

CHAPTER: 13

WAGES, PRICES AND PRICE INDICES

This chapter presents statistics on real take-home salaries in the public sector, housing construction index, summary of value indices of ordinary shares listed on the Nigerian Stock Exchange, Consumer Price Index and average manufacturing capacity utilization rates.

Real take-home monthly wages are used to determine the impact of inflation on nominal wages. This is also a good indication of the level of erosion of the purchasing power of the local currency. The lower, middle and upper income wage earners, especially in the public sector are represented by grade levels 01, 08 and 15.

Generally, a price index is the measure of the proportionate or percentage changes in a set of prices over time. Similarly, consumer price index measures changes in the prices of consumer goods and services acquired by households over time

The conceptual and practical difficulties involved in measuring “uses” or “consumption” has made the adoption of the “acquisition approach” common for Consumer Price Index (CPI) compilation. Only household expenditures involving monetary transactions are utilized for weight derivation. However, prices can be imputed for non-monetary consumptions like rent for owner-occupied accommodation as well as remuneration in kind and own produce.

Retail prices of consumption goods and services are used in the computation of CPI. As prices of different goods and services do not all change at the same rate, a price index can only reflect their average movement.

The CPI changes purely in response to price changes, while the quantities of the goods and services in the basket remain fixed. It is compiled using Laspeyers or Paasche index formula.

TABLE 375: REAL TAKE-HOME WAGES AND SALARIES IN PUBLIC SECTOR, 2003 - 2007

Year	Naira Per Month		
	GL. 01	GL. 08	GL. 15
2003	7,339.08	23,594.78	63,702.67
2004	6,382.02	20,517.87	52,279.58
2005	6,476.62	22,059.90	56,512.98
2006	7,421.85	24,868.93	68,793.84
2007*	4,724.28	15,830.00	43,789.84

Source: National Bureau of Statistics

Note: Real-take home monthly wages and salaries in the public sector reflect the amount realized by deflating nominal salaries/wages with the Consumer Price Index (CPI May 2003 = 1000). Wages and Salaries include basic salary and all allowances, less taxes and other deductions. Real-take home wages /salaries is a milestone for understanding the full impact of inflation on the purchasing power of the local currency.

* = Provisional

TABLE 376: SUMMARY OF VALUE INDICES OF ORDINARY SHARES LISTED ON THE NIGERIAN STOCK EXCHANGE (DECEMBER), 1984 = 100, 2003 - 2007

Year	2003	2004	2005	2006	2007
Agriculture	6,035.60	6,004.1	7,314.8	11,292.5	15,559.0
Financial	90,423.50	167,276.5	302,209.0	543,086.1	1,725,410.3
Manufacturing	20,904.80	26,445.8	28,841.2	36,282.9	62,379.5
Commercial	17,904.80	25,018.2	23,965.5	38,508.3	43,720.0
Services	16,662.70	23,740.3	30,149.2	39,974.3	99,403.2
Foreign Listing	89.5	89.5	na	na	Na
All Item	20,128.9	23,844.5	24,085.8	33,358.3	57,990.2

Source: Central Bank of Nigeria - Statistical Bulletin

Note: 1. The indices were computed using the Market Capitalisation Method
2. na = not available

TABLE 377: NATIONAL HOUSING CONSTRUCTION INDEX CLASSIFIED BY TYPE (1997= 100), 2000 - 2005

	2000	2001	2002	2003	2004	2005
Residential						
Number Of Applications	126	162	195	202	169	327
Number Of Approvals	151	179	233	205	188	329
Number Of Buildings Started	53	63	66	50	26	348
Commercial						
Number Of Applications	179	264	298	463	248	834
Number Of Approvals	154	203	237	223	281	281
Number Of Buildings Started	34	53	63	51	148	427
Industrial						
Number Of Applications	31	45	68	46	173	107
Number Of Approvals	39	51	76	47	169	139
Number Of Buildings Started	34	42	36	25	101	224
Others						
Number Of Applications	257	272	468	239	155	655
Number Of Approvals	257	258	460	217	154	167
Number Of Buildings Started	37	49	46	51	99	300

