Why Civil Servants Will Retire With a Wheel Barrow and Jembe
Leadership: Where Do You Fall?
The Dilemma of Efficiency Wages
Vision:
Equitable and sustainable remuneration and benefits for state and public officers in Kenya

Mission:
To set, review and advise on fair, competitive and sustainable remuneration and benefits through research and analysis
This is a special edition of the newsletter straddling January to December 2018, taking you through some key activities undertaken by the Commission, while providing insights on various topics.

As you are aware, the Commission ushered in the second team of SRC Commissioners in October 2018. The Commissioners who have a wide array of experience are expected to serve for six years. In this edition, you will get a chance to know the honourable ladies and gentlemen.

In this issue, the importance of stakeholders is highlighted, and how the Commission hopes to walk with them as it fulfils its mission, while recognizing the role of each. Although higher wages have several benefits including increased worker quality, is it possible to have efficient wages for the public sector employees?

Are we becoming a litigious society? In recent years, the explosion of court cases against institutions and individuals has become the rule rather than exception.

SRC has not been spared as it has had to fight court cases filed by institutions, unions and even individuals, some even challenging its constitutional mandate. The Court, as expected, issues its judgements which, at times, may not be favourable. Turn the pages as we explore the dynamism of contempt of court.

As each minute ticks, we are headed towards our retirement. Are you headed to a retirement bankruptcy? Finally, even as we strive to maintain a balanced diet, we may not know the nitty gritty behind our balanced and healthy options. In this issue, you learn the difference between vitamins and phytonutrients and whether you need both of them.

These and many more short stories and incisive write ups are documented in this issue. Read on and at the end, give us feedback.
Welcome to this special edition of the SRC Newsletter. It is with utmost delight that I pen this message as the new Chair of SRC. As a Commission, we are conscious of the need to be in contact with stakeholders on a regular basis. The SRC Newsletter is one among other avenues, through which the Commission engages with its stakeholders.

Having said that, it is important to note that the second set of Commissioners was sworn into office on 26th September 2018, almost ten months after the exit of the first Commission in December 2017! The Commissioners found a huge backlog of pending pressing issues, with stakeholders expecting immediate solutions. Fortunately, the SRC team (Commissioners and Secretariat) conceived a strategy to manage both the backlog and new/emerging issues, and so far, we are making good progress.

I am privileged and proud to lead a team of Commissioners and the Secretariat that is dynamic, and which has a shared vision to deliver the mandate of the SRC. The team is composed of highly skilled, talented, professional individuals, with diverse skills and experiences. It is a team committed to perform at its full potential, ready to challenge the status quo, thus innovate on service delivery with focus on delivering value to Kenyans.

In performing its functions, the Commission is required by the Constitution to take into account the following principles; (a) the need to ensure that the total public compensation bill is fiscally sustainable; (b) the need to ensure that the public services are able to attract and retain the skills required to execute their functions; (c) the need to recognize productivity and performance; and (d) transparency and fairness.

The previous Commission did a commendable job in laying the foundation to deliver on these principles. The current Commission will continue to build on this even as it embarks on new strategic areas to deliver on these principles and the overall mandate of the Commission. The job evaluation and salary structures amongst other initiatives already in place, will play an important role in stabilizing the public wage bill in the medium term. The Commission will continue to engage stakeholders to ensure full implementation of the public service job evaluation.

Suffice it to say that fiscal sustainability of the public wage bill continues to be a challenge. In 2017/2018 financial year, the county governments spent 45.2% of their total ordinary revenue on remuneration and benefits against a set limit of 35%, whilst the National Government spent 27.7%. This trend is neither affordable nor sustainable given the current economic situation.

A key area of focus for the Commission will be the need to recognize productivity and performance. A more productive public service will boost the economy’s aggregate productivity growth; contributing to a higher GDP thus reducing the ratio of wage bill to GDP. Productivity is a major driver of income growth, and there is evidence in some countries that wages increase more rapidly when labour productivity growth is at its strongest.

The Commission will work closely with key stakeholders to link pay to productivity and performance, and ensure that public service attracts and retains the skills required and that there is transparency and fairness.

Finally, the articles in this issue are enlightening and entertaining. We welcome everyone to read and feel free to give feedback.

Mrs. Lyn C. Mengich
CHAIRPERSON
We Strive to Journey with Our Stakeholders

By Anne R. Gitau (MBS), Commission Secretary

Managing stakeholder relations and engagement remains one of the strongest pillars the Commission relies on to achieve its mandate. As we look back at the first six years of the Commission, it is clear that right from the onset, effective management of stakeholders was crucial.

In its first six years, the Commission conducted hundreds of stakeholders’ engagements. This was not only done in adherence to Article 10 of the Constitution of Kenya, but more importantly, it was informed by the need to carry along implementers of policy decisions, long before they were made. With time, it was clear that the more stakeholders were involved and engaged, the easier it was for them to comply with the Commission’s policy decisions.

Despite the fact that the Commission’s power to execute its mandate is conferred by the Constitution of Kenya (Article 230), it is alive to the fact that stakeholders, by using their influence, hold the key to the environment in which the Commission operates, and its subsequent success in the achievement of its mandate.

The question is: “What is in it for stakeholders?” Quite a lot. But to sum it in two words ‘mutual benefit’. For the Commission, this would mean successful execution of its mandate, while for the stakeholder such collaboration builds a system of support that responds to their needs. In addition, a greater understanding of issues relating to remuneration and benefits, raised awareness and avoidance of misunderstanding. However, to maintain the cooperation and partnership it is important that the stakeholders are sufficiently motivated to have a stake in the Commission’s operation. Carrying stakeholders along in a timely and professional manner is, therefore, imperative.

As the Commission gets into its seventh year with the second set of Commissioners, the Commission will need to re-evaluate the environment under which it is operating from, in order to establish where possible, the emergence of new stakeholders. As the Commission re-evaluates and identifies its stakeholders, it will prioritize them, with eyes drawn to those who have the most power to either enable or hinder the Commission in its efforts to achieve its mandate. A good example is the Kenyan public.

The Commission will identify and analyze the needs, interests and aspirations of the stakeholders. On the flip side, the Commission will chart out the expectation that it wants from each stakeholder. This will inform the stakeholder engagement plan whose intention will be to reap mutual benefit from each engagement. It will, however, be possible if stakeholders identify with the Commission’s mandate, goals and objectives, making it easier to appraise them on the Commission’s mandate and the rationale behind its decisions. This is likely to lead to stakeholders accepting and having buy-in in policy positions/decisions taken by the Commission, reducing possible acrimony with stakeholders. Consequently, the Commission will continuously assess the relative importance of all stakeholders to establish a weighted hierarchy in as far as the Commission’s objectives are concerned and how these impact on them.

