MANAGING POST-RETIREMENT CONDITIONS IN NIGERIA

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Abstract
The paper notes that retirement is a must for all workers. Despite government roles at providing social security income, retirement period has been a tension provoking and devastating phenomenon in Nigeria and other emerging economies of Africa, Asia and Latin America. This is so because of the regular non-payment of gratuities and pension benefits in Nigeria. The paper, recognises that workers who ignore retirement planning do so at their perils, tressing that life consists of entry and exit and that one must plan for exit immediately after getting appointment. The paper further notes that a sweet and enjoyable post-retirement life demands that certain capital or income generating production/service outfit(s) be put in place before the retirement day. The paper therefore identifies and discusses entrepreneurship opportunities available for managing post-retirement conditions in Nigeria. The paper calls on Nigerian workers to embrace one of the opportunities so as to remain moderately productive and healthy after retirement.

Key words: Retirement, Pension, Retirement plan, Economics of Healthcare

Introduction
In most developing countries and Nigeria in particular, government or restrict working age of public civil servants to prevent an ageing labour force by allowing entrants of young-able-bodied labour for increasing efficiency and productivity. This has become so necessary because as a worker become older his Marginal Physical Productivity of Labour (MPPL) will decline. Thus retaining such a worker in employment at this point will amount to running the organisation at a loss. That is why in Nigeria, statutory working age in the public service is fixed at sixty (60) years or thirty five (35) years of unbroken active working service before retirement. However, the Retirement Age Harmonization Act of 2012 puts the retirement age of judicial officers and academic staff of tertiary institutions at 70 and 65 years respectively because of the belief that the “older, the wiser” in those sectors. In the private sector, retirement age varies between 55 and 60 years of service and the factor of 35 years of service is not applicable (FGN, 2008). Other less measurable retirement criteria such as low productivity, divided interest, labour redundancy, rationalisation etc. are often introduced and these have exacerbated the already negative attitude the Nigerian workers have for retirement.

Recent studies (Fashoyin, Oyekanmi and Fapohunda, 1985; Ogunlesi, 1985; and Glenn, 2005) have shown that labour in private and public sectors are noted for their significant contributions to socio-economic development in Nigeria. Globally, government recognises that between the service years and retirement, workers are considered most energetic and useful as their labour time are spent for their employer(s). As a reward for their significant and contribution to the economy, government in both developed and developing countries provide retirees access to formal system of retirement income support. In Nigeria, its popularly called employee benefits in the form of pension and gratuity as a reward for workers meritorious service to the nation.

According to Kolawole and Mallum (2004) retirement pension is typically one of the largest social security component of public interventions for the retired public civil servants. Except otherwise, mandatory retirement is expected to be a blistfull transition in the life of an employee. In western countries and some planned-economies of the world like America, United Kingdom, Britain, Russia, Yugoslavia, Cuba, Malaysia etc where pension schemes are functional, majority of the retired personnel live comfortable with their pension allowances.
without any distortion in their family economic stability. Government in these countries made available adequate resources and infrastructural provisions to cushion post-retirement conditions.

Despite several moderations of retirement benefits for workers in Nigeria, pension fund has been characterised by outright corruption and embezzlement, mismanagement and diversion of fund over the years. Fapohunda (2013) revealed recently the multi-million pension fund scandals pervading many strata of the Nigerian society like the Pension unit of the Office of the Head of Civil Service of the Federation, PENCOM and the Nigerian Police Pensions. A recent National Assembly public hearing on pension revealed that six civil servants stole #24 billion from the Police Pension Funds. The same persons were alleged accomplices in the illegal diversion of another #24 billion from the Police Pension Funds. Similarly, #151 billion and another #32.8 billion and another 6 million pounds were recovered after the conduct of Biometric Data Capture exercise on pensioners since 2010. Furthermore, it was revealed that whereas #5 billion was paid to the office of The Head of Service monthly for pension payment, the actual figure was #1.9 billion, a staggering #3.1 billion difference.

