SAVING FOR RETIREMENT DAYS: A CURE OR CURSE? A STUDY OF UNIVERSAL BASIC EDUCATION BOARD RETIREES, AKWA IBOM STATE, NIGERIA

Dr. Cosmas A. Udom
Department of Sociology
Obong University, Obong Ntak
Cosmasequip@gmail.com

Dr. Aniefiok S. Ukommi
Department of Sociology and Anthropology
University of Uyo, Uyo
annieukommi@gmail.com

Dr. Anne E. Ekanem
Department of Sociology and Anthropology
University of Uyo, Uyo
Akwa Ibom State
Anneekanem4@gmail.com

Abstract

The study is an examination of pension administration as a correlate for retirees' wellbeing with focus on retirees of Akwa Ibom State Universal Basic Education board. In this study wellbeing is measured using the OECD standard indicators of health, housing and material conditions. Related literature were reviewed and the social exchange theory was used as the theoretical framework. The study adopted the descriptive survey research design and the purposive and snowball sampling technique. Data was collected from 203 respondents through the use of questionnaire and determined via the Taro Yamane while the simple percentage was used as a method of data analysis. Findings from the study revealed that poor pension administration has a negative impact on the wellbeing of retirees and a majority of the retired primary school teachers have poor wellbeing, a situation they slipped into post-retirement. The material condition of life of retirees is equally deplorable as pension income never comes at the proper time and as such consumption pattern in most retirees' households have been affected adversely. The study recommends that there should be an adjustment to the pension scheme in terms of its implementation, administration and coordination to ensure early disbursement of funds to retirees Government should encourage a stakeholder engagement forum perhaps quarterly. The existing pension laws should be strengthened and strong disciplinary measures put in place to ensure that those who are involved in looting pension funds face the law.

Keywords: Pension administration, retirees' wellbeing, Pension scheme, Universal Basic Education and Akwa Ibom State

Introduction

In recent times, pension administration as a social welfare policy has increasingly attracted the attention of policy makers in many countries as a means of facilitating privately funded retirement income savings account by an ageing work force (World Bank, 1994). The evolution of modern pension schemes has greatly altered the roles of the employer in shouldering the burden and risks of funding retirement for long-tenured workers and has consequently, given way to one in which employees are fully responsible for funding retirement themselves.

According to the U.S. Department of Labour (2012) and Copeland (2012), approximately 54% of civilian workers participated in workplace retirement benefit programs with a participation rate of 79% for all civilians, 75% for private sector and 85% for states and local government areas. From the aforementioned projections, three issues can be deduced; the number of retirees in Nigeria is likely to increase; the retirees are likely to receive their pension and gratuity for a longer time because they are likely to live longer; and delay in payment or lack of payment of pension and gratuity will affect the wellbeing of retirees. Nicole and Nic (2004) posit that wellbeing is not just the absence of pain, discomfort, and incapacity. It arises from not only the action of an individual, but also from a host of collective goods and relationships with other people. It requires that basic needs are met, that individuals have a sense of purpose, and that they feel able to achieve important personal goals and participate in societal activities. According to OECD (2013), understanding well-being and progress is high on the agenda of the international statistical community and this could be properly understood when we reflect wellbeing against various independent variables. On account of this, understanding wellbeing becomes very necessary to look at in view of pension administration.

