1.0 INTRODUCTION

Minimum wage refers to the lowest earnings to be paid to a worker in Kenya. Today Minimum Wage fixing parameters are outline in the wages guidelines and Section 44 of the Labour Institutions Act (2007). Internationally we refer to the Convention of 1970 (No. 131) and Article 23 (3) of the UN Universal Declaration on Human Rights.

Article 41 of the Constitution confers every worker the right to fair Labour practices (Article 41 (1) fair remuneration Article 41 (2a) and reasonable working conditions.

The government of Kenya has created seventeen Wage Councils to look into the fixing of Minimum Wages and ensure compliance. The seventeen Wage Councils through tripartite Consultation with employers and the Ministry of Labour should set the Laws and Rules that should protect. Minimum standards.

2.0 LABOUR INSTITUIONS

The Government of Kenya has created several Institutions that assist the Government to implement decisions that are taken at policy level.

These Institutions include Wage Councils, National Industrial Training Authority, (NITA), National Social Security Fund, (NSSF), National Hospital Insurance Fund, (NHIF) Labor Board and tripartite Committee and employment and Labour Relations Court.

Currently, there are two wage councils that are functional, namely the Agricultural and General Wage Councils.

3.0 WAGE COUNCILLS

Section 44 (5) of the Labour Institutions act 2007 provides that in performance of its functions Wages Council shall take into consideration the following.

1) The needs of employees and their families
2) Economic factors including the requirement of Economic Development, level of Productivity and the desirability of attaining and maintain a High Level of Productivity and the of Employment, as well as the need to encourage Investment
3) The ability of employers to carry on their business successfully.
4) The Operation of small medium and Micro Enterprises (SMEs).
5) The Cost of Living
6) The alleviation of Poverty
7) The Minimum subsistence level the likely impact of any proposed condition of Employment of Current Employment or the Creation of Employment and any other relevant factors.

4.0

A. WAGES GUIDELINES

The basis of the revision in Wages is guided by Wages guidelines that are issued under Section 15 (5) of the Employment and Labour Reactions Court Act 211. The Section states that in the exercise of its powers under this Court shall be bound by any guidelines or other directives relating to Wage and Salary Level and other condition of Employment that may be issued from time to time to the Employment and labour relations Minister responsible for Finance.

B. FACTORS TO BE CONSIDERED IN REVISING WAGES

i. Change in consumer prices indices
ii. Reduction of wages differential between similar jobs/grades within and Organisation
iii. Economic growth rate of Kenya
iv. Change in Productivity

C. CHALLENGES FACING IMPLEMENTATION OF MINIMUM WAGES

Some survey carried out reveal that many Employers do not comply with Minimum Wage requirement and this can be blamed on several factors.

There are factors and challenges include Poverty that drive Youth to taking Poor Jobs, Ignorance of Workers about their rights. Some Employers see it as a cost and therefore skip paying.

Many Employers do not implement due to Non-Unionization.

The Wages Councils hardly meet. It is only during the Labour Day celebrations when the Cabinet Secretary announces the Minimum Wages or the President.

None inspection of workplaces by the Cabinet Secretary for several reasons some employers Operate below capacity and therefore cannot take on more cost which might render some of the business unviable.
D. ILO CONVENTIONS, LABOUR LAWS

The International Labour Organisation formulates International Conventions that are meant to protect the most vulnerable Workers. Conventions are treaties that are universal and are meant to be adopted by member countries. However, whether domesticated by member Countries or not they are still binding.

Kenya, as a member Country has ratified the Core Conventions and have legislated Minimum Wages.

To compensate Workers for the loose of purchasing power workers are awarded 100% for the lower income earners and 75% for middle and upper.

The three main ways for restoring purchasing power are Consumer Prices Indices Wages differentials and Productivity.

E. PROPOSAL FOR 2018 WAGES

In 2017 gross domestic product rose by 5.8% average inflation rose by 5%.
COTU (K) proposes a Wage Increase of 18% justified by CPI and Gross Domestic Product.

It is quite evident that the minimum wage is indeed below the living wage. Moreover the wage councils have not been functional. We propose a 18% wage increase annually.

COTU (K) is concerned about minimum wage implementation by a number of employers! And therefore appeals to all employers to completely comply with all Minimum Wage levies as determined by the wage councils & or directed by the Government.

We as a workers organization also appeal for a reduction of CBA period to the previous two instead of the current four years.

F. LABOUR LAWS

Labour Laws have been enacted to regulate the Labour Market. Ministry of Labour is expected to regulate the Labour Market. The Labour Laws domesticate the ILO Conventions into Law. The Social partners are expected to ensure that all the laws are implemented. However we have seen weakness on the Government part in implementation.
G. RECOMMENDATIONS

1. We therefore recommend the Wage Councils to be revived
2. The Government to allocate adequate resource and personnel in implantation of Labour matters.
3. Promote Social dialogue and Social protection
4. Trade Unions and Employers to step up Organisation to cover all workers.
5. Promote Decent Work Agenda
6. Lastly we call for all concerned to conserve environment because production becomes difficult in destroyed environment.