CONTRIBUTORY PENSION SCHEME AND CONSUMPTION DECISIONS OF NON-DURABLE GOODS AMONG RETIRED FEDERAL CIVIL SERVNATS IN ANAMBRA STATE, NIGERIA

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Abstract:
The neglect suffered by retirees recently and the attendant consequences necessitated this research aimed at investigating the impact of contributory pension schemes on post-retirement consumption decisions of non-durable goods of retired federal civil servants in Anambra State. A sample of 500 respondents was drawn from two communities in the state, each from two local government areas of each senatorial zone of Anambra State, through stratified random sampling technique and purposive sampling technique, respectively. A test of the reliability of the research instruments was done using the Cronbach Alpha test statistic on a sample of 50 respondents for pilot testing which shows that it is more significant than 0.7, indicating that the research instruments were reliable. Data for the study were analysed using descriptive statistical tools and logistic regression techniques. Significant findings indicate that contributory pension scheme savings have a likelihood of positive and significant contributions to the consumption of non-durable goods. Similarly, further findings also indicate that higher education, higher income level, large family size, socio-economic responsibilities, unemployment, high-income level and poor health status are factors that have the likelihood of significantly influencing post-retirement consumption of non-durable goods in Anambra State. The study recommends, amongst others, the payment of living wage to workers to enable them to save and invest while still in active service so as not to depend solely on their contributory pension scheme when retired.

JEL: J26, H55, D12, G22, I38, C83, D14, J14

Keywords: consumption decision, non-durable goods, Anambra State, contributory pension scheme, civil servants, federal

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1. Introduction

In Nigeria, retirement marks the end of one's professional life in either the public or private sectors. The statutory retirement age in public service is sixty years or thirty-five years of service. The 2012 Retirement Age Harmonization Act allows judicial officers and academic staff to retire at 65 and 70 years, respectively, acknowledging their valuable experience. In the private sector, retirement ages range from 55 to 60 years without the thirty-five-year service requirement.

Before the introduction of the Contributory Pension Scheme, the non-contributory pension scheme was introduced as an employer-sponsored plan through the Pension Ordinance of 1951 with retroactive effect from January 1, 1946. This ordinance provided public servants with both pensions and gratuities to improve their social and economic lives. Pension Decree 102 for civil and public servants and Decree 103 for the military of 1979 were enacted with retroactive effect from April 1974 (Fapohunda, 2013). In 1979, when the Pension Act 102 was signed into law, it became the main legislation guiding the entire public service. The Act specified that for a public officer to qualify for pensions, he or she must have served a minimum of fifteen (15) years. The public officer must put in a minimum of ten (10) years of service to qualify for gratuity payment. Later, in 1992, the Act was amended to a minimum of ten (10) years of service for pension and five (5) years for gratuity (Achimugu, *et al.*, 2015). The retirement age for the Contributory Pension Scheme is Sixty years or thirty-five years of service for public/civil servants (whichever comes first).

A significant concern for retirees is how they will manage the consumption of non-durable goods when they have retired. Non-durable goods include essential daily items such as food, clothing, and other perishable goods, which require regular purchasing. These items form a substantial part of retirees' monthly expenditures. The transition from a steady salary to a pension can create anxiety about maintaining the ability to purchase these necessities. Therefore, understanding the impact of the Contributory Pension Scheme on this aspect of retirees' lives is crucial. This study aims to investigate how the pension scheme influences retirees' ability to manage their consumption of non-durable goods in Anambra State, focusing on their day-to-day financial stability and overall well-being after retirement.

Anambra State, with its capital in Awka is one of the states in the South-Eastern zone of Nigeria. Anambra State is known to be highly enterprising and could be found to engage in private and public establishments. Anambra is the second most densely populated State in Nigeria after Lagos State. The State is said to be rich in natural gas, crude oil, bauxite, and ceramic. This study considers Anambra State most appropriate because it is a public and private mixed population with many public and private establishments where it is believed that many retired persons will be ready to share their experiences concerning their consumption behaviour during and after their retirement. This study, therefore, sets out to evaluate Contributory Pension Scheme on consumption behavior among retired workers in Anambra State during post-retirement because the

change in consumption expenditure at retirement has generated lots of questions in the research circle.

