



**MINISTRY OF LABOUR AND SOCIAL PROTECTION
OFFICE OF THE CABINET SECRETARY**

REMARKS BY

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CABINET SECRETARY

MINISTRY OF LABOUR AND SOCIAL PROTECTION

**DURING A MEETING WITH NEA BOARD AND THE
NATIONAL ASSEMBLY COMMITTEE ON LABOUR AND
SOCIAL WELFARE**

AT ENGLISH POINT MOMBASA

ON 20TH MARCH 2021

Chief Administrative Secretary, Hon Jackson Kalla

Chairman Hon Peter Mwathi

Vice Chair Hon Gideon Koskei

Other Honourable Committee Members

The NEA Board Chair

NEA Board Members

Acting Director General

Staff from the State Department for Labour

Staff from the National parliament

Good morning,

Let me take this opportunity to thank the Committee for accepting to meet us together with the representatives of the Board of the National Employment Authority. I trust we are all keeping safe as we work and relax in this serene environment.

The State Department for Labour plays a critical role in the country's development through promotion of harmonious industrial relations; safety and health at workplace; employment promotion; industrial training; productivity management; national human resource planning and utilization; registration and regulation of trade unions and provision of social security.

In realization of the aspirations of the Kenya Vision 2030, the State Department is an Enabler of Socio-economic Transformation, with the goal of creating a globally competitive and adaptive human resource base capable of meeting the demands of a rapidly industrializing economy. The mandate is also aligned to Sustainable Development Goal (SDG) No. 8 on promotion of inclusive and sustainable economic growth, employment and decent work for all.

Under the Government's "Big Four" Agenda, the State Department also plays the role of an Enabler to the four pillars. The Big Four Agenda recognizes the need for inclusive growth, and creation of job opportunities for Kenyans, which are core mandates of the State Department for Labour. In addition, the Constitution of Kenya advocates for decent work, where freely chosen productive employment is promoted, simultaneously with fundamental rights at work, adequate income from work, representation and social security.

Honourable Members,

The National Employment Authority was established in April, 2016 by the National Employment Authority Act, 2016. The key mandate of the Authority is to: promote effective utilization of the country's human resources; develop policies, programmes and strategies on employment; maintain and disseminate up-to-date labour market information.

NEA has an enormous task of coming up with employment promotion strategies and especially placement of job seekers to jobs, this has been exacerbated by the outbreak of the COVID 19 pandemic, since a number of workers have lost their jobs due to closure of some businesses, travel restrictions, quarantine of persons, shortage of raw materials leading to an increase in their cost, reduced export volumes, reduced revenues and a rise in logistics costs.

With the prolonged period of the pandemic, it is estimated that more people will lose their jobs and livelihoods with the informal sector being the hardest hit. According to the Kenyan National Bureau of Statistics, total employment in the country stood at 18.1 million. It is also estimated that unemployment rate in Kenya doubled to 10.4% in the second quarter

of 2020 compared to 5.2% in the first quarter before reducing to 7.2% in the 3rd quarter.

Honourable Members,

Unemployment challenge is largely a youth challenge in our country because, youth face challenges in accessing job opportunities in order to gain income and independence in life. Majority of the youth graduating from our training institution lack exposure to world of work, which disadvantages them in pursuit of their careers. One way of addressing this gap is through the National Internship programme, which NEA is spearheading. This programme is designed to expose the youth to the true world of work. I will be presenting the Policy to the Cabinet before the end of this financial year and look forward for your support in adoption of this policy.

The other way of addressing the unemployment challenge is through Labour migration. Honourable members, the truth is that our economy cannot currently accommodate all the youths joining our labour market annually, and like most other developing countries, labour migration has therefore become a significant strategy of addressing our unemployment. Available data shows that the number of Kenyan migrant workers has significantly increased with the number of Kenyans in the diaspora estimated at 4 million in the year 2020.

Our migrant workers continue to contribute immensely in the development of our country through remittances and skills transfer. By end of 2020, diaspora remittances stood at over KShs 330 Billion in 2020 however, compared to Nigeria Kshs 2.1 Trillion and Ghana Kshs 7 Billion, Kenya though being third in Africa, is still way too behind in diaspora

remittances and we all need to strategies to increase this to at least 7 billion.

One strategy to increase diaspora remittances is to ensure we get sufficient budgetary allocation to push this Agenda of labour migration forward. The accrued benefits of increased diaspora remittances will be felt in the whole economy and therefore really need sufficient budgetary support. Currently, diaspora remittances is Kenya's highest foreign exchange earner having overtaken tea, coffee and tourism, unfortunately this is not commensurate to the budgetary support it is currently receiving.

