The Controversy on the Implementation of the Contributory Pension Scheme (CPS) in Nigeria: The Accounting Perspective

Philip Olawale Odewole

Department of Management and Accounting, Obafemi Awolowo University, Ile-Ife, Nigeria

Email address: waleodewole@gmail.com

To cite this article:
Philip Olawale Odewole. The Controversy on the Implementation of the Contributory Pension Scheme (CPS) in Nigeria: The Accounting Perspective. International Journal of Economics, Finance and Management Sciences. Vol. 5, No. 2, 2017, pp. 102-112.
doi: 10.11648/j.ijefm.20170502.14

Received: November 28, 2016; Accepted: December 12, 2016; Published: February 3, 2017

Abstract: This study examined the cause of the controversy in the implementation of the contributory pension scheme among the Ministries, Departments and Agencies (MDAs) in Nigeria. Descriptive methods of analysis were used to analyse the data. The result showed that misstatement in the disclosure of employees’ contribution is the major cause of the controversy. Also, the result revealed that the personnel cost releases to the MDAs since the inception of the scheme is 92.5% of the gross personnel cost budget of each institution while the balance of 7.5% of the personnel cost budget represents the deduction at “source” for the individual employee which is being credited to the employee’s Retirement Saving Account open with the employee’s choice Pension Fund Administrators through the Central Bank of Nigeria. More also, the findings established that discrepancies in the presentation of the employees’ deduction in the payrolls and individual employees’ payslips largely accounted for the continuous restiveness among the Ministries, Department and Agencies (MDAs) in Nigeria. The results showed that some MDAs disclosed the employees’ deduction as a memorandum entry in the individual employee’s payslips and payroll, while others disclosed it under the basic salary column as additional deduction by the MDAs from the monthly employee’s emolument. The study concluded that only uniform accounting treatment of the employees’ deduction in the personnel accounting records will end the cold war in the implementation of the Contributory Pension Scheme among the employees in the Nigerian Ministries, Department and Agencies.

Keywords: Contributory Pension Scheme, Accounting Perspectives, Pension Reform Acts, MDAs

1. Introduction

The implementation and operation of the Contributory Pension Scheme (CPS) has been generating continuous restiveness within the university system and other parastatals due to the conflicting interpretations by universities, polytechnics and other tertiary institutions of the essential contents of the Pension Reform Act 2004. The implementation of the Contributory Pension Scheme in the Public Service of the Federal Republic of Nigeria came into force with effect from 1st July, 2004 and all Ministries, Departments and Agencies were instructed to comply.

The scheme is intended to ensure that every pensioner who has worked in either the public or private sector receives his retirement benefits as and when due. The scheme is structurally fully funded, based on individual accounts that are privately managed by Pension Fund Administrators with the Pension Funds assets held by Pension Fund custodians licensed and supervised by the National Pension Commission. In line with the provisions and contents of the contributory pension scheme, each employee is required to contribute 7.5% of his/her consolidated salary to the scheme. In order to ensure timely remittance of the deduction from the employees’ remuneration, the Budget Office deducts the employees’ statutory contributions from the allocations to the Ministries, Departments and Agencies (MDAs) through the monthly Recurrent General Warrants.

In order words, all Ministries and Agencies which are funded from the Annual Federal Budget of government contributes 7.5% of employees’ basic salary, housing
allowances and transport allowances on a monthly basis while employees contribute the proportionate 7.5% of the same base. In the case of the Military, government contributes 12½% of the basic salary and housing and transport allowance. All self-funded Federal Parastatals and Agencies complied with the provisions of the Act relating to the minimum contributions by the employers and employees. The Acts equally states that an employer may agree or elect to bear the full burden of the scheme provided that in such a case the employer’s contribution shall not be less than 15% of the monthly emoluments of the employee. Any employee to which this Act relates is allowed in addition to the total contributions being made by him and his employer, make voluntary contributions to his retirement saving account. The Act further provides for every employee to maintain a Retirement Savings Account in his name with any Pension Fund Administrator of his choice and he is at liberty to transfer his Retirement Savings Account from one Pension Fund Administrator to another without adding any reason for such transfer.

The operation of the scheme denies the employees’ access to his Retirement Saving Account neither will he be allowed to have any dealing with the custodian with respect to the retirement savings account except through the pension fund administrator. From the commencement of this Act, the right to retirement benefits of any employee who is already under any pension scheme existing before the commencement of this Act and has over 3 years to retire from the public service of the Federation and Federal Capital Territory where the scheme is unfunded is recognized in the form of an amount acknowledged through the issuance of a bond to be known as Federal Retirement Bonds in favour of the employees and the bond issued is redeemed upon retirement of the employee and the amount so redeemed is added to the retirement savings account of the employee. Where the scheme is funded, credits are effected into the Retirements Savings Accounts of the employees with any funds to which each employee is entitled and in the event of an insufficiency of funds to meet this liability, the shortfall becomes a debt of the relevant employer and is treated with the same priority as salaries owed, and the employer issues a written acknowledgement of the debt to the relevant employee and take steps to meet the shortfall.

The operation of this scheme since its inception in 2004, has caused many untold restiveness in many institutions of higher learning in Nigeria leading to incessant work-to-rules in many MDAs. The controversy in the operation of this scheme started from the non-uniformity in the interpretation of the employees’ deduction and the accounting treatment of same in the employees’ payroll and monthly pay advice. The major argument of teeming members of staff is that there is a double deduction from their salary on monthly basis. In other words, apart from the deduction at source, there is another proportionate deduction from respective local MDAs across the countries. This misunderstanding which torn many MDAs apart, necessitated the urgent intervention of Nigerian University Commission, Office of the Accountant General of the Federation and the Budget Office to issues out various circulars for clarification on the operation of contributory pension scheme but with minimum success. The objective of this study is to examine the contentious disclosure of contributory pension in the employees payroll and pay slips in MDAs and proffer acceptable accounting treatment of employee’s contributions in the monthly payroll and employee’s pay advice.

The remainder of this paper is therefore arranged as follows: following the introductory section, section 2 reviews the literature, section 3 presents the methodology of the study, Section 4 presents the analysis and discussions of result. Section 5 concludes the study and offers some crucial policy implications.

