Contributory Pension Scheme and Welfare of Retirees: A case of Tertiary Institutions of Education in Southwestern Nigeria

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Abstract

The study investigated the effect of the Contributory Pension Scheme (CPS) on the welfare of retirees of tertiary institutions of education in the Southwestern zone of Nigeria. Using the Taro Yamane formula and a multi-level sampling technique, a sample size of 125 retirees was obtained from three tertiary institutions of education in the Southwestern part of Nigeria as follows: Osun State College of Education, Ilesa (41), Lagos State University of Education, Lagos (36) and Adeyemi College of Education, Ondo (48). The main instrument of data collection was a set of questionnaire which was administered to the retirees to collect relevant data. The instrument was validated and its reliability coefficient calculated to be 0.82 using the Cronbach Alpha formula. The data collected was analysed using the Chi-square and the one-sample t-test statistics. The results showed that the contributory pension scheme did not have significant effect on the welfare of the retirees ($t = .207, p < 0.05$). Useful recommendations were made based on this finding.

Keywords: Contributory Pension Scheme, Retirees, Tertiary Institutions of Education

Introduction

Employers of labour in organisations, public or private, all over the world, set retirement age and a maximum number of years of active working. This is in the realisation that an employee's productivity (though, may rise initially with increasing age and work experience), is bound to decline with time. However, government and organisations do not just disengage their workers at retirement age when they are no longer working for the system, but they put in place for the retirees, mechanisms in the form of pensions and gratuities that would provide the retiree with a social and economic safety net for the rest of their lives. This provision is to help retirees to live comfortably at those ages when they are no longer active and strong enough to work for the organisation or themselves. Consequently, pensions and gratuities are expected to not only enhance the longevity of life of retirees but also bring about stability in a country's economy (Nwafor, 2013).

The Nigerian Pension Policy, since the first Pension Ordinance of 1951, has undergone many reforms which can be categorised broadly into the defined benefit pension scheme and the defined contributory pension scheme. In the defined benefit pension plan, the government and organisations allocate funds annually in the budget to take care of the projected pension and gratuity of retirees. The pension and gratuity under this scheme are calculated based on stipulated percentages of the worker's salary as determined by the government policy from time to time. The defined benefit scheme in this form placed all the burden of payment of pensions and gratuities on the government and organisations only. It is characterised by inadequate funding often due to low budget provisions, corruption, embezzlement, and mismanagement of funds (Adereti, 2017, Unachukwu et al., 2020). Consequently, it gradually became difficult for the government to pay the pensions and gratuities of retirees. The record has it that workers who retired from active service then had to wait for three or more years both at federal and state levels before receiving their entitlements. The net effect of this on retirees was poverty in old age. The retirees could no longer feed themselves, let alone their children and family. They become objects of ridicule from creditors who suddenly become solicited and unsolicited benefactors. A critical look at retirees in long queues waiting for the so-called regular verification of credentials provides a gory sight. Hunger is found written on the faces of many while some others could barely stand on their feet. Indeed, there have been reported cases of retirees collapsing in queues. The combination of these scenarios is what Egolum & Ndum (2021) described as dehumanising.

Consequently, the defined contributory pension scheme simply called the Contributory Pension Scheme (CPS), was initiated through the Pension Reform Act 2004 to correct the shortcomings of the old defined benefit scheme. The objectives of the CPS, according to Section 2 of the Pension Reform Act, 2004 were to ensure that every retiree of the Nigeria public service receives his/her retirement entitlements as and when due; assist an improvident person to save against old age; and ensure a uniform set of rules and regulations on issues relating to the administration and payment of pension to retirees. The contributory pension scheme unlike the defined benefit scheme, is to be jointly funded by both the employer and the employee. Section 7, Sub-Section 1, Paragraphs (a) of the Pension Reform Act 2004 states that for the public sectors, each of the employer and the employee is to contribute, monthly, a minimum of 7 ½% of the total emolument of the employee (Pension Reform Act, 2004). This ratio of contribution has been amended, however, in the 2014 Reform Act which effectively repels that of 2004 mandates. The 2014 Act stipulates a minimum of 10% of the employee's total emolument to be contributed by the employer and a minimum of 8% by the employee in the public sector.

