

TECHNICAL SESSION-5: WORK ENVIRONMENT, PRODUCTIVITY AND INCENTIVES

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Paper Title: Budgeting for the Future: Estimating the Lifetime Cost and Services Length of Public Sector Employees in Pakistan
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Abstract: This study is designed to anticipate the (future/discounted) lifetime cost and length of public sector employees in Pakistan, using both the primary and secondary data sources. In fact, we have estimated the lifetime cost for three different cases as a sum of lifetime salaries, commuted pensions, pension (monthly) to be paid to employee, pensions to be paid to spouse, pension to be paid to unmarried daughter. In fact, the findings reveals that on average the lifetime cost of class-4 employees is around 36.9 million rupees if the employee get retire in their 60s. moreover, most of the personal cost is in the form of salaries. However, in the first case the largest beneficiary would be the spouse of employee followed by the unmarried daughter. And, on average, discounted lifetime cost of supporting staff is in case one is around 34.3 million rupees. In fact, the cost increases in case two (if serves for 25 years) to 46.9 million rupees. And, finally, in case three the average discounted personal cost of supporting staff is about 59.1 million rupees. similarly, the findings reveals that in first case the largest beneficiary is spouse followed by the employee, both in case two and three the largest beneficiary is employee him or herself. Moreover, the study anticipates that on average the anticipated (discounted lifetime cost of BPS-17 & above is around 82.3 million rupees which is three times higher than class-4 and two times than supporting staff. Finally, the study shows that on average the length of public sector employees services in government agencies are less than, the length of liabilities for the government.

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