

ANALYSIS OF RETIREMENT BENEFITS AND SOCIO-ECONOMIC DEVELOPMENT OF RETIREES IN TANZANIA

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Abstract

Social security systems have been under challenges and that the labor organization systems are too expensive harm to the process of socio economic development of employees. It is observed that retirement time kills more than hard work period ever does. It has been a common burden to family members to take care of their retirees since they are old enough to work. The small income the retirees get from their pensions are affected by the change of cost of living due to cost of production, war, famine, drought among others that bring unexpected prevailing prices of goods and services. This study aimed to assess the retirement benefits, policies and regulations in relation to socio-economic development of retirees in Meru District. A sample size of 164 respondents was selected using simple random sampling and a structured questionnaire was administered to them for feedback for the study. Findings show that retirees dependent on their retirement benefits (pensions) for the rest of their lives after retirement from service. Policy and regulations are affecting significantly the factors for retirement benefits by providing flat and common rate for retirement benefit that do not match with the change of cost of living due to inflation that affect their socio-economic development. The study concludes that there is no relationship between retirement benefits, policies/regulations and socio-economic development of retirees in Meru District. They are responsible of many struggles in their life; education, housing, food and health with are not easy for them after retirement and depending on it without any other source of income.

Keywords: Retirement benefits, retirees, policy and regulations, socio- economic development, Meru District-Tanzania

Introduction

The retirement time kills more than hard work period ever does. Life style of retirees changes relatively with income . The small income the retirees get from their pensions are affected by the economic change and cost of living due to droughts that bring unexpected prevailing prices of goods and services. As income from employment comes to the end the retirees face new experience of life difficulty resulting into failure to meet normal life requirements as active employee (Oburu, 2011). Retirement benefits are funds paid as benefits to a retiree after the end of his employment contract. Retiree benefits include old age, sickness, disability (invalidity), survivors, maternity, employment injury, unemployment, health care and subsidies for families with children (ILO convention No 102, 1952). Social security systems have been under challenges and that the labor organization systems are too expensive that they harm the process of socio economic

development of employees (ILO 89th session, 2001). Retirement benefits are basic fundamental human right for employees; over 80% of the world's population has no access to social security protection. Tanzanian Social Security Regulatory Authority (SSRA) board reported that once a retiree thinks about money as income from employment, it does not come as like when he was in a position of employment In Tanzania there is less significant effort assistance to the retirees due to the fund being small and standardizing in terms of percentages their benefits without considering the change of cost of living as per inflation. These encounters to poor lifestyle in the future since the income of the majority is low and it is hard for them to plan for other income generating projects of business and investment (Muhimbi, 2012).

From observation and discussions, the researcher found that Retirees in Tanzania face many problems in their lives; the benefits they receive do not match with the change of cost of living. Whereby,



Some retirees fail to respond to their basic needs requirements such as food, security, health, education of their dependents, shelter and housing, etc. Majority of them become burdens to their family members, frustrated, fall sick and even die few years after retirement. Therefore, this study aimed to analyze the retirement benefits and regulations/policies in relation to socio-economic development of retirees in Meru District.

Research objectives

The study was guided by the following objectives:

- To analyze the retirement benefits of retirees in Meru District
- To analyze the level of socio-economic development of retirees in Meru District
- To find the relationship between retirement benefits, policies/regulations and socio-economic development of retirees.

Null Hypothesis

The study analyzed the following hypothesis:

- There is no significant relationship between retirement benefits, policies/regulations and socio-economic development of retirees in Meru District

Literature Review

Retirement Benefits

The retirement benefits have been generally regarded as having significant impact to the retirees and the economy of the country as a whole. Barr (2000) and Davis (2005) posit that retirement benefits affect the economy growth both indirectly or directly of socio-economic development of an individual and household that later has impact on the economy development of the country. The indirect effects include the impact on economic growth through savings, capital markets and labor markets. Davis and Hu (2008) argued that pension funds have also been seen to boost economic growth via improved corporate governance

Kapuya (2003) indicated that human being is vulnerable to risk, contingencies and uncertainties with respect to income as a mean of life sustenance. To certain these risks, everyone needs some form of security quarantined by the family, community and society as a whole. Such socio-economic risks and

uncertainties in human life form the basis for the need of social security and no individual who can guarantee his or her own security. Social security means any kind of collective measures or activities designed to ensure that members of society meet their basic needs and are protected from the contingencies to enable them to maintain a standard of living consistent with social norms.

