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## An Appraisal of the Practice and Procedure of Industrial Training Fund in Nigeria and Other Jurisdictions

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### **Abstract:**

*Competent workforce and effective organizational performance emphasize the crucial need for Training to occupy a central position in Organizations. As clearly evident, organizations are formed and are predicated on some objectives; however, achievement of these objectives is dependent on competency of the workforce. Besides, the rapid manner with which life is being dramatically changed by advancement in Science and Technology, also underscores the need for training and re-training to acquire relevant and maintain employable skilled workforce.*

*Furthermore, with the trend in knowledge-based economy and resulting effects of globalization, increased market competition and significant demographic shifts, challenges arise for individuals and Organizations to remain relevant and competitive.<sup>1</sup> Consequently, Training for acquisition of relevant skills by citizens of nations is stressed, as one of the critical factors for industrial and by extension, economic development.*

**Keywords:** Industrial, training, fund, vocational skill and employee

### **1. Introduction**

This is important because Training constitutes one of the key strategies for Organizational Development (OD) and represents one of the best strategies for curbing low performance and productivity in organizations.<sup>1</sup> There is also a common thread running through Training of Human Resources and organizational Performance. The linkage underscores the role of Human Resource Development Agencies (HRDAs) in producing a pool of skilled workforce sufficient to meet the needs of the Nigerian economy.

It is the extent to which this task is successfully discharged that the economy can grow and compete favorably with other industrialized nations. Any Nation that fails to develop and utilize her human resource will not only be backward in terms of industrialization and technological advancement but will surely be condemned to perpetual poverty. Fortunately, the Federal Government of Nigeria recognizes the crucial role of Training. It thus established, as its foremost Training Organization, the Industrial Training Fund (ITF) in 1971 to stimulate a National Industrial growth and development through systematic Human Resource Development. In line with its mandate, the ITF has carried out various Training Programmes for Nigeria's teeming indigenous workforce.

The Training Programmes are expected to bridge the skill-gaps between actual and desired job performance and equip employees with relevant skills and competencies that distinguish exemplary job performance from average performance. However, in spite of the emphasis by the Federal Government and ITF's efforts at Training, reports from various sources have consistently shown that there is still shortage of highly skilled manpower in various sectors of the economy.<sup>2</sup>

#### **1.1. Definition of Key Concepts**

This topic covers a wide of issues hence it is apposite to define key concepts like industrial, training and fund.

- Industrial: The word industrial is defined in the dictionary as "adjective of, for, or full of industries."<sup>3</sup> For purpose of this paper industrial relates to labour or employment.
- Training: The dictionary defined the word train as "...teach a particular skill to (someone)..."<sup>4</sup>
- Fund: Fund in the dictionary is defined as " A sum of money for a special purpose..."<sup>5</sup>

#### **1.2. History of Industrial Training Fund in Nigeria**

Industrial Training Fund was established in 1971, the Industrial Training Fund has operated consistently and painstakingly within the context of its enabling laws<sup>6</sup>. The objective for which the Fund was established has been pursued

<sup>1</sup>ibid

<sup>2</sup>Ibid, p.50

<sup>3</sup> Bryan A. G., Black's Law Dictionary Eighth Edition, (St. Paul: West Publishing Company, 2002) p.371

<sup>4</sup> Ibid. Page762

<sup>5</sup> Ibid. Page207

vigorously and efficaciously. In the four decades of its existence, the ITF has not only raised training consciousness in the economy, but has also helped in generating a corps of skilled indigenous manpower which has been manning and managing various sectors of the national economy.<sup>7</sup> Over the years, pursuant to its statutory responsibility, the ITF has expanded its structures, developed training programmes, reviewed its strategies, operations and services in order to meet the expanding, and changing demands for skilled manpower in the economy. Beginning as a Parastatal "B" in 1971, headed by a Director, the ITF became a Parastatal "A" in 1981, with a Director-General as the Chief Executive under the aegis of the Ministry of Industry. The Fund has a 13-member Governing Council and operates with 10 Departments and 3 Units at the Headquarters, 33 Area Offices, 3 Skills Training Centres, and a Centre for Industrial Training Excellence.<sup>8</sup>