Corruption in the Pension Scheme has become so pervasive. The embezzlement and corruption manifests in different shades and colours. Fapohunda (2013) further revealed that of the 141,790 pensioners listed on the government payroll, only 70,657 were said to be genuine, while the Police Pension Office also alleged collected #5 billion monthly as pensioner’s claim instead of the actual requirement of #500 million. Thus millions of pensioners who served this country have their latter years enmeshed in suffering due to the greed of some uncultured public office holders. More so, the delay in payment of pension and gratuities has brought untold hardship, frustration and death to many retirees, thereby making retirement phenomenon dreaded by workers. The situation is so devastating to the extent of discouraging people who are still working and who are about to retire. As pointed out by Deng (1996), the uncertainty that characterised the retirement life bothers serving workers to the extent that some workers falsify their age and career records in order to postpone retirement date. This problem is further compounded by the fact that post-retirement welfare of workers is not even a top priority of Nigerian government.

Furthermore, workers themselves do not give early planning and management of post-retirement conditions significant priority. As a result of their unpreparedness many have faced lots of psychosomatic problems and some exhibit psychophbic reactions. Today, civil servants in both public and private sectors in Nigeria perceive retirement as most intractable problems (Abdullahi, 2002). Since the retired population are part of the society and considering the recent growth of population of the retirees, their welfare should constitute an issue of national importance and not to be treated as dead woods as is being done in Nigeria. The need to cope with retirement life should be considered as acritical issue both by employers and employees, most especially where the retiree is a family-head. This is so because by circumstances of their position as family-head, they are more prone to face difficult situations in the context of the present depressed state of the Nigerian economy. Today that payment of pension is becoming disturbingly high, it has become necessary for employees to plan for their retirement early in their career because of sudden unexpected rationalisation, high inflation rate, exchange rate volatility, mass unemployment and high economic uncertainties in order to avoid post-retirement years in poverty.

**Aim of the Paper**
The aim of the paper is to create profuse awareness among the young workers currently in service on the need to substantiate serious commitment to preparation for post-retirement life. As a result, this paper seeks to provide guide to what constitute a workers retirement plan that
can be employed for managing post-retirement conditions in Nigeria. This will no doubt provide answers to some challenging issues that bothers workers at retirement.

The Concept of Retirement
According to Buckley (1974) retirement is an inevitable stage of ageing where the individual gradually disengages from the mainstream of active work, social work and is eventually replaced with younger ones. Also Cole (1997) see retirement as the time an employee reaches the end of his working life. Shea (1991) and Maisamari (2005) remarks that retirement is an aged long practice in both the private and public service. Many people especially those who never thought of retirement as a necessity often looked dejected, frustrated and depressed when suddenly they found themselves retired.

The idea of retirement is of a recent origin, being introduced in the 19th and 20th centuries. The standard retirement age varies from country to countries but it is generally between 55 and 70 years. The restriction in the labour working age is to prevent an ageing labour force. Thus retirement is the act of an employees official disengagement from a regular/permanent career job especially because the employee has reached a particular age. This will prevent an ageing labour force by allowing entrants of young-able-bodied labour for increasing efficiency.

In Nigeria, the statutory retirement age is dependendent on the sector. For instance, it is sixty-five (65) years or thirty-five (35) years of active working service for staff of tertiary institutions other than professors. Those on the professorial cadre retire at the age of 70 in respective of years of service. In the same vein, the non-professorial staff of tertiary institution retire at 65 irrespective of years of service. It is to be noted too that judges at the Court of Appeal and Supreme Court levels retire at 70 while those at the High Court level retire at 65. However, it’s 60 years of age in other public service and private sector or 35 years of unbroken active service which ever come first (FRN, 2004). However, the 35 years of active service is not applicable to workers in the private sector.

According to Oniye (2004), Whichever way retirement comes, it tends to emphasise separation from job with concern for the future. Retirement is indeed a period of withdrawal from active job of one means of livelihood. Retirement is a fluid concept because it connotes different things and is fraught with different experiences for different people. We observe over time that retirement life is not a homogenous experience for everyone. While some individuals view it positively and anticipate it with nostalgia, others dread its eventuality with great anxiety.

Forms of Retirement
Retirement can be of different forms. In Nigeria, three major forms of retirement are identified in the literature (Omoresemi, 1987; Deng, 1996; Nwajagu, 2007; Okechukwu and Ugwu, 2011). They are voluntary retirement, compulsory retirement and mandatory retirement.