Various pension funds have been emphasizing on the retirement preparation for their members. Horton (2001) in his studies tilted: is there life after retirement? Supports that there is no promising life after retirement due to insignificant income for retirees. Their life style after employment is not correlated with their management as when they active employee. Lopez-Murphy and Musalem (2004) supported that Mandatory pension savings fostered socio-economic development of retirees and the national savings, while voluntary pension savings either in form of pension savings or in form of insurance had no significant effect on national savings. Davis (2005) found also that there is a positive relationship between retirement benefits assets and savings.

The hardest things to determine is how long one will live, and budgeting does not solve that problem, while some expenses are routine and ongoing such as food and much of housing costs, others are harder to predict. Expenses increase each year with inflation. Average inflation rates are hard to predict, and may not be good predictor of the impact on an individual household, many retirees may support dependent children, parents, or other family members and it is hard to predict when family issues will arise. Many retirees reduce spending later in life as they travel less and change their activities, but it is hard to predict when people may be ready for that (Zope, 2013). Review of Parastatal Pension Fund (PPF) retirement benefits revealed that the old age benefits are paid to members of the funds when he/she ceases employment with at least 120 months contribution period. The cause of ceasing employment may be attaining retirement age (i.e. 55 to 60 years); retrenchment, retired in public interest or removal from employment by a Presidential decree or any other relevant authority at retirement age (PPF Operation Guide, 2012). On recommendation of a qualified and recognized Medical Board to the satisfaction of the employer, a member of the pension fund is entitled to the disability retirement if he/she ceases to be employed on medical grounds. The benefits are granted to the member who

has at least 120 months contributing period (PPF Operation Guide, 2012).

Death benefits are payable to an employee's next of kin when the member dies while in service where the lump sum is granted the deceased member's legal personal representative or commuted pension gratuity whichever is greater and if before death the member had less than 120 months contributing period (NSSF Operation Guide, 2012). These benefits are paid to employee when a member dies while in service with at least 120 months contributing period. The benefits are payable to the beneficiaries as granted to the deceased member's dependants (wife or husband; children below the age of 18 years; or deceased member's parents). It is granted the same way as monthly old age pension for 36 months. If the beneficiary is the wife, then if she re-marries within 36 months, this benefit stops and if the beneficiary is the husband, before he receives this benefit, he must prove to the Board of Trustees that he was wholly or substantially dependant on his wife (PPF Operation Guide, 2012).

According to Nation Social Security Fund (NSSF) Operational Guide, (2012) the beneficiaries are entitled to the education benefits when a member dies while in service with at least 36 months contributing period to the NSSF Education Benefits. It is granted to not more than four (4) children of the deceased from Nursery to Ordinary Secondary School Level. Employers should immediately notify the pension fund whenever death of employee occurs with certified copy of death certificate and details of the deceased member's children full names and names of the schools. Each child is granted an amount not exceeding 1/12 of the deceased member's annual pensionable emolument (APE). PPF pays direct to the school's bank account at the beginning of each academic year (PPF Operation Guide, 2012). Further it is stated that when a member ceases employment with less than 120 months contributing period and the cause of ceasing employment may be retrenchment, retired in public interest, or removal from employment by a Presidential decree or any other relevant authority then the employee would have qualified for gratuity benefits. Gratuity benefits are granted as lump sum immediately on ceasing employment.

The withdrawal benefits are payable to the employee when a member ceases employment through resignation or termination. The benefits are payable in lump sum composed of total member's and employer's contributions plus a simple interest at the rate to be

determined by the Board of Trustees if the contributing period is not less than 5 years (PSPF Operation Guide, 2012).