It is however doubtful if reports and literature are anything to go by if the CPS is not already guilty of the shortcomings of the previous scheme, which the CPS in the first place was enacted to address. For example, Uzoh & Anekwe (2018) and Odo, et al (2019) observe that key issues of concern about the CPS as highlighted by the National Pension Commission (PENCOM) quarterly report include unremitted and un-credited pension contributions as well as delayed payment of retirement benefits. It is therefore of concern, the likely status of the welfare of the retirees in the face of the identified shortcomings of the CPS. This concern for the retirees welfare becomes particularly important in the case of tertiary institutions of Education whose products are the teachers who are expected to lay the foundation for the nation’s education at the basic levels of primary and junior secondary schools. The oddity in this scenario on one hand is that the retirees from these institutions who had, while in service spent their human and material resources to produce quality teachers for nation-building do not deserve worthless living at retirement from the system they have served while still strong and active. The more dangerous however is the influence that the poor welfare of the retirees from these institutions could have on the commitment to duty and over-all productivity of workers of these institutions (the tertiary institutions of education) who are still on the job. Indeed, Egolum & Ndum (2021) opined that the mere thought of non-payment as and when due, of gratuity and pensions, creates in workers who are still in active service (especially those approaching retirement age), psychological and emotional trauma and low morale which often results in ineffectiveness on the job. There is therefore the need to investigate the possible effect of the CPS on the welfare of the retirees of these institutions. Hence, this study.

1.2 Statement of the Problem

All the pre-2004 pension reforms in were characterised by the lack of uniformity across organisations, public and private sectors dichotomy, and funding by the employer (particularly the government). These are the features of the defined benefit scheme. The burden of funding pensions alone became too much for the government, so much that they could no longer pay the retirement benefits of pensioners as and when due, as a result of inadequate budgetary provision and vices such as corruption, embezzlement and misappropriation of pension funds. The effect of these on the retirees was hunger and inability to take care of their basic demands such as payment of children's school fees and maintenance of their health and that of their family. Consequently, the Pension Reform Act (PRA) 2004, modified by the Pension Reform Act 2014, was enacted to end these shortcomings associated with the old defined benefit scheme.

Preliminary investigation into this study however suggests that the contributory pension scheme might not have fared better than its predecessors, particularly the defined benefit scheme, whose shortcomings it was enacted to solve. There are workers, including those of the tertiary institutions of Education, who retire under the CPS and now wait for three to four years before receiving their entitlements. There are also cases of those who within the waiting period either suffered serious disabilities or died, perhaps being unable to withstand the pains and suffering.

Furthermore, there is the suggestion that the workers of the institutions who are still in the service, because of what they see, and the tales of woe they hear while interacting with their retired colleagues, are now frightened of the life awaiting them at retirement. They, consequently, are presumably, becoming less motivated and committed to work. Indeed, they are said to be spending most of their time putting in place businesses that will sustain them after leaving active service. Therefore, an adverse effect of the contributory pension scheme on the welfare of the retirees is not only a disservice to the retirees who had spent a substantial part of their lives on building the nation but could affect the productivity of workers still in service. Ascertaining the status of the welfare of retirees from tertiary institutions of education is therefore a desirable venture.

Extant literature e.g. Ijeoma et al., (2013), Adeniji et al., (2017) and Etuk (2022) shows that a substantial number of studies have been carried out in the area of pension in general. Those on the contributory pension scheme however are relatively fewer. Furthermore, among those on the CPS, those that are institution-specific or conducted in the area of the impact of the contributory pension on the welfare of retirees are very few. This is very surprising, considering that a major objective of the CPS is to cater for the welfare of retirees. The dearth of study in this area thus suggests that sufficient efforts have not been made in assessing the achievement of that objective. The few works that have been done in the area of impacts of the CPS on retirees' welfare have either been restricted to the civil service or the university settings with few of them appearing to have been conducted in the south-western zone of the country. The study by Musa (2020) for example, assessed the standard of living of retirees in the Abuja metropolis. It used an infinite population that may have few or even no retirees. The study thus might be relying on the opinion of non-retirees to assess the standard of living of the retirees. Literature shows that the work of Egolum & Ndum (2021) is perhaps the only work on the contributory pension scheme that touches on the institutions of education specifically. The work had its population drawn from Anambra state only, and unlike the present one, did not focus exclusively on tertiary institutions of education as it draws its sample from a university, a polytechnic, and a college of education.