Brief History of Pension Administration in Nigeria

Nigeria started the journey of pension administration with the promulgation of pension decree No.102 of 1979 which took effect from April 1, 1974. It consolidated all enactments on pensions and incorporated pension and gratuity devised for public officers in the Udorji public service review concession in 1974. In the same way, pension Act No.103 of 1979 like its counterpart Decree No.102 of 1979 on the other hand dealt with pension benefits, liabilities and seals devised for the agreed forces. Thus, pension scheme in Nigeria was largely Defined Benefit (DB), Pay-as-you-go (PAYG) which was neither funded nor contributory but compulsory for the public sector. The scheme was characterised by massive accumulation of pension debts which made it unsustainable due to inadequate and untimely budgetary allocation; increasing number of employees and retirees; weak administration; corruption and mismanagement of pension funds; infiltration of ghost workers; lack of regulatory and supervisory agency and late release of funds for payment of outstanding pension obligations (Koripamo-Agary, 2009; Yunusa, 2009; Ahmad, 2006; Balogun, 2006). The inefficiency of the Pension Decree No.102 of 1979 gave birth to the Pension Reform Act 2004 which was amended in 2014. The new scheme is contributory in nature, fully funded, privately managed and based on individual account for both the public and private sector employees in Nigeria. With this reform, pension fund has witnessed tremendous growth in its total assets. It is projected that by the end of 2015, the contributory pension scheme (CPS) had accumulated resources totaling N5.3 trillion ($26.9 billion) and is expected to hit N16 trillion ($100 billion) by 2034 (Okonjo-Iweala, 2018). According to the National Bureau of Statistics (2017), a total of 77.55million pensionable workers are registered under the contributory pension scheme, 1.92million from the federal government, 1.56million from the state government and 7.82million from the private sector. It also indicated that 69.5% of the pension funds are invested in FGN Bond/treasury bills, 8.94% in equity market, 8.33% in Banks, 3.55% in corporate bonds, 2.71 in real estate properties and 6.77% in other investment platforms that are not mentioned.

Challenges Facing Pension Scheme in Nigeria

Various problems can be identified that serve as challenges to the pension scheme. These include the following:

1. Dependency of the pension scheme on insufficient budgetary allocation by the Federal Government;
2. Untimely release of pension funds, which affects the payment of pension benefits and other retirement benefits;
3. Huge accumulation of pension liabilities;
4. Mismanagement and embezzlement of pension funds by officials entrusted with managing the scheme, among other issues.

As a result of these problems, the majority of retirees and pensioners do not feel the impact of this social security service put in place by the government. As such, this has led to various drawbacks for retiree's quality of life. Scholarly articles and researches on Nigeria's pension scheme suggest that for many pensioners, the reality of the pension scheme is a mix-grill of sweetness and bitterness (Stoll, 2012; Kareem and Kareem, 2010; Fabbro, 2010). Previous studies have shown that a number of retirees experience a relative wellbeing status during retirement compared to their work days (Aydogan, 2004; Mackenizie; Gerson and Cuevas, 1997; Mariger, 1987; Hammermesh, 1984). More so, other studies have equally shown that a significant number of retirees are not able to sustain their consumption pattern post-retirement (Robb and Burbridge, 1989), some of them have not even been able to lay their hands on their entitlements after many years of retirement either owing to inadequate pension funds for payment to the total omission of their names from the pension beneficiary list. Even when they are to be paid their benefits, many die in the queue owing to fatigue and deteriorating health while waiting for the payment of their pension.

The inadequacy and inefficiency of the government's public pension scheme among other things are responsible for the deteriorating wellbeing of many pensioners in Nigeria. Wellbeing can be understood as how people feel and how they function, both on a personal and a social level, and how they evaluate their lives as a whole (Thompson and Marks, 2008; Frederickson, 2001). Basically, how people evaluate their life as a whole is captured in their satisfaction with their lives, or how they rate their lives in comparison with the best possible life, especially after their working years. In this study, wellbeing is measured using the OECD (2013) standard indicators of health, housing, social connections, and life satisfaction. This study attempts to take a second look at the Pension Reform Act 2004 examine its impact on the wellbeing of retirees, using retirees of the Akwa Ibom State Universal Basic Education Board as a case study**.**

Objectives of the Study

The objectives of this paper include:

1. to examine the impact of poor pension administration on the wellbeing of retirees of Akwa Ibom State Universal Basic Education Board.
2. to examine the effect of delayed payment of pension on the material conditions of retirees.
3. to find out how retirees of Akwa Ibom State Universal Basic Education Board support and finance their household consumption expenditure.

Conceptualization of Pension

A pension scheme is a transfer programme that serves as a channel for redistributing income for the elderly or retirees, after a stipulated number of years in the service. Pension programs are usually put in place to serve as protection for the elderly and retirees against old age risks, poverty and other uncertainties. Moreover, the contributory pension scheme is also used to promote a 'savings culture' among current employees.