Socio-economic Development

Education is one of the most important investments a country can make in its people and its future and it's critical to reducing poverty and inequality (GPE, 2014). CIDA (2007) found that education is the greatest priority for spending the additional family income that result from access to credit for microenterprises and subsequent expansion of the business. The financial obstacle is the main reason mentioned by households to justify the non-enrolment or dropping out of children. The participation in the Village Savings Loan Association Program in Tanzania is expected to increase the level of education attainment and/or the quality of education received, by facilitating a higher level of education expenditure through consumption smoothing (Brannen, 2010). Public awareness program should be seen to cover educational programs and levels of benefits available, eligibility requirements, advice on tax, retirement income planning and available services such as direct deposit and tax deducted at source (The National Audit Office of Tanzania, n.d).

Households of microfinance clients appear to have better health statuses compared to non-client households (Pronyk et al., 2007). Finance institutions and funds service providers with long-term, strengthen clients relationships and play a cross-sectoral in improving access for the poor to a range important health-related service. Microfinance providers are keenly aware of the health needs, which can prevent their clients from repaying on time, from growing their own business financed by loans, from depositing savings, or even push their clients to drop out all together (Dunford et al., 2011). Village Savings and Loan Association (VSLA) Program in Zanzibar, Tanzania showed that microfinance program participation increases a household's ability to finance and thus access healthcare, eventually improving the household's health status (Brannen, 2010).

The safety and health conditions at work are very different between countries, economic sectors and social groups. Deaths and injuries take a particularly heavy toll in developing countries, where a large part of the population is engaged in hazardous activities, such as agriculture, fishing and mining. Throughout the world, the poorest and least



protected - often women, children and migrants - are among the most affected (ILO, 2001). The public health services in Tanzania are subject to serious challenges of resource constraints, and the Primary Health Services Development Programme 2007-2017 reports the shortcomings as "insufficient medical equipment, and shortage of medicines, supplies and laboratory reagents (Songstad, Moland, Massay, & Blystad, 2012). Physical housing characteristics are a useful indicator of the socio-economic status of the household. The findings in the literature suggest a positive impact of microfinance program on both the quality of housing as well as on the level of investment (Neponen, 2003). According to Conner Brannen, (2010). Membership in the VSLA program is expected to increase the resources available to a household, which often enables them to purchase their own home.

There is a shortage of around 3 million housing units. While the average household has five or six members, two thirds live in accommodation with fewer than three rooms. In practically every town waste and unusable ground is occupied although there are no amenities and no infrastructure.

There is evidence that better nourished children have greater education outcomes and earn higher wages in the future. Food insecurity can also have macroeconomic implications. Household level food insecurity can retard economic growth by trapping resources in food production that might be more effectively deployed elsewhere in the economy. Tanzanian farmers struggle with variable rains, limited use of agricultural technology, and uneven access to input and output markets making domestic food security uncertain. Household hunger and concern about food insecurity are particularly affected by weather and other conditions that affect agricultural output. The severe drought conditions that prevailed during the survey period are a particular example of this.

Kinyashi, Hawas, and Mmari (2010) mentioned in their study that there are six factors to be considered for food insecurity: low purchasing power, high market price, lack of employment opportunities, large and unmanageable size of family, lack of external assistance and poor performance of economic activities, old age that makes them more vulnerable to have enough food. Of all these reasons mentioned, low purchasing power by far remain to be the major reason for households living in unplanned settlement. Very few sample households reported the remaining reasons as important factors for food insecurity among house-

holds in study area.

Research Methodology

The main purpose of this study is to analyze the retirement benefits and regulations/policies in relation to socio-economic development of retirees in Meru District in Tanzania.

Research Design

Descriptive research design was used for the study. Data was collected through questionnaire. Both descriptive and inferential statistics were used for data analyzes. The questionnaire focused on collecting data about individual variables within the retirement benefits, individual variables within the policies and regulations satisfaction categories, and individual variables within socio-economic development for retirees.