Research Question

The study will attempt to provide answers to the questions: How has the scheme affected the welfare of pensioners of the institutions?

Objective

The only objective of the study is to examine the effect of the contributory pension scheme on the welfare of the pensioners in the institutions

Hypothesis

H_0: The Contributory Pension Scheme has no significant positive effect on the welfare of pensioners in tertiary institutions of education in southwestern Nigeria

Methodology

The population of the study comprises one hundred and eighty (180) pensioners who retired from services on the Contributory Pension Scheme within the last 10 years from Osun State College of Education, Ilesa, Lagos State University of Education, Lagos and Adeyemi College of Education, Ondo. The sample size for the study was 125 retirees of the three selected institutions. This number which was obtained by the Taro Yamane formula, represents approximately 69% of the study population of 180 retirees. The number of retirees was obtained from the Establishment Division of each of the institutions and confirmed at the Pension Unit.

The study adopted a multi-stage sampling technique. In the first stage, the six states in the south-west were divided into three zones based on their geographical proximity, namely Osun/Oyo, Ekiti/Ondo and Lagos/Ogun. One public tertiary institution of education was purposively selected from each zone taking cognizance of the fact that the institution to be selected must have been implementing the Pension Reform Acts 2004/2014 not later than January 2013 (the past ten years) and must have produced retirees from the scheme. Two of the three institutions chosen are state-owned and the other one is federal. The justification for this criterion is that preliminary investigation has shown that the implementation of the Pension Reform Acts is poorer in the states than at the federal level. Furthermore, only two of the states in the southwestern part of the country, Osun and Lagos State, are implementing, reasonably, the PRA 2004/2014. The federal institutions, in all states, are already in the implementation of the Acts. The use of both state and federal-owned institutions is to allow examination of the objectives of the study at both the state and federal levels.

Precisely, the institutions selected for the study are: Osun State College of Education, Ilesa - OSCOED, Ilesa (Now University of Ilesa, Ilesa), Lagos State University of Education, Lagos - LASUED, Lagos (formerly, Adeniran Ogunsanya College of Education, Lagos).and Adeyemi College of Education, Ondo - ACOED, Ondo.

In the second stage, the probability proportion to size technique was used to determine the number of participants (retirees) in each institution such that each institution has a proportion corresponding to its size within the population. The distribution was as follows: OSCOED, Ilesa (41), LASUED, Lagos (36) and ACOED, Ondo (48). The distribution of population and sample across institutions is presented in Table 1.

Table 1: Distribution of Population and Sample (Retirees) Across Institutions

Institution	Population of the Retirees	Sample of the Retirees
OSCOED, Ilesa	59	41
LASUED, Lagos	52	36
ACOED, Ondo	69	48
Total	**180**	**125**

At the third and final stage of the sampling, simple random sampling was used to select participants from each institution. The selection was done during the regular meetings of the Association of Retired Staff of each institution.