Currently, the Commission is putting in place measures that will ensure long-term sustainable relationships with the stakeholders. The Commission is leveraging on the Constitutionality of its mandate, building on current solid relationships established over the last six years and stakeholders support in transforming the public service, and how this in turn leads to enhanced service delivery to all Kenyans.
Why Civil Servants Will Retire With a Wheel Barrow & Jembe

By Dr. David Muthaka, Ag. Director Research, Compliance, Policy and Planning; and Kirwa Lelei, Ag. Assistant Director Planning

A view which is almost becoming a truism, holds that most civil servants in Kenya die within five years after retirement. This view is not based on any study linking retirement to mortality, the argument is simply based on the drastic changes in the quality of life of retirees. Used to the monthly salary, retirees are forced to a life of abject poverty, die out of poor health and frustration.

If this is the case, perhaps it is a good idea to carry out a study on the life of retirees, with special attention to the quality of life and shed light on what makes one retiree live longer than another. This will assist employers to advise their employees well on better planning, to ensure that retirement does not lead to death, as has been seen over the years. Of great importance is the need to look into the pension scheme and ways of improving it so that life after retirement is well catered for.

As things stand at the moment, however, retirees' life is a bleak one. First, because the government has yet to establish a contributory retirement scheme; second, very few civil servants enrol into private pensions schemes; third, majority of them prioritize consumption spending that reduces their saving instead of engaging in income-earning investments; and fourth, the employer invests very little in training the employees on entrepreneurship. Hence, on retirement, most of the civil servants afford only the simplest tools of trade in the name of a cow, jembe and wheelbarrow to start off retirement as peasant farmers. Life should be a trade-off between time, effort and reward. To be rewarded more, one has to become extra valuable.

According to The National Treasury, 59,400 (more than 10 per cent) of the half a million public sector workers will retire by June 2020. The rising number of retirees in Kenya’s ageing civil service will push the public pension bill to Kshs 86.2 billion in the coming fiscal year starting July, and Kshs 104 billion by June 2020. There is no pre-funding of pension liabilities, and the government runs the scheme on a pay-as-you-go basis using tax collection.
According to research, the poorest people in the world are salary earners, who are next to beggars. They live in a vicious cycle of poverty, managed on 30 days. In poverty terms, salary earners are unable to attain a minimum standard of living; have low quality life; and lack control of their life and future. This is because they do not obtain sufficient income needed for minimum necessities and maintenance of a normal life. They continuously await their salaries every month and any slight delay brings about heart breaking anxiety, pressure and disappointment.

Financial planning and spending is a challenge especially during their working life. A proportion of their salaries is taken up by loan repayments, especially to banks and SACCOs. A casual conversation with a typical civil servant would reveal that they also take loans from shylocks, colleagues and friends. The loans are in most cases, spent on housing (including buying land with plans to build in future), mortgage, personal cars, school fees, hospital bills and clothing. All the above are noble areas of spending, however, the commitments are way off their salaries, hence the conclusion that civil servants may be living beyond their means.

Today, retirement with pension is considered a right of the worker in many societies. This right has been entrenched in the Constitution in many countries, and retirees are entitled to receive pension. Public organizations are mandated to come up with a retirement savings scheme for their employees. Individuals are also encouraged to have their own individual retirement investment plans. The focus should be to accomplish the goal of an adequate guaranteed income after retirement. A retirement preparation program, therefore, aims at forming a realistic perception of retired life and reduce retirement anxiety. The degree of consistency between individuals’ pre- and post-retirement activities is affected by their formal and informal planning, economic status, health, and occupational goal attainment.

The lack of a sustainable pension scheme for civil servants which would have eased pressure on taxpayers in the long term is particularly worrying, with the Pension Bill still pending in Parliament.

The pension reform that has been put on hold since 2013 is aimed at converting the current non-contributory civil service pension scheme into a contributory public service superannuation scheme.

The proposed scheme will operate on a defined contribution basis, with civil servants contributing 7.5%, while the government chips in with 15%. The contributions will be paid into a public service fund to be established and managed in accordance with the Retirement Benefits Act regulations. The proposed pension scheme takes into account inflation and the state of the economy as opposed to the current pension one which is pegged on one’s salary. Thus, civil servants will be paid more than what they are now entitled to as the scheme will be vested in hands of trustees, creating a separate pool of assets the Government hopes will, in the long run, reduce its ballooning pension liability.

In a nutshell, the government should enhance financial literacy for its employees as this will enable them to diversify on their income and hasten the implementation of contributory pension scheme. Government workers engage in expensive lifestyle of consumables, which are resource-draining, leaving them with very little savings for meaningful investments. The government should provide finances towards setting up a fund, which can provide long-term housing loans to government employees. This would reduce housing problems for government employees, and improve their quality of life when in employment and upon retirement.

Without addressing the direct issue of policy on funded pension and indirect issues that impact government employees’ ability to save and invest for the future, the country risks having poor retired civil servants who increase the dependency burden, especially with improved life expectancy.
By Rosalie Wafula, Principal Legal Officer

Any conduct which defies the authority or dignity of a court or interferes with the administration of justice is referred to as contempt of court. It originates from the common law ideals of supremacy and independence of the judiciary. According to J. Moskovitz, it is now so widespread and referred as “proteus of the legal world; assuming an almost infinite diversity in terms.” It is punishable by a fine or imprisonment.

Why?

In Kenya, citizens rely on courts for impartial resolution of disputes. Therefore, once a case has been submitted to a court of law, citizens rely on the ability of the court to render an impartial, independent and fair decision. Consequently, any activity which offends the dignity or authority of judicial tribunals affects the fair administration of justice and ought to be punished.

The Supreme Court of Kenya in the case of Board of Governors, Moi High School vs Malcom Bell held that the power to punish for contempt was one of the inherent powers of a court which enables it to regulate its internal conduct, and ensure it discharges justice. Without these powers, courts would be unable to protect the rights of citizens or be reduced to toothless bull dogs making orders in vain.

The law of contempt, therefore, does not exist to protect the personal dignity of the judiciary or the private rights of parties, but to uphold the fundamental supremacy of the law. Disobedience of court orders does not only undermine the very foundation of the rule of law, but also erodes the dignity and authority of the courts. As a result, obedience of court orders is not optional, but mandatory.

Shhhh, Mind Your Ps and Qs!

By Rosalie Wafula, Principal Legal Officer

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How?
In Kenya, for a long time, the power to contempt of court retained its common law ancestry. Section 5(1) of the Judicature Act Cap. 8 was the main substantive law on contempt of court. It stated: “5(1) The High Court and the Court of Appeal shall have the same power to punish for contempt of court as for the time being possessed by High Court of Justice in England and that power shall extend to upholding the authority and dignity of subordinate courts.”