Participants, Sampling, and Questionnaire

Simple random sampling was used to determine the respondents. There were 164 respondents that participated in this study, among whom 97(59%) were male and 67 (41%) were female. And it can be noted that majority 139 (85%) of respondents served more than 20 years and few 25 (15%) served less than 20 years. The questionnaire had three sections: retirement benefits, policies and regulations, and socio-economic development of retirees. Respondents provided their opinions on a Likert scale with options Always (5), Frequently (4), Sometimes (3), Seldom (2), and Never (1).

Data Analysis

Descriptive statistics was used in this study to determine frequency and percentages and the multiple regressions to generate the F-statistics and analysis of variance was used to compare variables within the retirement benefits and policies/regulations and variables within socio-economic development to determine their relationship. SPSS was used to code, compute, and analyze the data.

Results

Retirement Benefits

There were seven aspects that were surveyed under the retirement benefits. These seven includes: the Old age; Disability; Death; Survivors; Education; Gratuity; and the Withdraw. Table 1 is a summary of the responses to these factors.

Table 1
Retirement Benefits Provided by the Organizations

Retirement Benefit	Never	Seldom	Sometime	Frequently	Always
Old Age	4 (2%)	8(5%)	6 (3%)	18(11%)	128(78%)
Disability	23(14%)	8(5%)	19(11%)	89(54%)	26(16%)
Death	26(16%)	41(25%)	55(33%)	26(16%)	15(9%)
Survivors	49(30%)	45(28%)	51(31%)	11(7%)	8(5%)
Education	64(39%)	64(39%)	21(13%)	10(6%)	6(3%)
Gratuity	74(45%)	55(33%)	18(11%)	3(2%)	15(9%)
Withdraw	107(66%)	32(20%)	15(9%)	7(4%)	4(2%)

It is apparent from these factors that the three greatest factors that are well concerned for retirement benefits seem to be: (a) Old age that 78% always get retirement benefits, and 11% frequently get retirement benefit as per their old age, 5% seldom get retirement benefit for old age respectively, 8% always receive for survivors, (3%) sometimes for old age and only always (2%) receive retirement for old age; (b) For Disability 54% frequently received their retirement benefits, 16% always per disability, 14% never, 11% sometimes, and 5% seldom received retirement benefits per disability; (c) death; 33% sometimes reported to have received their retirements benefits, 25% seldom, 16 % frequently and 16 % never, only 9% always received their retirement benefits as per death; d) Survivors, 31

% sometimes received their retirement benefits, 30 %never, 28 % seldom, 7% frequently and only 5% always received their survivors retirement benefits, e) education, 39 % seldom received retirement benefits, 39% never receive for education benefits, 13 % sometimes receives, 6% frequently receive, and only 3% always receive, f) Gratuity, 45% never receive gratuity benefits, 33% seldom received, 13% sometimes, 6% frequently received, and only 3% always received gratuity benefits, g) Withdraw, 66% never received, 20% seldom receive, 9 % sometimes, 4% frequently received and only 2% always receive withdraw retirement benefits.

Level of Satisfaction on Retirement Benefits

Table 2
Level of Satisfaction on Retirement Benefits

Type of Benefits	N=164	Mean	Std. Deviation
Old age	164	3.9147	1.34133
Disability	164	2.2551	1.10494
Death	164	2.0333	1.03096
Survivors	164	1.8021	.79648
Withdraw	164	1.6687	.68462
Education	164	1.5325	.77665

Mean of 1=1-1.5 is Very unsatisfactory, 2=1.6-2 is Unsatisfactory, 3= 2.1-2.5 is Undecided, 4= 2.6- 3 is satisfactory and 5=3.1 and above is Very satisfactory



From table 2, findings reveal that respondents reported that they were very satisfactory (mean =3.9247) with old age retirement benefits, for disability (mean =2.2551) respondents were satisfied by disability retirement benefits, undecided for death retirement benefits (mean=2.0333), unsatisfied for survivors and Withdraw retirements benefits (mean respectively, 1.8021 and 1.6687), and for education retirement benefits respondents were very unsatisfied (mean =1.5325).