Retirement is a global phenomenon that affects employees' lives irrespective of their position, race or nationality. It is surrounded by many problems, which make employees use every possible delaying tactic (for example, changing dates of birth) unless when it can no longer be avoided. This situation pre-supposes that when employees are close to retirement, they are likely to develop anxiety because their consumption cycle might change due to a shortage of income, etc. Apart from this, there are so many other challenges in retirement transition in Nigeria and therefore, retirement is a time of trepidation for many, especially among workers in public organizations.

According to Ujumadu (2022), those who have retired since 2017 in Anambra State have not been paid their pension, even as many of them have died without being paid. The state branch of the Nigeria Union of Pensioners (NUP) has consistently been lamenting over the development and engaging the state government on the matter but all to no avail. Although ex-workers are paid monthly pensions, the hope of every worker at retirement, which is the gratuity, has remained outstanding in the State. Apart from non-payment of gratuities, the organized labour in the state has also been worried about the reluctance of the State government to harmonize pensions in the State. The State Chairman of NUP, Anthony Ugozor, at every given opportunity, decries the plight of pensioners in the State. At a recent interaction in Awka, Ugozor said the two issues left a sour taste among retired workers in the State. According to him, a pensioner who retired ten years ago receives less than 50 percent of what their counterpart who retired in 2020, for instance, receives. Furthermore, it is on record that for more than four years now, 2002 and 2003 primary school pensioners have been weeping and appealing for payment of their 11 months outstanding arrears of their pension approved for payment in March 2014 by former Governor Peter Obi (Ujumadu (2022).

Several policies have been laid by the Nigeria government to mitigate this type of problem, such as Securities and Exchange Commission (SEC), National Insurance Commission (NAICOM) and the Joint Tax Board (JTB), The Pension Reform Act 2004, which is the most recent legislation of the Federal Government that aimed at addressing the associated problems of the old pension system. It established a uniform pension system for both the public and private sectors. Similarly, for the first time in the history of the country, a single authority has been established to regulate all pension matters in the country. Despite all these efforts made by the government, the neglect suffered by retirees recently and the attendant consequences necessitated this research. Also, this present study differs from existing studies in terms of method of analysis, but most especially because it focused directly on the consumption of non-durable components, which previous studies neglected. Therefore, the objective of this study is to determine the impact of the contributory pension scheme savings on post-retirement consumption of non-durable goods by retired public workers in Anambra State.

2. Literature Review

2.1.1 Review of Conceptual Literature
a. Non-durable Goods

Battistin, *et al.* (2009) posit that non-durable goods are any consumer goods in an economy that are either consumed in one use or used up over a short period of time and must be bought again in successive purchases. Non-durable goods last less than three years on average. They include food, pharmaceuticals, tobacco, clothing, household supplies, personal care products, laundry detergent, dish soap, light bulbs, paper products like paper plates, clothing, gasoline, etc. Non-durable goods are the opposite of durable goods, which are not consumed or that yield utility over long periods of time (considered to be over three years). Non-durable goods are a significant portion of a country's gross domestic product in the categories of personal consumption, exports, and government purchases. Since non-durable goods are a stable figure in an economy, slight increases or decreases in the purchase of non-durable goods are not considered economic indicators. Changes in the purchase of non-durable goods are more reflective of a population change than of economic growth or recession. Consumer behavior overall remains consistent toward non-durable goods because they are necessary goods that consumers must purchase no matter the current economic situation. If an economy is in a recession, consumers will usually forgo purchasing durable goods but will continue purchasing the same amount of non-durable goods, albeit sometimes opting for non-durable goods sold at lower prices.

b. Retirement

Historically, retirement is a relatively modern concept. According to Tijani and Adekunle (2018), before the advent of social security systems and pensions, many individuals worked until they were physically unable to, relying on family or community support in their later years. Retirement evolved with industrialization and the establishment of social safety nets, allowing people to plan for rest and recreation in their old age. To fully grasp the concept of retirement, it is essential to consider it a life transition involving financial, emotional, and social changes. Planning for retirement is not solely about accumulating wealth but also about envisioning and preparing for a fulfilling post-career life. Financial readiness is a cornerstone of retirement. It involves saving and investing wisely throughout one's working years to build a nest egg to support living expenses, healthcare needs, and leisure activities in retirement.

