



**REPUBLIC OF KENYA**  
**IN THE EMPLOYMENT AND LABOUR RELATIONS COURT AT NAIROBI**

**CAUSE NO 1985 OF 2015**

**KENYA HOTELS AND ALLIED WORKERS UNION.....CLAIMANT**

**VS**

**NAIROBI GYMKHANA SPORTS CLUB.....RESPONDENT**

**AWARD**

1. This is an economic dispute between Kenya Hotels and Allied Workers Union, the Claimant and Nairobi Gymkhana Sports Club, the Respondent. The Claimant is a registered trade union operating in the hospitality sector and the Respondent is a private club which offers hospitality services to its members.

2. The dispute arises from a disagreement on the terms of a new collective bargaining agreement, specifically on the following items:

- a. Leave traveling allowance
- b. Bonus
- c. Staff food
- d. Funeral assistance upon the death of an employee
- e. General wage increment
- f. House allowance
- g. Service charge

3. Proceedings at the conciliation stage did not resolve these issues which have therefore been escalated to this Court for determination.

4. The deadlock plays out as follows:

<b>Item</b>	<b>Union Demand</b>	<b>Employer's Offer</b>
Leave traveling allowance	Kshs.6,500	Kshs.6,000
Bonus	Kshs.6,000	Discretionary
Staff food	At employer's cost	Cost sharing
Funeral assistance	Kshs.100,000	Kshs.80,000
General wage increment		

1st year-15%

2nd year- 15%

1st year-9%

2nd year- 10%

House allowance

1st year-Kshs.8,000

2nd year-Kshs.8,500

1st year-Kshs.6,300

2nd year-Kshs.6,600

Service charge

To be activated

No offer

5. In determining economic disputes, the Court must consider the macro economic environment in which the parties operate as well as the specific employer's productivity and profitability levels.

6. The Claimant referred the Court to the Consumer Price Indices (CPI) and inflation rates (2013-2015) published by the Kenya National Bureau of Statistics. Looking at these statistics, both overall CPI and inflation rates have generally been on an upward trend.

7. The Court was also referred to the Respondent's financial statements which reflect a fairly healthy position. In response, the Respondent states that the surpluses made are applied towards capital development and improvement.

8. I have considered the submissions by the parties and balancing the needs of the employees against the employers' sustainability and growth projections I make the following award:

a. Leave traveling allowance – Kshs.6,000

b. The employer will provide wholesome food to employees working between 11.00 am and 11.00 pm

c. Funeral assistance – Kshs.100,000

d. General wage increment:

1st year-12.5%

2nd year – 15%

e. House allowance:

1st year – 7,000

2nd year –7,500

f. Service charge – to be effected in accordance with industry practice

9. No basis was laid for a general provision for bonus and I therefore make no award on this account.

10. I direct the parties to conclude the pending collective bargaining agreement within the next 30 days

from the date of this award.

11. Each party will bear their own costs.
12. Orders accordingly.

**DATED SIGNED AND DELIVERED IN OPEN COURT AT NAIROBI THIS**

**1ST DAY OF APRIL 2016**

**LINNET NDOLO**

**JUDGE**

**Appearance:**

Mr. Simiyu (Union Representative) for the Claimant

Mr. Nyaencha for the Respondent