2. Literature Review

Pension schemes are global issues. Concerns for rainy days motivated ideas for retirement income savings for the ageing workforce [1]. Pension scheme entails a systematic inflows into a designated account for the future use. It is a method whereby a person pays into pension scheme a proportion of his/her earnings and regular inflows during his active service years [2]. Pension is a monthly stipend payable to a retired officer until death. It is the amount payable by government or organization to an employee after working for qualifying service years, attaining a retiring age of 60 years or 35 years in service whichever comes earlier or on voluntary retirement or compulsory retirement [3]. The origin of the pension enactment in Nigeria dated back to 1951 when the first legislature document in pension came into force with 1951 Pension Ordinance with a retroactive effect from January 1, 1946 which provided both pension and gratuity to the public servant [4].

The National Provident Fund (NPF) scheme was introduce in 1961 to cater for pension matters of private organizations in Nigeria and to provide a cover for the social protection scheme for the non-pensionable private sector employees in Nigeria. The scheme was a saving device where both employee and employer contributed the sum of 2½% on monthly basis. Armed Forces Pension Acts No 103 of 1972 and Pension Acts No. 102 of 1979 emerged in succession. In 1993, the National Social Insurance Trust Fund (NSITF) scheme replaced the defunct NPF scheme which cater for the employees in private sector of the economy. The scheme was promulgated against the existing laws of employment of men in old age, invalidity or death [5]. Ugwu [6] identified four main classifications of pension in Nigeria. Such as retiring pension, compensating pension, superannuating pension and compassionate pension.

A pension is a contract for a fixed sum to be paid in a regular basis to a retired officer after retirement from active service [7]. The common use of the term pension is to describe the payments a person receives upon retirement usually pre-determined legal and/or contractual terms [8]. A well-planned pension guarantees employee’s comfort and after service life [9] and provokes commitment [10].
Different pension schemes have been adopted in both the public service and private sector ranging from defined benefit plans, to the present contributory pension scheme whereby both employers and employees contribute an equal proportion of the employee’s enrolments comprising basic salary, housing allowance and transport allowance on monthly basis into a designated personal account open by the employee with a self-nominated Pension Fund Administrator (PFA) who will invest the money in a risk-free portfolio on behalf of the employee [11]. The introduction of the contributory pension scheme in Nigeria on July 1, 2004 was as a result of a failed defined benefits plan scheme which could not meet the needs of the rising retiring officers in Nigeria.

More also, the regular payment of pension and gratuity became impossible with the Federal Government and states. Where pensions were paid at all, the delay in the payment was a bitter deal. There were recorded cases of fraud and misappropriation of pension fund. Fund diversion meant for the payment of pension and gratuity reached an unacceptable proportion. The backlog of unpaid pensions and gratuity was put at about ₦256 trillion as at December, 2005 which resulted to inability of many MDAS to pay gratuity and pension to their pensioners. The story of defaults in the payment of pension and gratuity in ministries, departments and agencies was a common phenomenon [18]. The plight of many pensioners who were living in abject poverty and deprived of basic necessity of life was a matter of serious concern to the government. Many were neglected and not properly catered for after retirement [12].

Demographic challenges, payment of outstanding pensions and gratuities, administrative bottlenecks, bureaucracies, corrupt practices, economic downturn, inefficient civil service and other endemic problems have bedeviled the old pension scheme [13]. The new Contributory Pension Scheme was therefore introduced to correct the ugly situation created by the old pension scheme by putting in place a robust, adequate and affordable arrangements that will accentuate the sufferings of the teeming retiring Nigerians’ [14].

In 2014, the Pension Act was reviewed to meet the challenges not envisaged in the 2004 Pension Reform Act. The Act was therefore a direct effort to improve the welfares of the pensioners and accentuate their sufferings [20]. Under the new Pension Act 2014, operators who mismanage Pension Funds are liable upon conviction, to not less than ten years imprisonment a fine of an amount equal to three times the amount so misappropriated or diverted or both imprisonment and fine [15]. In the 2004 Pension Reform Act, the employee contribution to the scheme is 7½% (of Basic, Housing and Transport) while Government Contribution is also 7½% of same bringing the total to 15% of the salary components passed into the employee’s Retirement Saving Account. The 2014 Defined Benefit Contribution Pension Scheme adjusted this rate to 18% total of monthly emolument, with 8% contributed by employees from of his basic Salary, Housing and Transport allowances and 10% of the same components contributed by the Government into the employee’s Retirement Savings Account. This serves as a palliative package for the workers under the new scheme and boosts their morale for greater productivity [21]. It equally provides additional benefits to workers’ Retirement Saving Accounts and thereby enhancing their monthly pension benefits at Retirement [16]. There is no qualifying period for pension under the contributory pension scheme as applicable under the Defined Benefit Plan. If an employee works for an employer for one month, his pension contribution will be paid by the employer into the employee’s Retirement Saving Account (RSA) for that month. If the employee moves on to work for another employer for another 1 year, his pension contribution will be paid by the second employer for that period of 1year. Access to the RSA is allowed upon retirement. If an employee retires at the age of 50 years or more he can have immediate access to the RSA. Similarly, if an employee retires before the age of 50 years due to mental or physical incapacity, immediate access to his RSA is allowed. Where an employee retires under the age of 50 years in accordance with the terms and conditions of employment, he will not access the RSA until after six months of such retirement if he does not secure another employment upon retirement. Also, an employee can draw a lump sum from the balance standing to the credit of his RSA provided the balance after the withdrawal could provide an annuity or fund monthly payments that would not be less than 50% of his monthly pay as at the date of his retirement. However, an employer may choose to pay any other severance benefits over and above the retirement benefits payable to the employee subject to the terms and conditions of his employment [17].

3. Data and Methodology

3.1. Data

The data relevant to this study were obtained from the payroll and pay advice of members of staff of various institutions of higher learning and staff members of the Ministries, Departments and Agencies (MDAs) across the geopolitical divide in the country. Data were collected also from the office of the Accountant-General of the Federation and the Ministry of Finance particularly the budget office of the federation.

