

REPUBLIC OF KENYA

Industrial Court of Kenya

Cause 1323 of 2011

**KENYA UNION OF COMMERCIAL, FOOD AND ALLIED
WORKERS.....CLAIMANT**

VERSUS

TRU FOODS LIMITED.....RESPONDENT

Rika J

CC. Leah Muthaka

Mr. Nyumba for the Claimant

Mr. H. Okeche, instructed by Federation of Kenya Employers for the Respondent

ISSUE IN DISPUTE: REDUNDANCY

AWARD

The parties have agreed on all issues upon conciliation, except the amount of *ex-gratia* payment to be paid to the employees exiting employment through redundancy.

The employer has offered an *ex gratia* payment of Kshs.40,000, while the Union is demanding Kshs.800,000 for each employee.

The Court notes this payment is over and above other redundancy payments that have been proposed pursuant to the parties' CBA.

A demand of Kshs.800,000 for each employee is not reasonable. This is more so considering that the employer has left open the possibility of re-engaging the employees on new contracts, as and when opportunities arise. There was an earlier agreement in respect of some of the affected employees, for payment of Kshs.40,000 *ex gratia*. It would seem to this Court that the offer of Kshs.40,000 in the present circumstances is fair and adequate.

The Court upholds the offer of Kshs.40,000 in *ex gratia* made by the employer to the employees, over and above the other redundancy payments. The dispute is marked as settled and file closed upon these terms.

Dated and delivered at Nairobi this 21st day of March 2013.

James Rika
Judge