### 1.3. Practice and Procedure of Industrial Training Fund in Nigeria

Generally, the practice and procedure of Industrial Training Fund in Nigeria is that The Industrial Training Fund Act<sup>9</sup> mandatorily requires every employer having 25 or more employees with apprentices on its pay roll, in each calendar year not later than the 1st day of April of each such year, to contribute one percent of the amount on its pay roll to the Fund. This fund is used to promote, accelerate and encourage the acquisition of indigenous skills required in industry and commerce to meet the developmental needs of Nigeria. The Fund provides direct specialised training in the areas of research and consultancy services, engineering and technology, management, human resources development, safety, computers and information training, vocational and apprentice training, accounting and financial management, advisory and management consulting.<sup>10</sup>

In Nigeria there is a Government Organisation known as the Industrial Training Fund with the mandate to manage and oversee the fund. The said institution is headed by the Director-General whose affairs are supervised by the Governing Council of the Institution.<sup>11</sup>

The Vision of the said Organisation<sup>12</sup> is to be the foremost Skills Training Development Organization in Nigeria and one of the best in the world. While the mission is to set and regulate standards and offer direct training intervention in industrial and commercial skills training and development, using a corps of highly competent professional staff, modern techniques and technology.<sup>13</sup> The Headquarters of the Organisation is at Jos, Plateau State with thirty seven(37) area offices across the country through which employers can approach to make contributions to the fund and relate with Organisation.<sup>14</sup> The Organisation has five skills training centres in Nigeria particularly at Plateau, Lagos, Kano, Kogi and Abuja.<sup>15</sup>

In practice pursuant to Section 6 of the Act<sup>16</sup> employers/persons who are to contribute to the Industrial Training Fund are:

- Every employer having either 5 or more employees in his establishment, or having less than 5 employees but with a turnover of N50m and above per annum, shall, in respect of each calendar year and or the prescribed date, contribute to the Fund one per centum of his total annual payroll.
- Any supplier, contractor or consultant bidding or soliciting contracts, businesses, goods and services from any Federal Government Ministry, Department, Agency commercial, industrial and private entity shall fulfill statutory obligations of his employees with respect to payment of training contribution to the Fund."
- Any liable organization, public or private including companies situate in the free trade zone requiring approval for expatriate quota and/or utilizing custom services in matters of export and import, must show proof of compliance with this Act in respect of payment of training contribution of his employees and
- All regulatory agencies of the Federal Government shall ensure compliance with the Act as well.
- The definition Section of the Act includes employers whose employees are persons whether or not they are Nigerians employed in any establishment in return for salary, wages or other consideration, and whether employed full-time or part-time, and includes temporary employees who worked for periods of not less than thirty days;

These contributions by various employers to the funds are meant for specific utilizations which are provided for in the Amendment Act, 2011.<sup>17</sup> These uses are listed below as follows:

- To provide, promote and encourage the acquisition of skills in industry and commerce with a view to generating a pool of indigenous trained manpower sufficient to meet the needs of the private and public sectors of the economy;
- To provide training for skills in management for technical and entrepreneurial development in the public and private sectors of the economy;

<sup>6</sup>Decree 47 of 1971 as amended in the 2011, ITF ACT

<sup>7</sup> Ekpeyong, L.E., Foundations of Vocational Education, (Benin: New Direction and Approaches Supreme Ideal Publishers Int. Limited, 1995), p.56.

<sup>8</sup> Ibid.

<sup>9</sup> Act No.19, 2011

<sup>10</sup> Oguniyi, O., Nigeria Labour and Employment Law in Perspective, 2<sup>nd</sup> edn., (Lagos: Folio Publishers Ltd., 2004) p.78

<sup>11</sup> Section 5(2) Industrial Training Fund (Amendment) Act No.19, 2011.

<sup>12</sup> Industrial Training Fund.

<sup>13</sup> Ekpeyong, L.E., Foundations of Vocational Education, (Benin: New Direction and Approaches Supreme Ideal Publishers Int. Limited, 1995), p.76

<sup>14</sup> Ibid.