3.2. Model Specification

Analytical approaches were used in this study to interpret the data collected from MDAs, Accountant-General office and the Budget Office of the federation. Tables were employed in the presentation of personnel figures from the Recurrent Personnel cost warrants and Provisional Recurrent General warrants. The MDAs were grouped according to their compliance with (Integrated Personnel Payroll and Information System (IPPIS). The first group of the MDAs are the institutions whose workers’ salaries are prepared locally
through the GIFMIS.

4. Results and Discussion

Table 1 shows the summary of the Provisional Personnel Costs Recurrent General Warrants issued by the Minister of Finance to the Accountant–General of the Federation in pursuance of the provision of Section 82 of the constitution of the Federal Republic of Nigeria authorizing him to pay from the Consolidated Revenue Fund such monies necessary for carrying on the service of Government at a level not exceeding the amount shown against each expenditure item as indicated in the schedule. A total sum of 50,388,036,659 (Fifty Billion, Three Hundred and Eighty-Eight Million, Thirty-Six Thousand, Six Hundred and Fifty-Nine Naira) was released as personnel cost for the relevant month. This total amount released from the Consolidated Revenue Fund is inclusive of the sum of 1,823,041,598 (One Billion, Eight Hundred and Twenty-Three Million, Forty-One Thousand, Five Hundred and Ninety-Eight Naira) only being Federal Government of Nigeria contribution deduction to pension and the sum of 1,823,041,598 (One Billion, Eight Hundred and Twenty-Three Million, Forty-One Thousand, Five Hundred and Ninety-Eight Naira) only being employees’ contribution to pension which was released to the National Pension Commission. Also, inclusive is the sum of 1,226,805,201 (One Billion, Two Hundred and Twenty-Three Million, Forty-One Thousand, Five Hundred and Fifty-Nine Naira) only being Federal Government counterpart proportionate contribution of 7.5% from the employees’ emolument which is deducted at source by the Federal Ministry of Finance. The Pension Reform Act, 2004, provides for employees contribution of 7.5% from the employees emolument which is deducted at source by the Federal Ministry of Finance. The Federal Government equally makes a counterpart contribution of equivalent 7.5% to the employees Retirement Saving Accounts. This arrangement was made to prevent delay or failure in the remittance of the employees’ contribution by the MDAs and also to prevent the possible diversion of the pension funds to other areas. By implication, therefore, since the commencement date of the implementation of the contributory pension scheme, no employee has a direct access to 100% of his salary paid directly to him by his MDAs. Also no MDAs receive 100% of his monthly personnel cost releases from budget office. Only 92.5% of monthly salary released to the MDAs are paid across the numerous employees, as monthly emolument while 7.5% of the balance is credited to the employees’ Retirement Savings Account with the Pension Fund Administrator of employee’s choice along with the Federal Government counterpart proportionate contribution of 7.5% adding up to a total of 15% credited to the employee’s Retirement Savings Account and no MDAs has a direct access to this pool of fund once credited to the employee’s account with the pension fund administration[19].

Any over deduction in the previous month would also be deducted to arrive at the net figure for the month.

The implication of this is that since July 1, 2004, when the contributory pension scheme took effect, no MDA receives one hundred percent of its monthly personnel cost releases from the Federal Ministry of Finance. What the MDAs receive is 92.5% of the gross personnel cost estimates. The Pension Reform Act, 2004, provides for employees contribution of 7.5% from the employees emolument which is deducted at source by the Federal Ministry of Finance. The Federal Government equally makes a counterpart contribution of equivalent 7.5% to the employees Retirement Saving Accounts. This arrangement was made to prevent delay or failure in the remittance of the employees’ contribution by the MDAs and also to prevent the possible diversion of the pension funds to other areas. By implication, therefore, since the commencement date of the implementation of the contributory pension scheme, no employee has a direct access to 100% of his salary paid directly to him by his MDAs. Also no MDAs receive 100% of his monthly personnel cost releases from budget office. Only 92.5% of monthly salary released to the MDAs are paid across the numerous employees, as monthly emolument while 7.5% of the balance is credited to the employees’ Retirement Savings Account with the Pension Fund Administrator of employee’s choice along with the Federal Government counterpart proportionate contribution of 7.5% adding up to a total of 15% credited to the employee’s Retirement Savings Account and no MDAs has a direct access to this pool of fund once credited to the employee’s account with the pension fund administration[19].

![Table 1. Provisional Personnel Costs Recurrent General Warrant for March, 2008.](image-url)

| Ministry/Department/Agency | Gross Amount | FGN Pension Contribution | Employee Pension Contribution |
|----------------------------|--------------|--------------------------|-------------------------------|
| National Health Insurance Scheme | 1,823,041,598 | 1,823,041,598 | 1,823,041,598 |
| National Programme on Immunization | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| National Arbovirus and Sector Research | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Radiographers Registration Board | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Dental Technology Registration Board | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Health Records Registration Board | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Optometrist and Dispensing Opticians Board of Nigeria | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Community Health Practitioners Registration Board | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Nursing and Midwifery Council | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Pharmacist Council of Nigeria Council | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Medical and Dental Council of Nigeria | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| National Agency for Food and Drug Administration and Control | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Medical Rehabilitation Therapy Board | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Federal School of Dental Technology and Therapy, Enugu | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Environmental Health Officers Tutors-Ibadan | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Nurse Tutor Training–Ibadan | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Nurse Tutor Programme Akoma Lagos | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Nurse Tutor Training Kaduna | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Nurse Tutor Training Ibadan | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| National Post Graduate Medical College of Nigeria Ijanikin Lagos | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| PHC Tutors Programme, UCH–Ibadan | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Community Health Tutor Programme UCH | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| University College Hospital Ibadan | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Lagos University Teaching Hospital | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| Ahmadu Bello University Teaching Hospital | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| University of Nigeria Teaching Hospital, Enugu | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
| University of Benin Teaching Hospital | 1,226,805,201 | 1,226,805,201 | 1,226,805,201 |
Table 1. Continue.

