



IN THE INDUSTRIAL COURT OF KENYA

AT NAIROBI.

(Present: Charles P. Chemmutut, J.)

CAUSE NO.16 OF 2002.

KENYA SHOE & LEATHER WORKERS' UNION.....Claimants.

- v -

SLAPPER SHOE INDUSTRIES LTD.....Respondents.

Issues in Dispute:-

- 1. Leave Travelling Allowance.**
- 2. Medical Care.**
- 3. Warning System.**
- 4. Termination of Service.**
- 5. Basic Minimum Wages.**
- 6. Promotion.**
- 7. Production Wages.**
- 8. Housing Allowance.**
- 9. General Wage Increase.**
- 10. Casual Employment.**
- 11. Sick Leave.**

Joseph Bolo, Secretary General, for the Claimants (hereinafter called the Union).

L.W. Kariuki, Senior Executive Officer, F.K.E., for the Respondents (hereinafter called the Company).

A W A R D.

The Notification of Dispute, Form 'A', dated 14th November 2001, together with the statutory certificate from the Labour Commissioner under Section 14, subsections (7) and (9)(e) of the Trade Disputes Act, Cap. 234, Laws of Kenya, were received by the Court on 15th March 2002, and the dispute was listed for mention on 11th April 2002. On this date, Mr. Bolo submitted his memorandum and Mrs. M. Onyango, who appeared for the Company, was directed to file her reply statement on or before 10th May, 2002, and the dispute was fixed for hearing on 3rd July, 2002. Mrs. Onyango did not file her reply statement as directed. However, the case was brought up for mention on 24th June 2002, when Mr. J.N. Namasake appeared for the Company but there was no appearance for the Union. Despite the absence of the Union's representative, the Company were granted another opportunity to file their reply statement on or before 31st July 2002 and the dispute was fixed for hearing at Mombasa on 10th September 2002. The Company belatedly filed their reply statement on 21st August 2002.

In their written memoranda or statements, the parties conceded that issues Nos. 3, 6, 7 and 11, re: Warning System, Promotion, Production Wages and Sick Leave, had been settled or retained, leaving issues Nos. 1, 2, 4, 5, 8, 9 and 10, re: Leave Travelling Allowance, Medical Care, Termination of Service, Basic Minimum Wages, Housing Allowance, General Wage Increase and

Casual Employment, for consideration and determination.

There were attempts by the parties during the hearing of the dispute on 10th September 2002 to arrive at an amicable settlement of the matter; and they sought my assistance, but ultimately they were unable to settle their differences. Therefore, on their joint application, the case was adjourned *sine die* to enable them explore further the possibility of an amicable settlement out of Court.

This morning, the parties presented or filed a memorandum of settlement, back-dated to 10th September 2002, on the remaining or pending seven (7) issues in the following terms:-

“1. General Wage Increase:

With effect from 1st June 2001 all employees who will have completed twelve months service with the employer covered under this agreement shall receive an increase on their basic salaries as follows:

1st June 2001 – 8.5% (eight and half percent).

1st June 2002 – 8.5% (eight and half percent).

2. Leave Travelling Allowance:

When proceeding on annual leave an employee shall be entitled to a leave travelling allowance of Kshs.2,000/= (Two Thousand).

3. Housing Allowance:

An employee who is not provided with free housing accommodation by the employer shall be paid a house allowance at the rate of 15% of his basic salary subject to a minimum of Kshs.1,800/- (One thousand eight hundred) house allowance per month.

4. Medical Care:

Reimbursements for each employee per year to be as follows:

In-Patient – Kshs.5,500/- (Five Thousand five hundred).

Out-Patient – Kshs.3,500/- (Three Thousand five hundred).

5. Basic Minimum:

Each category to be rounded off to the nearest Kshs.100/-(One hundred).

6. Termination of Service:

Clause to be retained as in the previous agreement.

7. Casual Employment:

Clause to be omitted from the Collective Bargaining Agreement. However, the Company will convert twenty casuals to monthly terms with effect from 1/10/2002”.

The question of production targets of 2% increase to which the parties agreed that the employees should achieve with effect from 11th September and 1st November 2002 did not form part of the issues in dispute.

The memorandum of settlement was duly signed by Mr. L.W. Kariuki for the Company and Mr. Joseph Bolo for the Union, and the parties prayed that an award by consent be entered in terms of the said settlement.

In my considered view, the terms of the settlement are fair and reasonable, and I award in terms thereof.

DATED and given at Nairobi this 25th day of September 2002.

Charles P. Chemmutut,

JUDGE.