



REPUBLIC OF KENYA

**REMARKS BY H.E. DR. WILLIAM SAMOEI RUTO,
CGH, PRESIDENT OF THE REPUBLIC OF KENYA
AND COMMANDER-IN-CHIEF OF THE DEFENCE
FORCES DURING THE 60TH LABOUR DAY
CELEBRATIONS**

MAY 1, 2025

UHURU GARDENS, NAIROBI

Distinguished Workers,

Fellow Kenyans,

1. I am honoured to join you today as we mark 60 years of tireless advocacy, solidarity, and progress in protecting the rights and welfare of Kenyan workers. International Labour Day grants us a timely reminder of our constitutional and moral duty to uphold the dignity of labour without discrimination by age, gender, race, ethnicity, or ability, and to continually confront the evolving challenges facing our workforce.
2. This year's theme, *Self-Reliance in Production is the Key to Economic Growth*, resonates deeply with our collective national ambition. It calls on all of us as government, workers, entrepreneurs, and communities to champion a Kenya that is resilient, productive, and truly self-sufficient.
3. It is in this spirit that this week, the Cabinet approved the 2025 Finance Bill, a key instrument in our ongoing national economic transformation quest. This Bill has been carefully crafted to stimulate economic growth, deliver efficiency, enhance competitiveness, and expand opportunity. In fact, its provisions are designed to offer targeted relief to both businesses and workers, and to support the spirit of enterprise and productivity.



4. Notably, to improve workers' take-home pay, employers will now be required to apply eligible tax reliefs and exemptions directly when calculating Pay As You Earn (PAYE), a significant shift from the current system where such reliefs can only be claimed from the Kenya Revenue Authority. This will increase efficiency and immediately benefit employees.
5. Additionally, all pensions and gratuity payments for both the public and private sectors will now be tax-exempt. This reform is a recognition of the service and sacrifice of our senior citizens and workers, and a step toward ensuring that retirement is met with dignity, not distress. Small businesses will also benefit from simplified tax treatment, as they will now be allowed to fully deduct the cost of everyday equipment in the year of purchase, thereby eliminating unnecessary delays in accessing tax relief.
6. Distinguished workers, ladies and gentlemen, when we speak of making Kenya truly self-reliant, I am proud to report to the nation that we are not merely making declarations; we are taking bold, concrete, and measurable steps. We are walking the talk, and here is why: For decades, our national savings culture was stagnant compared to our neighbours in Uganda and Tanzania. Until 2023, the average Kenyan worker saved just KSh200 a month through the National Social Security Fund (NSSF). Over a span of 60 years, we collectively as a nation managed to save only KSh320 billion.



7. In 2023, we operationalised the law mandating a savings contribution of 6% by both the employee and employer, and the result has been remarkable and impressive. In just two years, we have mobilised KSh280 billion in national savings, nearly equal to what was saved over six decades. By the end of this year, we will have doubled that 60-year figure, and by 2027, we project to have raised over KSh1 trillion in domestic savings. Kenya's savings-to-GDP ratio currently stands at between 10% and 12%. My intention is to raise this to 25% in the medium term.
8. The blueprint of our inclusive plan is the Bottom-Up Economic Transformation Agenda, anchored on five key pillars: agriculture; micro, small, and medium enterprises; universal healthcare; affordable housing; and the digital and creative economy. These pillars are tangible, impactful engines of growth that are already transforming lives and livelihoods across Kenya.
9. In agriculture, our overarching goal remains to make farming profitable, stabilise farmer incomes, and secure national food security. The reduction of fertiliser prices has led to a 40% surge in maize production and boosted farmers' earnings. Reforms in the coffee sector, including the elimination of inefficiencies and corruption and the streamlining of the Nairobi Coffee Exchange, have raised farmer prices from KSh50 to between KSh110 and KSh150 a kilogramme.
10. Similarly, reforms in the sugar sector have revitalised the industry, leading to record production, better incomes, and bonus payouts for farmers, while creating thousands of new jobs.



I recall with deep personal satisfaction seeing Mama Redempta Makokha of Mumias receive a bonus cheque of KSh80,000 in January — money she proudly used to advance her wellbeing. That is what real impact and transformation look like.

11. Our Affordable Housing Programme is another flagship initiative delivering real impact. By the end of April, it had created over 250,000 jobs spanning architecture, engineering, urban planning, masonry, carpentry, plumbing, and electrical work, while reinvigorating local economies. This programme will, in the next few months, expand home ownership across the country.
12. Ladies and gentlemen, the MSME sector remains the greatest untapped reservoir of employment in Kenya today. Our commitment to unlocking its potential is resolute. The Hustler Fund continues to deepen financial inclusion and support entrepreneurship at scale.
13. To date, over 25 million Kenyans have accessed nearly KSh70 billion through the Fund, with over KSh4.5 billion mobilised in savings. We have also introduced a nine-band credit rating system to formalise credit histories and unlock new opportunities for those without traditional collateral.
14. Already, more than 4.5 million borrowers with A and B ratings have qualified for the Hustler Fund Bridge product, linking them to commercial banks and paving the way to the formal credit market. Over 400,000 have transitioned to this product, with some accessing up to KSh150,000. These borrowers are the future of our enterprise economy.



15. On education, we are closing the teacher shortage gap of 116,000 that existed in 2022. We have recruited over 76,000 teachers in the last two years, and we have set aside Ksh 2.4 billion to hire additional 20,000 intern teachers with effect from January 2026. Further, the government has allocated Ksh 1.6 billion for capacity building for teachers and another Ksh 1 billion for the promotion of teachers. This investment has improved student-teacher ratios, enhanced literacy and numeracy, and generated stable employment in communities across the country.
16. Labour migration continues to be a cornerstone of our strategy to expand job opportunities for Kenyans. Last year, over 200,000 Kenyans secured jobs abroad. This year, we are strengthening our efforts through targeted recruitment and bilateral labour agreements. The newly opened Labour Attaché Office in Berlin will help operationalise these partnerships and serve as a strategic hub for accessing opportunities in the broader European Union.
17. The well-being of workers is incomplete without health security. I am pleased to report that over 21 million Kenyans have registered under the Social Health Authority, up from just 8 million under the defunct NHIF. This is a monumental leap toward Universal Health Coverage. I urge every Kenyan to register.
18. Distinguished workers, ladies and gentlemen, the right to join a union for protection of the values of fair pay, safe working conditions, and the right to unionise is a constitutional guarantee.



I have directed the Ministry of Labour and all relevant agencies to ensure that even employees under outsourced contracts can freely join trade unions and benefit from collective bargaining frameworks.

19. Additionally, I am also pleased to announce that Kenya will ratify two critical ILO conventions:

a) ILO Convention 189 (2011) on domestic workers to safeguard their dignity and rights; and

b) ILO Convention 190 (2019) on eliminating violence and harassment in the world of work.

Thank you all.

God bless you.

Happy Labour Day!

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