| NHIS Contribution | Balance Due | Over release or under release | Net amount Due | Remarks |
|-------------------|-------------|-----------------------------|----------------|---------|
| 4                 | 2,172,973   | 58,956,537                  | 58,956,537     |         |
| 831,733           | 20,451,603  | 20,451,603                  |                |         |
| 63,277            | 1,580,670   | 1,580,670                   |                |         |
| 144,606           | 4,220,201   | 4,220,201                   |                |         |
| 68,885            | 1,797,257   | 1,797,257                   |                |         |
| 261,393           | 7,091,279   | 7,091,279                   |                |         |
| 94,708            | 2,216,106   | 2,216,106                   |                |         |
| 485,933           | 11,442,793  | 11,442,793                  |                |         |
| 444,362           | 11,539,499  | 11,539,499                  |                |         |
| 188,266           | 4,771,353   | 4,771,353                   |                |         |
| 4,338,188         | 113,495,029 | 113,495,029                 |                |         |
| 85,261            | 2,585,448   | 2,585,448                   |                |         |
| 268,046           | 7,404,464   | 7,404,464                   |                |         |
| 21,678            | 576,156     | 576,156                     |                |         |
| 23,917            | 550,090     | 550,090                     |                |         |
| 21,678            | 576,156     | 576,156                     |                |         |
| 23,917            | 550,090     | 550,090                     |                |         |
| 60,185            | 1,465,994   | 1,465,994                   |                |         |
| 35,916            | 854,899     | 854,899                     |                |         |
| 23,369            | 577,158     | 577,158                     |                |         |
| 293,309           | 7,488,902   | 7,488,902                   |                |         |
| 20,782            | 513,867     | 513,867                     |                |         |
| 27,085            | 669,310     | 669,310                     |                |         |
| 10,372,373        | 305,286,098 | 305,286,098                 |                |         |
| 9,311,910         | 272,190,981 | 272,190,981                 |                |         |
| 8,665,588         | 245,285,192 | 245,285,192                 |                |         |
| 10,815,422        | 304,598,242 | 304,598,242                 |                |         |
| 7,674,062         | 219,459,018 | 219,459,018                 |                |         |
| 8,220,252         | 213,447,562 | 213,447,562                 |                |         |
| 7,399,989         | 217,153,635 | 217,153,635                 |                |         |
| 6,840,261         | 191,615,195 | 191,615,195                 |                |         |
| 7,684,474         | 223,368,775 | 223,368,775                 |                |         |
| 6,823,477         | 199,167,517 | 199,167,517                 |                |         |
| 6,318,457         | 177,104,984 | 177,104,984                 |                |         |
| 5,508,457         | 155,168,993 | 155,168,993                 |                |         |
| 3,939,576         | 125,939,698 | 125,939,698                 |                |         |
| 4,493,458         | 129,451,600 | 129,451,600                 |                |         |
| 2,958,045         | 82,555,573  | 82,555,573                  |                |         |
| 5,073,180         | 134,955,337 | 134,955,337                 |                |         |
| NHIS Contribution | Balance Due | Over release or under release | Net amount Due | Remarks |
|-------------------|-------------|-------------------------------|----------------|---------|
| 3.275,711         | 92,250,861  | 92,250,861                    |                |         |
| 1.114,511         | 33,485,715  | 33,485,715                    |                |         |
| 1.318,578         | 34,395,755  | 34,395,755                    |                |         |
| 705,118           | 19,794,620  | 19,794,620                    |                |         |
| 1.286,449         | 32,658,398  | 32,658,398                    |                |         |
| 1.268,560         | 34,395,755  | 34,395,755                    |                |         |
| 896,565           | 21,895,179  | 21,895,179                    |                |         |
| 2.573,763         | 69,013,236  | 69,013,236                    |                |         |
| 2.719,375         | 71,589,450  | 71,589,450                    |                |         |
| 1.415,632         | 36,116,558  | 36,116,558                    |                |         |
| 4.066,963         | 108,569,254 | 108,569,254                   |                |         |
| 2.010,203         | 53,031,578  | 53,031,578                    |                |         |
| 2,893,405         | 80,705,194  | 80,705,194                    |                |         |

The table shows the summary of the monthly provisional personnel cost releases to MDAs under the Federal Ministry of Health. Column 1 shows the gross personnel costs for the month. Columns 2, 3, and, 4 show the various deduction from the gross monthly salaries i.e. Federal Government Contributions, Employee Pension Contribution and NHIS Contribution respectively. Columns 5, 6 and 7 show the Balance due over or under deduction and the net amount payable to the MDAs.

Table 2. 2016 Appropriation Act for an Agency under the Federal Ministry of Health.

| 0521001001 Code | Federal Ministry of Health–HQTRS Line Item | 2016 Appropriation Act Amount |
|-----------------|--------------------------------------------|------------------------------|
| 2               | Expenditure                                | 7,770,112,946               |
| 21              | Personnel Cost                             | 7,569,849,825               |
| 2101            | Salary                                     | 4,312,348,351               |
| 210101          | Salaries and Wages                         | 4,312,348,351               |
| 21010101        | Salary                                     | 4,312,348,351               |
| 2102            | Allowances and Social Contribution         | 3,257,501,474               |
| 210201          | Allowance                                  | 2,718,457,930               |
| 210202          | Social Contributions                       | 539,043,544                 |
| 21020201        | NHIS                                       | 215,617,418                 |
| 21020202        | Contributory Pension                       | 323,426,126                 |
| 22              | Other Recurrent Costs                      | 97,811,122                  |
| 2202            | Overhead Cost                              | 97,811,122                  |
| 220201          | Travel & Transport–General                | 14,813,308                  |
| 22020101        | Local Travel & Transport: Training         | 8,319,192                   |
| 22020102        | Local Travel & Transport: Others           | 6,494,116                   |
| 220202          | Utilities–General                          | 12,124,128                  |
| 22020201        | Electricity Charges                        | 10,641,951                  |
| 22020205        | Water Rates                                | 428,758                     |
| 22020206        | Sewerage Charges                           | 1,053,419                   |
| 220203          | Materials & Supplies–General               | 6,261,522                   |
| 22020301        | Office Stationaries/Computer Consumables   | 1,242,725                   |
| 22020303        | Newspapers                                 | 463,059                     |
| 22020305        | Printing of Non Security Documents         | 296,638                     |
| 22020309        | Uniforms & Other Clothing                  | 3,169,955                   |
| 22020311        | Food Stuff/Catering Materials Supplies     | 1,089,146                   |
| 220204          | Maintenance Services–General               | 14,573,857                  |
| 22020401        | Maintenance of Motor Vehicle/ Transport Equipment | 2,143,791        |
| 22020402        | Maintenance of Office Furniture            | 428,758                     |
| 22020404        | Maintenance of Office/IT Equipment         | 11,143,791                  |
| 22020405        | Maintenance of Plants/Generators           | 3,056,002                   |
| 220205          | Training–General                           | 3,056,002                   |
| 22020501        | Local Training                             | 2,229,543                   |
| 220206          | Other Services–General                     | 2,229,543                   |
| 22020606        | Cleaning & Fumigation Services             | 857,516                     |
| 220207          | Consulting & professional Services–General | 428,758                     |
| 22020701        | Financial Consulting                       | 428,758                     |
| 22020703        | Legal Services                             | 39,021,876                  |
| 220208          | Fuel & Lubricants–General                  | 7,133,605                   |
| 22020801        | Motor Vehicle Fuel Cost                    | 31,888,271                  |
| 22020803        | Plant/Generator Fuel Cost                  | 467,398                     |
| 220209          | Financial Charges–General                  | 467,398                     |
| 22020902        | Insurance Premium                          | 4,396,972                   |
| 220210          | Miscellaneous                              | 428,758                     |
This table is the summary of the 2016 Appropriation Act showing various components of expenditures approved for the Agency in the 2016 Appropriation Act. Column 1 shows the codes, while column 283 show the various items of expenditure and the amounts allocated respectively.