A set of questionnaires was the major instrument of primary data collection. The questionnaire comprised three sections. Section A sought biographic information such as the gender, institution, year of joining the contributory pension scheme and name of institution of the respondents. Section B was for the collection of information concerning the implementation of the contributory pension scheme as it affects retirees. This section contains five items. Four of the items were on a 4-point Likert scale of

Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD) while the fifth item is an open question seeking from the respondents how long (after retirement) it takes to access their pension. Section C was on two parts, each containing seven items, and sought information relating to the effect of the contributory pension scheme on the welfare of the retirees. Part 1 of this Section was to be completed by retirees who were already receiving a pension while Part 2 was to be completed by those yet to receive a pension. The options in this Section were also arranged on a 4-point Likert scale and coded as Strongly Agree (SA) – 4 points, Agree (A) - 3 points, Disagree (D) – 2 points and Strongly Disagree (SD) – 1 point. Hence, the maximum score obtainable by a respondent in this Section was $4 \times 7 = 28$ while the minimum score was $1 \times 7 = 7$. The instrument was validated and its reliability coefficient was calculated to be 0.82 using the Cromback Alpha formula.

Results and Discussion

To examine the effect of the contributory pension scheme on the welfare of the pensioners in the institutions, the responses of the respondents to both Sections B and C of the Retirees' Welfare Questionnaire were analysed. First, the way the pension scheme is being implemented as it affects the retirees was examined. To do this, the responses of the respondents to Section B were analysed. The results are presented in Table 2, Table 3 and Table 4 (4a, 4b, 4c). Table 3 presents a Chi-square analysis of Table 2, while Table 4 is a descriptive analysis of the last but open question (Item 6) in Section B.

Table 2: Frequency and Percentage Distribution of Responses of Respondents to Items relating to the Implementation of the Contributory Pension Scheme

S/N	VARIABLE	SA F (%)	A F (%)	D F (%)	SD F (%)	TOTAL F (%)
1	The government (employer) remit its part of the contribution (7½% by PRA 2004 or 10% by the 2014 Amendment) to the RSA through the PFA as and when due.	10 (8.0)	22 (17.6)	79 (63.2)	14 (11.2)	125 (100)
2	The government remits, as and when due, the employee (7½%) contribution which is deducted from source,	9 (7.2)	20 (16.0)	79 (63.2)	17 (13.6)	125 (100)
3	The lump sum is paid at once to the retirees immediately (within three months of retirement) after retirement as required by the PRA	0 (0.0)	10 (8.0)	94 (75.2)	21 (16.8)	125 (100)
4	The lump sum, contrary to the provision of the PRA 2004, 2014 is paid to the retirees on installments well after their retirement.	20 (16.0)	95 (76.0)	8 (6.4)	2 (1.6)	125 (100)
5	The regular (usually monthly) pension paid to the retirees commences immediately (within three months of retirement).	9 (7.2)	20 (16.0)	79 (63,2)	17 (13.6)	125 (100)

Table 3: Chi-Square Analysis of Responses of Respondents to Items on the Implementation of the Contributory Pension Scheme

S/N	VARIABLE	RESPONSES SAA f (%)	SDD f (%)	TOTAL f (%)	χ^2	Df	P
1	The government (employer) remit its part of the contribution (7½% by PRA 2004 or 10%by the 2014 Amendment) to the RSA through the PFA as and when due.	32 (25.6)	93 (74.4)	125 (100)	29.77*	1	.000*
2	The government remits, as and when due, the employees' (7½%) contribution which is deducted from source,	29 (23.2)	96 (76.8)	125 (100)	35.91*	1	.000*
3	The lump sum is paid at once to the retirees immediately (within three months of retirement) as required by the PRA	10 (8.0)	115 (92.0)	125 (100)	88.20*	1	..000*
4	The lump sum, contrary to the provision of the PRA 2004, 2014 is paid to the retirees on installments well after their retirement.	115 (92.0)	10 (8.0)	125 (100)	88.20*	1	.000*
5	The regular (usually monthly) pension paid to the retirees commences immediately (within three months of retirement).	29 (23.2)	96 (76.8)	125 (100)	35.91*	1	.000*

Tables 2 and 3 show that a significant number of the respondents, 93 out of 125 (74.4%) disagreed that the government was remitting its part of the contribution ($\chi^2 = 29.72$, $p < 0.05$). The tables also show, among others, that a significant number of the respondents, 96 out of 125 (76.8%) disagreed that the regular (usually monthly) pension paid to the retirees commences immediately (within three months) after retirement ($\chi^2 = 35.91$, $p < 0.05$). That is, the retirees were not placed on pension on time, after retirement. Given the importance of timely payment of pensions and the fact that this may vary from institution to institution, the responses to the open question about how long it takes for retirees to access their pension were analysed institution by institution. The results are presented in Tables 4a, 4b and 4c.