<sup>15</sup> Ibid., p.98

<sup>16</sup> Industrial Training Fund (Amendment) Act, 2011.

<sup>17</sup> Ibid Section 2.

- To set training standards in all sectors of the economy and monitor adherence; and
- To evaluate and certify vocational skills acquired by apprentices, craftsmen and technicians in collaboration with relevant organizations.

It is important to note that the Amendment Act, 2011<sup>18</sup> provides for consequences for employers who default to pay the prescribed contributions. These are as follows:

- For those employers who breach to pay their annual training contributions are liable in case of a body corporate to a fine of N500,000 for the first breach and N1,000,000. In the case of Chief Executive, Secretary or other principal officer of the company, they are liable to a fine of N50,000 or two years imprisonment for first breach and two years' imprisonment without option of fine for each subsequent breach<sup>19</sup>.
- Where an employer does not pay his contribution in favour of employees within time prescribed by the Amendment Act, 2011, a sum equal to five (5) per cent of the amount unpaid shall be added for each month or part of a month after the date on which payment should have been made.<sup>20</sup>
- The Industrial Training Fund can institute an action for recovery of contributions against employers who defaults or fails to make contributions to the Fund.<sup>21</sup>
- Any employer who fails, neglects or refuses to furnish the Industrial Training Fund any information, return or details requested by the organization<sup>22</sup>, shall if found guilty, liable in case of a body corporate to a fine of N500,000 for the first breach and N1,000,000. In the case of Chief Executive, Secretary or other principal officer of the company, they are liable to a fine of N50, 000 or two years imprisonment for first breach and two years' imprisonment without option of fine for each subsequent breach.<sup>23</sup>

Notwithstanding all of the above provisions, the Director-General of the Industrial Training Fund may if he thinks fit, waive in whole or in part any penalty imposed under Section 9 of the Act considered above.<sup>24</sup>

One unique and interesting feature or practice of the Industrial Training Fund in Nigeria is the reimbursement scheme as provided for by the Amendment Act, 2011. The Industrial Training Fund Reimbursement Scheme was established to motivate and encourage contributing employers to train and re-train their employees and comply with provisions of the Amendment Act, 2011. The Scheme provides for refund of up to 50 per cent of contributions made by employers who satisfy laid down conditions for Reimbursement.<sup>25</sup>

It is important to note that the persons who are mandated to contribute to fund are employers. In other words, in practice the persons who transacts with the Industrial Training Fund are employers. Hence it is important to know the practical steps employers follow to make contributions to the fund.

The steps or procedure new employers in Nigeria follow in order to transact with Industrial Training Fund are provided below as follows:<sup>26</sup>

- A prospective Employer is expected to complete ITF Form 7A.<sup>27</sup>
- The completed Form 7A is to be submitted to the nearest ITF Area Office along with: -
- A copy of company's Corporate Affairs Commission's Certificate of Incorporation.
- Certified true copies of the company's Audited Account.
- A copy of the company's Tax Clearance.
- The company will be assessed for its liability by ITF Revenue, Inspectorate and Compliance Officers.
- The client will then generate RRR through the ITF Pay-portal or Remitta platform
- After generating the RRR, the client will take same to the Bank for payment of Training Contribution.
- After payment, the client will bring the printout of payment and duplicate Teller from the Bank to ITF Office.
- Hard copy of receipt and acknowledgment letter will be issued to the client.
- The ITF Area Office will then forward the employer details as contained in the form 7A to Headquarters' Revenue, Inspectorate and Compliance Department for issuance of ITF National Number.
- The ITF National Number will then be sent to the Area Office for Scripting and issuance of Certificate of Compliance.
- A Certificate of compliance will be given to the client as evidence of compliance with the ITF Act.

The steps or procedure registered/existing employers in Nigeria follow in order to transact with Industrial Training Fund are laid down below as follows:<sup>28</sup>

- Already registered employers/companies are expected to complete ITF Form 5A.<sup>29</sup>
- Submit the completed ITF Form5A to the ITF Area Office where they are registered for vetting of their liability to the Fund.

<sup>18</sup> Ibid

<sup>19</sup> Ibid Section 8.