Source: Central Bank of Nigeria - Statistical Bulletin

Note: The Index was computed using returns from 22 States

TABLE 378: NIGERIA'S AVERAGE MANUFACTURING CAPACITY UTILISATION RATES, 2002 – 2007

Sub Sector	Percent				
	2002	2003	2004	2005	2007
Meat And Dairy Products	54.30	75.75	72.17	62.00	63.00
Vegetable And Grain Mill	43.20	45.80	44.32	90.00	58.00
Bakery Products	60.60	43.00	57	65.00	68.00
Sugar Cocoa Confectionery	24.50	33.10	41.38	19.00	71.00
Miscellaneous Food Preparation	50.80	54.00	33.5	80.00	56.00
Beer And Stout	56.30	56.70	47.62	53.00	48.00
Soft Drinks	44.40	46.50	54.55	48.00	71.00
Textile	35.50	34.60	46.65	48.00	41.00
Knitting, Carpets And Rugs	45.80	7.00	33.38	5.00	4.00
Leather Products	31.80	28.00	-	85.00	-
Leather Footwear	30.70	-	-	-	69.00
Saw Milling	40.90	-	-	-	68.00
Wood And Cork Products	49.70	37.50	42.07	48.00	-
Paper Manufacture And Products	23.70	44.10	40.02	-	100.00
Printing and Publishing	47.40	44.40	48.21	53.00	64.00
Basic Industrial Chemicals	67.50	57.40	46.81	68.00	-
Paints	36.60	54.30	32.8	35.00	32.00
Drugs And Medicines	39.20	41.50	43.62	68.00	61.00
Soaps And Perfumes	42.10	44.40	40.65	43.00	68.00
Other Chemical And Petroleum Products	54.40	23.80	51.27	30.00	82.00
Tyres And Tubes	38.40	38.90	23	80.00	68.00
Plastic Products	38.70	51.10	51.42	53.00	61.00
Glass And Glass Products	48.30	59.60	60.13	80.00	-
Cement And Cement Products	61.70	37.50	40.27	55.00	72.00
Basic Metal Industries	80.00	80.00	44.43	72.00	22.00
Structural Metal Products	39.90	35.90	50.24	60.00	73.00
Fabricated Metal Products	60.20	37.90	52.73	59.00	69.00
Radio, T.V. And Communication Equipment	39.60	33.50	66.12	51.00	-
Motor Vehicle Assembly	32.80	27.70	22.52	70.00	-
Roofing Sheets	-	-	28.23	-	-
Wine, Spirits And Distillers	-	41.40	-	-	53.00
Average utilized by Rate (%)	44.30	41.10	45	52.78	53.29

Source: Central Bank of Nigeria - Statistical Bulletin

TABLE 379: COMPOSITE CONSUMER PRICE INDEX (BASE: MAY, 2003 = 100), 2003 - 2007

Description	2003	2004	2005	2006	2007
All Items Index (%Change)					
Month on Month	1.7	1.7	-1.5	-0.8	0.6
Year on Year	23.8	10.0	11.6	8.5	6.6
12-Month Average	14.0	15.0	17.9	8.2	5.4
All Items Less Farm Produce (%Change)					
Month on Month	0.8	3.4	-0.9	3.6	0.0
Year on Year	34.8	5.9	2.4	17.3	3.6
12-Month Average	27.2	15.5	8.8	12.8	9.2
Food (% Change)					
Month on Month	3.7	1.0	-2.5	-4.0	0.7
Year on Year	15.4	12.1	15.5	3.9	8.2
12-Month Average	6.0	14.5	23.1	5.6	1.9