Table 4a: Responses of Respondents to the Question of How Long it Takes for Retirees to Access their Pension (OSCOED, Ilesa)

Variable	Under 1 year F (%)	1 – 2 years F (%)	Over 2 years F (%)	Total F (%)
How long does it take retirees to access their pensions in your institutions	0 (0)	0 (0)	41 (100)	41 (100)

Table 4b: Responses of Respondents to the Question of How Long it Takes for Retirees to Access their Pension (LASUED, Lagos)

Variable	Under 1 year F (%)	1 – 2 years F (%)	Over 2 years F (%)	Total F (%)
How long does it take for retirees to access their pensions in your institutions	6 (16.7)	28 (77.8)	2 (5.5)	36 (100)

Table 4c: Responses of Respondents to the Question of How Long it Takes for Retirees to Access their Pension (ACOED, Ondo)

Variable	Under 1 year F (%)	1 – 2 years F (%)	Over 2 years F (%)	Total F (%)
How long does it take for retirees to access their pensions in your institutions	40 (83.3)	8 (16.7)	0 (0)	48 (100)

Tables 4a, 4b and 4c show that 40 out of the 48 (83.3%) retirees of Adeyemi College of Education, Ondo indicate that retirees access their pension under one year after retirement; 28 out of 36 retirees of Lagos State University of Education stated that retirees of the institution access their pension between 1 and 2 years. The worst situation appears to be that of Osun State College of Education, Ilesa where all the 41 retirees responded that retirees of the institution access their pension after two years. Thus, the study shows that staff of ACOED, Ondo, perhaps being a Federal institution, access their pensions earlier, while the two-state institutions access their pensions later, with the case of OSCOED, Ilesa appearing to be the worst.

The findings from the mode of implementation of the pension scheme suggest that the scheme was not likely to affect the welfare of the retirees positively. Nevertheless, to find out how the contributory pension scheme affects the welfare of the retirees, the responses of the respondents to the seven (7) questions in each of Part 1 and Part 2 of Section C of the Retirees' Welfare Questionnaire were collated and presented as frequency and percentage distribution in Tables 5 and 6 respectively. Furthermore, the Strongly Agree (SA) and Agree responses were pooled together and designated SAA (Strongly Agree and Agree), while the Strongly Disagree and Agree were pooled together and designated SDD (Strongly Disagree and Disagree). The difference between the number of respondents in the two categories, SAA and SDD for each item was tested for significance using the Chi-square statistics. The summary of the Chi-square analysis is shown in Tables 7 and 8.

Table 5: Frequency and Percentage Distribution of Responses of Pensioners Already Receiving Pension to the Retirees' Welfare Questionnaire

S/N	VARIABLE	SA f (%)	A F (%)	D F (%)	SD F (%)	TOTAL F (%)
1	As a result of the pension allowance that I am receiving, I have sufficient money to access health care services	4 (7.1)	10 (17.9)	36 (64.3)	6 (10.7)	56 (100)
2	The pension I am receiving is sufficient for me, such that I am financially independent	5 (8.9)	8 (14.3)	37 (66.1)	6 (10.7)	56 (100)
3	With the regular pension I am receiving I can eat satisfactorily	5 (8.9)	24 (42.86)	24 (42.9)	3 (5.3)	56 (100)
4	The pension I am receiving has helped me to provide the security I need for myself	3 (5.3)	11 (19.7)	36 (64.3)	6 (10.7)	56 (100)
5	The pension I am receiving from the CPS is sufficient for me to take care of my basic home/social facilities such as house furniture, television, and payment for my cable and data services.	2 (3.6)	10 (17.9)	38 (67.9)	6 (10.7)	56 (100)
6	The pension I am receiving has made it easy for me to live comfortably	2 (3.6)	10 (17.9)	38 (67.9)	6 (10.7)	56 (100)
7	I can say that the way the CPS is being implemented has impacted positively on my welfare	5 (8.9)	12 (21.4)	33 (58.9)	6 (10.7)	56 (100)