Voluntary or self retirement - occurs when the individual decides to quit active service for personal reason(s) irrespective of age, experience, length of service or retirement policies. This type of retirement depends more on the employee than the employer.

Compulsory or forced retirement is a situation in which the individual is forced or compelled to retire against the individual’s expectation and when he is ill-prepared for it. It is usually viewed negatively in that it is unplanned. Okechukwu and Ugwu (2011) identified reasons for compulsory retirement to include inefficiency, old age, ill-health, indiscipline. This retirement is in the interest of the organisation.

Mandatory or statutory retirement is the normal (or expected form) in the sense that the person involved has reached the statutory age of retirement as specified in the condition of service of the establishment. For instance, in Nigeria the age is specified for other civil servants while judges and lecturers retire at 65 years or when an individual has put in 35 years of service.
Nigeria, the current retirement is guided by the *Federal Government Public Service Rule (2008)* which state clearly that:

(i). The compulsory retirement age for all grades in the civil service shall be 60 years or 35 years of pensionable service whichever is earlier.

(ii). No officer shall be allowed to remain in service after attaining the retirement age of 60 years or 35 years of pensionable service which ever is earlier.

(iii). The provision of (i) and (ii) of the rule is without prejudice to the prevailing requirements for judicial officers and academic staff of tertiary institutions of learning who retire at 70 and 65 years respectively.

It should be noted that retirement period is another period of a new learning zone. Public servants should see retirement not as an end of one’s world rather the beginning of a new (another) phase of life. Many public servants look forward to retirement but not all get there. Therefore Public servants retiring on ground of age should be celebrated and treated as war veterans by the society and government.

### Pension Benefits In Retirement

Previously, low life expectancy and the absence of pension arrangements meant that most workers continued to work until death (Wikipedia, 2011). In modern times, with improvement in life expectancy rate and available labour supply, most countries have evolved systems that now define standard retirement age and provide pensions on retirement. According to Toye (2006), pension is simply the amount set aside either by an employer or an employee or both to ensure that at retirement there is something for employees to fall back on as a guaranteed income for them or for their dependants. Pension and gratuities are schemes which provide for the finances for the upkeep of the retired staff throughout the rest of their lives after work. In Nigeria, payment of pension benefits to workers in the public service is the sole responsibility of the government. So, that at old age, a retiring worker will not be stranded financially. This practice assists the retirees to readjust properly to the society after leaving employment. Table 1 in the appendix shows the formula for pension and gratuity calculations in Nigeria based on percentage of final salary in respect of retirement since 1992. This formula is currently in use even today.

Balogun (2006) affirms that Nigeria had her first Pension Scheme in 1951. The colonial British administration established this by the instrument they called Pension Ordinance. The introduction of this Pension Scheme had a retroactive effective from 1st January, 1946 and applied only to United Kingdom officials posted to Nigeria. By implication, this pension scheme was not automatic to Nigerians. Since that time, Nigeria had had about eight (8) registered Pension Schemes that is characterised by outright corruption and embezzlement. The pensioners had to cry out loud in streets and mass media for a positive change (Obi, 2002). Thereafter, The Pension Reform Act 2004 was enacted on 25th June, 2004 and became effective on 1st July, 2004 to redress the corruptible practices in the scheme and to assist the pensioners cope with the changing economic and political process in the country.

It may interest you to know that the introduction of the Contributory Pension Scheme (CPS) in Nigeria in 2004 has its origin from Chile and its Latin American neighbours that personalized pension to the contributor and managed by licensed private sector entities. So far, Nigeria is the first African country to introduce a variant of the Chilean system with flavours of African peculiarities (Musibau, 2012). Under the new contributory system, the employees contribute a minimum of 7.5% of their basic salary, housing and transport allowances and 2.5% for the military. Employers shall contribute 7.2% in the case of the public sector and 12.5% of the case of the military. Similarly, employers and employees in the private sector are expected to contribute a minimum of 7.5% each. One of the opportunities of the CPS is that participants are allowed to open individual Retiree Saving Account (RSA) where contributions...
are accumulated till retirement. The scheme also permits members to make voluntary contributions as additional percentage of their salaries into the individual capitalized account. The mandatory requirement that Pension Fund Administrators (PFAs) provide regular/periodic statement of account to RSAs holders ensures close monitoring of accounts which could also guarantee quick report of errors and prompt correction of such errors. Nigeria decided to adopt the Chilean version of CPS in order to cushion the heavy financial on the government in payment of previous retirees pension benefits. In order to facilitate this restructuring, the prevailing Contributory Pension Reform Act 2004 has a central regulatory body, called Pension Commission (PENCOM) to oversee all pension matters nation wide.