Pension in this context is a contract for a fixed sum to be paid regularly to a pensioner by government or private company after working for specific period of time (fifteen years with effect from June, 2004) and considered too old to work or have reached the statutory age of retirement. Different scholars have used diverse definitions to describe pension. World Bank (2004) defines pension as a form of income that workers or their spouses receive after they retire, become disabled or die. It entails money paid at regular basis by government or any establishment to someone who is officially considered retired from active service after serving for a stipulated time usually minimum of fifteen years and maximum of thirty five years. Corroborating this, Fapohunda (2013) posits that pension is aimed at providing workers with security by building up plans that are capable of providing guaranteed income to them when they retire or to dependants when death occurs. Idowu (2006) conceptualizes pension as a form of social security as well as welfare package for the old or retired people who are in their years of labour inactivity. However, pension scheme is a financial package which legally specifies its organization and operation, so as to provide rest of mind to workers, sustain or spur them to more productivity and ensure that a pensioner and his dependants have a good wellbeing.

Ozor (2006) is of the view that pension consist of a lump sum payment made to an employee upon his disengagement from active service. This payment is usually in monthly installments, which may be contributory or non-contributory, fixed or variable benefits, group or individual, insured or trustee, private or public and single or multi-employer. Amujiri (2009) identified four main classifications of pensions in Nigeria. These are: Retiring pension: This type of pension is usually granted to an employee who is permitted to retire after completing a fixed period of service usually 30-35 years or 60-65 years for the public service of Nigeria and 70years for professors and Judges. Compensatory pension: This type of pension is granted to an employee whose permanent post is abolished and government is unable to provide him/her with alternative employment. Superannuating pension: This type of pension scheme is given to an employee who retires at the prescribed age limit as stated in the condition of service. Compassionate Allowance: This happens when pension is not admissible on account of an employee's dismissal from service for misconduct, insolvency, incompetence and inefficiency.

Development of Pension Administration in Nigeria

According to Barrow (2008) and Ukommi (2020), the development of pension schemes in Nigeria can be traced to the beginning of organized workforces in the public and private sectors in the 20th century. Apparently, the first pension system was introduced into Nigeria by the colonial administration and this became a legislative document in the 1951 Pension Ordinance and had retroactive effect from January 1, 1946 and the Pension Ordinance provided both pension and gratuity to public servants (Ahmed, 2006). The law was primarily designed for the staff of the then British Colony who were moved from post to post in the large British Empire, the intention was to ensure continuity of service wherever they were posted to. However, the law had limited application to indigenous staff (Nigerians) because pension was not an automatic right of Nigerians and it could be withheld at any point in time.

However, with the hope of independence of Nigeria in 1960, the laws were codified in 1958 so that the 1951 Act became known as the Pension Act Cap 146 of the laws of Nigeria. The Pension Ordinance of 1958 was amended which was replaced by the Pension Decree 102 of 1979 (now Act Cap 346 of 1990 laws of Nigeria) retroactive from April 1, 1974. Specific professional groups were allowed to establish their pension schemes but were under the Pension Decree 102 of 1979. These laws include; Pension increase Decree No.42 of 1975; Military Pension Act Cap (chapter or No.119); Pensions Act Cap (chapter or No.147); War Pension Act Cap (chapter or No.212); pension (special pension) Act 1961 (chapter or No.15); Widows and Orphans Pension Act Cap.220; Pensions (Statutory Corporation Service) Act 1961 No.61; Pension (transferred services) Act 1965 No.28; Special Constables Decree 1966 No.60; Police Pension Decree 1966 No.60; Pensions (federal fire service) Decree 1966 No.74; Pensions Gratuities (War Service) Decree 1966 No.49; Transferred Offices and Pension Liability 1971 No.8; Military Pensions (Amendment) Decree 1975 No.13; the Pension Act of 1979 Decree No.102 (which awarded and united all pension Acts); the Public Services, the Recommendations Review 1974; the Armed Forces Pension Act No.13 of 1974; the Pension Rights of Judges Acts No.5 of 1988; the Amendment Act No.51 of 1988, 29 of 1991 and 62 of 1991.

