in perpetuating acts of kidnappings, maiming and killing of our members in the region as well as other innocent citizens for economic self-interest of known political gladiators holding the entire nation of ransom.

The Joint Council hereby calls for direct Federal Government intervention in the Niger Delta through a well articulated realizable master plan similar to the Abuja Master plan rather than resorting to wasting the nations money on middle men/agencies the engage in haphazard and uncoordinated white elephant projects despite the huge annual allocations to them with no positive multiplier effects on the overall economy of the region.

**FOR: PENGASSAN FOR: NUPENG**

**SIGNED SIGNED**

**BABATUNDE OGUN PETER AKPATASON**

***PRESIDENT PRESIDENT***

**SIGNED SIGNED**

**BAYO OLOWOSHILE ELIJAH OKOUGBO**

***GENERAL SECRETARY GENERAL SECRETARY***

**Communiqué issued at the end of a mediatory meeting held at the instance of Honourable Minister of Labour between the Management of CONOCOPHILLIPS and Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) and the National Union of Petroleum and Natural Gas Workers (NUPENG) at the Honorable Minister's Conference Room, Abuja, on the 2<sup>nd</sup> February, 2009, in the Presence of Officials of the Federal Ministry of Petroleum and Nigeria National Petroleum Corporation (NNPC).**

After due consideration of the points in dispute, both parties agreed as follows:

- (i) The parties should recommence negotiation of the expired Collective Bargaining Agreement of 2004 and conclude same within two weeks (16<sup>th</sup> February, 2009);
- (ii) Management agreed to recognize NUPENG and PENGASSAN (in house);
- (iii) Management agreed that the Unions may unionize the Contract workers;
- (iv) Whereby the parties fail to reach an agreement in two weeks time, the Honourable Minister of Labour and Productivity shall make a ruling on the issues in dispute.