Source: National Bureau of Statistics

TABLE 380: ANNUAL AVERAGE COMPOSITE CONSUMER PRICE INDEX (RURAL AND URBAN CENTRES), 2003 - 2007

Commodity	2003	2004	2005	2006	2007
Foods	102.30	117.20	144.10	149.70	162.00
Food & Non-Alcoholic Beverages	102.50	117.30	143.80	149.50	162.40
Alcoholic Beverage, Tobacco and Kola	101.50	112.60	128.90	152.00	157.10
Clothing and Footwear	110.50	118.40	113.00	146.00	142.80
Housing, Water, Electricity, Gas and Other Fuels	116.90	141.00	158.10	187.00	202.80
Furnishing and Household Equipment Maintenance	106.00	112.60	129.70	143.00	146.90
Health	116.50	123.10	138.50	152.20	142.30
Transport	100.10	120.00	129.90	160.80	172.10
Communications	100.40	167.60	222.00	223.80	225.10
Recreation and Culture	111.70	123.00	119.60	141.80	141.30
Education	118.70	135.20	152.10	154.80	180.00
Restaurants and Hotels	108.00	117.80	122.00	183.70	220.40
Miscellaneous , Good & Services	111.10	129.40	144.10	153.10	153.70
All Items Less Farm Produce and Energy	107.50	121.60	134.10	164.40	153.70
All Item Less Farm Produce	112.10	129.40	141.30	165.70	171.70
All Items	106.00	121.90	144.70	157.10	167.40

Source: National Bureau of Statistics

TABLE 381: CONSUMER PRICE INDEX AS AT DECEMBER (ALL URBAN CENTRES), 2003 - 2007

Commodity	2003	2004	2005	2006	2007
Foods	110.10	126.50	162.90	166.40	181.40
Food & Non-Alcoholic Beverages	110.00	126.30	162.40	166.00	181.20
Alcoholic Beverage, bacco and Kola	107.10	115.50	133.50	162.50	178.80
Clothing and Footwear	148.40	113.00	120.70	151.50	157.60
Housing Water, Electricity, Gas and Other Fuels	139.00	159.10	155.40	198.50	234.30
Furnishing and Household Equipment Maintenance	122.10	115.50	132.30	151.20	172.70
Health	117.00	112.60	141.00	159.00	162.50
Transport	117.70	115.00	129.70	159.30	184.60
Communications	99.60	245.50	241.80	238.80	247.50
Recreation and Culture	99.90	120.70	124.70	153.20	151.80
Education	161.30	162.80	182.50	205.70	255.90
Restaurants and Hotels	102.20	132.70	124.30	195.70	230.70
Miscellaneous, Good and Services	122.50	141.10	156.00	164.00	179.80
All Items Less Farm Produce and Energy	125.00	122.40	133.40	163.20	188.70
All Item Less Farm Produce	130.30	137.80	142.70	176.00	201.30
All Items	117.50	131.30	155.50	171.60	191.40

Source: National Bureau of Statistics

Note:- The Base year for 2003 is May, 2003 =100

TABLE 382: CONSUMER PRICE INDEX AS AT DECEMBER (ALL RURAL CENTRES), 2003 - 2007

Commodity	2003	2004	2005	2006	2007
Foods	111.70	124.20	138.20	144.40	155.90
Food & Non-Alcoholic Beverages	112.00	124.40	137.90	144.30	156.40
Alcoholic Beverage ,Tobacco and Kola	105.00	112.90	123.70	140.50	133.40
Clothing And Footwear	117.90	109.70	104.90	161.00	127.20
Housing Water , Electricity, Gas and Other Fuel	135.10	153.70	161.00	175.10	170.30
Furnishing and Household Equipment Maintenance	107.70	114.40	128.20	138.20	131.50
Health	149.10	110.30	136.50	146.80	126.40
Transport	111.20	116.60	130.20	163.50	149.90
Communications	108.10	237.80	206.10	211.70	207.00
Recreation and Culture	180.90	117.30	116.10	134.20	134.30
Education	137.60	102.80	131.90	121.00	129.50
Restaurants and Hotels	119.60	118.40	120.40	175.70	213.60
Miscellaneous , Good & Services	157.10	126.60	135.20	145.00	134.30
All Items Less Farm Produce and Energy	125.20	123.10	134.40	165.00	138.60
All Item Less Farm Produce	130.30	138.10	140.70	161.30	158.90
All Items	118.10	129.10	140.00	150.80	157.00