This provision led to endless debate with many insisting that only the High Court and Court of Appeal had power to punish for contempt, and magistrate court did not have the power. The debates all came to an end when the Contempt of Court Act (2016) came into force on January 13, 2016. This Act represented an exciting development in Kenya law, as it repealed Section 5 of the Judicature Act and brought clarity to the law of contempt.

The Act gave jurisdiction to every superior court to punish for contempt and uphold the dignity of subordinate courts. Jurisdiction is also given to magistrate courts to punish for contempt where a person assaults or threatens a judicial officer or witness, obstructs proceedings or disobeys an order of subordinate court.

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Defences to Charges of Contempt
The Act provides for various defences including, but not limited to, fair comment on the general working and merits of a decision of the court made in good faith, public interest and temperate language; and that the publication is fair and substantially accurate of any judicial proceedings, innocent, and by a person who had no reasonable grounds to believe that such proceedings were pending at the time of publication of the matter.

The Act also provides that the fair criticism of a judicial act or the merits of a case which has been heard and determined does not amount to contempt, and a person is not guilty for contempt in respect of a complaint made in good faith against the presiding officers of the court.

The publication of information relating to proceedings held in chambers or in camera does not amount to contempt, except where the publication is contrary to law or public policy; on grounds of public order or national security; or where information relates to a secret process, discovery or invention in an issue before the court.

More so, a person is not guilty of contempt for publishing the text or a fair and accurate summary of the whole, or any part, of an order made by any court sitting in chambers or in camera, unless the court has expressly prohibited its publication.

Court recordings: The Act nips this growing vice in the bud by providing for several actions such as using a recording device without the court’s permission, publishing a recording of legal proceedings by playing it in the hearing of the public or any section of the public, disposing it with a view to such publication, or using it contrary to any condition granted by the court. The provisions of the Act, however, do not apply to the making or use of sound recordings for purposes of official transcript of proceedings.

Disclosure: The Act provides that refusing to disclose the source of information contained in a publication for which the person is responsible does not amount to contempt, unless the court is satisfied that such disclosure is necessary in the interest of justice, national security, or for the prevention of disorder or crime.

Strict liability rule: Under the Act, there are instances where conduct may be treated as contempt such as to interfere with the course of justice, particularly in the context of legal proceedings regardless of the intent to do so.

Publication: It only applies to publications which create a substantial risk that the course of justice in the proceedings in question will be seriously impeded or prejudiced; and if the proceedings in question are active at the time of publication. The Act provides a schedule which sets out the instances when proceedings are to be treated as active.
The Act also recognizes that a publication made as part of a discussion in good faith of public affairs or other matters of general public interest does not amount to contempt of court, if the risk of impediment or prejudice to legal proceedings is merely incidental to the discussion.

**Procedure:** Where contempt is committed in the present or hearing of a superior court, the court may cause such a person to be detained in custody at any time before the rising of the court, the same day or not more than 24 hours thereafter, and must inform the person of the charge in writing, afford them an opportunity to be heard, and give them a chance to make their defence upon which the court will make a decision.

In the case of any criminal contempt of a subordinate court, the superior court may take action on a reference made to it by the subordinate court or upon application by the Director of Public Prosecutions.

No court allows any proceedings for contempt to be commenced after the expiry of a period of six months from the date on which the contempt is alleged to have been committed.

**Offences:** There is a principle of law that neither can one be charged with an offence that is not provided for in written law nor its punishment prescribed in a written law. Accordingly, the Act provides for various offences, for example wilfully and without lawful excuse disobeying an order or directions of a court; disrespect, in speech or manner, regarding proceedings, or to any person before whom judicial proceedings are being heard; a witness failure to show up in court to give evidence or, despite attending court, refusal to be sworn or to make an affirmation, or having been sworn or affirmed, refuses without lawful excuse to answer a question or to produce a document, or remains in the court room after the witnesses have been ordered to leave the court room, among others.

**Punishment:** The Act provides that upon conviction, a contemnor shall be liable to a fine not exceeding Ksh 200,000 or to imprisonment for a term not exceeding six months or both. No court may impose a sentence in excess of this. The Act allows a court to order that the accused person be detained in police custody until the rising of the court. The court may, at any time, revoke an order of committal so made, and if the offender is in custody, order his discharge.

**Contempt by the State:** Where a state organ, government department, ministry or corporation is guilty of contempt in respect of any undertaking given to a court by the state organ, government department, ministry or corporation, the court shall serve a notice of not less than 30 days on the Accounting Officer, requiring him/her to show cause why contempt of court proceedings should not be commenced against him/her. If the officer does not respond in 30 days, the court shall proceed to hear and determine the contempt of court proceedings against the Accounting Officer.

**Review and Appeal**

The Act provides mechanisms for the review of an order as well as for an appeal from an order to punish for contempt. A person who is aggrieved by an order by a subordinate court may make an application to the superior court to revise it or file an appeal.

Upon revision, the superior court may either uphold the order or release the applicant with or without conditions. Revision may be made where there is an error apparent on the face of the record, or discovery of new important material or evidence which, after the exercise of due diligence, was not within the knowledge of the application and could not be produced by the applicant at the time the order was made. The high court also has power to review its own orders and may make several orders pending such review to suspend the execution of the punishment, or order to be reviewed and the contemnor released on bail if he/she is in confinement.

The Act provides for an appeal only on points of law to the Court of Appeal, from any order or decision of the High Court in the exercise of its jurisdiction to punish for contempt. Pending an appeal, an appellate court or the High Court may order that the execution of the punishment or order appealed against be suspended, and if the appellant is in confinement, be released on bail.

**Conclusion**

Obedience of court orders is the foundation upon which justice rests, and ultimately the rule of law. As a constitutional commission, SRC should always strive to obey court orders to avoid a charge of contempt of court, for as Louis Brandeis said: “Our Government teaches the whole people by example. If the government becomes the law breaker, it breeds contempt for law, it invites every man to become a law unto himself, it invites anarchy.”
A great leader is not an all knowing super hero, but one who provides leadership in an organization and enables it to achieve its objectives. However, in modern society, leadership gaps are widening because of limited leadership skills. Great leaders like Nelson Mandela are visionary and ahead of time.

A story is told of the famous French Emperor, Napoleon Bonaparte, born in 1769 at Ajaccio Corsica in France. Napoleon Bonaparte was educated in military academies in Brienne and Paris, after which he joined the army and was very popular. He was a huge driving force in history, building and creating France to what it is today, and showing a great example of what leadership is to the rest of the world. He overthrew the Monarch and embarked on several military expeditions (wars) in Austria, Prussia (Germany), Russia, England, Mexico and Egypt. History tells us that in one expedition with Russia, he had about 600,000 soldiers, but only 160,000 returned to France after the war.