We appreciate what this committee is doing to push Agenda of our Ministry, however, Chair and committee members, we are appealing to you to push further, and harder for our course.

Honorable Members,

Despite these benefits associated with labour migration, some of our migrant workers suffer various challenges which include: violations of their human rights; exploitative working conditions, confiscation of identity documents, systemic discrimination, exposure to long working hours with no daily or weekly rest; poor working and living conditions; restriction on movement; occupational safety and health risks; inadequate labour inspection services.

Others include inability to change employment in cases of exploitative employers; non-payment or retention of wages which enslaves them to their employers; unlawful deductions; payment of lower wages than agreed; and non-payment of overtime work; lack of awareness by the migrant workers on the existing channel for redress; lack of clear channels for providing information about the workers' rights and reporting such abuses; Rescue of distressed workers is hampered by lack of holding

shelters as the workers await repatriation or conciliation with their employers.

Honorable Members,

It is against this context that the Ministry through NEA is spearheading the development of a labour Migration Policy and a Labour Migration Management Bill. These two documents seek to re-enforce the policy and legal framework on labour migration management. Adaption of these two documents will go a long way in enhancing orderly, safe, regular and productive labour migration.

Last year, the Ministry through State Department for Labour successfully organized a Regional Forum on Harmonization of Labour Migration Policies in the East and Horn of Africa Region bringing together eleven countries. The main output of the forum was an agreement between the countries on joint streamlining of policies towards safe, orderly and productive labour migration within the region.

This initiative will go a long way in collectively addressing the challenges facing our migrant workers from this region. The Authority has and will continue to play an important role in the implementation of the initiatives

Honourable Members,

The Ministry through the State Department for Labour has now started receiving increased support and requests for collaboration from development partners, non-state actors and even private sector players. The International Organization for Migration and the International Labour Organization are currently supporting a number of programmes.

We have also had held consultative meetings with the Ambassadors of the Gulf Cooperation Council (GCC) to discuss issues of labour migration to

the region. Separate meetings have also been held with the Ambassadors of Qatar, the United Kingdom and Poland to discuss issues of labour migration.

These meetings have born fruits and currently, seven (7) Bilateral Labour Agreements are under consideration with the State of Jordan, Bahrain, Kuwait, Oman, the Kingdom of Saudi Arabia, United Kingdom and Poland. The overall objective is to conclude Bilateral Labour Agreements with all the key labour destination countries. These efforts are bound to yield positive results in accessing new labour market, especially for our professional and skilled cadres.

Honourable Members,

Kenya does not have adequate social protection mechanisms to protect and provide assistance and welfare services to migrant workers and their families. Without social protection, migrant workers and their families are unable to live dignified lives upon termination of their foreign employment, reduction of their earning, when they fall sick or are incapacitated.

Indeed, the outbreak of the COVID-19 pandemic has brought to fore the vulnerability of our migrant workers. Some of our migrant workers have faced uncertainty due to lockdown in host countries, withholding of wages by employers and the threat of redundancies. Over 4,105 Migrant Workers have been repatriated back to the country. Some of them are required to cater for their return expenses.

Additionally, treatment expenses for migrant workers who contracted the virus is exorbitant while families of most of those who died abroad had a big challenge raising funds to bring the bodies of their loved ones to the country for burial.

In view of these challenges, The Ministry has received permission from Cabinet to establish a Migrant Workers' Welfare Fund. Through the Principal Secretary State Department for Labour, I am in the process of setting up a technical committee to implement this Cabinet directive of establishing the fund. I will be reaching out to your committee to also receive your input so that we can develop this fund together.

The main objective of the Fund is to provide immediate relief and protection to our migrant worker in distress; welfare and assistance to Kenyan migrant workers during migration; and support return and re-integration of migrant workers to the country. Honourable members we have all heard stories our migrant workers sending money back home to their family members to invest back here in Kenya, only for them to come back and find no investment was ever made, this Fund can even have an investment arm to support our migrant workers invest their income back here and by offering a secure investment option, may drastically increase our diaspora remittances.

Honourable Members,

As I conclude, going forward NEA has prioritised four key targets which need the support of this honourable committee. These are;

- The adoption of the National Internship Policy
- The adoption of the Labour Migration Policy
- The Enactment of the Labour Migration Management Bill
- The establishment of the Migrant Workers Welfare Fund

With your support, we are sure this Authority will become more visible and address the issues unemployment.

Thank you and May God Bless you all