Source: Field Survey, 2023

Note: SA - Strongly Agree, A- Agree, D - Disagree, SD - Strongly Disagree

Table 6: Frequency and Percentage Distribution of Responses of Pensioners who are yet to Start Receiving Pension to the Retirees' Welfare Questionnaire

S/N	VARIABLE	SA F (%)	A F (%)	D F (%)	SD F (%)	TOTAL F (%)
1	The non-payment of my pension since I retired has made it difficult for me to access the basic health services that I need.	12 (17.4)	39 (56.5)	11 (15.9)	7 (10.2)	69 (100)
2	The non-payment of my pension has made me to depend heavily on people for my daily needs	5 (7.2)	38 (55.1)	12 (17.4)	14 (20.3)	69 (100)
3	Sometimes I do have anything to eat due to non-payment of my pension	8 (11.6)	31 (44.9)	20 (29.0)	10 (14.5)	69 (100)
4	I cannot provide little securities that I need for myself.	12 (17.4)	39 (56.5)	11 (15.9)	7 (10.2)	69 (100)
5	I have reduced or stopped accessing some basic social facilities such as paying for Cable TV or recharge card and data due to the non-payment of my pensions	10 (14.5)	32 (46.4)	18 (26.1)	9 (13.0)	69 (100)
6	Life has been generally uncomfortable for me since I retired without receiving pension	10 (14.5)	28 (40.6)	18 (26.1)	13 (18.8)	69 (100)
7	The way CPS is implemented has generally impacted negatively on my welfare.	8 (11.6)	38 (55.1)	16 (23.2)	7 (10.1)	69 (100)

Source: Field Survey, 2023
Note: SA- Strongly Agree, A- Agree, D- Disagree, SD-Strongly Disagree

Table 7: Chi-Square Analysis of Responses of Pensioners Already Receiving Pension to the Retirees' Welfare Questionnaire

S/N	VARIABLE	RESPONSES SAA f (%)	SDD f (%)	TOTAL f (%)	χ^2	df	P
1	As a result of the pension allowance that I am receiving, I have sufficient money to access health care services	14 (25.0)	42 (75.0	56 (100)	14.00*	1	.000*
2	The pension I am receiving is sufficient for me, such that I am financially independent	13 (23.2)	43 (76.8)	56 (100)	16.07*	1	.000*
3	With the regular pension I am receiving, I can eat satisfactorily	29 (51.8)	27 (48.2)	56 (100)	071*	1	..789**
4	The pension I am receiving has helped me to be able to provide the little security I need for myself	14 (25.0)	42 (75.0)	56 (100)	14.00*	1	.000*
5	The pension I am receiving from the CPS is sufficient for me to take care of my basic home/social facilities such as house furniture, television, and payment for Cable TV and data services.	12 (21.4)	44 (78.6)	56 (100)	18.29*	1	.000*
6	The pension I am receiving has made it easy for me to live comfortably	12 (21.4)	44 (78.6)	56 (100)	18.29*	1	.000*
7	I can say that the way the CPS is implemented has impacted positively on my welfare	17 (30.4)	39 (69.6)	56 (100)	8.54*	1	.003*

Source: Field Survey, 2023

SAA - Strongly Agree and Agreed

SDD - Strongly Disagree and Disagreed

- Significant at 0.05 level. ** - Not significant at 0.05 level
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Table 8: Chi-Square Analysis of Responses of Pensioners Who are yet to Start Receiving Pension to the Retirees' Welfare Questionnaire