One day, he dressed casually and with security detail walked up country as he wanted to know what people were doing without being identified.

He went deep in the country side and came across a woman who was grazing sheep, which in France was an activity reserved for men. He asked the woman why she was doing the work of men. The woman said it is because of the “devil” called Napoleon who claimed her husband's life with his wars. This touched Napoleon so much and he walked back to Paris. As a top most leader in France, he could have ordered the woman killed, but here was a powerful Emperor exhibiting highest degree of tolerance and leadership.

In the 21st century, leadership is not about traditional assessment like 3,600 management, Management by Objectives, performance appraisal or delegation; it is about what you read, how you spend time, what you practice as a leader, seeing all corners of life, networking relationships, courage to abandon familiar and comfortable things, building emotional stamina to withstand critics, handling diversity and standing up for unknown possibilities of tomorrow.

A great psychologist, John Maxwell, said leadership development in any set up grows through five levels:

**Position:** It is the lowest level of leadership, the entry level. People who make it through this level may be bosses, but they are never leaders.
They have subordinates, not team members; rely on rules, regulations, policies, and organization charts to control their people; and their subordinates will only follow them within the stated boundaries of their authority. This level is the only one that does not require ability and effort to achieve. It is a fine starting point, but every leader should aspire to grow beyond Level 1. The people who follow this leader give least energy, ability and time. People at this level comply with rules like clocking in at 8.00am and clocking out at 5:00pm. Leaders in this level are followed because of the title; director, manager, supervisor etc.

**Permission**: A transition from position to permission brings a person's first real step into leadership. In this level, people follow a leader because they want to, and not merely complying with orders. At permission level, the leaders begin to influence people with the relationship they create, not just title or position. When people feel liked, cared for, included, valued, and trusted, they begin to work together with their leader bringing about brotherhood and professional respect in an organization. The old saying that people go along with leaders they progress with, applies well in this level. People listen well, observe, are conscious of what they do, learn and have an attitude of serving and love to serve.

A person at this level grows beyond a leader, since there is internal motivation which oozes like a river strengthening and motivating people. A good example of leaders in this level are Otto Von Bismarck who dominated German and European affairs from the 1860s until 1890 and was the first Chancellor of the German Empire between 1871 and 1890 and the great American President Abraham Lincoln.

**Production**: The concern here is to be effective. A leader produces results and is calm, productive and gains credibility. One becomes productive in one’s own life. People at this level are service oriented. Leadership is associated with who you attract in your team. There is increased efficiency and this level involves a lot of problem solving.

**People development**: This is the most interesting and exciting level. Here, human capital is a great asset, since you develop people around you. A leader equips people to be successful. Thus, a leader must position staff for further growth. It involves good mentorship, recruitment and training thereby developing people to be good leaders. Great leaders like Mwalimu Nyerere of Tanzania have exhibited this.
**Pinnacle:** A leader in this level is respected and does his/her work so well that people absolutely follow him/her. Not only is leadership at this level a culmination of leading well on the other four levels, but it also requires a high degree of skill and some amount of natural leadership ability. It takes a lot to develop other leaders so that they reach Level 4; that's what Level 5 leaders do. The individuals who reach Level 5 lead so well and for so long that they create a legacy of leadership in the organization they serve. Can you tell such leaders in your organizations?

Leadership is therefore not limited to any cadre of personnel in an organization or even any specific category of people. It is a lifelong process that begins with tolerance, positive attitude and perseverance. If you are able to rise to the pinnacle, then it is important you become a transformational leader. One who is positive, inspires, empowers and helps develop others. Transformational leaders exemplify behaviours and characteristics that encourage their followers. They walk the walk and talk the talk. As a result, group members admire these leaders and work to emulate their behaviour. Transformational leadership involves a focus on providing one-on-one communication with group members. Good leaders should express sincere care and concern for the members of their group both verbally and non-verbally. By keeping the lines of communication open, these leaders can ensure that group members are able to make contributions and receive recognition for their achievements.

Transformational leaders have an upbeat and optimistic attitude that serves as a source of inspiration to their followers. If leaders seem discouraged or apathetic, members of the group are likely to also become uninspired. Even when things look bleak and followers start to feel disheartened, try to stay positive. This does not mean viewing things through rose-coloured glasses, but maintaining a sense of optimism and hope in the face of challenges.

Great leaders are not just focused on getting group members to finish tasks, instead they have a genuine passion and enthusiasm for the projects they work on. You can develop this leadership quality by thinking of different ways that you can express your zeal. Let people know that you care about their progress. When one person shares something with the rest of the group, be sure to tell them how much you appreciate such contributions.

Leaders also provide inspirational motivation to encourage their followers to get into action. Some ideas for leadership inspiration include being genuinely passionate about ideas or goals, helping followers feel included in the process and offering recognition, praise, and rewards for people's accomplishments.
Balancing costs and benefits through efficiency wages

The Dilemma of Efficiency Wages

By Selly Yagan, Assistant Director of Policy

Efficiency wages refer to paying wages higher than the market-wage paid (market-clearing wages) to encourage higher output, and to raise workers and discourage absenteeism. They apply only if the labour market is not clear and jobs are not rationed, a circumstance in Kenya’s labour market. This has been cited as one of the causes of unemployment in the world, a situation in which workers capable of working and who are willing to work do not get employment. Should the Commission pay efficient wages for the public sector employees?

Insights from efficiency wage theory suggest a number of benefits employers stand to gain as a result of paying higher wages. First, a higher wage can increase workers' food consumption because of affordability, thereby improving their health nourishment hence increased productivity. Second, a higher wage can increase workers' effort in situations where the firm cannot monitor them perfectly. It is virtually impossible for firms to constantly monitor all employees and prevent shirking. Some employees will always take advantage of this and slack off, even though they risk losing their job. However, if they are paid efficiency wages, they have less incentive to shirk, because the attractiveness of their job increases. In a Walrasian labour market, workers are indifferent about losing their jobs, since identical jobs are immediately available. Thus, if the only way companies or corporations can punish workers who exert low effort is by firing them, workers in such a labour market have no incentive to exert effort. Nonetheless, if a firm pays more than the market-clearing wage, its jobs are valuable.

Third, paying a higher wage can improve workers' ability along dimensions the firm cannot observe. If job performance depends on workers' ability and workers differ from each other in those terms, firms with higher wages will attract more able job-seekers, making it profitable to offer wages that exceed the market clearing level. Specifically, if higher-ability workers have more reservation wages, offering a higher wage raises the average quality of the applicant pool, thus raising the average ability of the workers a firm hires. Finally, a high wage can build loyalty among workers, hence induce high effort. Conversely, a low wage can cause anger and desire for revenge, thereby lead to shirking or sabotage.