<sup>20</sup> Ibid Section 9(1).

<sup>21</sup> Ibid Section 11

<sup>22</sup>Industrial Training Fund

<sup>23</sup>Industrial Training Fund (Amendment)Act, 2011, Section 15.

<sup>24</sup> Ibid Section 9(2).

<sup>25</sup> Ibid Section 7.

<sup>26</sup> Ekpeyong, L.E., *Foundations of Vocational Education*, (Benin: New Direction and Approaches Supreme Ideal Publishers Int. Limited,1995), p.86.

<sup>27</sup> Note this form is annex to this paper as Annexure A

<sup>28</sup> Oguniyi, O., *Nigeria Labour and Employment Law in Perspective*, 2<sup>nd</sup> edn., (Lagos:Folio Publishers Ltd.,2004) p.88

<sup>29</sup> Note this form is annex to this paper as Annexure A

- Generate RRR on the ITF Pay-Portal or Remitta platform.
- Make payment into ITF Account through Banks.
- Submit evidence of payment to the Area Office.
- The Area Office will then issue Compliance Certificate to the Employer/company.

### 1.3.1. The Governing Council of the Board

A Governing Council of thirteen members drawn from the public and private sectors will be appointed by the Federal Government to manage the Fund. This is to reflect the co-operative spirit of the enterprise, the need for private employers, organized labour, and the providers and users of training to co-operate in identifying training needs and devising training policy and system.<sup>30</sup>

As part of its responsibilities, the ITF provides Direct Training, Vocational and Apprentice Training, Research and Consultancy Service, Reimbursement of up to 50% Levy paid by employers of labour registered with it, and administers the Students Industrial Work Experience Scheme (SIWES). It also provides human resource development information and training technology service to industry and commerce to enhance their manpower capacity and in-house training delivery effort. The main thrust of ITF programmes and services is to stimulate human performance, improve productivity, and induce value-added production in industry and commerce. Through its SIWES and Vocational and Apprentice Training Programmes, the Fund also builds capacity for graduates and youth self-employment, in the context of Small Scale Industrialization, in the economy.<sup>31</sup>

The Industrial Training Fund is a grade 'A' Parastatal operating under the aegis of the Federal Ministry of Industry, Trade and Investment. It has been operating for 46 years as a specialist agency that promotes and encourages the acquisition of industrial and commercial skills required for national economic development.

### 1.3.2. Directorate

Industrial Training Fund is an Organization made up 10 Departments and 4 Units. This makes it function smoothly without any hitches. The Departments and Units, Heads and other Staff are able, competent and loyal to the cause of the Fund. The Director-General is responsible to the Chairman of the Governing Council of the ITF and the Minister of Industry Trade & Investment. The Director-General formulates policies and provides corporate leadership and vision for the ITF.

As Chief Executive Officer, he presides over all Management deliberations of the ITF and directs all administration services. The Director-General formulates fiscal policies, controls and directs financial transactions of the ITF in his capacity as Chief Accounting Officer.<sup>32</sup> The Director-General plans and controls all ITF's HRD policies and programmes and directs ITF's national and international interactions and interventions.

### 1.3.3. Collaboration with Other Agencies<sup>33</sup>

The Department identifies the need to collaborate with some agencies and organizations for the purpose of capturing all liable employers into the 'net' of the Fund. This strategy led to discussions at various levels with the following institutions: -

- Bureau of Public Procurement (BPP)
- Federal Inland Revenue Service (FIRS)
- Interswitch Limited on Pay-Direct Financial Solutions
- Corporate Affairs Commission (CAC)
- Nigeria Customs Service

### 1.3.4. The Content of Industrial Training

The existing interest in industrial training derived from the concern of tertiary institution to improve the standard and quality of their students. Therefore, the content of industrial training scheme tends to be wide and comprehensive. Practical knowledge is learning without which mastering of an area of knowledge may be too difficult to achieve. Practical knowledge involves developing skills, through the use of tools or equipment to perform tasks that are related to a field of study. No society can achieve meaningful progress without encouraging its youth to acquire necessary practical skills. Such skills enable them to harness available resources to meet the needs of society. It was against this background that SIWES otherwise referred to as Industrial Training (IT), was introduced in Nigerian tertiary institutions.

