

Abstract

All the public sector Higher Education Institutions including Engineering & Technology Universities of Pakistan established 25 to 30 years ago are facing financial shortfall to meet the long term liabilities on account of retirement benefits payable to the retired employees like pension & commutation, reason behind that the Government is not providing the funds to public sector universities to meet the payments of increasing pensionary benefits to retired employees, therefore the higher education institutions are contributing from their recurring funds to support the pension payments resultantly research, academic and logistic activities of the public sector universities are being affected. The MUET (Mehran University of Engineering & Technology) Jamshoro is also facing same problem, its receipts of pension account are much lesser than the payments.

This study was conducted on the historical trends of pension receipts & payments during last 14 years from 2001-2002 to 2014-15 and on such trends this study estimates the year wise liabilities for next 35 years from 2015-16 to 2049-50 on account of Pension & Commutation, this study also suggests the measures to be taken by University Management to offset these long term liabilities by establishing an endowment fund to meet such liabilities.