The retirement benefits have been generally regarded as having significant impact to the retirees and the economy of the country as a whole. Davis (2005) posits that retirement benefits affect the economy growth both indirectly or directly of socio-economic development of an individual and household that later has impact on the economy development of the country. The indirect effects include the impact on economic growth through savings, capital markets and labor markets.

Analysis of Socio-Economic Development

Education

Findings in the table 3 shows that 31.6 % of respondents reported that rarely (seldom) they pay for education of their family members from retirement benefits, 19 % never succeed to pay for education of their family members, 18.4 % sometimes get education of their family members, 16.1% frequently pay for educa-

tion of their family members and only 14.9% always are able to pay for education of their family members. 37.9 5 never get assistance from their family for education of their members, 21.3% rarely receive assistance from the family to pay for education of their family members, 19% sometimes get assistance from their families for education of their family members, 12.6% always get assistance from their family to pay for education of their family members, 9.2% frequently get assistance for education of their family members. 69% of respondents reported that have never received assistance for education of their members from the government, 17.2% rarely get assistance for education from the government, 6.9% sometimes get assistance for education from the government, 4.6% frequently get assistance and only 2.3 % of respondents get assistance for education of their family members from the government. 80.5% never get assistance from donor sponsorship for their family members education, 14.9% rarely get assistance for donor sponsorship, and 2.3% sometimes and frequently get assistance from donor sponsorship. This implies that more that 1-quarter of retirees are always able to pay for education of their family members and only few are in the position of paying for education into their family.

Table 3
Education

Means of paying schools fees	Never	Seldom	Sometime s	Frequently	Always
Retirement Benefit	31(19%)	52(31.6%)	30(18.4%)	26(16.1%)	24(14.9%)
Family Assistance	62(37.9%)	35(21.3%)	31(19%)	15(9.2%)	21(12.6%)
Government Assistance	113(69%)	28(17.2%)	11(6.9%)	8(4.6%)	4(2.3%)
Donor sponsorship	132(80.5%)	24(14.9%)	4(2.3%)	4(2.3%)	0

Health

Table 4
Health

Means of paying Health services	Never	Seldom	Sometimes	Frequently	Always
National Health Insurance Fund	21(12.6%)	13(8%)	17(10.3%)	38(23%)	76(46.1%)
Government Hospitals and Dispensaries assistance	23(14%)	24(14.9%)	45(27.6%)	60(36.6%)	11(6.9%)
Self-payment for medication	26(16.1%)	30(18.4%)	53(32.2%)	30(18.4%)	24(14.9%)
Family assistance for medication	60(36.8%)	53(32.2%)	34(20.7%)	11(6.9%)	6(3.4%)
Others	128(78%)	26(16%)	4(2.6%)	2(1.1%)	4(2.3%)

Result in table 4 indicates that almost half 46.1% of respondents are getting health assistance from national health insurance fund, 23% frequently get health assistance from national health insurance fund, 12.6 % never, 10.3 5 sometimes and 8% seldom have been assisted by national health insurance fund. 36.6% of respondents are frequently assisted by government hospitals and dispensaries, 27.6% sometimes, 14.9% seldom, 14% never and only 6.9% always get assistance for their family member's health from the Government hospital and dispensaries. 32.2% of respondents were responsible for health of their family members, 18.4% of respondents were frequently and others seldom responsible for health of their family members, 16.1% never paid any coin for health of their family members, and only 14.9 % always pay for health of their family members. 36.8% never asked for assistance for health of their family members form their family where they come from, 32.2% seldom, 20.7 % sometimes, 6.9% frequently, and only 3.4% always ask

for assistance from their family members for health assistance. 78% never of respondents used other ways for health treatment of their family members, 16% seldom, 2.6% sometimes, 2.3% always and only 1.1% frequently use other ways for health treatment of their family members.

