



REPUBLIC OF KENYA

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

**SPEECH BY
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**CABINET SECRETARY
LABOUR AND SOCIAL PROTECTION**

**DURING INUGURAL EMPLOYEE OF THE YEAR AWARD
CEREMONY**

FRIDAY 16th JULY, 2021

MOVENPICK HOTEL, NAIROBI

The CEO, Workpay Limited

CEOs From Participating organizations

Employees

Government Officers present

The Fourth Estate

Ladies and Gentlemen,

Good evening

It gives me great honour to be among you this evening to participate in this inaugural Employee of the year award, an initiative of the **workpay** limited together with other participating organizations

Effective Human Resource Planning, Development and Utilization is critical in creating a globally competitive workforce for the country as envisioned in Kenya's vision 2030.

For this to be actualized, every employee must play their active role since Human Resource is the most important factor of production, that must be nurtured to convert the other resources of; money, machines, technical know-how and materials into finished products and services. The manner in which HR is managed affords organizations the competitive advantage.

In the last 15 months of COVID-19 pandemic, many organizations have had to make difficult decisions. Some of organizations adopted strategies such as job cuts, salary cuts, unpaid leaves, revision of contracts of service, and even closure of work places, which led to general reduction in productivity.

While not under playing COVID 19 pandemic, some organizations rose to the occasion and come up with new strategies, displaying great **resilience and agility** through temporary adjustments in their business through diversification of product and service range. This has seen such organization match on in spite of covid-19 pandemic.

Ladies and Gentlemen,

During the last one year, most organizations have had to contend with, employees demand for a salary increment. As a government, encourage structured negotiation between workers and employers so as to bring harmony and predictability in the labour sector.

I want to encourage all organization, both employers and employees to embrace a culture of **Mutual Bargaining**, cognizant of realities of the current situation; and to seek for a Win-Win situation.

The government supports skills upgrading as a prerequisite for the creation of a productive workforce, one policy that the government has put in place is the **Recognition of Prior Learning (RPL) Policy**. Through this policy, employees who have acquired skills but not necessarily through a formal environment have an opportunity to have those skills certified through NITA.

Employees who wish to acquire sector specific skills can do so through NITA which is doing a lot in equipping entrants into the labour market to be agile and adaptive in a fast-evolving labour market. Let me encourage all employees to continually upgrade their skills to improve their employability

Ladies and Gentlemen

According to 2019 Kenya Housing and Population Census report, Our Country economically active population is **22.3 million**, comprising of working population of (**19.7 million**) and those seeking work at (**2.6 million**), out of whom, **1.6 million** were youth between 18-34 years implying a high youth unemployment rate of 39 percent.

Since our economy cannot accommodate all the entrants into the Labour Market, our government is promoting employment opportunities for the skilled/professional cadres in foreign market to reduce pressure on our domestic labour markets. Towards this, we have negotiated Bilateral Labour Agreements with a number of countries, even as we continue to reform the management of Recruitment Agencies through National Employment Authority.

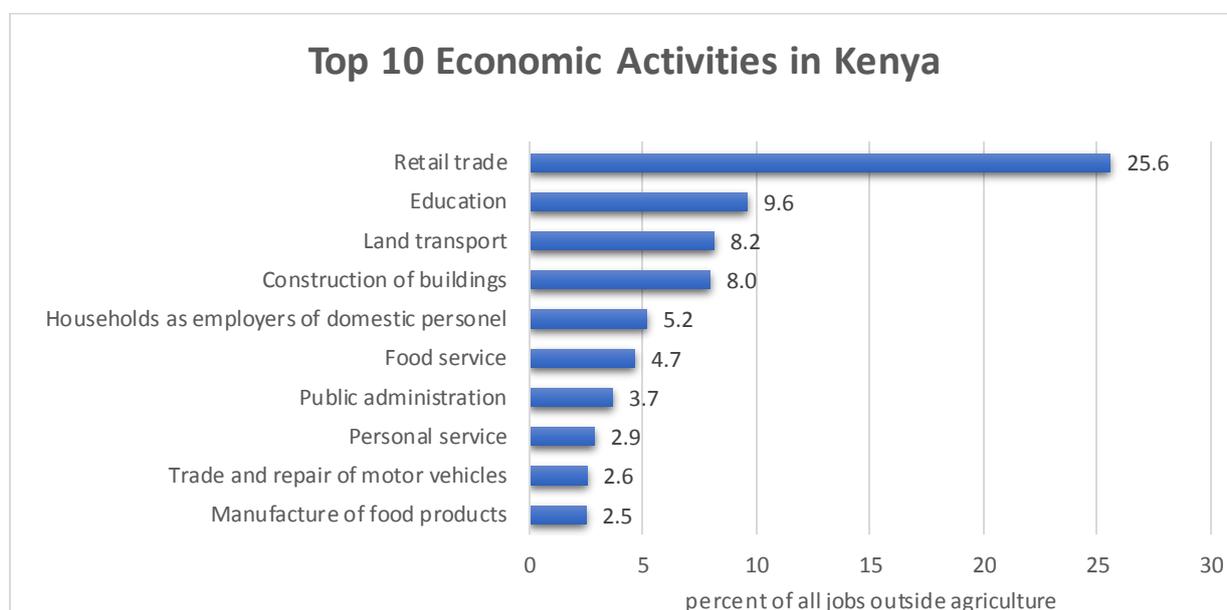
Ladies and Gentlemen

My Ministry develops Employment outlook reports to shows the number of people employed in various sectors of economy. Employment outlook is important when deciding on a new career because it gives information on important component that would ensure job security such as growing and the declining occupations.

