

ABSTRACT

Pension systems provide provision to elderly when old age or disability restricts their earning ability. In Pakistan, two pension systems i.e., tax-finances public pension system and fully-funded private pension systems are operational. In public system, the government bears all the expenditures and in private system both employee and employer contribute, these contributions are collected by EOBI. This paper analyzes the public and private pension systems in Pakistan by using the Delphi technique as the research tool. Delphi has been used as a problem identification tool. The results reveal that the following statements has been identified by experts as core issues in public system i.e., pension expenditures have been increased in last 10 years, unfunded pension system that lets at least five tiers of family members (retiree, widow, widowed daughter, unmarried daughter and divorced daughter) of retirees to draw pension payments is increasing the pension expenditure, economy has been burdened by increased expenditures, early retirements have been making issues in the system and they also believed that the system needs changes and improvements. On the other hand, results disclose that the following statements has been identified by experts as core issues in private system i.e., sufficient number of employees have not been registered in private pension system, the amount of pension given to the employee is not increasing according to the increasing inflation rate and also it is not enough to meet the living expenditures, they also believe that the system needs changes and improvements. Experts suggested that in order to reduce expenditures in public system, government should establish a pension fund. The maximum limit should be imposed on pension amount in public system, moreover, in order to increase number of registered employees in private pension system, the employees working on daily wages should also be given the chance to resister themselves into private pension system

Keywords; Pension System; Public Sector; Private Sector; EOBI; Delphi Technique.