

EMPLOYMENT BENEFITS BASELINE SURVEY REPORT 2016

**ABRIDGED
VERSION
KEY FINDINGS**



1. PREAMBLE

The Uganda Bureau of Statistics (UBOS) carried out the Employment Benefits Baseline Survey 2016 in accordance with Uganda Bureau of Statistics Act 1998 and within Uganda Retirement Benefits Regulatory Authority (URBAR) mandate of regulating and supervising the Establishments, management and operation of Retirement Benefits Schemes in Uganda, in both public and private sectors.

The survey was commissioned by the Uganda Retirements Benefits Regulatory Authority. The 2016 Employment Benefits Survey collected information on various employment issues including benefits offered to workers employed by Non-Government Organizations (NGOs) as well as private and public-sector employers.

This is the first survey of its kind in Uganda, and it provides the country with key baseline indicators upon which planning and monitoring can be based.

During the survey, 3,398 establishments were targeted and a total of 2,933 establishments were interviewed with a response rate of 86%. The majority of establishments had between 10-49 employees.

2. PURPOSE OF THE EMPLOYMENT BENEFITS SURVEY

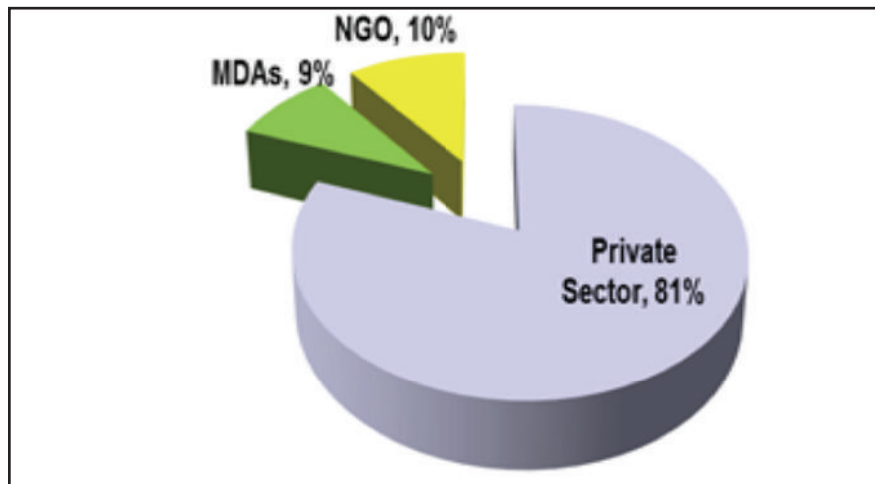
- To collect information on establishments providing employment based retirement plans and other related benefits, including; names of the establishments, employers , physical address, type of business, age of the business, employment size and contact persons.
- To identify employment based retirement plans and other employee related benefits provided by establishments;
- To categorize establishments providing employment based retirement plans and other employee benefits by sector, size and location in the survey districts of: Gulu, Soroti, Mukono, Jinja, Wakiso, Mbarara, Masaka, Mbale, Buikwe and Kampala.
- To generate an electronic database of establishments providing employment based retirement plans and other related benefits.

3. GENERAL FINDINGS OF THE SURVEY

In all, 3,398 establishments were targeted and a total of 2,933 establishments employing 106,403 workers were interviewed with a response rate of 86%.The majority of establishments had between 10-49 employees.

4.CLASSIFICATION OF ESTABLISHMENTS

Figure 1: Classification of Establishments



5. EMPLOYMENT BENEFITS

These benefits can either be statutory or institutional framework arrangements.

• **Benefits Offered**

- Allowances (Transport, lunch, bonus, honoraria etc.)
- Gratuity
- Lump sum Retirement Benefit
- Pension

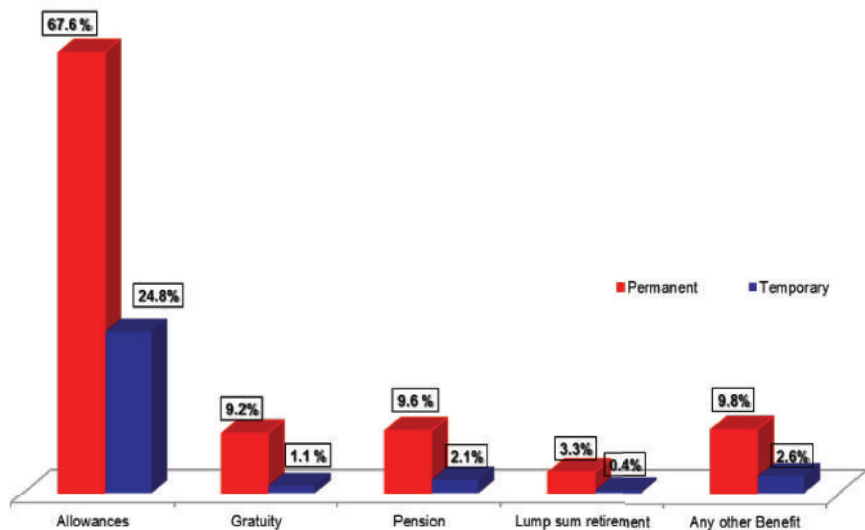
• **Any Other Benefits:**

- Non-cash benefits i.e. Insurance (Medical, Fire, Accidents,

Indemnity, etc)

- Funeral
- Leave (Annual, Paternity, Sick, Education etc)
- Grants (Education, Housing, Childcare, Lunch, and Transport).