Source: National Bureau of Statistics

Note: The Base Year May, 2003 =100

TABLE 383: SUMMARY OF FOOD EXPENDITURE BY STATE AND COMMODITY TYPE, 2004

States	Cereals	Flour	Starchy Food	Processed Food	Cooking Oil	Fruits	Protein	Vegetable	Cooked Food	Food Supplement
Abia	490,642	23,625	602,259	838,464	244,562	200,397	1,188,811	436,763	69,087	85,054
Adamawa	687,444	9,579	136,707	207,945	154,615	167,665	562,172	316,034	25,343	2,267,504
Akwa Ibom	362,006	62,599	840,279	704,707	231,305	153,229	909,947	293,873	8,020	31,566
Anambra	390,007	94,685	485,285	27,919	172,210	35,963	526,616	293,092	26,726	9,846
Bauchi	1,070,805	45,728	80,807	335,801	247,702	611,325	406,559	369,466	755,962	42,871
Bayelsa	284,828	4,146	513,759	699,608	239,136	508,323	1,803,909	270,711	44,286	15,260
Benue	380,822	271,693	700,921	218,689	187,058	145,412	653,677	439,537	19,623	14,539
Borno	759,852	88,283	96,067	389,781	229,007	115,109	663,356	307,778	24,050	72,950
Cross River	232,044	45,631	850,740	529,631	210,428	96,364	665,611	214,450	22,134	23,920
Delta	237,987	16,580	405,728	475,168	175,690	59,480	851,989	212,904	8,519	25,898
Ebonyi	522,643	89,461	1,565,150	697,847	269,810	200,676	755,359	351,714	28,235	11,213
Edo	463,917	34,863	597,755	592,882	306,433	90,876	846,487	246,617	49,133	35,156
Ekiti	390,007	94,685	485,245	271,919	172,210	35,963	526,616	293,092	26,726	9,846
Enugu	556,516	113,218	1,301,868	649,413	338,215	192,705	933,805	412,756	21,173	39,783
Gombe	738,879	45,036	107,128	259,305	218,327	54,759	476,334	278,458	572,871	34,224
Imo	454,462	90,301	717,826	708,128	219,763	190,500	1,020,093	345,142	17,950	39,884
Jigawa	775,665	15,902	49,529	448,894	167,649	64,331	217,884	248,601	10,960	29,229
Kaduna	1,418,745	93,141	361,699	629,981	355,492	70,514	872,672	621,198	30,707	39,361
Kano	1,817,639	22,408	152,060	502,778	331,968	80,927	626,880	593,960	23,229	27,910
Katsina	1,187,084	71,405	147,617	454,039	212,212	65,933	537,773	408,756	62,770	60,088
Kebbi	1,304,283	11,439	49,704	168,309	183,077	42,385	511,636	168,611	890	3,270
Kogi	59,681	239,156	211,621	164,284	154,252	4,569	20,564	30,534	22,753	3,760
Kwara	23,983	192,447	240,937	164,503	10,598	9,810	79,155	41,639	7,940	1,382
Lagos	117,697	142,800	207,320	281,948	47,778	19,021	232,785	81,714	41,557	8,782
Nasarawa	819,991	149,566	709,168	282,999	235,636	61,236	614,944	315,141	26,456	96,370
Niger	906,819	61,262	265,698	308,697	253,770	49,765	570,827	285,419	19,270	53,262
Ogun	306,686	87,237	163,666	427,557	166,190	35,798	717,149	291,543	48,312	29,465
Ondo	375,676	68,877	514,771	433,033	180,675	31,267	859,219	299,732	8,597	14,326
Osun	432,121	194,917	251,296	575,219	150,170	35,990	494,426	240,506	87,149	24,994
Oyo	378,768	512,183	362,463	757,233	204,830	67,936	748,695	298,705	146,830	55,425
Plateau	850,972	70,410	294,299	307,559	283,730	72,672	607,897	383,394	15,855	25,613
Rivers	241,904	13,193	454,577	534,912	139,961	70,613	921,961	195,273	16,586	25,583
Sokoto	1,121,171	13,003	66,298	206,811	159,813	40,855	417,196	196,457	9,590	16,617
Taraba	577,473	189,574	628,951	180,992	300,851	55,163	831,192	303,632	32,851	21,441
Yobe	738,879	45,036	107,128	259,305	218,327	54,759	476,334	278,458	572,871	34,224
Zamfara	1,479,953	65,885	66,282	236,573	207,242	42,250	634,300	170,256	175,730	41,627
FCT	474,034	84,797	333,610	199,188	110,403	35,360	351,841	160,172	24,073	20,910
Total	23,432,085	3,474,751	15,126,218	15,376,021	7,691,095	3,869,900	24,136,671	10,696,088	3,104,814	3,393,153

