

LIVELIHOOD IMPACT OF PENSION ARREARS ON PENSIONERS

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ABSTRACT

This study sought to assess the livelihood impact of pension arrears on pensioners; case study of pensioners in Tororo district. The study objectives were assessing timeliness of pension payments after retirement, impact of accumulated arrears on pensioners' livelihood and make suggestions drawn from the study findings. The study employed primary data obtained from pensioners from Tororo district which was analysed using Ms excel.

Data was collected from 32 pensioners from Tororo district where 72 percent of the respondents were male. These pensioners had served averagely 31 years and 84 percent of the respondents were retired after reaching retirement age 60 years. 81 percent were married and headed households of average size 10 members. Atleast 84 percent of the respondents had financial dependants where most of them were in primary and secondary schools. This explains the huge expenditure on fees by the household. While in service they earned averagely UGX 538,624 and only 81 percent said they had received their retirement entitlements which averaged at UGX 351,482 after waiting for atleast 3 years after retirement. The majority of the respondents said the money was not enough and would wish to at least earn UGX 753,678. Given their average monthly payments estimated at UGX 459,361 and a daily expenditure of UGX 37,328, most pensioners cannot cope with the needs of the family unless they keep in service or take on another job.

The study recommends that government ensure an automatic switch from the government salary payroll to the pension payroll and the pension process be decentralized to the local government where pensioners do not have to trek long distances with their small money to the city centre to process their pension payments and gratuity. There is also need for government to setup enterprises where pensioners can get goods and services at a subsidized price.