Figure 2: Distribution of Benefits offered by Employment Status

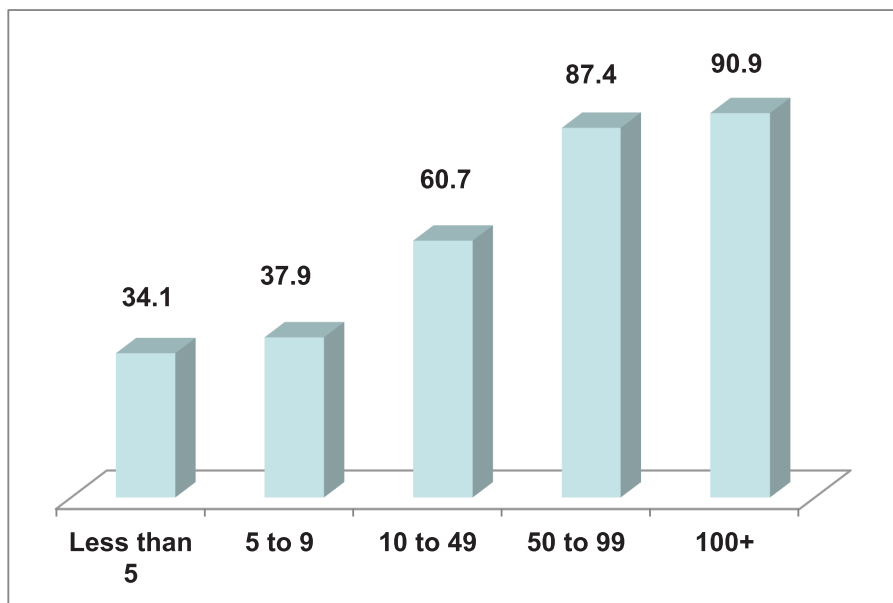


6. REGISTRATION WITH THE NATIONAL SOCIAL SECURIT FUND

- 2,933 Establishments interviewed, 56.6% were found to be registered with NSSF.
- Of the 2,666 Establishments with 5 employees and above, 58.8% were registered with NSSF.

- Of the 267 Establishments that had less than 5 employees, 34% were registered with NSSF

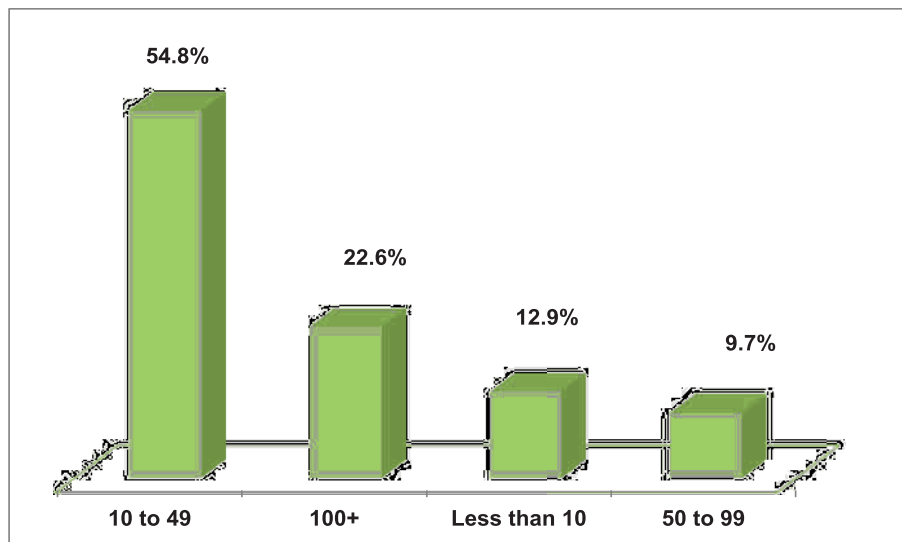
Figure 3: Registration with NSSF by Employment Size



7. VOLUNTARY RETIREMENT BENEFITS SCHEMES (VRBS)

29 Establishments had Voluntary Retirement Benefit Arrangements. Establishments with the highest number of plans had 10 to 49 employees while establishments with 50 to 99 employees had the lowest with 9.7 % had VRBS.

Figure 4: Distribution of Identified Retirement Benefits Schemes by Employment Size



8. REASONS FOR NOT HAVING A RETIREMENT SCHEME

Table 1

No.	Reasons for Not having a Retirement Scheme	%
1	Lack of resources/Budget to support a plan and manage its administration.	36.6
2	Lack of understanding of how plans work and importance of savings for retirement.	23.6
3	The low wage workers / contract workers would have difficulty in affording regular plan contributions.	14.6
4	Prioritization of company growth.	10.6
5	Absence of provision for Retirement Benefit plan in Institutional policy frameworks.	8.9
6	Lack of trust and confidence in fiduciaries	3.3
7	Absence of flexibility in the existing regulatory framework.	2.4
Total		100

9. RECOMMENDATIONS FROM EMPLOYERS

- Employers and employees are sensitized on retirement planning, savings and existence of Retirement Benefits Sector Regulator.
- There is need to encourage and support employers to establish Retirement Benefit Plans
- Enforce compliance with NSSF Act, URBRA Act and established Regulations.
- There is need to review of the existing legislation to extend coverage to both formal and informal sector workers.
- Promote good governance and best practices in administration of Retirement Benefit Schemes.

10. CONCLUSION

It is expected that the results will be used to provide a baseline relevant for assessing retirement benefit sector growth, and to enable planning and modification of programmes.

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