Fapohunda (2013) observed that despite several moderation of pension schemes, the management of pension scheme in Nigeria over the years has been characterised by multiple and diverse problems such as inadequate funding, poor documentation and filing in the pension office, accumulated arrears of pensioners, inability to determine the appropriate investment portfolio, lack of accountability, corruption and embezzlement of funds among others. It is noted that some states in the country are yet to join the on-going Contributory Pension Scheme (CPS). Reports emanating from the Pension industry in Nigeria revealed that 28 out of the 36 states are yet to subscribe to the CPS, a decade after introduction, even though it is mandatory for all employers of labour on formal platform (Vanguard, 2014). This suggest lack of confidence on the part of employees arising from failures of previous similar government policies. Added to this is the fear of continuity and sustainability by successive governments since new government in Nigeria have been known to jettison previous programme midway to start another similar one.

The scope of this paper is not to contest the efficiency in services delivery of PENCOM but to educate the intending retirees that preservation of all employment documents are of necessity for processing of pension. Such documents that are always required by the appropriate pension office before pension benefits are processed and paid and as at when due include:

1. Dully completed pension form (in triplicates) signed and stamped.
2. Original three (3) copies of computation sheets,
3. Certified true copy of the up-to-date record of service reflecting:
   * Name of the officer
   * Date of birth
   * Date of entry into service
   * Date of first appointment
   * Date of last promotion
   * Date of confirmation
   * Record of transfer/ secondment
   * Record of spouse and children
4. Notice of retirement and acceptance showing clearly the effective Date.
5. Evidence of (if applicable)
   * merging of service
   * official change of name
6. Statement of indebtedness or non-indebtedness issued by the organi-sation (or clearance form)
7. Letter of administration (in case of death)
8. Departmental file (in case of death) and
9. Three (3) passport size photgraph ( or as may be reviewed from time to time).

**Retirement Plan**

A sweet and enjoyable post retirement life demands that certain capital or income generating production/service outfit(s) be put in place before retirement. Every striving worker in the 21st
century should know that the Nigerian economy is facing serious challenges, hence, there is need for pre-retirement planning strategies to combat and manage the impending pains and stress in retirement. Retirement plan should not be over looked by any worker considering the fact that labour wage in Nigeria is far from being a living wage. Planning is the first stage in the retirement management process. The need to be prepared and plan for retirement in conformity with the organisation policy can not be over emphasised.

Eyibe and Eyibe (2000) stressed that planning ahead will enable an individual to look at all the factors that have bearing on life in retirement and pursue the realities from the on-set. The mind to plan in the first place is enough social security for post retirement living. When this is done, it makes the future a better place to live and it helps to increase the chances of longevity of the retiring officer.

Planning makes retirement meaningful in the sense that the retiring officer will no longer rely on traditional family arrangements for livelihood, income and other forms of social security provisions at post-retirement. In other words, in addition to the epileptic government pension plan, workers should also make every effort to have their own pension plan. Kolawole and Mallum (2004), observed that where adequate planning are nursed, frustration and anxiety in retirement will be eliminated. It is equally observed around the globe that workers who fail to plan for retirement always experience some avoidable problems in post-retirement life, such as:

(i) State of boredom,
(ii). A condition of financial anxiety,
(iii). Distress,
(iv). Loss of contact or social relation with colleagues ,
(v). Feeling of dissatisfaction and unfulfilled life and
(vi). Often experience psychosomatic and phobic reactions.

