

No Fuel Price Hike Now, Says Govt

• Three Die In Calabar Pipeline Vandalisation

From **Mohammed Abubakar**, Abuja and **Mike Abang**, Calabar

THE FEDERAL Government yesterday announced the extension of the current moratorium on the pump prices of petroleum products by another six months. Under the previous regime, the prices of petroleum products ought to have been adjusted from June 25.

Speculations that Nigerians would soon begin to pay more for petroleum products have been foreclosed by the Energy Minister of State (Petroleum) Odein Ajumogobia (SAN) who made the government's decision public at a media briefing in his office in Abuja. He said the gesture was in recognition of the sensitivity of the administration of President Umaru Musa Yar'Adua to the plight

of ordinary Nigerians.

The announcement put paid to speculations about another round of increase in pump prices of petroleum products, which the minister identified to be responsible for the resurfacing of long queues at filling stations in some parts of the country.

According to him, "the Federal Government is pleased to announce the extension of moratorium on the current N70 per litre pump price of petrol ahead of the expiration of the agreement between it and organised Labour, with an agreement in principle that the pump price will be adjusted from January 1, next year.

"The modalities and what will be the new price will be worked out between now and January 2009 by all the stakeholders," he said.

However, Ajumogobia said the cost of the subsidy was too much to be

borne by the government. He said, given the skyrocketing prices of crude in international oil market, the cost of the subsidy was in excess of N500 billion.

"If you look at our budget, you are talking of about 40 per cent capital budget and when you put that in context, you must recognize that it is some-

thing that the government has to address, but it will be addressed in the context of social conditions and that is why the Federal Government, sensitive to such feelings, took the decision at the moment."

The government, he stated, took the decision, despite arguments by experts on the need to adjust the prices of

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Governors Drop Suit On Federation Account Deduction

From **Madu Onuorah**, Abuja

THE suit brought by eight state governors against the Federal Government at the Supreme Court for alleged illegal deduction and non-remittance to the Federation Account has been dropped.

This was the outcome

of a meeting at the Presidential Villa Abuja by Vice President Goodluck Jonathan with the Governors of Abia, Bauchi, Oyo, Ogun, Benue, Niger, Osun, Ekiti and Jigawa States. The Attorney-General and Minister of Justice, Mr. Michael Aondoakaa (SAN) and Minister of Finance, Dr.

Shamshudeen Usman

Govt Says Fuel Price To Stay This Year

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petroleum products to reflect the market rates in the international market with its spiraling effects on food transportation and other energy-related services.

He said the constructive engagement of all stakeholders in handling the issues of pump prices had yielded this laudable gesture by the government, adding, "this announcement should put to rest the rumours making the rounds that increase in the pump price of petrol was immi-

nent since the accord reached between Labour and the government will expire on June 24, 2008."

The gesture, he said, has portrayed the present administration as being responsive to the feelings of Nigerians and urged Labour and other stakeholders as well as all Nigerians to appreciate the efforts.

Meanwhile, three persons including the son of a paramount ruler are feared dead following a massive leakage of one of the Nigerian National Petroleum Corporation (NNPC) pipelines at

Ekorinim, in Calabar Municipality, Cross River State.

The victims were said to have died from the effect of the fume that enveloped the scene of the leakage and the Ekorinim community.

The community is now thrown into confusion as the villagers claimed the young men died from the effect of the fume they inhaled in the course of fishing in the Calabar River.

The Depot Manager of NNPC, Mr. Peter Akpan who confirmed the incident said it occurred last week but denied knowl-

edge of the number of casualties.

Clan Head of Ekorinim Chief Etim Ekpo attributed the leakage to obsolete pipelines maintained by the Petroleum Products Marketing Company (PPMC), saying "my only son went for fishing near the place where the oil pipeline is leaking and the fumes in the place overwhelmed him."

He said the man collapsed and died instantly and this was "the second time this kind of thing is happening in this community as in 2000, more than 10 people died in a

similar circumstance."

Ekpo stated that since the incident occurred, the residents had been thrown into panic and mourning while some had deserted the area to avoid the fume.

He said: "My son, Prince Ekpo Etim was 40 years old with three children. Throughout his life, he had engaged in fishing and did not know any other thing."

Akpan said the spillage was caused by vandals, whom he said caused the depot to lose metrics tones of fuel a week and this development "is not healthy for our economy."