Retirement serves several purposes, primarily providing individuals with the time and freedom to pursue activities and interests they may have needed more time for during their working years. According to Fapohunda (2013), one of the primary purposes of retirement is to allow individuals to enjoy leisure and recreational activities. Whether traveling, pursuing a hobby, or simply relaxing, retirement offers the freedom to enjoy life on one's terms. Retirement offers the opportunity for personal growth and development.

c. Contributory Pension Scheme Savings

The contributory pension scheme refers to a social protection package approved by the Federal Government of Nigeria by the 2004 Pension Reform Act, which allows employees and employers to make joint contributions of 7.5% of a worker's salary per month for the payment of pensions to employees towards their retirement era. For the Armed Forces, employees' contribution is 2.5% while their employers contribute 12.5% respectively. The Contributory Pension Scheme (CPS), in the words of Ahmed (2006), is premised on the objectives of ensuring that every worker receives his retirement benefits as and when due, empowering the workers and assisting workers to save in order to cater for their livelihood during old age; stemming the growth of pension liabilities; establishing uniform rules, regulation and standards for the administration of pension matters.

2.2. Review of Basic Theories

Many theories have been developed in relation to pension reform across the globe and the well-being of pensioners. The most appropriate theory then for this work is the Theory of Life cycle developed by Franco Modigliani and his pupil Richard Brumberg, who created the idea in the early 1950s and 1980s.

a. Theory of Life Cycle

An economic theory known as the life-cycle hypothesis (LCH) explains how people save and spend money over the course of a lifetime. Franco Modigliani and his pupil Richard Brumberg created the idea in the early 1950s and 1980s. According to the hypothesis, people try to balance their lifetime consumption by saving during times of high income and borrowing during times of low income. The LCH makes the assumption that people budget their money over the course of their lives while accounting for potential future earnings.

Accordingly, they take on debt when they are young, assuming future income will enable them to pay it off. They then save during middle age in order to maintain their level of consumption when they retire. The theory makes one exception to the above postulation, holding that there is one ground in which consumption can be affected. A pension reform plan can change the wealth of a pension plan participant. The life cycle theory believes or argues that pension reform can affect the savings rate of a pension plan participant by affecting the average wealth of the person. This is because a sustainable pension plan can grow huge financial resources for further investment earnings which can cause significant redistribution of income, leading to increased wealth to pension participants. This can encourage increased or sustainable saving propensity. The theory further posits that the proportion of one's resources spent depends on whether he made the plan during his early or later years. The life cycle income hypothesis places age as a crucial variable in determining the relationship between consumption and wealth. In this hypothesis, an individual's income is lower than his spending (or consumption) at the beginning and towards the end of his life. In the middle years of his life-career, his total earnings or income is higher than his consumption (Modigliani and Brumberg, 1980).

Figure 2.5: The Life-Cycle Income and Consumption Theory Curve

Source: Modigliani and Brumberg (1980)
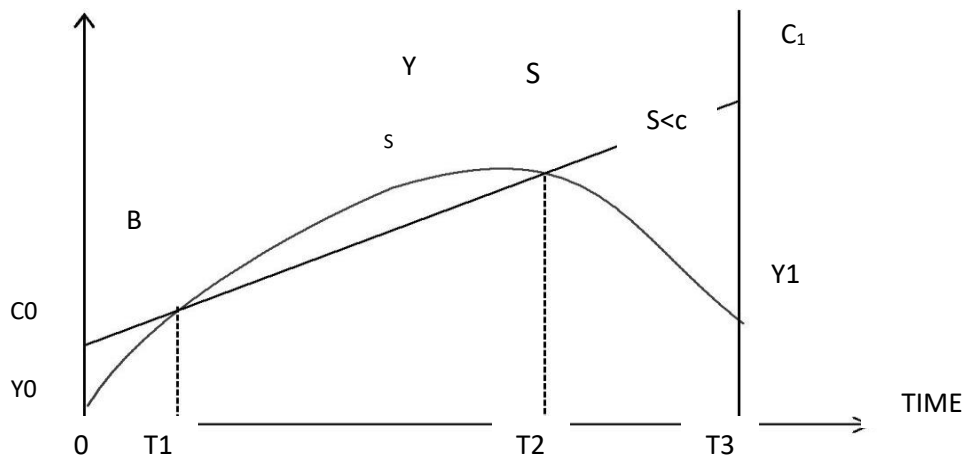
From Figure 2.5, Y0Y1 curve shows the individual income stream during his life career time, 0T3, while C0C1 depicts his consumption function, which rises slowly over his lifetime. S is saving, and part of his income is not spent on current consumption. At the early stage of his career life, OT1, he borrowed CoY0B amount of money to keep his consumption level, CoB, which is above his income, Y0B. Thus, CoB is greater than Y_0B, resulting in Savings(S) being less than Consumption (C). The middle age of his life is represented by T1T2, during which his income, BYS, is higher than his consumption, BS, resulting in savings (S0 being greater than) consumption (C). Thus, he saves BYS amount to repay his debt and for the future. In the last years of his life, represented by T2T3, his consumption SC1 is greater than his income, SY1, so he dis-saves SC1Y1 amount, thus, S< C.