The whole of these ordinances, Acts and Decrees is capped up in the Pension Decree No.102 of 1979 which took effect from April 1, 1974. In the case of the pension Decree 1949, Uzoma (1993) contended that in the special case of the public pension scheme, the office of establishment and pensions acts as the trustee and constitutes the rules of the scheme. The pension scheme was for all public servants except those on temporary or contract employment. The age of retirement for such workers was 60years for male and female except for high court Judges that was 65years and 70years for Justices of the court of Appeal. Moreover, all government MDAs directly funded by the treasury had a unified pension scheme that was virtually managed by insurance companies and individuals who were heads of pension unit. In 1997, MDAs were allowed to have individual pension plans and arrangements for their staff and appoint Boards of Trustee (BOT) to administer same as specified by the Standard Trust Deed and rules prepared by the Office of the Head of Service of the Federation. Each BOT was free to either use an insured scheme or self-administered arrangement (Odia and Okoye, 2012). There were about eight registered pension schemes in the country before the Pension Reform Act 2004 which were largely unfunded, self-administered and uninsured. Public organizations in Nigeria operated the Defined Benefit (Pay-As-You-Go) pension scheme, final entitlements were based on length of service and terminal emoluments and retirees were paid pension and gratuity.

Prior to 2004, the major problem associated with pension fund administration in Nigeria was the non-payment and the delay in payment of pension and gratuity by the federal, state and local governments. In the words of Orifowomo (2006) "pension backlog was put at about N2.56 trillion as at December, 2005.In fact, pension fund administration became a thorny issue with millions of retired Nigerian workers living in abject poverty and they were often neglected and not properly catered for after retirement." Other problems associated with the old pension scheme include; demographic challenges, funding of outstanding pension and gratuities, merging of service for the purpose of computing retirement benefits, administrative bottlenecks and bureaucracies, corrupt tendencies and inefficiencies of the civil service, economic downturn (Orifowomo, 2006; Ezeani, 2011; Abade, 2004). It is also noted that gross abuse of pensioners and pension fund benefits which were politically motivated in some cases, coupled with extended family and other traditional ways already broken down due to urbanization, increased labour and human mobility were all problems associated with the old pension scheme (Odia and Okoye, 2012).

Moreover, according to the Statement of Accounting Standards (SAS) No.8 on accounting for employees' retirement benefits, the problems of the old pension scheme which led to the pension reforms of 2004 and its subsequent amendment in 2014 include; wrong investment decision, wrong assessment of pension liabilities, arbitrary increases in pension without corresponding funding arrangement, non-preservation of benefits, some were mere saving schemes and not pension schemes, and serious structural problems of non-payment and non-coverage. There was no serious adequate safeguard of the funds to guarantee prompt pension to retirees.

Considerably, the old pension scheme was Defined Benefit, unfunded, mostly Pay-As-You-Go, discriminatory and not portable. The employee was not entitled to pension benefit if he is dismissed from service. Also there was no adequate provision to secure the pension fund (Odia and Okoye, 2012). Following the unsatisfactory nature of the old scheme, the unpleasant experiences faced by retirees and the huge pension liabilities, the need for change became apparent. Therefore, the need for the federal government to guarantee workers contributions and accruing interest in the event of failure of the pension fund administrators was advocated. Besides, it was estimated that over N600 billion ($4.5billion) investible assets could be amassed annually through the pension scheme in Nigeria (World Bank, 1994).

Hence, government could not pay the retirement benefits as they become due but utilized the saved pension fund for long-term development purposes. Okoro (2014) contended that prior to the Pension Reform of 2004 and its subsequent amendment in 2014, pension schemes were plagued by irregularities and inefficiencies both on the part of employers (public and private sectors) and pension fund managers. Suffice to say that government's budgetary allocation for pension was very poor and most vulnerable in terms of budget implementation due to lack of resources.