S/N	VARIABLE	RESPONSES SAA f (%)	SDD f (%)	TOTAL f (%)	χ^2	df	P
1	The non-payment of my pension since I retired has made it difficult for me to access basic health services.	51 (73.9)	18 (26.1)	69 (100)	15.78*	1	.000*
2	The non-payment of my pension has made me to depend heavily on people for my daily needs	43 (62.3)	26 (37.7)	69 (100)	4.20*	1	.041*
3	Sometimes I do have anything to eat due to non-payment of my pension	39 (56.5)	30 (43.5)	69 (100)	1.17*	1	.279**
4	I cannot provide the little security that I need for myself	51 (73.9)	18 (26.1)	69 (100)	15.78*	1	.000*
5	I have reduced or stopped accessing some basic social facilities such as paying for Cable TV or buying of recharge card and data due to non-payment of my pensions	42 (60.9)	27 (39.1)	69 (100)	3.26*	1	.071**
6	Life has been generally uncomfortable for me since I retired without receiving pension	38 (55.1)	31 (44.9)	69 (100)	.710*	1	.399**
7	The way this CPS is implemented has generally impacted negatively on my welfare.	46 (66.7)	23 (33.3)	69 (100)	7.67*	1	.006*

Source: Field Survey, 2023

SAA - Strongly Agree and Agreed

SDD - Strongly Disagree and Disagreed

- \- Significant at 0.05 level

Table 5 shows that 4(7.1%) respondents out of 56 retirees who were already receiving pension strongly agreed to the statement that 'As a result of the pension allowance that I am receiving, I have sufficient money for accessing health care services', 10(17.9%) agreed, 36(64.3%) disagreed while 6(10.7%) strongly disagreed. Table 4 shows that a total of 14(25.0%) agreed (Strongly Agree and Agree) that the pension allowance they were receiving enabled them to have sufficient money for accessing health care services while 42(75.5%) disagreed (Strongly Disagree and Disagree). The chi-square analysis (table 7) confirmed that this difference was significant (($\chi^2(1) = 14.00$, $p < 0.05$). That is, a significantly higher number of respondents did not agree that the pension allowance they were receiving was sufficient enough for them to access health care services. In other words, they thought that the pension allowance they were receiving was not sufficient enough for them to access health care services.

Table 7 also shows that 43 out of 56 (76.8%) disagreed that the pension they were receiving was sufficient to make them financially independent while 13 (23.2%) agreed. This difference was also found to be significant (($\chi^2(1) = 16.07$, $p < 0.05$). Thus, the retirees believed that the pension they were receiving was not sufficient to make them financially independent. Similarly, 42 out of 56 (75.0%) disagreed that the pension they were receiving helped them to provide for themselves little securities that they needed while 14 (25.0%) agreed. This difference was statistically significant (($\chi^2(1) = 14.00$, $p < 0.05$).That is, the majority of the retirees believed that the pension they were receiving had not helped them to provide for themselves the little security that they needed.

Table 7 further shows that a significant number of retirees, 44(78.6%) out of 56 disagreed that the pension they were receiving was sufficient to meet their basic home needs while 12(21.4%) thought otherwise. This difference was also significant (($\chi^2(1) = 18.29$, $p < 0.05$). In the same proportion, 44 out of 56 (78.6%) disagreed that the pension they were receiving has made it easy for them to live comfortably. This number was significant(($\chi^2(1) = 18.29$, $p < 0.05$), when considered against the 12 (21.4%) who agreed. In other words, the pensions the pensioners were receiving were inadequate to make them live comfortably. It is particularly noteworthy that a majority of 39 (69.6%) out of 56 disagreed that the way the contributory pension scheme is being implemented has impacted positively on their welfare, while 17(30.4%) agreed. This difference was significant (($\chi^2(1) = 8.54$, $p < 0.05$), However, 29 (51.8%) out of 56 agreed that they could eat satisfactorily with the pension they were receiving regularly. This number was only slightly higher than the 27 (48.2%) who thought otherwise. This number, however, was not significant (($\chi^2(1) = 0.71$, $p > 0.05$),