Sule (2006) cautioned that planning for retirement should start right from the date of entry into the civil service. By implication, one does not need to wait for the final retirement benefits to plan for retirement. While one is planning for his family, it is also necessary to plan for retirement. Workers’ retirement plan should accommodate optional family size or number of children that can be comfortable to cater for. It is not very convinient for a retiree to continue to produce children even at retirement. This can increase the virus financial load of workers in retirement. Agada (2006) equally cautioned that retirement planning if given priority, will facilitate a sure smooth landing for retirees. Attendants opportunity benefits of effective and functional retirement plan include:

(i). Good health in post-retirement life;
(ii). Adequate security provisions for life after retirement;
(iii). Provision of some kind of pre-occupation (or vocation) by removing the burden of idleness in post-retirement years;
(iv). Reduce concern for money;
(v). Eliminate feeling of uselessness and not being tolerated or wanted.

Entrepreneurship Opportunities For Managing Post-Retirement Conditions

Retirement life demands great managerial ability. Management here implies the organisation and mobilisation of all human and material resources for the achievement of certain identified goals (Adesina, 1981). This implies that civil servants are expected to harness their resources for the development of an effective and stress-free post-retirement life style. By implication, a retiree, in order to experience a pleasant post-retirement life, has to device means of managing some challenges inherent in retirement (Ogunlesi, 1985). Therefore, in order to ensure a smooth landing and eliminate anxieties in retirement, strong foundation or structures have to be laid. The laying of these structures as noted earlier has to be a gradual process. These include planning for:
(i). *A home Into Which to Retire.*

Decision to build a house to retire into should be foremost for a safe landing at retirement. This decision should be taken early enough and resources should be committed into it while still in service. A decision of this nature is not easy to resolve considering the numerous desires of a Nigerian worker. This is where the Economics principle of opportunity cost become relevant (Lipsey, 1928). This principle concerns the losses an individual suffer now in order to gain something (like house) in the future. We are aware that not many retirees can afford to build a house at retirement. Even when a public civil servant can not build, he is expected to retire into a rented house or native family house. Which ever way, the retiree should know that at retirement, his level of income is bound to change and of course a new retirement life-style will emerge. The understanding of this is very vital. This will help the retiree to decide whether to remain in the present accommodation, change residence within the geographical location of previous accommodation or return to fatherland.


Since retirement imposes a considerable change in lifestyle, there is need to develop a financial plan to match the new standard of living with the retiree’s income. It is pertinent to know that finance is the key to retirement planning. If sufficient resources are available, it will become easier to achieve physical targets in post-retirement life. Thus, a financial plan is very necessary and it should provide answers to such questions as:
- How is the retirement life going to be financed?
- What is the flow of the retirement fund, lumpsum or piece meal?
- What is the present dependant family size to finance in retirement?
- What is the size of the retiree’s fund to satisfy the retirement desires?
- Can the retirement fund finance previous consumption pattern?
- How regular is the accessible retirement fund?
- How do you bridge the gap between desires and what is available?

(iii). *Open a Retirement Saving Account.*

Every employee should make opening of a retirement saving account either with a reputable informal financial institution like thrift and credit society, other financial welfare/security scheme a priority. This should be done early while in service and on gradual basis. Other saving outlet could include, opening savings account in a commercial bank, buying of shares in reputable trading companies, invest in landed properties etc. If this course of action is taken, the hypothetical saving model in table 2 table will help you to locate destination of your compounded saving over time. At retirement this saving will not only form platform for withdrawal but base to start a choice business in post-retirement living.

It is advisable to invest in this form of business early in ones working life so that the capital and dividend can be high at the time of retirement. Ruhm (1990) and Dalang (2006) similarly observed that when little previous savings is/are pooled together with gratuity and pension benefits; and invested in a profit oriented business it can improve the fortune of retirees in post-retirement life. The caution though is to avoid “carrying one’s egg in one basket”. This calls for allocation of investible funds among alternative portfolios.