From the above analysis of the income hypothesis above, as applied in this study, we draw the following analogy: 0T1 as the early years of the individual career life, already given; TIT2 as the middle age of his career life in which his income, BYS, is greater than his consumption, BS, thus, enabling him to deposit part of his income as retirement savings with the existing national pension scheme. T2 is the time the individual retires from his career. SY1 as post-retirement income, which is less than SC1, his post-retirement expenditure (consumption), while T2T3 is his post-retirement lifetime; and within this period, the retiree depends more on his pension he made between years T1 and T2. If the pension scheme becomes ineffective and inefficient, probably due to financial misappropriation and other factors, such as the retiree not receiving his pension regularly, the pension scheme will be said to have fallen short of its expectation. If this situation becomes probable, how employees deal with this situation and its effect on post-retirement consumption becomes important and this is the relevance of the theory.

2.3. Review of Related Empirical Literature

Nwawolo & Nwogwugwu (2019) examined contributors' involvement in pension funds investment decision-making and retirees' standard of living. The study adopted a convergent parallel research design with the population being non-academic staff of the

University of Lagos. The population of the study was 5098, and the sample size was set at 100 respondents using Taro Yamane's (1967) formula. The response rate of the validated questionnaire was 91%. Descriptive and inferential statistics (linear regression) were employed in the analysis of data. The study found that contributors' decision-making on pension fund investment exerted a significant positive effect on retirees' standard of living.

Baridoo & Leyira (2019) examined the relationship between contributory pension fund and economic growth in Nigeria. The data was collected from PenCom Bank from 2014 to 2016 for both private and public sector contributions. Four hypotheses were tested using multiple regression analyses with the help of ordinary least squares, and findings reveal positive and significant relationship between public sector PenCom contribution with real GDP and per capita income, while a negative but non-insignificant relationship was found between private sector pension contribution with real GDP and per capita income. Thus, an increase in public sector pension contribution accelerates an attendant growth in the real GDP and per capita income. It is recommended that PenCom should ensure adequate compliance with the Pension Reform Act, 2014, as amended, especially in the private sector, to militate against leakages in the economy.

Munnel & Yohn (2018) investigated the effect of the contributory pension scheme on private domestic savings in OECD countries spanning from 1984-2017. Fully Modified OLS (FMOLS), Dynamic OLS (DOLS) and Markov Switching Regression Models were employed. The study revealed that a percentage increase in pension funds contributed 5.7% to private domestic savings in OECD countries, which the civil servants retirees use for non-durable goods and sustenance. The study recommends effective supervision and regulation of the scheme for the enhancement of capital formation. This study differed from the present study, which is not a cross-country survey. The present study seeks to find out how the new pension scheme changes the pre- and post-consumption behaviour of retirees.

Ojiya, Ajie & Isiwu (2017) examined the impact of the Contributory Pension Scheme on economic growth in Nigeria. Data for the study were sourced from various issues of PenCom Annual Reports and World Bank Development Indicators (database). OLS technique was employed in the study. The study found out that pension fund assets and pension contribution/savings mobilized over the years have a positive but insignificant impact on the economy in Nigeria.

Yusuf & AbdulKareem (2016) examined the impact of the contributory pension scheme on workers' savings in Nigeria. The population of the study was the staff of Nigerian Railway Corporation Plc. Zaria. The type of research design used was the survey research method. T-statistics technique was used to test the hypothesis of the study. The finding of the research showed that contributory pension scheme has a negative effect on workers saving, implying that as pension contribution increases, the workers savings reduces.

