

[HOME](#)



THE
MONITOR

Uganda: Insurance Corporation Pays Sh10 Billion Pension to Makerere

Isaac Khisa

3 February 2011



Be the first of your friends to recommend this.

Kampala — Makerere University staff has received Shs10 billion from the National Insurance Corporation (NIC). The money was part of the disputed Shs16 billion the employees say the insurance firm owes them.

The chairperson of the university's teaching staff association, Dr Tanga Odoi, said the money was received on Monday. "NIC has now paid up to Shs10 billion but they still owe us more money," Dr Tanga said. Addressing a press conference in Kampala yesterday, the NIC Board Chairperson, Mr Remi Olowude, said they have completed payment of the money as agreed between the government, NIC and the university staff.

"Last Thursday, we completed the transfer of Shs5 billion to Makerere University," Mr Olowude said. "This amount represents the second and final tranche of payment that we agreed to pay to Makerere, pending finalisation of the audit report and actuarial valuation of Makerere DAP fund by the Auditor General."

Awaiting audit

The audit report is expected to be completed next month. The government is meeting the full cost of the audit, valued at Sh500m. NIC paid the first tranche in December last year. If the report states that Makerere University needs more money, government will pay the balance.

At the onset of the end of semester examinations in November, the university staff went on strike over their savings but suspended it two days later after finance minister Syda Bbumba promised that the government would guarantee the payment of Shs10b in two months.

Disputed figure

Makerere claims NIC owes it Shs16b which accumulated between 1996 and 2005, when the insurance company operated a staff pension scheme. NIC, however, disputes the amount, saying it owes the university Sh7billion.

The contract was terminated six years ago, but the workers had earlier on failed to access their savings because of the dispute. It took the intervention of President Museveni to resolve the dispute after he directed Minister Bbumba to resolve the matter amicably.



Be the first of your friends to recommend this.

Copyright © 2011 The Monitor. All rights reserved. Distributed by AllAfrica Global Media (allAfrica.com).

AllAfrica - All the Time