Economic Development Food Security

Findings in table 5 show that more than half (50.6%) of respondents always get food from their retirement pension, 16.1% never get food by their retirement pension, 11.5% frequently and sometimes respectively get food by using their pension funds, and only 10.3% seldom use their pension to get food for their family members. 34.5% of respondent rarely (seldom) get assistance to buy food from their family assistance, 34.1% never get food assistance from their family members, 19% sometimes, 9% frequently and only 3.4% always

Table 5
Food Security

Food Security	Never	Seldom	Sometimes	Frequently	Always
Buying using Retirement pension	26(16.1%)	17(10.3%)	19(11.5%)	19(11.5%)	83(50.6)
Assistance from family members	56(34.1%)	57(34.5%)	31(19%)	15(9%)	6(3.4%)
Government support	120(73%)	27(16.7%)	11(6.9%)	6(3.4%)	0
Other supporters (NGOs, people of good will, etc.)	124(75.9%)	9(5.7%)	28(17.3%)	0	2(1.1%)



get assistance for food from their family members. 73% never get assistance for food from the Government, 16.7 % seldom, 6.9% sometimes and only 3.4 % frequently get assistance of food from the government. More than three quarter (75.9%) of respondents get assistance for food from other supporters, 17.3% sometimes, 5.7% seldom and only 1.1% always get food assistance from other supporters.

Shelter/Housing

Findings in table 6 indicate that 72.4 5 of respondents live in their own houses, 11.5% rent from other people’s houses, 8% depend on family housing, 3.4 % have houses from borrowing funds, and 2.3%

Table 6
Housing and Shelter

	Frequency	Percent
Housing and Shelter Ownership		
Own House	63	72.4
Renting from others	10	11.5
Depending on family housing	7	8.0
Borrowings	3	3.4
Loaned	2	2.3

frequently, 6.9% sometimes and never respectively, 3.4% seldom. 63.2% of respondent always there have been regulations and policies on monthly old age and

Table 7
Policies and Regulations Governing the Retirement Benefits

Policies and Regulations	Never	Seldom	Sometimes	Frequently	Always
Retirement Action	6(3.4%)	4(2.3%)	15(9.2%)	28(17.3%)	111(67.8%)
Commuted pension gratuity upon ceasing employment	11(6.9%)	6(3.4%)	11(6.9%)	26(16.1%)	109(66.7%)
Monthly old-age pension and other benefits	11(6.9%)	9(5.7%)	17(10.3%)	23(13.9%)	104(63.2%)

have loan of housing for their family members.

Policies and Regulations Governing Retirement Benefits

Findings in table 7 show that more than half (67.8%) of respondents reported that there have been always regulations and policies on retirement actions, 17.3% frequently, 9.2% sometimes, 3.4% never, 2.3% seldom reported that there have been regulations and policies on retirement actions. 66.7% of respondents reported that there have been always regulations and policies on commuted pension gratuity upon ceasing employment, 16.1%

other benefits, 13.9% frequently, 10.3% sometimes, 6.9% never, and 5.9% seldom.

Relationship Between Retirement Benefits, Policies and Socio-Economic Development of Retirees

Table 8

Relationship Between Retirement Benefit, Policies and Socio-Economic Development of Retirees

Model		Sum of Df	Mean Square	F	Sig.	
1	Regression	13.576	7	1.939	6.190	.000 ^a
	Residual	19.738	63	.313		
	Total	33.315	70			

a. Predictors: (Constant), policy and regulation, aggregated Withdraw benefit, Survivors benefits, Education benefit, Death benefits, Disability benefits and Old age benefit

b. Dependent Variable: Socio-Economic development

Results in table 8 show the relationship between retirement benefits, policies and socio-economic development with F-statistic of 6.190 and p-value of 0.000. Based on decision rule stating that if the p-value is less than or equal 0.05 we say that the test statistic is significant at 5% and the probability of observing a result extreme as that observed solely due to chance, then the relationship between the independent and dependent variables is considered statistically significant. The p-value allows to rejecting the null hypothesis and accepts the alternative one. On the other hand if p-value of the test is >0.05 , one may accept the null hypothesis and reject the alternative. Evidence against the null hypothesis will be considered very strong if p-value is less than 0.01. In that case, we say that the test is significant at 1%. Therefore, since the p-value of the test result above is less than or equal to 0.05, the study rejects the null hypothesis stating that there is no relationship between retirees policies/regulations, retirement benefits and socio-economic development. This result is consistent with Davis (2005) who found that there is a positive relationship between retirement benefits assets and savings. This implies that retirement benefits of an employee are significant for retirees' socio-economic development. Retirees find other ways to survive and due to the fund being small and uniform to the rest of their life span without considering the change of cost of living standard as per inflation, this encounter to poor lifestyle in the future since the income of the majority is low and it is hard for retirees to make plans.