Ahmed, *et al.* (2016) examined the effects of the CPS on the welfare of retirees from selected federal establishments in Nigeria. Data were collected through questionnaires,

interview and non-participant observation. The data were analysed using chi-square alongside tables and percentages. The study discovered that CPS has partially addressed the timely payment of benefits, and it has also instilled some discipline in the savings habit of the federal public service. In addition, it was also discovered that there is no complete adherence to rules by PFAs and finally, hence, the welfare of the retirees is not well handled, and this could be said to affect their consumption.

Nwanne (2015) examined the impact of the contributory pension scheme on economic growth in Nigeria for the period 2004-2012. The study used Ex-post-facto research design and Ordinary Least Square Regression method for data analysis. The study revealed that pension funds have a negative and significant impact on economic growth. The implication of the finding is that the contributory pension scheme has achieved the objective of using pension funds to provide long-term capital that will promote economic growth. It also implies that pension savings contribution is low, an indication of low coverage of the scheme.

Nyong & Duze (2011) carried out a study on the Pension Reform Act 2004 and retirement planning in Nigeria. The study used a survey research design and a multi-stage random sampling technique to select the sample size of 3000 from the population of serving teachers and teacher pensioners in Federal and State Public Secondary Schools between the ages of 55 and 59 years. The study used a logistic regression model, and the results revealed that the objectives of PRA 2004 were yet to be achieved since retired persons still suffered trauma, pains and even death before they received their pension packages.

3. Research Methodology

The study adopted a quantitative research design by employing both descriptive statistical tools and logit regression techniques to analyse the data. The study is anchored on the life cycle theory, which is appropriate in explaining the three stages of development of pension fund administration and the respective financing needed to improve the social and economic life of employees at the maturity stage. A sample of 500 respondents was drawn from two communities in local government areas of each senatorial zone of Anambra State through stratified random sampling technique and purposive sampling technique. A reliability test was conducted, and the coefficient was 0.7, indicating that the research instrument was reliable. The sample size was determined using Kothari's formula:

$$n = \frac{(z)^2 pqN}{c^2(N-1) + z^2 pq} \tag{1}$$

Where:
n = required sample size;
N = population of the study;

z = 1.96 under the normal curve for 95% confidence;

p = percentage of choosing a response;

q = 1-p (if p = 0.5, then q = 1-0.5 = 0.5); c = 0.5.

Therefore, the sample size would be

$$n = \frac{(1.96)^2 * 0.5 * 4149}{(0.05)^2(4149-1) + 0.5*0.5} \tag{2}$$

N= 384

A three-part questionnaire was utilized and covered personal information, including the socio-economic characteristics of the retired federal civil servants, relations of contributory pension scheme and post-retirement consumption decisions, relations of contributory pension scheme savings and post-retirement consumption of durable and non-durable goods.

The study also employed the logit model to analyze the research questions. Following Gujarati and Porter (2009) in the estimation of the Logit model, the natural log transformation of the Logit Model is as expressed in equations 4 and 5.

$$L_t = \ln\left(\frac{p_i}{1-p_i}\right) = z_t \tag{3}$$

$$z_t = \beta_0 + \beta_j \sum_{j=1}^{k} x_i + u_i \tag{4}$$

This implies that L, the log of the odds ratio, is linear in both Xs and the parameters. It should also be noted that as P varies from 0 to 1, Z goes from $-\infty$ to $+\infty$. The present study adopted the Qing *et al.* (2016) model with further modifications, as represented in equation (3). Therefore, the logit model for this study is represented in equation5.

$$L_t = \ln\left(\frac{p_i}{1-p_i}\right) = f(y_1, y_2, y_3, y_4, y_5, ... y_6) \tag{5}$$

Where:

Pi in equation 5 is a binary dependent variable where Pi=1 if post-retirement consumption of non-durable goods increases, and

Pi = 0 if post-retirement consumption of non-durable goods decreased.

Where:

y_1 = contributory pension scheme savings (CPSS),

y_2 = Savings other than CPSS,

y_3 = income from a part-time job,

y_4 = income from investments in small businesses,

y_5 = assistance from family and friends,

y_6 = assistance from government.

The logit model is efficient, possesses the ability to approximate the normal distribution, and exhibits analytical convenience (Xia, *et al.*, 2011).

4.1 Presentation and Analysis of Result

Table 4.1: Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation
Gender of retired civil servants	500	1.00	1.00	2.00	1.3680	.48274
Age of retired civil Servants	500	2.00	1.00	3.00	2.5380	.55603
The educational level of retired civil servants	500	4.00	1.00	5.00	3.5680	.77368
Marital status of civil servants	500	5.00	1.00	6.00	2.8380	.92383
How long have you stayed since retirement	500	2.00	1.00	3.00	2.2880	.73902
Valid N (listwise)	500					

Source: Field Survey (2024).