(iv). *Invest In Small Sideline Business.*

For those who may not be interested in (iii) above, may wish to invest in small sideline business. It’s popularly referred to as small scale business. Sideline business has to do with running small business while one is still fully in employment of government or Statutory
Bodies. This could include trading, running restaurants, computer services, telecommunication or GSM services, home services delivery, cake baking, decoration and beautification, hairdressing or barbing saloon, transport business, musical or choral band, theatre performing troop, establishment of schools, consultancy firms, establishment of environmental sanitation business, recreation business, snail business, table water business, among others. These are vocations that do not only create wealth, provide employment opportunities for the youth but have the potentials that drive economic growth and development. It is noted that the process of doing these projects will automatically help to improve the health of the retiree also.

A little extra income from sideline business can go a long way to making life comfortable in post-retirement life. Moreover, there is opportunity for expansion or growth. However, workers who want to engage in sideline business must adhere to the government stipulated guidelines governing its operations. At retirement, when the structures are on the ground, retiree can fall back on it, modify it to taste and pre-occupy the body and mind.

At this juncture, it is to be noted that a part from strengthening human relationship it will remove the burden of idleness or boredom in post-retirement life. Medically, when the body is idle, it slows down the rate of metabolism leading to all sorts of sicknesses (like osteoarthritis, hypertension, diabetes mellitus, obesity, etc). Participatory activities of this nature will assist retirees from not growing older at a faster rate but keep them healthy in retirement.

(v). Establish Business in Own Area of Specialisation.
Retirees should identify and start a post-retirement business suitable to the retiree’s lifestyle. Identifying and starting a business in one’s area of specialisation or where the retiree’s skill is greater could be a veritable avenue to engage after retirement. Suggestions of such occupations include: Running a consultancy services or business undertaking in your area of Specialisation; writing; editorial consulting; pursuit of hobbies into income, Gardening, farming, Keeping of poultry, piggery, goatry etc.; Coaching as in sport, dancing, drama contract job (where possible) etc.

This will help avoid pitfalls in the retiree’s business. Whatever is the choice of the business, there is the necessary need to possess depth knowledge of it and be familiar also with the legal requirements in setting up such business.

Economics of Healthcare in retirement
Apart from the income component at retirement, healthy engagements of the mind, body and even the soul should concern the retirees also. Economics of healthcare in retirement is the harnessing of resources that are available within the environment or locality of a retiree for optimal utilization for healthy living. An employee in service has hope for monthly salary to meet his body needs but at retirement when salary ceases, such hope could be in danger. As noted earlier, post-retirement is another phase of life that is associated with changes not only in income but physical fitness and health conditions.

A retiree at the age of 65 years (and above) that is less in active service, by Nigeria’s standard, may be prone to old age sicknesses. It therefore becomes necessary for a retiree to think of how to cope with the body needs by harnessing resources and utilizing resources within his/her reach for healthy living. According to Nwachukwu (2003) a knowledge of this enables an individual (retiree) to be an active participant in his healthcare. According to him a healthy eating plan can both reduce the risk of developing hypertension, diabetes and lower an already elevated blood pressure.

The impression that nutritious food are costly and that a retiree cannot afford it is not always true. There are a lot of exercises and less expensive resources of high nutritive values in our environment that can be harnessed for healthy post-retirement living. Interactions with the
retirees revealed that the following tips have been of great assistance in managing their health well in post-retirement and are worthy of emulation. These are:

1. Develop a dietary eating plan that emphasises eating more offruits, fresh vegetables and plant products, low fatty foods, poultry, fish, moyin moyin, akara and less in-take of red meat, sweets, salt, much fatty foods, sugared beverages, processed or refined food products. Fish is gaining popularity in many parts of the world today. These are cheaper within the reach of many people. In post-retirement and considering the age at that period, these food menu are recommended for longevity. Dietary therapy is the corner stone of diabetics treatment whether or not drugs are prescribed (by the doctor).

2. Post-retirement task should be done with ease and moderately. Trying to do much work at a time can leave you weak or damage your health at that older age (of 65 yrs +).

3. Warm up with a low impact exercise like walking, jogging, running, swimming, cycling, dancing recreation, playing table tennis, golf and the like. This can improve body image, fitness of the heart and lungs and very good in the management of hypertension.

4. Visit your Doctor/Hospital regularly to check your blood pressure (BP), blood glucose etc. At post-retirement this is very necessary. Most hospital do not even charge for checking a patient’s BP.

