



**MINISTRY OF LABOUR  
OFFICE OF THE CABINET SECRETARY**

**SPEECH BY MR. SIMON K. CHELUGUI, E.G.H.,  
CABINET SECRETARY FOR LABOUR**

**DURING THE VISIT TO NITA ATHI RIVER HYUNDAI  
DREAM CENTRE ON 7TH OCTOBER, 2021.**

The Korean Ambassador to Kenya **H.E Choi Yeonghan**  
The Principal Secretary, Ministry of Labour, **Eng. Peter Tum;**  
Plan International Country Director **Ms. Kate Vorley;**  
Salvador Caetano Kenya Managing Director **Mr. Pedro Campos;**  
Chairman, National Industrial Training Board; **Dr. Kamau Gachigi;**  
NITA Director General, **Mr. Stephen Ogenga;**  
Representatives of Hyundai Kenya Present;  
Ministry Staff  
NITA Staff  
All distinguished guests present;  
Ladies and gentlemen;  
**Good morning!**

I am pleased to be here this morning as we take stock of the gains made in the Hyundai Dream Centre project that has made significant contribution in industrial training in Kenya. I applaud the partnership between NITA, Hyundai and Plan International for the steps taken to contribute to effective skills development for overall economic prosperity in our country.

**Ladies and gentlemen;**

Our country produces close to 1.2 million graduates every year and only about 800 thousand are absorbed in our labour market. It is therefore very important to make sure that as many as possible of these graduates leaving the various training and education institutions with employable skills. This

way they will easily find opportunities in the labour market whether locally or in foreign markets.

The automobile industry contributes significantly to the global economy and is one of the main drivers of macro-economic growth and stability in the world.

According to a report by the international labour organization, by the year 2017, globally automotive industry contributed nearly 14 million direct employments. This sector also supports many other sectors of the economy, hence creating a multiplier effect in many economies.

It is on this backdrop that our government Big 4 economic blue print has identified automotive industry as one of Kenya's manufacturing sectors that will be key in the achievement of the country's industrialization and economic transformation.

For this economic transformation to happen, NITA has to supply to the industry skilled workers. It is for this reason that this center is such a significant project, and we want to sincerely thank the Government of South Korea for their support to the people of Kenya.

## **Ladies and gentlemen;**

The growth of automotive industry in Kenya has not been without some challenges. Some of the challenges faced over the years including but not limited to; Importation of used vehicles: Lack of skilled labour force: Low budget for Research and development, slow uptake of new Technology and Lack of incentive to encourage assemblers to source components and parts from local parts manufacturers.

However, in spite of these challenges, our local automotive industry has continued to grow, and it was the reason that our President identified it as one sector that needed to be give incentives to grow under the Big 4 Agenda.

The automotive industry is very dynamic, and operatives in the field need to keep abreast with the latest developments in the market, otherwise overreliance on outdated technologies can only lead an elimination from the market as the said technologies and skills become obsolete. This is why NITA role cannot be overemphasised through this hyundai dream Center.

## **Ladies and gentlemen;**

The mandate of NITA is to offer industrial Training, notably industrial training provides a flexible, effective and work friendly on the job training that can easily bridge the gaps in the industry. The competencies acquired are then certified to enable graduates to expand their outlook or join the formal employment.

Similarly, industrial training is also used to prepare graduates to meet the needs of a changing job requirements or introduce new tools or technology in the place of work. This is particularly important in the automotive industry where new technologies are increasingly being applied to improve engine efficiency, passenger comfort and safety.

For our country to benefit from services offered by NITA in industrial training, it is important to get as many companies as possible to support needy students to get an opportunity to train. Let me therefore appreciate the support from **Plan International** in offering scholarships to needy students.

**Ladies and gentlemen,**

To actualise the Big 4 agenda in manufacturing, especially in automotive manufacturing, we must ensure that Kenya has a sufficient number of highly skilled workforce with the relevant skills so that they can contribute in direct and indirect job creation. We need innovators, researchers, designers and various engineering professional in this sector.

I believe therefore that this project will go along way in ensuring that Kenya achieves its goal of becoming a rapidly industrialized economy by the year 2030 as outlined in the country's economic blueprint.

One of the areas where industrial Training has failed in the past has been lack of linkages with the industry. I must therefore commend NITA for aggressively seeking for collaboration with relevant players in the industry to ensure that the curriculum offered responds to the needs of the labour market.

I fore see a bright future in our country where trainees from this centre will be one of the most sought for in automotive industry because of the skills they possess. This partnership with Hyudai through Caetano and Plan International will be a significant milestone in ensuring that our country will meet its

development agenda of promoting **quality, relevance and inclusivity** in education and quality skills development as enablers for socio- economic development and global competitiveness.

I am also encouraged by the fact that this programme also entrenches equity and inclusivity in skilling and training of women and youth.

Our country continues to appreciate the good partnership that we have established with the Korean government, plan international, Caetano salvador and Hyundai Kenya.

I am especially happy to note that NITA Dream Center is among the seven dream centres in the world, with other dream centres having been set-up in Ghana, Indonesia, Cambodia, Vietnam, Philippines, and Peru.

**Ladies and gentlemen;**

As I conclude let me once again commend this partnership for the impact it is making in industrial training landscape in Kenya. My Ministry will continue to be in the fore front to promote industrial training for the actualization of the government big four agenda.

**Thank you and God bless You all.**