Table 4.1 shows the mean, median and standard deviations of the selected variables. The most interesting thing here is that the data used are consistent with respect to their minimum and maximum values. The categorical and binary variables are consistent and yield their respective means and standard deviations. For instance, the coding for males is one, while the coding for females is two. The coding for age is one to three, while the level of education attained is one to five, respectively.

Still, regarding the descriptive and internal characteristics of data for the study, Table 4.2 presents the age of retired workers and their gender.

Table 4.2: Gender of retired workers and age of retired federal civil servants

		Age of retired federal civil servants			Total
		Less than 50	Between 51 to 60	Greater than 60	
Gender of retired servants	Male	12	125	179	316
	Female	3	76	105	184
Total		**15**	**201**	**284**	**500**

Source: Field Survey (2024).

Table 4.2 indicates that 43.2% (216) of retirees bowed out of active service at age 60 and below. This is in tandem with retirement by service, which is usually 35 years of service.

Furthermore, 56.8% of the respondents retired at age above 60. This category includes judicial officers, lecturers and others who retire at 65 or 70 years of age and not by service.

Table 4.3: Gender and Marital status of the retired civil servants

		Marital status of the civil servants						Total
		Single	Married	Widow	Widower	Divorced	Separated	
Gender of retired civil servants	Male	3	129	120	44	19	1	316
	Female	0	81	71	15	16	1	184
Total		3	210	191	59	35	2	500

Source: Field Survey (2024).

Table 4.3 represents the gender and marital status of the respondents. Three respondents submitted that they are single. However, while there was a greater number of respondents who were married, women who were widows outnumbered the men who were widowers. This descriptive analysis further indicates that there are more single parents than married ones, implying that the burden of retirement could be heavier on the single parents who are left with no support from their spouse.

Table 4.4 highlights the gender and educational qualifications of the respondents. Statistics here exhibit a normal distribution. About 45.4% of the respondents have qualification of M.Sc and above while about 54.6% of the respondents had education up to B. Sc or HND level. This outcome suggests that this study is skewed towards the literate.

Table 4.4: Gender and educational qualifications of retired workers

		The educational level of retired civil servants					Total
		First School Leaving Certificate	SSCE/NECO	HND/BSC	M.Sc	PhD	
Gender of retired civil servants	Male	0	8	162	100	46	316
	Female	1	5	97	55	26	184
Total		1	13	259	155	72	500

Source: Field Survey (2024)

Table 4.5: Gender of retired worker and how long have you stayed since retirement

		How long have you stayed since retirement			Total
		Less than 5 years	Between 5 years to 10 years	Greater than 10 years	
Gender of retired worker	Male	52	118	146	316
	Female	33	68	83	184
Total		85	186	229	500

Source: Field Survey (2024).

Table 4.5 indicates that retirees of more than 10 years outnumber retirees of other categories. This makes it more likely to draw from the wealth of knowledge of retirees

who have more experiences of life after retirement than younger retirees. However, respondents in this study cut across young and older retirees.

Table 4.6 shows that about 46.2% (231) of the respondents are self-employed and running their private businesses, while 45% (225) of the respondents are unemployed. However, only 8.8% (44) of the respondents are engaged by others in private establishments. It is important to note that almost half of the respondents are unemployed, and this poses a big problem to the retiree, who will be more challenged due to the paucity of funds to take care of their personal needs. This category of respondents depends on family and friends for their welfare, and where support does not come, the life of the retiree becomes miserable.

Table 4.6: Gender of retired federal civil servants & what they have been doing after retirement

		Self-employed	Unemployed	Part-time private employed	Total
Gender of retired civil servants	Male	158	134	24	316
	Female	73	91	20	184
Total		**231**	**225**	**44**	**500**

Source: Field Survey (2024).

As observed in Table 4.7 below, about 93.2% of the respondents spend their savings on health-related issues. This is usually the case for most retirees and this underscores the need for adequate health care during years of active service in order to minimize poor health conditions after retirement.

Table 4.7: Gender of retired civil servants * Drugs

		Drugs					Total
		Not at all	Rarely	Undecided	Often	Very often	
Gender of retired civil servants	Male	6	12	2	159	137	316
	Female	4	7	3	92	78	184
Total		**10**	**19**	**5**	**251**	**215**	**500**

Source: Field Survey (2024).