The Pension Reform Act (PRA) of 2004, which was expected to be fully funded and contributory offered more opportunities to retirees such as income stability, high labour turnover rate; greater levels of accountability (Suleiman, 2014). The 2004 Act institutionalized a framework for mandatory financial investment (of 7.5% by the employer and employee), transparency, proper management and custodianship of pension assets (Aborishade, 2012; Suleiman, 2014). According to Oke (2017), the new pension scheme allows for the maintenance of a Retirement Savings Account (RSA) by each employee, which gives the workers responsibility over their retirement savings. Pension Fund Administrators (PFAs) administered the retirement savings for employees while the Pension Fund Custodians (PFCs) held the pension funds in trust for the employees, both under strict regulation by the National Pension Commission (PENCOM), whose overriding objective is to ensure that pension matters are administered with minimum exposure to fraud and risk. Pensioners will no longer be at the mercy of their employers, and participants are assured of regular payment of retirement benefits (Aborishade, 2012; Suleiman, 2014; Oke, 2017).

Furthermore, workers could now choose how to allocate their retirement savings and diversify their investments over a range of investment instruments. Under, PRA 2004, personal accounts system also provides workers a higher rate of return than can be paid under the Define-Benefit plan. This approach also affords participants an opportunity to pass wealth to survivors in the event of death. In addition, RSA maintained by millions of workers tend to generate massive long-term funds, which are available for investment, and also, having a pension scheme that pays out benefits in the form of a life annuity affords workers with protection against longevity risk, by pooling mortality risk across others (Aborishade, 2012; Suleiman, 2014; Oke, 2017).

Theoretical Explanation

The theoretical framework adopted in this study to explain pension administration as a correlate for retirees' wellbeing is the social exchange theory. Social Exchange theory was developed by George Homans (1910-1989). Homans (1958) posits that social exchange is the exchange of activity, tangible or intangible, and more or less rewarding or casting between at least two persons. This definition emphasises that people are consciously incurring a cost with an expectation of receiving a reward and the reward should either produce profit or equity. The rewards we receive in social exchange can be intrinsic or extrinsic; at least one party is dependent on the other which is what prompts the social exchange (Blau, 1964).

Social exchange can be reciprocal or negotiated (Molin, 2003). Reciprocal exchanges occur when people experience a cost while providing a reward for their partners without specifying the exact nature of repayment but usually with an expectation that some form of repayment will happen sometime (Mitchell, Cropanzana and Quisenberry, 2012). Moreover, central to the social exchange theory is the idea that an interaction that elicits approval from another person is more likely to be repeated than an interaction that elicits disapproval. Thus, it can be predicted that a particular interaction will be repeated by calculating the degree of reward (approval) and punishment (disapproval) resulting from the interaction. If the reward for an interaction exceeds the punishment, then the interaction is likely to occur or continue.

According to Emerson (1976), Mitchell et al (2012) and Burns (1973) outline the key principles of social exchange theory as follows; social behaviour can be explained in terms of cost, rewards and exchanges; people seek to maximize rewards and minimize costs in pursuit of the greatest profit; social interaction involves two parties, each exchanging a reward needed by the other person; social exchange theory can be used to explain the development and management of interpersonal relationships; social exchange affects the relationship among members of groups and organizations. According to Ekeh (1974), profit is the sole economic motive that propels social interaction which is the redistribution and reciprocity system that governs socio-economic relations. Reciprocity involves a give and take relationship between persons and groups in society. When one receives, he is also expected to give in-return even though it is not necessarily an equivalent amount nor to the original giver.

The social exchange theory centres on reciprocity between persons and groups in society and is about give and take relationships. To strike a balance between employers and employees, the employers are expected to reciprocate the efforts of their workers during and after their active service for having put in their most active years in the service of the organization. Moreover, the employee expects a reciprocal relationship in the form of pensions in old age when he can no longer be gainfully involved in any paid employment, notwithstanding that the reward may not be an equivalent of what the employee had put into the service. This becomes the motivating factor for workers to put in their best in active service.