5. In addition, all health conscious individuals (including retirees) can possess medical kits like blood pressure machine, Glucometer for measuring blood pressure and sugar level on their own (with insignificant doctor’s or other health workers monitoring) respectively.

6. Drink plenty of fluids. When doing any activities, sweating means you are losing fluid and this has to be replaced. Water is usually the best choice.

7. Take rest and sleep when getting exhausted. Allocate time to observe these.

8. Participate in self-care programme that could promote self-cleanliness e.g personal and environmental cleanliness. This is another form of exercise too.

**Policy Recommendations**

The paper passionately recommends as follows:

1. Bearing in mind the importance of pension in the life of retired workers and the fear of workers arising from past pension scheme’s failures, government should allow organisations or employers of labour to manage their own Pension Fund. Hence, government and Pension Fund Administrators (PFAs) are enjoined to set up joint committee of government and workers to fashion an acceptable agreement. Thereafter, government and workers should work out modalities to monitor PFAs and the accredited financial institution(s). This will no doubt improves social security delivery for the retirees and prevent event of seeming financial anomaly.

2. As a matter of necessity, government should from time to time review its pension and gratuity laws in both the private and public sectors to reflect the inflationary, exchange rate volatility and other changing trends in the country. In view of this gratuity should be tax free henceforth.

3. Government should establish a National Public Service Rehabilitation and Vocational Centre to provide a series of training and counseling programmes for workers about to retire from active service. This centre should provide at least 6-12 months duration course on various aspect of retirement for those due to retire in 3-5 years. This will afford the intending retirees not only to Learn New Skills (LNS) but also widen their horizon in the process to perceive business opportunities, know characteristics of an entrepreneur, identify, start and manage business enterprises in post-retirement life. In addition, government should mandate and empower the centre to reward retirees with
concrete achievements and excellent character. This will encourage all serving public officers to work hard with dedication, loyalty and honesty.

4. As part of the welfare packages for employees, organisation should arrange for their employees about to retire to attend pre-retirement entrepreneurial training programme in government institutions that are mandated to do so. Such institutions include the Administrative Staff College of Nigeria (ASCON), National Directorate of Employment (NDE), Raw Materials Development Council (RMDC), Small and Medium Enterprises Development Agency (SMEDA), Industrial Development Centre (IDC) etc. Where the organisation has a consultancy services, effort should be made to collaborate with these government training institutions for in-door training programme that could encourage self-reliance in post-retirement. The word of caution is not to expect everything from the government.

5. The retirees are encouraged to invest in themselves by self sponsor to retirement seminars where the employer is failing to do so. Now that government is moving towards the market economy and is encouraging private participation, private training organisations should be free to enter the market to avail training opportunities to would-be retirees. This inspires competition which will enhance quality of the packages as those institution with little or nothing to offer practically will fizzle out of business.

Conclusion
Retirement from active civil service is a sine qua non in the life of every public officer. It is a stage that every worker must surely reach whether he prepares for it or not. However, many who secure entrance into organisation are not conscious of their exit which is certain at a future date. Therefore, necessity rest on every employee to begin to consider the issue passionately since life at retirement can be blissful or painful depending on the level of preparedness and planning. Which ever way, the choice is yours. This paper commends the effort of the government for her commitments so far at the payment of pension and gratuity to public officers in Nigeria in the face of challenges confronting pension administrators nation wide. It is hoped that this development will soon become a matter of the past. We hope that future retirement policies will continue to favour the retirees in order to meet their demands and encourage them to be more productive in the Nigerian economy.

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Table 1: Formula for Pension and Gratuity Calculation Based on Percentage of Final Salary In Respect of Retirement in Nigeria Since 1992

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Table 2: Hypothetical Monthly Savings Of A Nigerian Worker With An Informal or Formal Financial Institutions.

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<th>After 5 years #</th>
<th>After 10 years #</th>
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<th>After 20 years #</th>
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Source: Computed By The Author March, 2014

Note: The above hypothetical saving table is computed without regard to interest rate. Where the deposit attracts interest rate, depositors will be better-off at any point in the table.