In as much as the efficiency wage theory states that higher wages motivate workers, there are challenges. Higher wages have been associated with causing unemployment in many economies, since many firms or employing bodies cannot expand their capacity to accommodate a large number of employees. An increase in public service employees may increase the wage bill for a country beyond sustainable levels, interfering with other development expenditure allocations. Whereas the Commission would have preferred to pay higher wages above market rate to public sector employees, there are some restrictions to the same. The Commission is guided by Article 230 (5) of the Constitution of Kenya which provides the principles that guide the determination of remuneration and benefits, including the need to ensure that the total public compensation bill is fiscally sustainable. Further, the Public Finance and Management Act (2012) and its Regulations (2015) provide that wage bill to ordinary revenue should not exceed 35%. Article 26 1(a) on national government’s expenditure on the compensation states that employees (including benefits and allowances) shall not exceed 35% of the national government’s equitable share of the revenue raised nationally, plus other revenues generated by the national government pursuant to Article 209 (4) of the Constitution.

It is from this principle that the Commission is striving to attain and maintain the 35% wage bill to ordinary revenue threshold from the current rate of 42% in wage determination for public sector. Owing to this fact, the Commission is left with no option but to trade-off between efficient wages and unemployment issues in the economy.

Balancing costs and benefits through efficiency wages

Efficiency wages are designed to optimally balance costs and benefits
Vitamins and Phytonutrients: What’s the Difference?

By Bernard Motieri, Ag. Assistant Director
Remuneration Analysis

The differences between vitamins and phytonutrients are commonly-confused by most people. A majority say “I have multi-vitamins which have everything in it.” Others argue that they do not need any more phytonutrients since their multi vitamins contain everything.

Vitamins

Vitamin, as defined by dictionary.com, is any group of organic substances essential in small quantities for normal metabolism, found in minute amounts in natural foodstuffs or sometimes produced synthetically. Deficiencies of vitamins produce specific disorders. They are organic compounds which are essential for normal growth and nutrition and cannot be synthesized by the body. Our bodies cannot produce most of the vitamins.

Vitamins are essential for normal growth and development of our body. They must be consumed in adequate amounts to support normal body functions. This is why our parents always told us when we were younger to “eat your vegetables and fruits because it is nutritious and have lots of vitamins for you to become stronger and taller.”

They are required by our body to keep it healthy and strong. Most professional athletes and body builders have a strict diet during competition. They choose a diet consisting of different vegetables and fruits that contain diverse vitamins.

Also, they play a role in all of our body’s metabolic processes. Various vitamins support many areas of health as follows:

There are two classes of vitamins: fat soluble vitamins and water soluble vitamins. Fat soluble vitamins are vitamins A, D, E and K. These can be stored in the body for up to six months (you therefore do not need to consume them daily). Fats or lipids help these vitamins to absorb better in intestinal tract, when taken in excess lead to hypervitaminosis since they accumulate in the body.

On the hand, water soluble vitamins include: Vitamins B complex (Thiamine, Riboflavin, Niacin, Pantothenic Acid, Pyridoxine, Biotin, Folic acid, Cyanocobalamin, and Vitamin C). These vitamins can be excreted in our body, but have to be taken daily. Alcohol decreases their levels.

Phytonutrients

The prefix “Phyto” is from the Greek and means plant. It is used because phytonutrients are compounds found only in plants such as fruits, vegetables and herbs, etc, that are necessary for sustaining life and improving health.
They contain disease-preventing compounds that strengthen immunity and offer anti-aging benefits. The specific effects of phytonutrients in the body vary tremendously, ranging from antioxidants to hormone metabolism to anti-carcinogen activity.

Phytonutrients are categorized based on their structure or function, and the major classes are indoles and phenols. Indoles are found in foods that contain high vitamin C levels. They synergize with vitamin C to offer many health benefits including anti-carcinogenic effects, inhibition of free radical activity, aiding in hormonal balance, and enhancing cell nourishment.

On the other hand, phenols contain protective properties and have a powerful antioxidant effect to help protect the body against free radical damage and chronic illnesses. They serve to prevent oxidative damage from free radicals, and have a strong protective role in the cardiovascular system including lowering blood pressure, clot formation, and vascular inflammation. Examples include resveratrol (found in red grapes, peanut butter, dark chocolate and blue berries) and isoflavones (found in Soybeans). The isoflavones have been shown to reduce the risk for osteoporosis, cancer and heart disease.

Phytosterols are found in green and yellow vegetables such as rice bran, corn, beetroot, orange, banana and apple among others. Their primary function is to block cholesterol absorption, and to rid the body of extra cholesterol, reducing the risk of cardiovascular disease. Phytosterols are also strong anti-carcinogens, especially helpful in the prevention of prostate, colon and breast cancer.

Terpenes are found in green fruits and vegetables (citrus fruits, lavender and pine trees) as well as in soy products and grains. Terpenes are strong antioxidants that protect against free radical proliferation and tumour growth. Beta-carotene is a terpene that reduces the risk of macular degeneration and various cancers including lung, colorectal, breast, uterine and prostate.

Thiols are found in onions, garlic and cruciferous vegetables. The thiols prevent cancer and cardiovascular disease. Thiols can also inhibit the activity of toxins produced by certain bacteria.

The concept of food synergy is now a well-accepted term in the scientific community. Food synergy is the synergistic influence of foods and the components found in foods on human health. Therefore, to fight diseases like flu, cancer, diabetes, arthritis, stroke, high blood pressure among others, and for longer life; you need phytonutrients every day.

Conclusion

Vitamins and phytonutrients are team players, hence the need to focus on balance, variety and whole foods to have maximum health benefits. Eat a varied and balanced diet; introduce variety at every meal by choosing from fish and lean meats, whole-grain cereal products, low-fat dairy foods, and a wide range of vegetables and fruits; and one or more dietary supplements daily or on occasion given our fast lives. Common supplements include vitamins, minerals and herbal products. Supplements make sure we get enough essential nutrients to maintain or improve our health.
Employment, employees’ rights and conditions such as pay, rest and working time, work organization and health and safety, at times, draw controversy causing displeasure and conflict between employers and their employees. However, through collective bargaining, some of these conflicts are usually addressed creating a conducive and cohesive working environment. Purity Njeru, Principal Communication Officer, talked to Mary Musau, Principal Labour Relations Officer, who gives insights on the collective bargaining.

Question: How can institutions uphold the right to collective bargaining?

Answer: Institutions can take action at three levels; workplace, bargaining table and community of operation. At the workplace, an institution should provide worker representatives with appropriate facilities to assist them in developing an effective collective agreement such as time off work, without loss of pay or social and fringe benefits, for carrying out their representative functions or for attending trade union meetings; recognize representative institutions such as the trade unions; and provide information needed for meaningful bargaining. This information should enable workers’ representatives to obtain a true and fair view of the performance of the enterprise.