Table 2 shows the summary of allocations to an agency under the Ministry of Health in the 2016 Appropriation Act. An Appropriation Act is an Act of parliament passed by the Nigerian Legislature which like Consolidated Revenue Fund (CRF Act), allows the Treasury to issue funds out of the consolidated fund. The gross personnel cost budgeted for the Agency in the 2016 Appropriation Act. Column 1 shows the summary of allocations to an agency under the Ministry of Health in the 2016 Appropriation Act. The actual personnel cost received on monthly basis by the agency is 558,948,346, which would be applied on the payment of salaries. While 7½% deductions would be paid to the National Health Insurance Scheme (NHIS) and contributory pension. Therefore, what is actually released to the agency is amount less deductions of NHIS and contributory pension. The net release to the agency as shown in the table below:

| Code | MDA | Total Personnel | Total Overhead | Total Recurrent | Total Capital | Total Allocation |
|------|-----|-----------------|----------------|-----------------|---------------|-----------------|
| 0517019005 | Federal College of Education Gombe | 1,449,936,105 | 43,511,839 | 1,493,467,944 | 37,230,160 | 1,530,698,104 |
| 0517019006 | Federal College of Education Gusu | 936,604,976 | 52,510,388 | 989,175,364 | 37,805,650 | 1,029,981,014 |
| 0517019007 | Federal College of Education Kano | 1,962,008,369 | 56,497,420 | 2,018,505,789 | 78,734,328 | 2,097,240,117 |
| 0517019008 | Federal College of Education kastina | 1,226,856,261 | 45,612,730 | 1,272,468,991 | 33,793,156 | 1,306,262,147 |
| 0517019009 | Federal College of Education Katangora | 1,423,344,751 | 44,963,219 | 1,468,307,970 | 50,469,190 | 1,518,777,160 |
| 0517019010 | Federal College of Education Obada | 1,679,911,448 | 92,770,303 | 1,772,681,751 | 38,058,258 | 1,810,740,009 |
| 0517019011 | Federal College of Education Okene | 1,754,844,334 | 94,726,265 | 1,849,570,599 | 38,205,615 | 1,878,777,146 |
| 0517019012 | Federal College of Education Omuku | 1,978,962,555 | 50,921,340 | 2,029,883,895 | 38,205,800 | 2,068,089,695 |
| 0517019013 | Federal College of Education Ondo | 2,086,352,763 | 85,538,169 | 2,171,900,932 | 52,210,035 | 2,223,140,967 |
| 0517019014 | Federal College of Education Oyo | 1,733,881,541 | 75,905,645 | 1,809,787,186 | 37,193,086 | 1,846,980,272 |
| 0517019015 | Federal College of Education Pankshin | 1,788,402,704 | 74,762,031 | 1,843,164,735 | 39,031,612 | 1,902,186,347 |
| 0517019016 | Federal College of Education Potiskum | 1,197,186,608 | 43,752,211 | 1,244,253,819 | 37,083,250 | 1,281,564,169 |
| 0517019017 | Federal College of Education Umuaze | 1,760,510,011 | 59,172,408 | 1,819,482,419 | 38,336,526 | 1,858,018,944 |
| 0517019018 | Federal College of Education Yola | 1,593,581,847 | 33,726,046 | 1,627,309,893 | 38,255,600 | 1,665,565,493 |
| 0517019019 | Federal College of Education Zaria | 3,828,259,713 | 71,376,983 | 3,899,636,696 | 58,500,125 | 3,958,136,821 |
| 0517019020 | Federal College of Education Eha- Amufu | 1,198,368,360 | 43,055,566 | 1,241,432,926 | 37,361,521 | 1,278,785,447 |
| 0517019021 | Alvan Ikoku College of Education, Owerri | 3,962,682,161 | 52,804,573 | 4,015,486,734 | 59,181,612 | 4,074,668,346 |
| 0517020001 | National Universities Commission Secretariat | 1,530,713,745 | 387,540,849 | 1,918,254,594 | 1,071,507,461 | 2,989,762,055 |
| 0517020102 | University of Ibadan | 12,080,651,95 | 152,198,405 | 12,232,850,357 | 53,693,149 | 12,286,543,506 |
| 0517020103 | University of Lagos | 10,093,119,648 | 94,943,022 | 10,188,062,470 | 43,693,149 | 10,231,755,819 |
| 0517020104 | University Of Nigeria, Nsukka | 11,559,865,35 | 140,183,714 | 11,700,049,069 | 43,693,149 | 11,743,742,187 |
| 0517020105 | Ahmadu Bello University, Zaria | 13,301,477,358 | 140,416,235 | 13,441,893,593 | 273,693,742 | 13,715,586,742 |
| 0517020106 | Obafemi Awolowo University | 9,779,784,896 | 103,082,856 | 9,882,867,701 | 43,693,149 | 9,926,560,850 |
| 0517020107 | University of Benin | 11,930,703,70 | 101,684,357 | 12,032,388,065 | 43,693,149 | 12,076,081,214 |
| 0517020108 | University of Jos | 7,343,322,63 | 109,718,723 | 7,453,041,353 | 43,693,149 | 7,496,734,502 |
| 0517020109 | University of Calabar | 10,017,997,100 | 128,631,925 | 10,146,629,025 | 43,693,149 | 10,190,322,174 |
| 0517020110 | University of Abuja | 7,995,294,916 | 107,592,060 | 8,102,884,974 | 43,693,149 | 8,146,580,125 |
| 0517020111 | University of Agriculture, Abeokuta | 4,414,438,652 | 72,096,475 | 4,486,535,127 | 511,969,80 | 4,998,504,931 |
The table above is the summary of the allocations approved under the 2016 Appropriation Act for various agencies under the Federal Ministry of Education. Column 1 shows the codes for expenditure items while columns 2, 3, 5, 6 and 7 show the names of the Agency, total personnel costs, total overhead, recurrent expenditure releases, capital releases and total allocation respectively.