To an employee, knowing the employment outlook for your current job is important so that if you if the outlook for your current position is anticipated to decline, you may want to consider starting your journey toward a different career path.

From the current employment outlook report, the Economic sector currently employing majority of Kenyan be it formal or informal are Retail trade, Education, Land transport and Construction.

Economic Activity employing most employees



Ladies and gentlemen,

Allow me to state that, the role of government is to create an environment that is attractive for starting and sustaining business so that private entrepreneurs can thrive and create jobs. It is for this reason that His Excellency the President earlier last year announced an economic recovery stimulus package.

In this package, the government committed to Enhance SMSs Liquidity by fast-tracking VAT Refunds owed to business, Payment of pending bills, providing seed capital to SMEs through credit guarantee scheme.

Other interventions included supporting manufacturing through purchase of locally manufactured products. A list of products, which the government must procure from the local market, was developed.

Others included; temporary support to floriculture and horticultural producers to access international market, subsidizing of farm inputs, grants to hotels to support renovations, among others. **I encourage SMEs to take advantage of these initiatives.**

COVID 19 pandemic has taught us that there is no permanent job as most workers found themselves having to receive less income that they were used to, while others completely lost their source of livelihood.

Majority of those who lost their livelihood found themselves in a dilemma since they found themselves at the mercy of terminal benefits, which differ from one employer to the other and which are often insufficient to offer reasonable relief in the long-term.

Looking beyond the Covid-19 pandemic, the Ministry has drawn a recovery plan which includes; establishment of an Unemployment insurance Relief Fund to cushion workers who lose their jobs, Kenya Migrant welfare fund; and occupational disease fund. These funds are all meant to cushion employees.

The envisaged Unemployment Insurance Fund is expected to provide short term relief to workers and their dependents arising from loss of employment/livelihood through circumstances not of their own making or that of their employers.

The fund will also provide relief to the dependents of a deceased contributor; facilitate job search to enable return to employment as soon as possible; and

cover employees' statutory contributions (NHIF, NSSF) during the period when the worker is receiving the unemployment relief.

This initiative is aimed at strengthening the country's social protection system by focusing on those who lose their livelihood. My appeal is to all employers and employees to willingly contribute to this fund once operational.

Occupational diseases have been recognized as a cause of disability and death at workplaces. However, in practice, it has been difficult to compensate the affected workers due the nature of these diseases.

This is more so in the case of infectious diseases such as COVID-19 which may also be contracted out of the workplace. These diseases have therefore not been covered by most insurance companies hence creating a void in their compensation in the event of death or disability.

To address this, the Government is in the process of establishing an Occupational Diseases Fund to compensate the affected workers. The Fund will provide protection to workers directly affected through death and disability by occupational diseases, including COVID-19.

It is important to note that occupational Safety and Health of workers is very important to our country, since it contributes towards improved productivity both at the enterprise level and nationally.

My Ministry has been undertaking surveillance of workplaces to ensure compliance with Government protocols for curbing the spread of the Coronavirus, and also developed Workplace Safety Guidelines in the form of advisories to help both employers and workers assess risks and adopt procedures that mitigate the COVID-19 risk at work. My appeal to all employers and employees is to take work place safety seriously.

Evidence from other jurisdictions have shown that by reducing waste, organizations are in a position to improve their productivity by upto 35 percent.

Let me invite employers to make use of National Productivity and Competitiveness Center in my Ministry to create more value for them through productivity improvement practices such as the **5S** (sort, set, shine, standardize, sustain,) **KAIZEN** (continuous improvement) and the Plan Do Check Action (**PDCA**) quality improvement cycle.

Let me appreciate the organizers of this year employee of the year award for the initiative to recognize employees who excel in their work. This is a testament that employees are not just tools of trade in an organization, but individuals who feel and appreciate being recognized.

Appreciating the efforts of valuable contributions employees make throughout the year to businesses and organizations, is such a beautiful thing to do. Keep up this good initiative, and may it grow bigger and better in years to come.

At this juncture let me thank the organizers led by **WORKPAY** Limited and all the other participating companies and employees. This is a timely initiative.

It is now my honor to inaugurate this Employees of the year award.

Thank you and God bless you all.