At the bargaining table, provide trade union representatives with access to real decision makers for collective bargaining; bargain in good faith; and address problems or needs of workers and management, including restructuring and training, redundancy procedures, safety and health issues, grievance and dispute settlement procedures, and disciplinary rules.

Lastly, in the community of operation, take steps to improve the climate in labour-management relations, especially in those countries without an adequate institutional and legal framework for recognizing trade unions and collective bargaining.

Q. What elements and mechanisms are required for a mature system of industrial relations?

A. The framework for a mature system of industrial relations should be built within several factors: first, recognizing freedom of association and the right to organize. Workers should, without distinction, have the right to establish and join organizations of their own choosing without interference by the employer or management, or any government authorities. The right to freedom of association for workers also includes protection from acts of discrimination associated with participation in their union. Representatives of workers should not be hindered from meeting for consultation and exchange of views, provided that the functions of the organization are not prejudiced.

Second, promotion of collective bargaining. Workers have the right to choose their representatives, who have the authority to take decisions on matters under negotiation. No intimidation or threats should be used during the process of negotiation. Collective agreements should also include a mechanism for the settlement of disputes arising about their interpretation or application, and for ensuring mutually respected rights and responsibilities.
Third, consultation and communication. A mechanism should be agreed between employers and workers and their representatives that provides genuine exchange of ideas and information, and ensures there is an opportunity for workers and their representatives to influence the decisions being made within the organization, particularly where any proposal may affect employment. Consultation should not be considered as a substitute for collective bargaining. Any communications policy should be adapted to the size, composition and interests of the work force.

Fourth, procedures to examine and resolve grievances. A procedure should be established for raising and resolving grievances. The right of workers to raise grievances or concerns should be respected. A worker should be able to raise a grievance without suffering any prejudice.

Q. What is to bargain in “good faith”?
A. The principle of good faith implies that the parties make every effort to reach an agreement, conduct genuine and constructive negotiations, avoid unjustified delays in negotiations, respect agreements concluded, and give sufficient time to discuss and settle collective disputes.

Q. What items are covered by collective bargaining?
A. Collective bargaining can extend to all terms and conditions of work and employment, and may regulate the relations between employers and workers as well as the organizations of employers and workers. It is for the parties engaged in collective bargaining to decide what will be covered by their negotiations. Some of the subjects of collective bargaining identified by the ILO’s Committee on Freedom of Association include: wages, benefits and allowances, working time, annual leave, selection criteria in case of redundancy, the coverage of collective agreement, and granting of trade union facilities.

However, strict limitations on the subject matter of negotiations may be possible in the case of economic stabilization policies imposed by a government, for example on wage rates. In this case, the restriction should be imposed as an exceptional measure and only to the extent that it is necessary.

Q. Which items does SRC advise on?
A. Items with financial impact on the CBA.

Q. At what level(s) should collective bargaining take place?
A. According to the ILO’s Committee on Freedom of Association, the determination of the bargaining level is essentially a matter to be left to the discretion of the parties. Collective bargaining can take place at the organizational level, sectoral or industry level, and national or central level.

Q. What challenges do you face with new CBA cycles?
A. Delay in initiating negotiations after expiry period of a running CBA, existing disparities in salary structures; unreasonable demands from trade unions, lack of funds, and role of SRC not clearly understood.

Q. Any message to employers and trade unions?
A. It is important for every party to play its role so as to avert labour unrests due to trade disputes from flawed procedures in CBA negotiations.
Lyn Cherop Mengich (Chairperson)

Mrs. Mengich is a HR professional and business leader with over 25 years cross-industry experience holding strategic leadership and Board positions in Kenya, East Africa Region and Africa. Her experience spans public, public traded and private sector organizations. Highlights of her experience include; Talent and Change Manager for Shell Oil Products Africa, Regional HR Manager for 11 countries in East Africa Region, HR Director for Barclays Bank, HR Director Kenya Commercial Bank, HR Director for Smith Kline Beecham-East Africa and CEO Nuevo Consulting. She has also held Board positions at Jamii Bora Bank, NSSF and Sovereign Group.

Mrs. Mengich is a fellow of the Institute of Human Resource Management - Kenya and holds a Master of Science in Human Resource Management, Executive Development Program from Cornell University, Advanced Management Program from Strathmore Business School (SBS) and IESE Business School in Spain. She has acquired extensive knowledge in Leadership, Governance, Management and Human Resource Management from different development programs in and outside the country.

Hon. Dalmas Otieno Anyango (Vice Chairperson)

Hon. Otieno is a member of the Commission nominated by Public Service Commission. He was first elected as the Member of Parliament for Rongo in 1988, and retained the seat until 2017. He served as Minister for Industrialization from 1988 to 1991, Minister for Manpower Planning and Employment (1991), Minister for Transport & Communications (1991-1996), and Minister for Public Service from 2008 to 2013. Hon. Otieno also had the honours to serve as Chairman of the African Ministers of Transport & Communications (1994-1996), and Chairman of the Establishment Committee of RASCOM (1994).


As the Minister for Public Service, Hon. Otieno spearheaded the establishment of the Salaries and Remuneration Commission. He is also credited with the transformation of the Kenya Institute of Administration (KIA) into Kenya School of Government, a Center of Excellence that offers management training, research, consultancy and advisory services to the Public Sector. It was also during this time he moved retirement age to 60 years; developed the Integrated Payroll and Personnel Database (IPPD), Integrated Records Management System (IRMIS), Government Human Resource Information System (GHRIS), Framework for preparation of Schemes of Service, and Management Guides on Human Resource Planning and Policy Architecture (HRPPA); and established the Civil Servants Medical Scheme and Training Revolving Fund among others.

He holds a Bachelor of Science (Applied Economics) from Makerere University, Uganda. He has also undertaken Post Graduate Courses in Economics, Insurance and Finance at the University of Nairobi. Hon. Otieno also has the following professional qualifications: Associate of the Chartered Insurance Institute, London; Fellow of the Chartered Insurance Institute by Examination (FCII); and Chartered Insurance Practitioner.
CPA Sophie Moturi, MBS

CPA Moturi is a member of the Commission, nominated by the Association of Professional Societies in East Africa (APSEA). She is currently a Trustee of the Kenya Professionals Development Fund of APSEA.

She was previously a Board Member in the Public Sector Accounting Standards Board (PSASB) Kenya, a Governing Council Member of the International Leadership University (ILU), Chairperson of the Association of Women Accountants of Kenya, Treasurer and Council Member in APSEA representing ICPAK, member of the Professional Standards Committee of ICPAK and Chairperson of the Nyeri County Executive Audit Committee among others.