Tables 6 and 8 considered the frequency distribution and the chi-square analysis, respectively, of the response of the retirees who were yet to start receiving pensions. Table 6 shows the frequency and percentage distribution of the responses across Strongly Agree, Agree, Disagree and Strongly Disagree, while Table 8 shows the Chi-square analysis of the responses after grouping them into two, namely: SAA (Strongly Agree and Agree) and SDD (Strongly Disagree and Disagree). Table 8 shows that 51 (73.9%) out of 69 retirees who were yet to start receiving pension agreed (Strongly Agree and Agree) that the non-payment of their pension since they retired has made it difficult for them to access basic health services, while 18 (26.1%) disagreed. This difference was significant ($\chi^2(1) = 0.71$, $p < 0.05$), In other words, the non-payment of pension to the retirees has made it difficult for them to access basic health services. Also, 43 (62.3%) of the 69 respondents agreed that the non-payment of their pension has made them depend heavily on people for their daily needs, while 26 (37.7%) disagreed. This difference was also significant ($\chi^2(1) = 0.71$, $p < 0.05$).

Furthermore, 51 out of 69 (73.9%) agreed that they could not provide the little securities that they needed for themselves, while 18(26.1%) disagreed. This difference was also significant ($\chi^2(1) = 15.78$, $p < 0.05$). The table shows that this category of retirees, like their counterparts who were already receiving pensions, felt that the way the contributory pension is implemented had generally impacted negatively on their welfare. Thirty-nine (56.5%) out of the 69 respondents agreed that they sometimes had nothing to eat while 30(43.5%) disagreed. This difference was, however, not significant ($\chi^2(1) = 1.17$, $p > 0.05$). Thirty-eight (55.1%) also agreed that life had been generally uncomfortable for them since they retired without receiving a pension. This number, however, was not significant ($\chi^2(1) = .399$, $p > 0.05$) when considered against the 31 ((44.9%) who disagreed.

Test of the Hypothesis

H_0: The Contributory Pension Scheme had no significant positive effect on the welfare of pensioners in tertiary institutions of education in southwestern Nigeria

To test this hypothesis, the responses to the Retirees Welfare Questionnaire were coded Strongly Agree (SA) – 4. Agree (A) – 3, Disagree (D) – 2, Strongly Disagree (SD) – 1 for items in the direction favouring positive impact of the contributory pension scheme on the welfare of retirees and the reverse coding of SA – 1, A -2, D – 3 and SD - 4 for items in the direction not favouring positive impact of the CPS on retirees' welfare. The maximum score obtainable was 4 7 = 28. A sample t-test was used to analyse the data using the test value 14, which was half of the maximum obtainable score of 28. The result is presented in Table 9.

Table 9: One Sample t-test Analysis of the Responses to the Retirees Welfare Questionnare

	N	Mean	SD	T	Df	p
Welfare Scores	125	14.28	15.15	.207*	124	.837

- Not significant at probability level 0.05

The table shows that there was no significant difference between the sample mean of 14.28 and the test value (average score) of 14. Hence, the conclusion that the contributory pension scheme has no significant impact on the welfare of the pensioners. This finding is in agreement with that of Fiiwe (2020) in a study of retirement benefits of three selected federal establishments (NAFDAC, INEC and FIRS) in Rivers state in which he found out that both the old and new pension schemes could be considered not providing adequate welfare packages for pensioners. This finding however appears contrary to that of Ekenem & Obi (2021) in a case study of Michael Opara University of Agriculture, Umuadike, Nigeria. The duo found that the contributory pension scheme (CPS) was properly implemented to enhance the welfare of the retirees of the university.

Conclusion and Recommendation

The study has shown that the implementation of the contributory pension scheme has not impacted positively on the welfare of the retirees of tertiary institutions of education in the southwestern zone of the country. It is therefore recommended that the factors militating against the achievement of this objective of enhancement of the welfare of retirees in the institutions by the contributory pension scheme be identified. This is to resolve the identified challenges. The Pension Reform Act may have to be amended, the mode of implementation of the scheme may have to be modified or the operating environment, if not conducive may have to be improved. The Contributory Pension Act may also have to be scrapped and replaced by a new reform.

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