SIWES is a skill development programme designed to prepare student of universities, polytechnic/monotechnics and Colleges of Education for transition from the College Environment to work.<sup>34</sup> This work experience programme gives students the opportunity to be part of an actual work situation outside the classroom. SIWES is a cooperative industrial internship programme that involves institution of higher learning, industries, the federal government of Nigeria, Industrial Training Fund (ITF) Nigerian Universities Commission (NUC) and NBTE/NCCE in Nigeria. Students that participate in this

<sup>30</sup> Section 4, the Industrial Training Fund (Amendment) Act, 2011.

<sup>31</sup> Eneh, G.C., "Charting a new course for industry and education partnership", Journal of Vocational Education Research Institute, (2003) vol., 6 pp.23-29.

<sup>32</sup> Section 5, the Industrial Training Fund (Amendment) Act, 2011.

<sup>33</sup> Fagbemi, B.O.B., "The Technical Education in Nigeria. An overview of Historical Development, Role and Function". Nigeria Journal of Technical Education (2008) vol.5 pp.1-2.

<sup>34</sup> Akerejola, O., "Information and Guidelines for Student Industrial Work Experience Scheme" available: [http://www.itf\\_nigeria.org/docs/Siwes\\_of\\_guide\\_pdt](http://www.itf_nigeria.org/docs/Siwes_of_guide_pdt). Accessed on 29 November, 2017.

work experience programme include those studying library science, engineering vocational, technological, and related courses in institute of higher learning.

SIWES forms part of the approved minimum academic standard in these institutions, SIWES is a core academic requirement carrying four credit units. This requirement must be met by all students before graduation. It is also compulsory at National Diploma (ND) level and is scheduled in the NBTE curriculum. The training programme is undertaken in the 3<sup>rd</sup> year of a four-year degree programme respectively and in the 1<sup>st</sup> year of National Diploma programme.<sup>35</sup>

### 1.3.5. Purpose of Industrial Training

Industrial Training can make a significant solution to the development of students. This is not only by increase in the economic wellbeing of a nation but also by the increasing capacity of their own lines. If the concept of development has been so defined to include the capacity of individual student to guide and determine the direction of their own lives. Industrial training is the yardstick for achieving this objective for the student of tertiary institutions.

The benefits accruing to students who participated conscientiously in industrial training are the skills and competencies they acquire. These relevant production skills remain a part of the recipient of industrial training as lifelong assets which cannot be taken away from them. This is because the knowledge and skills acquired through training are internalized and become relevant when required to perform job.<sup>36</sup>

Industrial training can contribute to the solution of training problems no matter how defined at both the national and individual levels by increasing awareness and understanding of the factors that contribute to industrial training changes and the consequences.

In Nigeria, industrial training developed as a response to concern for rapid student trainee growth. It is often assumed that the relevance is limited to countries where rapid industrial training is not a problem. Industrial training is also relevant to countries wishing to increase their student trainee, change their rates of growth in other directions to stabilize or to change their present pattern of industrial training programme exercise in the tertiary institutes.

### *1.4. Industrial Training Program in Other Jurisdiction*

Under this sub-heading we shall consider industrial Training Fund in two other Countries apart from Nigeria.

#### 1.4.1. Kenya

Kenya has two (2) institutions charged with the responsibility to train her citizens with similar mandate like that of Nigeria's Industrial Training Fund. These institutions are Kenya Industrial Training Institute (KITI) and National Industrial Training Authority (NITA).