Methodology

The study adopted the survey research design because it allows the researcher to collect data from a small group which was used to describe the entire population. The purposive and snowball sampling method was adopted for the study. Retirees among the sampling frame were purposively selected as study participants. The snowball sampling method was useful because the study population was difficult to access, small, mobile and largely because the targeted population were not interested in participating in the survey. The study population consists of retired primary school teachers in Akwa Ibom State between 2014 to 2019 which is a total of 489 (Pension Unit, Akwa Ibom State Universal Basic Education Board) and the Taro Yamane was used to determine the sample size from which a sample size of 203 was selected. A self-completion questionnaire was designed to measure the perception of the respondents on the efficiency of pension schemes on retiree's wellbeing. The study employed descriptive (simple percentage analysis) as a method of data analysis.

Data Analysis

Socio-Demographic Information of Respondents

As shown in Table 1 below, majority of the respondents 69% (140) were males and 31% (63) were females, while a few of them 2.5% (5) were between 50-59 years. Most of the respondents, about 80.3% (163) were between 60-69 years and 17.2% (35) were above 70 years of age. The marital status of the respondents indicates that 48.8% (99) were married, while, 29.1% (59) were widowed and 20.2% (41) were separated. Whereas a relatively few of them 1.9% (4) were not in their marriages. Educationally, majority of the respondents 51.2% (104) were holders of the National Certificate in Education (NCE), a fewer number of the respondents 39.9% (81) were holders of Teachers Grade II certificate and 8.9%(18) were holders of Bachelor in Education(B.Ed). Majority of the respondents 76.8% (156) have put in over 30years of service, while 23.1% (47) have put in between 20-29years of service.

Table1: Socio-Demographic Information of Respondents

Variables	Frequency	Percentage (%)
Sex		
Male	140	69
Female	63	31
Total	**203**	**100**
Age		
50-59years	5	2.5
60-69years	163	80.3
70years and above	35	17.2
Total	**203**	**100**
Marital Status		
Married	99	48.8
Divorced	4	1.9
Widow	59	29.1
Separated	41	20.2
Total	**203**	**100**
Educational Qualification		
FSLC	-	-
Teachers Grade11	81	39.9
NCE	104	51.2
BEd	18	8.9
Total	**203**	**100**
Years of Service		
10-19years	**-**	**-**
20-29years	47	23.1
30years and above	156	76.8
Total	**203**	**100**

Fieldwork, 2020

Table 2: Responses on the Impact of poor pension administration on the wellbeing of retirees of Akwa Ibom State Universal Basic Education Board

Variables	Yes	No
There are improvements in the present pension administration in the payment of pension to retired primary school teachers.	96 (47.2%)	107 (52.7%)
Most of the retired primary school teachers receive their pension and gratuities within three months of retirement.	55 (27%)	148 (72.9%)
In spite of the improvements, the new pension administration still has endemic lapses.	84 (41.3%)	119 (58.6%)
These lapses from poor disbursement of funds cause health challenges to retirees.	185 (91.1%)	18 (8.8%)
Delayed pension payment has affected family income and expenditures.	168 (82.7%)	35(17.2%)

Fieldwork, 2020

Table 2 shows that majority of the respondents 52.7%(107) disagreed that there were improvements in the payment of pension to retired primary school teachers, while 47.2% (96) agreed. However, 72.9%(148) of the respondents disagreed that most of the retired primary school teachers receive their pension and gratuities within three months of retirement, while 27% (55) agreed. 58.6% (119) disagreed by positing that in spite of the improvements, the new pension administration still has endemic lapses and such lapses include the non-payment of gratuity, corruption, bureaucratic bottlenecks, while, 41.3% (84) agreed.. However, 91.1% (185) agreed that the lapses from poor disbursement of pension funds causes health challenges to retirees, whereas 8.8% (18) disagreed. 82.7% (168) of the respondents agreed that delayed payment of pension has affected family income and expenditures, while 17.2% (35) disagreed. This means that majority of the respondents agreed that poor pension administration impacts negatively on the wellbeing of retirees.

