



**MINISTRY OF LABOUR AND SOCIAL PROTECTION
STATE DEPARTMENT FOR LABOUR
OFFICE OF THE PRINCIPAL SECRETARY**

REMARKS

BY ENG. PETER TUM, O.G.W.

**PRINCIPAL SECRETARY, STATE
DEPARTMENT FOR LABOUR**

**DURING THE OFFICIAL CLOSING OF THE
EMPLOYERS' ANNUAL CONFERENCE**

FRIDAY 20TH NOVEMBER, 2020

The National President of the Federation of Kenya Employers (FKE), Dr. Habil Olaka

The Executive Director and CEO of FKE, Mrs. Jacqueline Mugo, OGW, EBS

The Secretary General, Central Organization of Trade Unions (COTU) – Kenya, Dr. Francis Atwoli, EBS, MBS

Distinguished panelists who participated in this Conference

Members of the Fourth Estate present

Distinguished Guests

Ladies and Gentlemen

- It is a privilege and indeed an honour to preside over the official closing ceremony of this Employers' Annual Conference for the year 2020.
- Such conferences which bring together actors from the public and private sectors, non-state actors and other stakeholders are valuable in sharing notes and experiences, and forging common approaches to tackling challenges and addressing emerging issues in our operational environments.
- I take note of the exciting topics you have covered ranging from **'Impact of Technology on Business Models and the Workplace'** to **'Human Capital Trends and Skills of the Future'** and **'Regulatory Frameworks for the changing Business Environment'**. I am informed that these contemporary topics have elicited constructive discussions during this Conference. This is clear testimony that the Conference was well conceptualized and has indeed

realized the goal of generating progressive ideas about tackling challenges related to employment.

Ladies and Gentlemen

- The world is currently in the grip of a global pandemic of unprecedented proportions. The COVID-19 pandemic has affected all sectors of our economies and aspects of our lives. Here in Kenya, we are witnessing a second wave of the pandemic which has resulted in a resurgence in infection rates across the country.
- The Labour and Employment Sector is one of those that have been hardest hit by this pandemic right from its onset. Many people have lost jobs while those still at work are facing challenges adapting to a new world of work.

Ladies and Gentlemen

- Kenya witnessed a doubling of unemployment rates from 5.2 per cent during the first quarter of 2020 to 10.4 per cent during the second quarter, thereby eroding significant gains made in the pre-COVID period.
- As has been the trend in the past, the youth have faced the brunt of job losses in the country. The highest proportion of the unemployed during the period referenced above was recorded in the age groups of 20-24 and 25-29, each registering over 20 per cent unemployment rates.
- This is just a microcosm of the situation in the labour market. The Government takes cognizance of this and has developed strategies to address this and many other labour and employment related challenges and emerging issues.

Ladies and Gentlemen

- The biggest priority for the Government in the short and medium term will be to protect existing jobs and businesses while implementing strategies for recovery of lost jobs and supporting businesses which have been severely affected by the pandemic.
- In the medium and long-term, the Government's focus will be on: supporting businesses to navigate the post-COVID period; and bolstering the private sector to create jobs for those who may have become unemployed during the pandemic and those joining the labour market.
- Towards this, the Government has developed a **Post COVID-19 Economic Recovery Strategy** aimed at securing jobs and spurring employment creation in the country. I will highlight key strategies in the Labour and Employment Sector which include: profiling of emerging skills in the wake of the COVID-19 pandemic to inform training; skilling, re-skilling and up-skilling of workers to improve their employability in a dynamic labour market; establishment of modern Job Centres for jobs matching and forecasting; and development and implementation of a Business Turnaround Solutions Programme (BTSP) targeting affected businesses which have either closed or are struggling to remain afloat.

