

# **MEMBERSHIP ORGANISATIONS STATISTICS**

## **1. Introduction**

Basic statistics are crucial to the sustenance and development of Membership Organisations. Such statistics provide basic information on the type, nature and characteristics of various private and public organisations operating in Nigeria. The laws of this country make it mandatory for all such organisations to register formally in order to be able to operate legally. Therefore, production of statistics in the sector is a normal exercise.

To facilitate the registration and regulation of companies and organisations, following the promulgation of the Companies and Allied Matters Decree No 1 of 1990 (now Companies and Allied Matters Act (Cap 59) Laws of Nigeria 1990), the Corporate Affairs Commission (CAC) was established. Prior to that time, the responsibility for the registration of companies was vested in the Department of Trade. This change in institutional arrangement was an outcome of a National Workshop on Reform of Nigeria Company Law in 1990. The Workshop highlighted, among other things, the ineffectiveness of the former company registry and suggested that the inadequacies could only be dealt with by committing the functions into an autonomous corporate body. Government accepted the proposal and Decree 20 of 1990 was promulgated to facilitate the establishment of the CAC.

The Companies and Allied Matters Act [CAMA] contains legal provisions relating to the registration of business names and Incorporated Trustees in Parts B and C respectively. The Corporate Affairs Commission has the power to administer the provisions of the

Act, with the exception of the parts dealing with securities of companies (Part 17) which is administered only by the Securities and Exchange Commission (SEC). The SEC is a source of financial statistics on the activities of financial houses.

As a corporate body, the CAC has relationships with other line ministries. The Federal Ministry of Finance, for example, needs information from the Corporate Affairs Commission to monitor business organisations, especially for the purpose of revenue collection. The National Planning Commission also requires similar information for planning purposes.

The main relevance of the Corporate Affairs Commission in the national economy is that it provides a basis for the monitoring of the activities of the various organisations and for tracking tax evaders. Thus, the statistics have social, political and economic uses.

The **Volume of Transactions**, which is a publication of the CAC, emphasises the aggregate number of its activities annually. The Commission maintains an office at the Federal Capital Territory, Abuja, and zonal offices in Lagos, Kaduna, Port Harcourt and Enugu for proper monitoring and supervision. State Offices are expected to bring the services of the people close to the grassroots as well provide platforms for effective supervision of companies and membership organisations at that level.

## **2. Coverage, Scope, Uses and Users of Membership Organisations**

### **Statistics**

'Membership Organisations' as a sector has no sub-sector, and its division code is '91' in line with the International Standard Industrial Classification (ISIC). These statistics should contain comprehensive

datasets on all organisations registered in the country. Data items in this sector would include name and location of organisation, particulars of the directors, date of registration, type of activities performed by the organisation, nature of the organisation (for example, whether limited by shares or by guarantee) and financial status at the time of commencing operations.

Statistics such as these, if properly presented, could enable the private individual or Government to make useful decisions as they affect membership organisations in the country. They are also useful for monitoring purposes, particularly in ensuring that organisations function according to the registered intents, and that they do not evade taxes. Currently, main users of membership organisation statistics are Government agencies at various levels. However, when made available in usable form, international organisations, non-governmental organisations (NGOs) and research institutes are also key potential users. For example, if an international organisation wishes to carry out broad-based development programmes in Nigeria, it would usually require the assistance of home-based registered bodies that can assist in the implementation of its projects, particularly at the grassroots. The statistics on membership organisations can afford them the opportunity to make informed choices about suitable local organisations that would be of assistance to them in achieving their goals.

### **3. Sources and Methods of Compiling Membership Organisations Statistics**

The relevant statistics in this sector come from administrative as well as censuses and survey sources. Of the two, the administrative

sources are, however, of greater significance. The collection of data in the sector comes as a matter of course in the normal operations of the Corporate Affairs Commission. Act 20 of 1990 makes it mandatory for all organisations to register formally with the Commission before they can begin to function.

Survey sources are relevant in the monitoring of the activities of the registered organisations. Some of the enabling provisions for the establishment of the Commission require that the registered organisations be monitored to ensure that they function according to the specifications of their registration formalities and that they pay appropriate taxes. The survey method using standard instruments is useful for this. It affords on-the-site collection of data on each of the organisations. Sample surveys and/or censuses could generate information on:

- [i] The Budget of the organisation.
- [ii] Tax returns.
- [iii] Staff strength.
- [iv] The location of the Head Office and other offices of the organisation.

Census method will also make it possible to track down unregistered business centres, particularly in the sale of medicines and the operations of private health clinics and hospitals. The potential problem in this may be non-response, partial response and logistics.

There are other sources of data for membership organisations. They include State Ministries of Commerce and Industry. They are able to generate data particularly on profit-making organisations within each State in their drive to collect revenue. It is mandatory in many of the States for business organisations to register their premises with the Government. In this way, the Ministry of Commerce and Industry can

provide complementary but up-to-date information on all such organisations in the various States. The Ministry of Internal Affairs is another major source of complementary membership organisations statistics for non-profit making establishments, particularly religious bodies.

#### **4. Current Methods of Data Storage and Dissemination**

The principal method of data storage and retrieval in the Corporate Affairs Commission is electronic. In the registration procedure, the Commission requests each organisation to provide basic information as earlier outlined, which are then fed into the data base. In this manner it is easy for the Commission to quickly access the data stock and retrieve information about all or any particular organisations.

Occasionally, the Corporate Affairs Commission publishes journals such as **Volume of Transactions, Bulletins and Annual Report and Accounts**. These are made available to interested members of the public.

Since membership organisations statistics come mainly from a single sector, there is no problem of data coordination and standardization. In general, the other minor sectors generate mainly additional data on those already with the Corporate Affairs Commission. The difference is in the strategy and purpose.

#### **5. NBS Data Base Coding System for Membership Organisations Statistics**

At the National Bureau of Statistics, attempts have been made to follow the coding system used in the International Standard Industrial Classification (ISIC), revision 3 of 1988. Going by this system, 'membership organizations,' which form a component of other community, social and 'Personal Service Activities' has 91 as its code with 18 items and several details.

While efforts have been made to ensure that the division code or the first two digits of the code assigned to each variable conform as much as possible to the ISIC, the items and detail codes which form the last four digits of the code assigned to each variable are arbitrarily determined. The Division-Item-Details (DID) coding system is the basis for coding NBS's datasets. The item under each dataset is the elementary entity or group of elementary entities (Multiple-Item Cases) about which statistical data are gathered. For example in membership organisations statistics,

Generally, the National Bureau of Statistics (NBS) is using six-digit-code for attributes (variables). The first two digits are used to identify a particular division, the first four for a particular item under the division, while the last two digits are the item code under that division. Where an item is repeated in two or more divisions, that item is assigned the same digit codes.

In coding the details, six digits are used to identify a particular attribute (variable) as follows: the first two digits for the division, the next two for the item under that division and the last two (the 5th and 6th digits) for the detail (variable) under the division and the item.

Based on this coding system, the NBS data structure for membership organisations statistics is as shown below.

## **6. CONCLUDING REMARKS**

Data on membership organisations are some of the most regular and comprehensive statistics in the country. They serve to facilitate the operations of the Corporate Affairs Commission (CAC) and provide reliable data to relevant Government agencies and NGOs.

However, the CAC needs to put in place suitable computer programmes that could enhance analyses of the datasets into useful formats for various purposes and end-users.