More so, CPA. Moturi has worked as a Country Director and Finance and Administration Manager. She also worked for Price Waterhouse as an Auditor and Accountant.

CPA. Moturi holds a Master’s Degree in Banking and Finance and a Bachelor of Commerce (Accounting Option) Degree. She is a Certified Public Accountant and a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and the Association of Women Accountants of Kenya.

Dr Amani Yuda Komora

Dr. Komora is a member of the Commission nominated by the Federation of Kenyan Employers (FKE). He was previously the General Manager of Human Resources & Administration at Kenya Ports Authority (KPA) having risen from position of Head of Human Resources. He has also worked at KRA, where he rose through the ranks from Graduate Trainee to Assistant Commissioner Human Resources.

Some of his notable achievements include: he played a key role in managing the transition from the Anti-Corruption Police Unit (ACPU) to the Kenya Anti-Corruption Commission (KACC) and midwifed the transition to the now Ethics and Anti-Corruption Commission (EACC); and he was a Member of the National General Wages Council by the Minister for Labour, Social Security and Services for a Three Year Term under the Labour Relations Act, 2007.

Dr. Komora holds a Doctor of Philosophy (PhD) in Human Resources Management, Master of Science (MSc.) in HRM, a Bachelor of Arts Degree (Anthropology/Sociology), and a Higher Diploma from the former Institute of Personnel (IPM), Kenya. He is a member of the Institute of Human Resource Management (IHRM) and serves in the Governing Council of IHRM, and also a Chairman of College of Human Resource Management (CHRM).
James Maina Muhoro, MBS

Mr. Muhoro is a member of the Commission nominated by National Police Service Commission. He joined the Civil Service (Provincial Administration) in 1978 rising to the position of District Commissioner. He moved to the Central Government from 1991 as Senior Assistant Secretary and rose to the position of Senior Deputy Secretary. In his wide career of service, Mr. Muhoro served as Ag. Director of Kenya Marine and Fisheries Research Institute (KMFRI), Mombasa, from 1999 to 2000. He helped in setting up the Interim Independent Boundaries Commission from 2009 to 2010, as the Chief Executive Officer and also the National Police Service Commission from 2012 to 2013.

Mr. Muhoro holds a Bachelor’s Degree in Literature in English, Political Science, and Philosophy from University of Nairobi (UoN).

John Kennedy Monyoncho

Mr. Monyoncho is a member of the Commission nominated by Defence Council. He has over 20 years of experience in senior management in both public and private sector having worked with the Salaries and Remuneration Commission where he rose to Director of Research, Compliance, Policy and Planning. He also worked at Kenya National Bureau of Statistics where he rose to a Technical Manager, Kenya Integrated Household Budget Survey Programme where he was a Logistics and Administration and Research Manager, Nairobi Securities Exchange as an Administration Officer, and in the Ministry of Finance and Economic Planning as a Technical Assistant to the Economic Secretary.

Mr. Monyoncho is currently pursuing a PhD degree at the University of Nairobi. He holds an MBA in Finance and Bachelor’s Degree in Economics from the University of Nairobi, and a Bachelor of Science Degree in Statistics from Poona University (India).
L. Mumbua Munyao, PhD, MFKIM

Dr. Mumbua is a member of the Commission nominated by the Teachers Service Commission (TSC). She is the immediate former pioneer Director of Academic Affairs (DAA) at the Kenya School of Government (KSG). While serving as the DAA, she strengthened the training by leading teams in the development of capacity building programs for National Government, County Governments and State Corporations for public service transformation. She also strengthened the Consultancy, Research and Advisory mandate of the School by developing policies and procedure manuals for internal capacity of faculty. Dr. Mumbua is an Educationist with 30 years’ experience in education management and planning. She has an in-depth understanding and experience in corporate governance, program development, implementation, and review process.

Dr. Mumbua possesses remarkable wealth of experience in strategic leadership in specialized training institutions in the public and private sector. While serving as the Director of Kenya Institute School of Management (KIMSOM), she successfully spearheaded the transformation process leading to establishment of the Management University of Africa (MUA), where she served as the pioneer Director Institutional Development and Quality Assurance and Registrar Academic and Student Affairs.

Dr. Mumbua holds a Bachelor of Education – Arts (Kenyatta University), Master’s Degree in Education Administration and Planning (UoN), Master’s Degree in Business Administration (Esami Business School) and Doctor of Philosophy - Education Administration and Planning (Catholic University of Eastern Africa), with a focus on quality assurance management. She also holds a Certificate in Global Diplomacy (Diplomacy in the Modern World) from University of London.

Margaret Sawe

Ms. Sawe is a member of the Commission nominated by Senate on behalf of the County Governments. She has vast experience in the field of Human Resource having worked in various organizations including the County Government of Uasin Gishu as County Executive Committee Member (2013 – 2017), Sian Agriflora Ltd as the Group Human Resource Manager (2009-2013), Chevron (K)/Caltex, International Committee of the Red Cross (ICRC), and Unga Limited.

The achievements she has made in the key organizations she has served in include; improvement of employee relations, development of organizational structures, HR policies and strategies in line with the organizations’ strategic plans, preparing and executing budgets for the HR operations and provide advisory services on HR issues.

Ms. Sawe is a licensed Human Resource practitioner. She holds a Master’s Degree in Business Administration (UoN), Post Graduate Diploma (Institute of Human Resource Management-IHRM) and a Bachelor Education (Home Economics) Degree from Kenyatta University.
Nelly Peris Ashubwe

Ms. Ashubwe is a member of the Commission nominated by Trade Unions. She is an Advocate of the High Court of Kenya, and formerly a Managing Partner at Eshiwani Ashubwe and Company Advocates LLP, where she represented clients in high stakes in employment and labour related matters, especially Trade Unions in Kenya. Some of her clients included subsidiary companies of Export Processing Zone (EPZ) such as the EPZ Africa Apparels, EPZ Supra Textiles, EPZ Sunflag, EPZ Alliance Garments, Central Organization of Trade Unions (COTU), Kenya Plantation and Agricultural Workers Union, Kenya County Government Workers Union, Kenya Shoe and Leather Workers Union and Kenya National Union of Nurses (KNUN).

Ms. Ashubwe trained as a pupil at J. A. Guserwa and Company Advocates, where she later became an Associate. She is passionate about the rights of children, and has co-authored a book with the Kenya Literature Bureau titled ‘Child Rights and Child Protection (ECDE Diploma)’. In addition, through her law firm, she has trained a number of lawyers who have undertaken their pupillage under her tutelage and guidance.

Ms. Ashubwe holds a Diploma in Law from the Kenya School of Law, Law Degree from the University of Nairobi and a Bachelor of Education Degree from Kenyatta University.