Kenya Industrial Training Institute (KITI) is the only Government Department under the Ministry of Industrialization and Enterprise Development offering training. It was established in 1965 with the support of the Japanese Government. KITI has the mandate to give trainees, hands on training in technical skills with a strong component of entrepreneurship skills for self-employment. Over the years, the institute has kept to her mandate of training even though there have been adjustments in the training programs in order to respond to the changing needs of the customers. One such need was driven by the demand for nationally recognized certification for purposes of employment.<sup>37</sup>

The objectives are to train artisans, craftsmen, technicians, engineering graduates, engineers and entrepreneurs to work in the existing industries and for self-employment; train middle level managers for the industrial sector and to carry out research in projects and products that would accelerate rural industrialization. This led to mounting training programs examined by bodies such as Kenya National Examinations Council (KNEC) and Directorate of Industrial Training (DIT) in addition to giving the desired hands on training. The training programs vary between three months and three years. However, the institute also offers shorter courses for specific groups or clients (tailor made courses to meet client's training requirements).<sup>38</sup>

The institute has 8 training departments most of which have adequate training space in form of workshops and classrooms. These departments are:-Mechanical Engineering, Building and Construction, Electrical and Electronics Engineering, Leather Technology, Fashion Design and Clothing Technology, Foods and Beverage, Information Communications Technology and Business Management and Entrepreneurship. Currently, the institute is under the management of The Director with the support of the Deputy Director, Senior Assistant Director, The Registrar, Dean of Students, Heads of Departments and Heads of Sections. It has a Students' Council vested with the responsibility of overseen students' affairs. However, to strengthen governance in preparation to moving to the SAGA status, a Board of Governors has been put in place.<sup>39</sup>

<sup>35</sup> Ekwunke, C.U., "Strategies for Improving Manpower Production in Vocational Technical Education in Nigeria" Global Journal of educational research (2007) Vol.7, No. 1&2 p.2

<sup>36</sup> Olusegun, S., "Effectiveness of Siwes with respect to Chemical Engineering", [www.http://www.wikipedia.com/retrievedjan](http://www.wikipedia.com/retrievedjan), 2012 accessed on the 27 November, 2017

<sup>37</sup> Oguniyi, O., Nigeria Labour and Employment Law in Perspective, 2<sup>nd</sup> edn., (Lagos: Folio Publishers Ltd.,2004) p.78

<sup>38</sup> Ibid

<sup>39</sup> Ibid

While National Industrial Training Authority (NITA), is a State Corporation established under the Industrial Training (Amendment) Act of 2011 of Kenya. The Authority has five industrial training centres spread across the country. NITA perpetuates industrial training in Kenya that dates back to 1925 when the Native Industrial Training Depots (NITDS) were introduced by the colonial Government.

In 1959, Industrial training ordinance was enacted to regulate apprentice and indentured learners in industry. In 1963, the Industrial Training ordinance became the Industrial Training ACT, Cap 237 which was amended in 1971 to establish the training levy fund and the National Industrial Training council (NITC) which had Directorate of Industrial Training (DIT) as its secretariat. The DIT was successfully transformed in 2011 into The National Industrial Training Authority (NITA) a semi-independent Government Agency with the National Industrial Training Board (NITB) replacing the National Industrial Training council<sup>40</sup>.

Its mandate is to promote the highest standards in the quality and efficiency of Industrial Training in Kenya and ensure adequate supply of properly trained manpower at all levels in Kenya industry.<sup>41</sup>

The Authority is headquartered in Nairobi but has Industrial Training Centres [ITCs] at Kisumu [Kisumu Industrial Training Centre], Mombasa, [Mombasa Industrial Training Centre], Athi River [Technology Development Centre]. Two other centres are stationed at its headquarters [the Kenya Textile Training Institute and National Industrial and Vocational Training Centre]. The ITCs host a number of industry-oriented courses targeting workers in the formal and informal sectors. The courses include short and long programmes [proficiency courses, skill upgrading courses, artisan courses, and tailor-made courses]. The Centres provide full board accommodation, training rooms, workshops and recreational facilities<sup>42</sup>.