Table 4 shows the summary of allocations under various sub-heads to some of the agencies under the Federal Ministry of Education. The total personnel costs were disclosed in gross values inclusive of the Federal Government contribution for staff pensions, employees’ contributions for pensions and the values of National Health Insurance Scheme. The amount released to the institution is the net of the gross amount disclosed under the personnel cost figures, after statutory deductions (FGN Contribution for Pensions, Employees’ Contributions, NHIS) are deducted at source (in the budget office) before the actual releases to the MDAs.

The MDAs are therefore expected to make the payroll adjustment and Reporting Requirement in the total salary of individual employee by grossing up to include only the employee’s contribution to the scheme which are expected to be remitted the National Pension Commission through Central Bank of Nigeria and thereafter to be remitted to the employee’s contribution to the scheme which are expected to be remitted to the individual’s Pension Fund Administrator of their choice registered for the scheme.

The basis of controversy in the implementation of the contributory pension is the manner of disclosure of the employees’ deductions in the individual payslips and payroll deducted at source before the actual releases to the MDAs. Lack of uniformity in the presentation of the employees’ deduction in the MDAs’ payrolls and individual pay advice is the greatest disservice to the scheme. In some institutions, the employees’ deductions are shown as a reflection in both the payrolls and payslips of the MDAs while many institutions disclosed the employees’ deductions under the Basic Salary column as fresh deductions by the local establishment from the staff personal emolument. This scenario generated confusion and ripple effect that triggered off crisis in the sectors under the Federal Government. The different Platforms and payment solutions under which staff salaries are prepared also deepen the crisis, giving room to suspicion and alleged sharp practices among the top echelons. The staff salaries are prepared under the two major payment platforms: the Integrated Personnel and Payroll Information System (IPPIS) and the Government Integrated Financial Management Information System (GIFMIS) IPPIS is a World Bank-Assisted Project under the Economic Reform and Government Project (ERGP) designed to establish a reliable and comprehensive database for the public service, facilitate manpower planning and assist in providing information for decision-making, eliminate record and payroll fraud such as the “ghost workers” syndrome, double-dipping and credentials falsification, facilitate easy storage, update and retrieval of personnel record for administrative and pension processes and facilitate staff remuneration payment. Under this payment system, staff salaries are prepared centrally in the Federal Capital Territory and the soft copies of pay advice and staff payrolls are released to the MDAs thereafter. This arrangement encourages uniformity in the presentation and disclosure of employees’ personnel data and payment systems among the MDAs. Prior to the implementation of the contribution pension scheme, the restructuring of MDAs has commenced in a pilot phase involving major ministries. The key operations in the restructuring exercises involved among others; mission and vision articulation, mandate review, personnel and payroll audit, process review, structure realignment, information systems applications, re-tooling and re-skilling. The integrated personnel and payroll information system allows uniformity in the contributory pension of the employees who have been captured and enrolled under the payment system throughout the country. This is one of the superior advantages of the new scheme over the old schemes which discourages a unified integrated personnel and payroll information system [22].

### Table 5. Sample of Employee Payslip under IPPIS February, 2014.

| Employee name: | Mr. Ade | Grade | GL 14–CONHCESS |
|---------------|---------|-------|----------------|
| IPPIS number  | Xx      | Step  | 8              |
| Ministry Division | Teaching Hospital | Gender | Female        |
| Designation   | Asst. Director (Med Lab. Scientist) | Tax State | Oyo          |
| Date of first Appointment | Xx |        |                |
| Date of Birth | Xx      |       |                |
| Trade Union   | Xx      |       |                |
| Bank information Details | |       |                |
| Bank Name     | Xx      |       |                |
| Bank Branch   | Xx      |       |                |
| Account Number| Xx      |       |                |
| Gross Earnings Information | |       |                |
| Earnings      | Amount  |       |                |
| CONHESS Cons. Salary | 343,279.42 | PFA Name | IBTC Pension Manager |
| CONHESS Shift Allowance | 25,561.00 | Pension PIN | Xx |
|                |         | Gross Deduction Information |                  |
|                |         | Deductions | Amount          |
|                |         | CONHESSNHF | 8,581.99       |
|                |         | CONHESS Pension | 25,745.96     |
The table shows the components of employee’s payslip with the IPPIS payment system. The segment of the payment discloses the gross earnings information and the gross deduction information. Under the gross deduction are CONHESS NHF, CONHESS PENSION, CONHESS TAX, CONHESS UNION Dues and SSA Union Dues, while gender gross earnings information are CONHESS Consolidated salary, CONHESS Shift Allowance, CONHESS Teaching Allowance and Hazard Allowance.

Table 5 is a summary of employee’s payslip with the IPPIS payment system. The upper section shows the employee’s personal data while the lower section shows employee’s personal data on monthly enrolment. The earning column is clearly shown to indicate the type and amount entitled to by the employees. Also, the gross deduction column reflects the various deduction made on the employee for the month. Under this section are the deductions for National Housing Fund (NHF), Pension Deduction (CONHESS PENSION), Tax and various Union Dues.