Table 3: Responses on the extent to which delayed payment of pension affect the material conditions of retirees

Variable	Yes	No
Would you say you are satisfied with retirement life?	33 (16.2%)	170 (83.7%)
Delayed pension payment has affected payment of school fees and feeding family dependants.	145 (71.4%)	58 (28.5%)
Family feeding pattern has changed since after retirement	135(66.5%)	68 (33.4%)
It has even changed further with the irregular disbursement of pension allowances.	158 (77.8%)	45 (22.1%)
Due to irregular payment of pension, your relationship with others is reduced.	107 (52.7%)	96 (47.2%)
You don't participate and contribute meaningfully to your community as a result of delayed payment of pension	120 (59.1%)	83 (40.8%)
Generally, would you say that Poor Pension administration has affected your wellbeing	185 (91.1%)	18 (8.8%)

Fieldwork, 2020

Table 3 shows that 83.7% (170) respondents disagreed that they were satisfied with retirement life, whereas 16.2% (33) of the respondents agreed. This means that majority of the respondents disagreed that they were not satisfied with retirement life. Similarly, 71.4% (145) agreed that delayed pension payment has affected payment of school fees and feeding of family dependants while 28.5%(58) disagreed. This is a pointer to the fact that majority of the respondents agreed that delayed payment of pension has affected payment of school fees and feeding of family dependants. Furthermore, 66.5% (135) of the respondents agreed that family feeding pattern has changed since after retirement while, 33.4%(68) disagreed and 77.8% (158) agreed that family feeding pattern has changed further due to irregular disbursement of pension allowances whereas 22.1% disagreed. The finding indicates that retirees' family dependants can no longer eat three square meals a day due to irregular disbursement of pension allowances. Moreover, 59.1% (120) respondents agreed that they cannot participate and contribute meaningfully to their community while, 40.8%(83) disagreed and 52.7%(107) agreed that their relationship with others have reduced due to non-payment of pension funds whereas, 47.2% (96) disagreed. The finding indicates that retirees can no longer contribute to societal development due to delay in the disbursement of pension funds which makes them financially incapacitated. Generally, majority of the respondents 91.1% (185) agreed that poor pension administration has affected their wellbeing while, 8.8% (18) disagreed. The implication of this is that poor pension administration affects retirees' wellbeing.

Table4: Responses on how retirees of AKSUBEB support and finance their household consumption expenditure

Variable	Yes	No
Spouse works and his or her income supports family.	152 (74.8%)	51 (25.1%)
Rent from properties supports family income.	92 (45.3%)	111 (54.6%)
Support from working children rolls away the difficulties associated with poor pension administration.	137 (67.4%)	66 (32.5%)
Do you earn extra income by working?	87 (42.8%)	116 (57.1%)

Fieldwork, 2020

Table 4 indicates that 74.8% (152) of the respondents agreed that their spouses work so as to support family income. Whereas, 25.1% (51) disagreed. This finding shows that majority of the respondents have financial support from their spouses to support family income. However, majority of the respondents 54.6% (111) disagreed that rent from their properties support family income, while 45.3% (92) agreed. Majority of the respondents 67.4% (137) also agreed that support from working children rolls away the difficulties associated with poor pension administration while, 32.5% (66) disagreed. This is a pointer to the fact that majority of the retired primary school teachers receive support from working children and other family members which rolls away the difficulties associated with non-disbursement of pension funds. Generally, majority of the respondents 57.1%(116) disagreed that they earn extra income by working, while 42.8%(87) agreed. This finding indicates that due to ill health, retirees cannot engage in extra work to bring extra income.