The responsibilities of NITA are as follows: Management and Supervisory training, Apprenticeship Training, Craft, Technician (Skill-Upgrading), Indentured learners, National Industrial Attachment Programmes, Curriculum development, Trade testing and certification, Inspection of training providers, Administration of Industrial Training Levy Fund and Administration of the four Industrial Training Centres.<sup>43</sup>

There is a fund in Kenya that is called the industrial Training Levy Fund. This fund is used to cover the trainings and affairs of NITA. It is under this fund every eligible employer in Kenya is required to contribute. And they said fund is used to support, in full or part the cost of training incurred by the contributing employers in favour of their employees. The sponsorship for training under NITA is done by submission of names of employees who are eligible and interested to their respective Head of Sections who in turn submits to the selected committee. This committee then selects those fit for the sponsorship.<sup>44</sup>

#### 1.4.2. Tanzania

In Tanzania, there is an Act called the Vocational Education and Training ACT.<sup>45</sup> This Act to repealed and replaced the Apprenticeships Ordinance and to make further and better provision for the regulation of the training of apprentices and other persons in industries of Tanzania. The above Act also established an autonomous government agency known as the Vocational Education and Training Authority (VETA).<sup>46</sup>

The said Authority is a body corporate with perpetual succession and a common seal; in its corporate name, be capable of suing and being sued; subject to establishing Act, be capable of purchasing or otherwise acquiring and of alienating movable property. The Minister may by Order published in the Gazette, vest in the Authority the management and the assets of any vocational training centre owned by the Government.<sup>47</sup>

The objectives and the functions of VETA as an Authority is to provide vocational training opportunities, and facilities for such training.<sup>48</sup> For the said agency or Authority to do this, there is a fund or levy called the Vocational Education and Training Levy otherwise known as the skills and development levy. This levy is charged or levied from every employer in Tanzania who has in his employment four or more employees. The said levy is payable to the Commissioner in charge of collecting such levy at the end of every month.<sup>49</sup>

The levy shall be the sum of money equal to six per centum of the total gross monthly emoluments payable by the employer to all his employees in respect of that month. For the purposes of this Act "gross monthly emoluments" in relation to any employee includes wages, salary, leave pay, sick pay, payment in lieu of leave, fee, commission, bonus, gratuity and any subsistence, travelling entertainment or other allowance paid to him by the employer in respect of his employment or service, and any amount so paid in respect of employment or services rendered by the employee in any month other than the month in which it is paid, shall be deemed to be emoluments in respect of the calendar month in which it is paid<sup>50</sup>.

It is important to note that in any case an employer pays emoluments to any employee at intervals of less than a month or at intervals of greater than a month, the provisions of this Act shall apply as if such employee was entitled to

<sup>40</sup> Clark, E.K., *University and Industry Partnership in Progress*, (Ghana: Carton Press West Africa Limited, 1991) p.69.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>45</sup> Vocational Education and Training Act, Cap.82 Revised Edition 2006.

<sup>46</sup> Ibid Section 3.

<sup>47</sup> Ibid

<sup>48</sup> Ibid Section 4.

<sup>49</sup> Ibid Section 14.

<sup>50</sup> Ibid

monthly payments and the monthly chargeable emoluments of such employee in respect of any month shall be deemed to be the chargeable emoluments that would have accrued to the employee had the emoluments been payable monthly.<sup>51</sup> And in situation where in any case the monthly chargeable emoluments in respect of any employee cannot be ascertained with any reasonable accuracy, the Commissioner may, in writing require the employer to pay the levy in respect of such employee at such intervals as the Commissioner may specify, where such order is made in respect of any employee, the employer shall pay the levy for any period so specified on the last day of such specified period.<sup>52</sup>

The Commissioner shall immediately after collecting the levy under section 14, submit two thirds (2/3) of the amount collected to the Treasury, and one third (1/3) to the Fund.<sup>53</sup>

For purposes of emphasis, the provisions of the Act that touches on payment of levy does not apply to any Government departments and to any public institution which is non-profit making and wholly financed by the Government.<sup>54</sup>

Any employer in Tanzania who attempts to evade payment of any levy shall be guilty of an offence and shall be liable on conviction to a fine not exceeding twenty thousand shillings or to imprisonment for a term not exceeding three years or to both.<sup>55</sup>

#### 1.4.3. Singapore

In Singapore, it is a compulsory gradable module for all full-time diploma students. The 2nd year fulltime diploma students are attached to a local or overseas company or business organization during their vacation to gain working experience from the industry. At the beginning of 2nd semester in 2nd year, the school conducts Pre- ITP (Industrial Training Program) seminars to brief students on the program and students are given a logbook to record training activities and work assignments. One month before the commencement of ITP.<sup>56</sup>