Ms. Ashubwe has grown to become a mother, mentor, educationist and philanthropist among many things. A gourmet in her own right, her world takes a different trajectory when she engages in culinary explorations.
To strengthen the management of the public wage bill so that it is affordable, competitive, equitable, transparent and sustainable, SRC and other Government stakeholders need to regularly and consistently analyse the wage bill data from national government MDAs (Ministries, Departments and Agencies) and County governments towards the identification of emerging wage bill trends and intrinsic characteristics of the trends.

In collaboration with the World Bank, the Commission undertook a study on Public Wage Bill Management to provide a better understanding of the key wage bill management issues, and provide clear and appropriate policies to strengthen the fiscal affordability of the wage bill, both at the National and County levels. This study will also help in benchmarking MDAs against each other on wage bill policies and practices, and public sector outputs and outcomes.

The Commission and World Bank prepared a structured questionnaire to be used in data collection. Subsequently, a one day workshop was organized in Nairobi on 23rd May, 2018 to train enumerators. In his opening remarks, Peter Muhati, World Bank Consultant pointed out that the Bank has always been delighted to work with SRC. He emphasized on the importance of collecting quality and accurate data during the planned study on public wage bill management.

The Commission will visit the national Government’s MDAs and 47 county governments in Kenya, both the executive and legislative arms. The overall objective is to support and strengthen the management of the public wage bill so that it is affordable, competitive, equitable, transparent and sustainable. This will bring to the fore the need for institutionalizing more regular wage bill analysis to provide a stronger evidence base to guide policymaking.

Mokua Nyandieka, Assistant Director of Research, with Hon. Joyce Laboso, Governor Bomet County during the compliance checks exercise.
Lyn Cherop Mengich Appointed SRC Chair

The President, H.E. Hon. Uhuru Kenyatta, appointed Lyn Cherop Mengich to be the SRC Chairperson on 11th September, 2018.

The President also appointed Dalmas Otieno, Leah Mumbua Munyao, John Kennedy Monyoncho, Margaret Sawe, Nelly Peris Ashubwe, Dr. Amani Yuda Komora and Sophie Moturi to members of SRC.

Court Rules Emergency Call Allowance is Legitimate

The court ruled on a case filed against SRC, Ministry of Health, Council of Governors and the Attorney General on 31st August 2018. The applicants filed the case after being aggrieved by the Commission for declining to approve the renaming of the Emergency Call Allowance to Doctors’ Allowance and all payments arising therein, to all medical practitioners. They argued that SRC’s circular was unprocedural, illegal, unconstitutional and had discriminated the doctors against the principles of natural justice.

In its defence, SRC argued that the Emergency Call Allowance was applicable to all doctors deployed in hospitals, irrespective of grade, and was intended to compensate the eligible officers for being on call based on their duties and responsibilities.

The Court noted that Kenya Medical Practitioners, Pharmacists and Dentists Union (KMPDU), which the applicants were members of, did not file any response or participate in the proceedings at any stage. More so, SRC acted within its constitutional mandate, and any payment/allowance paid without first obtaining its advice, would be unconstitutional and illegal ab initio, and therefore invalid.

The Court held that the introduction of the call allowance was for a legitimate purpose. Justice Maureen Onyango, while delivering the judgement in a Nairobi Court, held that the applicants should have cascaded their grievances through their Union, which would have been better placed to negotiate with SRC directly.
The new team of SRC Commissioners was sworn into office on Wednesday 26th September, 2018 following the successful vetting of the Commissioners by Parliament in August 2018.

The SRC Chairperson, Lyn Cherop Mengich; and Commissioners Hon. Dalmas Otieno, Dr. Mumbua Munyao, John Monyoncho, Margaret Sawe, Dr. Amani Yuda Komora, CPA. Sophie Moturi, and Nelly P. Ashubwe will serve for a period of six years.
SRC at the 7th Annual Congress for Constitutional Commissions and Independent Offices

SRC participated at the 7th Annual Congress for Constitutional Commissions and Independent Offices (CC&IOs) on 10th October to 12th October, 2018 in Meru. The Congress themed 'Public Participation: Pathway to Sustainable Development', reviewed how public participation has been done since the Constitution came into effect in 2010.

SRC Chairperson, Lyn Mengich, together with the Commissioners and Commission Secretary attended the Congress. In addition, SRC had an exhibition stand where it interacted with various stakeholders and showcased its publications.
SRC held a Validation Workshop for Public Wage Bill Management Study on 13th December 2018, with participants drawn from national government Ministries, Departments and Agencies (MDAs) and county governments. The study, that collected human resource, payroll and pension management data from a sample of 70 state corporations and 32 county governments, aims at improving the management of public wage bill, and making it affordable, competitive, equitable, transparent and sustainable.

Growth in wage expenditures, driven by both new hiring and wage increases, has outpaced growth in GDP and local revenue yield, and development expenditures in recent years.

The public wage bill has depicted an average increase of 9% annually over the last five years, whereas in the same period, GDP grew at an average of 5.7%, and local revenue grew at an average of 10.1%. Between 2013/14 and 2017/18 financial years, the government spent an average of 54% of its ordinary revenue to finance remuneration and benefits for public servants. This is far much higher than the threshold of 35% recommended by the public finance management act. These high expenditures on wage bill stifle allocations to development expenditure that is important in spurring economic growth and development.

Besides information on existing human resource policies and procedures, the study provides critical information on payroll management, performance management, pension management, and levels of compliance by institutions on implementation of SRC circulars and advisories.

In her opening remarks, Lyn Mengich, SRC Chairperson, noted: “in order to attain a fiscally sustainable wage bill that is able to attract and retain requisite skills in the public sector, there is need for a deeper understanding of practices in the public service with regard to wage bill management controls, prevailing human resource practices and level of implementation of corrective measures.”

Participants of the Validation Workshop for Public Wage Bill Management Study

Appointments

The Commission continued to attract new talent during the year. Stephen Maina joined the Commission as Procurement Officer.
SRC Commissioners meeting with Independent Policing Oversight Authority (IPOA)

SRC's courtesy call to Parliamentary Service Commission

SRC Chair and Commission Secretary cut the cake surrounded by the Commissioners
Hon. Chief Justice David Maraga addresses SRC Commissioners after the swearing in ceremony

Former Chairman of Council of Governors, Hon. Josphat Nanok (5th seated) with SRC Commissioners during their induction

SRC Commissioners with health public sector stakeholders
Kenya National Commission on Human Rights Chairperson, Kagwiria Mbogori, visits the SRC stand during the 7th Annual Congress for Constitutional Commissions and Independent Offices at Meru County.

Grace Ogembo, Director of Remuneration Analysis, presents SRC publications to the Narok County Secretary.