Naira

Source: National Bureau of Statistics
Source: National Bureau of Statistics - NLSS

TABLE 384: SUMMARY OF NON FOOD EXPENDITURE BY STATES AND COMMODITY TYPE, 2004

Naira

State	Clothing And Footwear	Rent	Fuel Light	Household Goods	Health Expenditure	Transport	Education Expenditure	Entertain- ment	Drinks	Other Services
Abia	291,183	21,368	321,268	388,812	174,161	262,791	223,378	17,920	128,701	293,341
Adamawa	318,074	9,356	264,698	286,690	75,087	80,444	19,922	4,849	48,944	107,283
Akwa Ibom	303,540	10,148	338,735	314,158	155,147	175,475	540,946	7,484	115,306	358,724
Anambra	217,745	22,324	308,870	347,537	193,510	161,968	140,933	15,388	146,232	245,031
Bauchi	412,714	7,868	265,633	1,220,632	34,410	92,133	4,795	885	14,208	170,850
Bayelsa	724,492	1,100	330,244	516,745	151,533	311,398	76,694	21,278	187,587	358,361
Benue	867,549	12,899	177,262	444,061	80,002	24,631	196,398	11,407	52,125	81,499
Borno	509,546	106,970	396,668	204,561	51,879	50,473	32,646	3,703	28,772	176,528
Cross River	238,273	12,913	210,179	296,396	128,853	134,395	179,970	16,078	106,380	359,828
Delta	94,551	12,963	238,979	170,392	70,078	69,087	140,274	2,455	99,000	102,784
Ebonyi	434,012	6,701	200,289	179,283	105,705	469,782	75,114	6,022	186,766	88,781
Edo	452,290	37,469	318,429	508,259	120,082	621,977	235,603	16,770	143,281	175,070
Ekiti	230,284	17,642	243,399	169,694	66,738	125,914	219,253	7,640	54,680	151,887
Enugu	521,751	10,590	241,237	465,345	202,845	114,897	266,616	8,625	130,523	143,360
Gombe	232,186	5,663	259,540	306,701	49,590	83,260	56,417	933	9,873	115,410
Imo	172,464	7,075	218,852	230,567	298,399	150,258	239,112	22,457	125,246	223,430
Jigawa	274,162	2,717	351,397	214,448	18,268	82,308	3,931	1,538	312	64,133
Kaduna	414,676	42,356	596,351	505,246	80,361	269,486	105,182	2,146	66,161	270,852
Kano	415,920	16,806	547,660	530,740	63,853	253,652	43,228	9,794	5,697	152,449
Katsina	502,964	7,551	429,613	431,811	49,037	139,046	23,005	5,797	37,554	274,284
Kebbi	423,220	39,620	368,442	207,324	34,716	43,014	12,330	750	885	22,734
Kogi	30,861	17,918	19,765	20,714	7,083	7,712	60	4,750	11,797	6,500
Kwara	13,142	18,500	23,804	11,520	4,845	7,455	1,310	4,200	12,935	11,742
Lagos	90,244	25,609	92,976	80,465	71,253	103,068	24,120	16,620	21,883	204,028
Nasarawa	793,410	8,551	354,964	1,152,937	67,360	171,311	39,738	16,880	48,759	92,169
Niger	107,493	11,599	406,078	272,567	38,156	507,248	10,579	10,576	21,299	144,364
Ogun	259,778	35,398	300,892	216,946	99,269	255,491	179,733	12,633	61,075	173,679
Ondo	732,722	23,263	278,932	181,540	423,884	181,042	81,199	3,720	35,581	178,319
Osun	733,106	27,096	281,176	178,973	423,884	152,796	62,790	22,129	29,033	202,672
Oyo	273,749	65,593	426,360	278,569	89,186	321,427	181,544	52,353	48,317	190,546
Plateau	253,105	6,457	307,113	335,830	84,335	86,737	86,597	7,300	48,926	99,884
Rivers	177,039	30,750	273,079	334,807	107,636	232,810	109,189	13,190	98,305	175,694
Sokoto	126,017	10,418	355,398	166,229	27,829	34,029	29,664	2,746	3,785	51,887
Taraba	234,533	3,552	326,770	411,292	440,764	185,011	75,137	3,282	90,399	409,636
Yobe	247,541	0	0	3,050	0	0	0	0	4,005	0
Zamfara	235,910	338	387,087	228,365	42,554	41,323	10,015	9,073	5,603	44,563
FCT	497,766	57,251	228,671	169,440	31,189	249,124	104,207	8,045	35,020	97,477
TOTAL	12,858,012	754,392	10,690,810	11,982,646	4,163,481	6,252,973	3,831,629	371,416	2,264,955	6,019,779