The controversy in the implementation of the contributory pension scheme was largely provoked by the disclosure under the payments side of the individual employee’s pay advice. The total salary of individual employee was grossed up to include the employee’s contribution to the scheme. With this adjustment, the actual net payment to the employee is not affected. The claim of many of the workers is that the contributory pensions have been deducted twice apart from the deduction at ‘source’ of the employees’ proportionate contributions. This claim cannot be substantiated.

**Balances**

Generated by: IPPIS–Oracle E-Business Suite

The table shows the components of employee’s payslip with the IPPIS payment system. The segment of the payment discloses the gross earnings information and the gross deduction information. Under the gross deduction are CONHESS NHF, CONHESS PENSION, CONHESS TAX, CONHESS UNION Dues and SSA Union Dues, while gender gross earnings information are CONHESS Consolidated salary, CONHESS Shift Allowance, CONHESS Teaching Allowance and Hazard Allowance.

Table 5 is a summary of employee’s payslip with the IPPIS payment system. The upper section shows the employee’s personal data while the lower section shows employee’s personal data on monthly enrolment. The earning column is clearly shown to indicate the type and amount entitled to by the employees. Also, the gross deduction column reflects the various deduction made on the employee for the month. Under this section are the deductions for National Housing Fund (NHF), Pension Deduction (CONHESS PENSION), Tax and various Union Dues.

The controversy in the implementation of the contributory pension scheme was largely provoked by the disclosure under the payments side of the individual employee’s pay advice. The total salary of individual employee was grossed up to include the employee’s contribution to the scheme. With this adjustment, the actual net payment to the employee is not affected. The claim of many of the workers is that the contributory pensions have been deducted twice apart from the deduction at ‘source’ of the employees’ proportionate contributions. This claim cannot be substantiated.

**Table 6. Sample of Staff Payslip–under Government Integrated Management Information System (GIFMIS).**

Employee Information

| Full name | Lucky | Post | Senior Lecturer |
|-----------|-------|------|-----------------|
| Faculty   | Density | DEPT/ST CODE | 7 |
| DEPT      | Xxx     | Bank | Xxx |
| Scale     | CONUASS 05 Step 13 | Bank Branch | Xxx |

Pension Administrator

| Payments | Deduction |
|----------|-----------|
| Items    | CE | Amount | Items    | CE | Amount |
| CONUASS  | 100 | 196,591.58 | ASUU Due | 417 | 3,931.83 |
| **Less 7.5%** | 425A** | (14,744.37) | ASUU Spec Due | 461 | 1,860.96 |
| Subtotal | 019 | 181,847.21 | Coll of H/Sci. Fund | 451 | 1,000.00 |
| Sub Gross | 021 | 228,244.82 | PAYE | 407 | 6,468.73 |
| Housing  | 260 | 46,397.61 | Total Deduction | 13,261.52 |
| CONPUA Allow | 263 | 129,203.00 | |
| COUNCIL Award | 126,500 | |
| Gross Pay | 483,947.82 | NET PAY | 470,686.30 | |

**Already Deducted at Source by Ministry of Finance**

The table shows the disclosure of the employee’s pay personnel emolument under the GIFMIS in the Education sector. The upper column shows the personal data of the employee while the lower column shows the summary of the employee emolument for the relevant month. The payments side indicates the breakdown of employee’s entitlements except code **425A** while deductions column comprises items of deductions from the staff salary.

The controversy in the implementation of the contributory pension scheme was largely provoked by the disclosure under the payments side of the individual employee’s pay advice. The total salary of individual employee was grossed up to include the employee’s contribution to the scheme. With this adjustment, the actual net payment to the employee is not affected. The claim of many of the workers is that the contributory pensions have been deducted twice apart from the deduction at ‘source’ of the employees’ proportionate contributions. This claim cannot be substantiated.
The office of the Accountant General of the Federation came up with a circular to clarify the controversy that overwhelmed the implementation of the contributory pension scheme by stating categorically that contributions of the employer and deductions from employees’ salary would be centralized and made at source before monthly allocations of personnel costs are released upon receipt of the warrant from the Honourable Minister of Finance. Also, payroll adjustment and reporting requirement would reflect that cash backing for the personnel cost would be released net of the contribution of both the employee and employer.

**Table 7. Implementation of the Contribution to Pension Scheme.**

| Item                     | Show on payslip | Actually paid and received | Remarks                  |
|--------------------------|-----------------|---------------------------|--------------------------|
| Basic                    | 234,664         | 234,664                   |                          |
| Housing allowance        | 174,998         | 175,998                   |                          |
| Transport Allowance      | 68,053          | 68,053                    |                          |
| Meal Allowance           | 6,300           | 6,300                     |                          |
| Utility Allowance        | 35,200          | 35,200                    |                          |
| Furniture Allowance      | 93,866          | 93,866                    |                          |
| Annual Leave             | 23,466          | 23,466                    |                          |
| Domestic Serv. Allowance | 169,603         | 169,603                   |                          |
| Employee Pen Contribution| Not show        | -35,904                   | Deducted by Budget Office|
| Total received by MDA    | 807,149         | 771,245                   |                          |
| Paye                     | -10,000         | -10,000                   | Example figure           |
| CPS                      | -35,904         | Not deducted              |                          |
| Other deduction          | -20,000         | -20,000                   | Example figure           |
| Total received by employee from MDA | 741,245 | 741,245 |                          |

The table above shows a simple and reasonable accounting treatment for the employees’ pension contribution. The table present pension contribution from employee salary as a reflection of the money deducted at “source” and treated as a memorandum entry.

In line with the provisions of the contributory pension scheme, each employee is required to contribute 7.5% of his/her consolidated salary to the scheme. In order to ensure timely remittance of the deductions, the Budget Office deducts the same at source from the allocation to the MDAs through the Recurrent General Warrants. The implication of the deduction at “source” is that the total amount received by the MDAs from the Budget Office is net of the employee pension to the employees as monthly personal emolument is 92.5% of the gross salary. The MDAs are not also expected to make any additional deduction as pension contribution. The sum so deducted by the budget office should be reflected in the payslip of officers and the agency payroll for the purpose of transparency. MDAs are not expected to hold any funds for employee pension contributions in the form of additional deductions. Employees whose total monthly emoluments are up to 92.5% of their gross salary has no valid claim to allege double dipping from his salary as contribution to pension.