Because life without an energy supply is inevitable, Table 4.8 indicates that 100% of the respondents spend most of their income or savings on energy supply in the form of gas, electricity, fuel, or firewood.

Table 4.8: Gender of retired workers and gas, electricity, petrol

		Gas, electricity, petrol		Total
		Often	Very often	
Gender of retired worker	Male	132	184	316
	Female	81	103	184
Total		**213**	**287**	**500**

Source: Field Survey (2024).

4.2 Logistic Regression

4.2.1 Result of logit Regression

Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1ᵃ	Contributory pension scheme saving increased my consumption of non-durable goods after retirement	.088	.088	.986	1	.031	1.091
	Income from my part-time private job helped my consumption of non-durable goods after retirement	.234	.122	3.704	1	.054	1.263
	Income from my investments helped my consumption of nondurable goods	.249	.110	5.105	1	.024	1.282
	Assistance from family and friends helped my consumption of non-durable goods after my retirement	.487	.137	12.620	1	.000	1.614
	Assistance from the government helped me consume non-durable goods after my retirement	-.077	.103	.557	1	.455	.926
	Constant	1.012	.819	1.529	1	.216	2.751
a. Variable(s) entered on step 1: Contributory pension scheme saving increased my consumption of non-durable goods after retirement, Other savings helped my consumption of non-durable goods after I retired, Income from my part time private job helped my consumption of nondurable goods after retirement, Income from my investments helped my consumption of nondurable goods, Assistance from family and friends helped my consumption of nondurable goods after my retirement, Assistance from the government helped me consume nondurable goods after my retirement.							
b. Source: Field Survey (2024).							

The result of the individual explanatory variables indicates that contributory pension scheme saving, other savings, income from a part-time job, income from investments and assistance from family and friends are positive and significant implying that they have more odds or probability of increasing post-retirement consumption of non-durable goods by 9.1% (1.091-1), 20.6% (1.206-1), 26.3% (1.263-1), 28.2% (1.282-1) and 61.4% (1.614-1) respectively than they would decrease it.

The result of the logit regression shows that contributory pension scheme (CPSS), income from investments, part-time jobs and other savings have a positive and significant relationship with post-retirement consumption of non-durable goods. These results support out earlier where it was concluded that CPSS is more amenable to supporting non-durable consumption. Because there is a limit to which CPSS could support non-durable consumption, there is still a need for other streams of income in order to keep pace with harsh economic realities and rising socio-economic burdens. This result aligns with the findings of Qing, *et al.* (2016) for China, who found a positive relationship between pension savings and household consumption. Since consumption is a component of GDP, there are many studies that found a positive relationship between CPSS and GDP, a few of which are Barido, *et al.* (2019), Tijani, *et al.* (2018), Nwanne (2015).

5. Conclusion and Recommendation

This study investigated the contributions of contributory pension scheme savings on post-retirement consumption of non-durable goods in Nigeria using Anambra State as a case study. The aim of the study was to discover how best to make this segment of the dependent population become less dependent and contribute to their own well-being and that of the Nigerian economy at large. Results show that pension saving has a significant impact on post-retirement consumption of non-durable goods. It was also found that income from investments, part-time jobs and other savings helped increase post-retirement consumption of non-durable goods. The study also found that age, higher education, higher income level, large family size, socio-economic responsibilities, unemployment, high-income level and poor health status are some factors that significantly influence post-retirement consumption of non-durable goods in Anambra State, Nigeria. We, therefore, conclude that contributory pension scheme saving is good and sufficient to guarantee smooth consumption of non-durable goods after retirement.

The study observed that the income of retirees while in active service was seen to be poor. Hence, it recommends a living wage that can take care of the basic needs of federal civil servants, taking into consideration the prevailing socio-economic conditions, be paid to workers in order to enhance their economic status and enable them to save and invest for smoother post-retirement consumption of non-durable goods. Socio-economic burdens, large family sizes, unemployment, and poor health status are some socio-economic burdens militating against post-retirement consumption of durable goods. Small-sized families, routine health checks and cutting down on unnecessary social activities are recommended in order to achieve smoother post-retirement consumption of non-durable goods.

Conflict of Interest Statement
The authors declare no conflicts of interest.

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