Source: National Bureau of Statistics - NLSS

TABNLE 385: HOUSEHOLD EXPENDITURE BY TYPE OF COMMODITY: RURAL, URBAN AND NATIONAL, 2007

Food Commodity	Total Expenditure		
	Rural	Urban	National
Cereals	17,845,158	5,836,126	23,681,284
Flours	2,365,352	1,224,069	3,541,049
Starchy Food	12,944,440	2,962,881	15,669,795
Processed Food	10,967,381	4,809,701	15,956,021
Cooking Oil	5,545,457	1,942,907	7,967,442
Fruits	3,042,084	537,544	3,100,550
Protein	18,451,672	6,636,112	25,146,371
Vegetable	8,422,221	2,598,933	11,021,154
Cooked Food	706,176	528,223	1,234,399
Food Supplements	670,476	382,986	1,053,462
Subtotal	80,960,417	27,459,482	108,371,527
Non-Food Commodity			
Clothing and Foot wear	9,046,657	3,825,155	12,915,077
Rent	155,520	458,483	614,003
Fuel	6,983,209	3,949,847	10,933,056
Household Goods	8,282,196	3,598,986	12,862,476
Health Expenditure	3,020,762	790,463	2,781,309
Transport	4,083,537	2,770,240	6,853,777
Education Expenditure	2,465,602	1,649,991	4,115,593
Entertainment	178,457	125,837	309,650
Drink	1,705,586	559,197	2,264,783
Other Services	3,937,645	2,483,954	6,421,598
Subtotal	39,859,171	20,212,153	60,071,324
Grand Total	120,819,588	47,671,635	168,442,851

Source: National Bureau of Statistics