5. Conclusion and Policy Recommendation

The objective of this paper is to examine the cause of the controversy on the implementation of the contributory pension scheme in Nigeria and proffer an acceptable accounting treatment for disclosing employee’s deduction in the individual pay advice and the institution’s payroll. The challenge in the remittances of pension contributions to the relevant authorities by the MDAs have been absence of reliable updated Nominal Roll of many MDAs coupled with the twins problem of reluctance to update records through the on-line registration window, differences in Bio-Data between the Nominal Roll and Registration–Data Base and the non-registration of some employees with the Pension Fund Administrators. To ensure an effective implementation of Contributory Pension Scheme in Nigeria, the following necessary accounting treatments for pension contribution and payroll adjustment must be effected:

- Employee’s to update profiles on-line
- MDAs to submit updated nominal rolls with PINs of employees indicating GL & Steps, salary structure etc.
- Employees to provide their PFAs with relevant documentation (pay slips, letters of employment etc.)
- Employers’ and employees’ contribution should be centralized and deducted at source by the Budget Office of the Federation.
- Personnel costs released to Ministries, Department and Agencies net of the deductions should be clearly reflected on employees’ pay slip.
- Contributions deducted and lodged into a Pension contribution account at the Central Bank of Nigeria should have an alternate record by the MDAs accessible to the employees.
- Contributions remitted to the Retirement Savings Accounts of the employees who have registered with the Pension Fund Administrators of their choice after due verification should be monitored by individual employees.
- Employee’s salary to be grossed up to include only the employee’s contribution which is deducted at source in accounting for employees’ contribution in the payroll and individual employee’s payslip.
- Employee’s contributions should be shown as deduction in both payroll and pay slips under the payslip’s deduction column.
• Employee’s contributions should be treated as memorandum entry in payroll and employee’s payslip since the deduction is made at source before the MDAs receive the net from the budget office and no further deduction is required by the MDAs.

• Uniformity in the disclosure of employees’ information on both the individual employee’s pay slips and Agency’s payroll will guarantee a hitch free implementation of the contributory pension scheme in our Ministries, Departments and Agencies and prevent crisis of confidence between the employers and employees in government establishments and public institutions. This uniformity entails that employees’ contributions are treated as memorandum entry in the individual employee’s payslip and payroll and appears only as a reflection of the amount that have been deducted at “source” by the Budget office. Only uniform accounting treatment of the employee contribution in the personnel accounting records can put an end to incessant face-off and unending controversy trailing the implementation of the contributory pension scheme in Nigeria.

References

[1] World Bank [1994]. Averting the Old Age Crises: Policies to Protect the Old and Promote Growth, The World Bank, Washington D.C.

[2] Robelo, M. F. [2002]. Comparative Regulation of Private Pension Plans, Frabelo@jgsp.br

[3] Adams, R. A. [2005]. Public Sector Accounting and Finance, Lagos, Corporate Publisher Ventures.

[4] Ahmed, M. K. [2005]. The Contributory Pension Scheme: Institutional and Legal Frameworks, CBN Bulletin, Vol. 30(2), pp. 1–18.

[5] Balogun, A. [2006]. Understanding the New Pension Reform Act (PRA, 2004), CBN Bulletin, Vol. 30(2), pp. 9–25.

[6] Ugwu, D. S. [2006]. Contributory Pension: A New Approach to Financing Pension Scheme in Nigeria, A Paper Presented at a Seminar Organized by Makasha.

[7] Eme, O. L., O. A. Uche and Ifoema, B. [2014]. Pension Reform Act 2014 and the Future of Pension Administration in Nigeria. African Journal of Business and Management Review, Vol. 4(1): 156–165.

[8] Ayegba, O., James, I. and Odoh, L [2013]. An Evaluation of Pension Administration, British Journal of Arts and Social Sciences, Vol. 15(11): 97–108.

[9] Sule, K. O. and Ezugwu, C. I. [2009]. Scheme on Employee Retirement Benefits of Quoted Firms in Nigeria, African Journal of Accounting, Economics, Finance and Banking Research, 4(4):48–58.

[10] Dhameji, S. K. and Dhameji, S. [2009]. Industrial Psychology, New Delhi, S. K. Kataria and Sons.

[11] Orifowomo, O. A. [2006]. A Critical Appraisal of Pension System Reforms in Nigeria. 10 Gon Z. J. Int’l available at http://www.gonzagajil.org.

[12] Abade, R. [2004]. Pension Reforms Act 2004: What’s in it for you? www.Newage-online.com.

[13] PenCon [2006]. The Future of Pension Management in Nigeria. A Paper Presented by the National Pension Commission for the Nigerian–South African Chamber of Commerce on Tuesday 22, August, 2006.

[14] Federal Republic of Nigeria [2004]. Pension Reform Act, Abuja.

[15] Tobiloba, A. [2014]. The New Pension Act 2014: Hope for the Nigerian Employee. Daily Independent, Tuesday, July 8, pp. 14–15.

[16] National PenCon Commission [2005]. Frequently Asked Questions and their Answers on the Contributory Pension Scheme in Nigeria available at www.oauife.edu.ng/administration/registry/dloads/pension/pdf

[17] Federal Republic of Nigeria [2014]. Pension Reform Act, Abuja.

[18] Nkwazem, S. [2014]. 2014 Pension Reform Act: Shaping the future of Pensions in Nigeria. Saturday This Day, July 5, P.49.

[19] Ajaero, C. [2014]. Celebrating 10 years of Pension Reform. The Economy, July 5, Pp. 41–43.

[20] Nda-Isaiah, J. [2014]. Senate passes Pension Reform Bills. Leadership, April 9, P. 4.

[21] Usman, T. [2014]. Jonathan Signs Nigeria’s New Pension Bill into Law, Premium, July, P. 5.

[22] Odi, J. O and Okoye, A. E. [2012]. Pensions Reform in Nigeria: A comparism between the old the New Scheme, Afro Asian Journal of Social Sciences, 3(1), Pp. 1–17.