This means that retirees live not only from their retirement's benefits as are not enough to sustain their life style. Oburu (2011) support the findings as stated in his study that in many African countries the lives

of retirees are difficult in such a way that their benefits end in getting only the basic requirements while others do not. The small income the retirees get from their pensions are affected by the change of cost of living due to cost of production, war, famine, drought among others that bring unexpected prevailing prices of goods and services while their income remain the same. Further he concludes that retirement kills more than hard work ever does. Their lifestyle may change relatively with income. As income from employment comes to the end the retirees face new experience of life difficulty resulting into failure to meet their normal life requirements as previously.

Summary

The findings of the study revealed that more than half (78%, 54%) of retirees always get retirement benefits for old age and disability respectively. More than one quarter of respondents declared to have sometimes (33%, 31%) to have received death and survivors, education benefit was seldom (39%) received, Gratuity never (45%) been received and Withdraw never (66%) been received. It is indicated that also respondents were very satisfactory with old age retirement benefits, satisfied with disability retirement benefits, undecided for death retirement benefits and unsatisfied for survivors, education and Withdraw retirement benefits. Most of retirees paid for education of their family members and never got assistance from other parties (government, donors and family members). Almost half (46.1%) of respondents are getting health assistance from national health insurance fund. Government hospitals and dispensaries for health services frequently (36.6%) assisted, 36.8%



never asked for assistance for health of their family members form their family where they come from and 32.2% of respondents were responsible for health of their family members. More than three quarter (78%) of respondents never used other ways for health treatment of their family members. More than half (50.6%) of respondents always get food from their income of retirement pension fund, rarely (34.5%) assistance from families and never (75.9%, 73%) get assistance for food from other parties and the Government respectively. Almost three quarter (72.4%) of respondents live in their own houses. More than half (67.8%) of respondents reported that there have been always regulations and policies on retirement actions and 63.2% of respondents reported that always there have been regulations and policies applied for old age and other benefits. Results of analysis revealed that there is a significant relationship between retirees' retirement benefits, policies/regulations and socio-economic development.

Conclusion

From findings the researcher concluded by supporting that retirement benefits have been generally regarded as having significant impact to the retirees and the economy of the country as a whole. Davis (2005) posits that retirement benefits affect the economy growth both indirectly or directly of socio-economic development of an individual and household that later has impact on the economy development of the country. The indirect effects include the impact on economic growth through savings, capital markets and labor markets. Kapuya (2003) indicated that human being is vulnerable to risk, contingencies and uncertainties with respect to income as a mean of life sustenance. To certain these risks, everyone needs some form of security quarantined by the family, community and society as a whole. Such socio-economic risks and uncertainties in human life form the basis for the need of social security and no individual who can guarantee his or her own security. Social security means any kind of collective measures or activities designed to ensure that members of society meet their basic needs and are protected from the contingencies to enable them to maintain a standard of living consistent with social norms. The following recommendations are formulated form the findings: a) Policies and regulations on retirement benefits should be reviewed towards an annual adjustment of on pension for index-

ation of benefits in accordance to the change of cost of living as far as inflation is concern, b) Employers with support from the government should provide education to the employees through seminars, workshops on how to engage themselves in various economic activities to generate income from business and investment and not only wait for the only one source employment before their retirement ages, c) There should be unity among retirees that could accelerate them to create a "sound voice" to all matters associated with their retirement benefits and rights, d) Employers should take consideration of retirees' life style even when after the service rendered to them when they were still employee active and e) The same study should be taken in other regions for good comparison of retirees' life style and retirement benefits.

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