#### 1.4.4. Germany

In Germany, vocational training is provided by the private sector and the state. As a result, there is a large variety of training possibilities and qualifications. The dual system differs from pure school education, such as is common for vocational training in many other countries, in two main respects: In the dual system, the larger part of the learning process takes place not in schools, but in production facilities or service enterprises in industry, commerce, home management and agriculture. The students are trainees in a company. They are released from work for the purpose of attending school. They receive formal practical training in a company for three or four days per week and at a part-time theoretical training in a vocational school for one or two day's per-week. In Germany, responsibility for training is shared by all those involved: employers, employees and governmental authorities cooperate at all levels.<sup>57</sup>

The theoretical technical education in the vocational school is the responsibility of the state, while the practical training is the responsibility of the company. The costs of company training are borne by the private sector and the cost of vocational school from public funds. Companies provide training voluntarily at their own expenses because they believe that this is the best way in which to provide for their own need for skilled staff, and is necessary in order to maintain and increase their own performance and competitiveness. One of the most obvious advantages of the dual system is the practical training in the companies which takes place under conditions and using machines and facilities which reflect the current state of the art simply because of financial reasons, the equipment in school workshops is always in danger of quickly becoming out of date. On completion of their training, skilled workers are able to enter a qualified position

#### 1.4.5. United State of America

The USA also recognizes the essence of internship training for students. This gives the students a real-world of work experience. The individual will have the opportunity to work directly with companies and their expertise. Assignments are given to them in respect of their areas of discipline. The interns are placed in setting that relates to their area of discipline. They also receive a written end-of-assignment evaluation form from their managers providing feedback on the following competencies; leadership ability, communication skills, technical competency, administrative (e.g. time management, pc skills), strongest attributes and areas for development.<sup>58</sup>

#### 1.4.6. United Kingdom

In London, industries and organizations publish internship placement opportunity to enable student graduates have the chance of gaining industrial experience. This is for about 10 to 12 weeks in reputable companies. Those who do well are employed on the job. Internship (vacation work placement) which usually takes between 4 and 10 weeks over the summer provides opportunity for gaining insight into how companies work. Upon creating a good impression, students stand the chance of being offered a graduate placement in their field of work and receive payment.

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<sup>51</sup> Ibid

<sup>52</sup> Ibid

<sup>53</sup> Ibid Section 15.

<sup>54</sup> Ibid Section 19.

<sup>55</sup> Ibid Section 20.

<sup>56</sup> Pessu, E.J., *The goals of Industrial Attachment in a Developing Economy*, (Warri: COEWA Publishers, 1992) p.89.

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## 2. Conclusion

It is evident that, ITF Programmes have made positive impact even though there is still room for improvement. In light of the above, it can be inferred that, it is important to plan adequately for successful implementation of ITF Training Programmes.

## 3. Recommendations<sup>59</sup>

ITF should regularly carry out Identification of Training Needs (ITN) for its Client Organizations, in order to provide more effective and efficient tailor-made Training Programmes that will meet and satisfy their Training Needs. While it is in line for ITF to have annual regular programmes as contained in its Training Brochures, it is however necessary that the Fund conducts ITN to identify current areas of need in industries. This will enable ITF design and develop Training Programmes with content that are more relevant to the needs in the industries.

There should be regular conduct of Post-Evaluation of Training Programmes to ascertain the level of content mastery through feedback and areas of attention for improved performance. ITF should continue to train and retrain its staff to equip them with relevant skills, knowledge and attitudes so as to gain acceptance and win the trust of Client Organizations.

ITF should encourage Organizations to develop Training Policies and Training Plans for their staff development. ITF Training packages should be regularly reviewed and updated to meet international best practice. There should be continuous upgrading of our Training Facilities and Equipment in order to maintain our credibility and position as the foremost Human Resource Development Organization. ITF annual Training Brochure should be timely released before commencement of another Training Year. This will enable our Client Organizations to accommodate ITF Training Programmes in their Training Plan and Budget. Certificates should be promptly issued at the end of every course. This will enable Trainees use them for references as may be required

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