Findings

This study revealed that poor pension administration has a negative impact on the wellbeing of retired primary school teachers in Akwa Ibom State. The analysed data revealed that 72.9% (148) of the respondents were of the view that most of the retired primary school teachers received their pension and gratuities within three months of retirement. It has also revealed that 58.6% (119) of the respondents were of the view that in spite of the improvements, the new pension administration still has endemic lapses such as non-payment of gratuity, corruption and bureaucratic bottlenecks. This finding is in tandem with the assertion of Orifowomo (2006); Ezeani (2011); Abade (2004) and Olanrewaju (2011) that despite the reforms in the pension scheme, it has failed to contribute to basic social security in old age, because of the endemic challenges such as corrupt tendencies and inefficiencies of the civil service, administrative bottlenecks and gross abuse of pensioners and pension funds which were politically motivated. Furthermore, a significant percentage of the respondents have poor wellbeing, this is quite contradictory as the expectation of the retirees was that a new pension administration would bring about a better social atmosphere that would enable a proper retirement life. The state of wellbeing as indicated in this study does not show any association with gender as no variation existed between the females and males retirees wellbeing.

Moreover, the study reveals also that majority of the respondents agree that they are not satisfied with retirement life, because delayed payment of pension affects the material conditions of retirees. Majority of the respondents 71.4% (145) are of the view that delayed payment of pension has affected the payment of school fees and feeding family dependants. The analysed data also reveal that 66.5% (135) of the research participants agree that family feeding pattern has changed since after retirement and has even changed further as a result they can no longer eat three square meals a day due to irregular disbursement of pension funds. This finding confirms the position of Jakobsson, Hallberg and Westergreen (2007); Kareem and Kareem (2010); Ali (2014) who noted that inconsistencies in the disbursement of pension funds is a retrogression on retirees social life and impact negatively on the material condition of retirees.

Furthermore, the research also reveals that spouses of retirees work and support family income, while majority of the respondents earn extra income from farming activities such as animal husbandry, palm fruits and planting/harvesting of crops such as cassava, vegetable and fruits of all kinds. Findings from the study also show that retirees who usually receive financial support from their children have better wellbeing than those who do not. This is because most retirees do not have the strength to work, therefore any financial assistance from the children will go a long way to ease their financial needs in the absence of their monthly pension income.

Conclusion

The study findings have demonstrated glowing evidence that poor pension administration has contributed to the decaying self-worth of retirees and other negative impacts that follow. Extant literature and findings from this study have also confirmed the general opinion of the public that despite the different reforms that had been made to Nigeria's pension scheme over the years, the scheme is yet to meet the expectations of retirees in terms of social security and risk aversion in retirement. Many countries have adopted different pension plans that have resulted in increased social security and wealth of retired persons, but that of Nigeria has been problematic owing to the inadequate disbursement of pension funds, poor management, bureaucratic bottlenecks and endemic corruption.

Generally, the material condition of life of retirees is equally deplorable as reception of pension income never comes at the proper time and as such consumption pattern in most retirees households have been affected extremely. Only those with support structure from working children and even spouses manage the time. Retirement is a period of old age as such it presupposes rest and relaxation, yet to finance family consumption a few retirees engage in extra work or menial jobs to make ends meet. The worst case scenario of such endeavour is that some retirees have collapsed on their way to post-retirement work and even died. Thus, this study concludes that the present Nigeria’s pension scheme is nothing but, ineffective welfare-driven scheme that discourages post work life and good wellbeing.

Recommendations

In view of the findings of this study, the following recommendations are made:
There should be an adjustment to the pension scheme in terms of its implementation, administration and coordination to enhance early disbursement of funds to retirees. Government should re-evaluate and monitor the activities of Pension Fund Administrators (PFAs) and Pension Fund Custodians (PFCs) which will create the macroeconomic and regulatory stability within which pension funds can flourish.

Pension scheme should not be politicized. This can be ensured through the appointment of seasoned and proven administrators not political associates. Personnel with track record of integrity should be saddled with the task of managing the National Pension Commission (PENCOM). Where possible, a non-government body should be saddled with the responsibility of managing the pension portfolio.

Government should encourage a stakeholder engagement forum perhaps quarterly, to brief the entire public and retirees of processes and progress made and challenges in the pension scheme management.

The existing pension laws should be strengthened, and strong disciplinary measures put in place to ensure that those who are involved in looting pension funds severely dealt with by the law.

Public and private monitoring teams should be put in place to show greater commitment in monitoring and evaluating the activities of pension fund administrators and other key stakeholders involved in handling the fund.

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