Ladies and Gentlemen

- The Government plans to establish several funds to enhance social protection for workers and alleviate related cost burdens on employers. These are: the Occupational Diseases Fund (ODF) for protection of workers directly affected through death and disability from occupational diseases, including COVID-19; Unemployment Insurance Fund (UIF) to cushion

workers in financial distress and give short time relief to workers when they become unemployed; and a Migrant Workers' Welfare Fund (MWWF) to enhance the protection of migrant workers and offset expenses associated with the plight of workers in distress.

- These Funds will be contributory in nature and will adopt proactive and progress practices in compensating injured, deceased, unemployed or migrant workers in distress thereby reducing financial costs on employers, improving labour productivity and fostering industrial harmony.
- Further, the Government is implementing several policy, legal and institutional reforms to facilitate execution of mandates within the labour and employment sector. Key amongst these reforms are: development of the National Internship Policy and National Policy on Labour Migration; review of the five primary labour laws to align them to requirements of the Constitution and emerging issues, especially in the wake of the COVID-19 pandemic; and strengthening the capacity of the Alternative Dispute Resolution (ADR) mechanism.
- As you can see **Ladies and Gentlemen**, all these initiatives are daunting endeavours that require multi-stakeholder and multi-sectoral collaborations. The Government has adopted a collaborative and consultative approach to these initiatives in order to ensure their effective implementation. I wish to use this forum to appeal directly to all stakeholders to support the Government in this process.
- I particularly wish to recognize our Social Partners – that is, employers' and workers' organizations, who are central to the implementation process for the incredible support they have accorded the Government even in these

early stages of implementation. I urge them to continue with this goodwill as we roll out these initiatives and to utilize Social Dialogue in resolving any challenges or issues that may arise in the process.

Ladies and Gentlemen

- The COVID-19 pandemic has accelerated the dawn of the Future of Work. What appeared to many as an abstract concept just a year ago is now a reality which employers and workers have to content with and confront at the workplace.
- Here in Kenya, the pandemic has already resulted in a paradigm shift in employment. We are confronted by the reality of Kenyans who have lost jobs and who not only need new jobs but also need to adapt to a changed labour market. Even those in employment are required to adapt to this new world of work.
- As a result, practices such as remote working, virtual meetings (like this Conference) and accelerated automation of services have been widely embraced in addition to adherence to basic safety and health protocols.
- The labour market too will change significantly as a result of this pandemic. Dynamics in skills demand will have major implications for education and training institutions. Both workers and employers will need to invest in skills development in a manner unlike any before.
- Indeed, many experts agree that in the future, the success or failure of many organizations and individuals will be dependent on how they navigate the transition into this 'new normal'. Many public and private sector organizations will therefore have to: redesign infrastructure and provide

amenities and equipment at their workplaces in adherence to Government guidelines; review operations to support efficiency; and undertake capacity development of workers to ensure they remain productive in an increasingly dynamic labour market.

- Technology will play a big role in unlocking the full potential of our people at the work places during and beyond the COVID-19 Pandemic. It will also be a major tool for organization in their re-alignment to changes in the labour market.
- I must stress the importance of remaining in-step with these changes and put in place measures to ensure that our enterprises and workers remain relevant in a competitive and fast-changing world.

Ladies and Gentlemen

- At this juncture, allow me to show my appreciation and gratitude to the Federation of Kenya Employers (FKE) for successfully organizing this Conference. This appreciation is even magnified when we consider the extraordinary circumstances under which the Conference was held.
- The Federation has therefore set an example to our organizations on how to go about such challenging engagements in the prevailing situation.
- It is my understanding that a special workshop report will be prepared and distributed. I urge the Federation of Kenya Employers (FKE) to include key take-aways and concrete proposals which can be tracked for follow-up and progress updates during the next Conference.

- Finally, I wish to appreciate all those who participated in the forum for the valuable contributions you made. It is my hope that you have benefitted from the discussions which have contributed to shaping your views and perspectives about the topics under discussion.

Ladies and Gentlemen

It is now my duty and pleasure to declare this Annual Employers' Conference for the year 2020 officially closed.

Thank you and God bless you all.