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MINISTRY OF LABOUR
AND SOCIAL PROTECTION

STATE DEPARTMENT FOR LABOUR AND SKILLS DEVELOPMENT

What Wholesale and Retail Trade Workers and Their Employers Should Know About Minimum Wages and Conditions of Employment



Preface



In today's rapidly evolving economic landscape, the availability and use of reliable Labour Market Information (LMI) is not just a policy imperative—it is a cornerstone for inclusive growth, decent employment, and sustainable development. Guided by Kenya's Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA), the State Department for Labour and Skills Development, is steadfast in its commitment to producing and disseminating timely, accurate, and actionable Labour Market Information.

This publication serves as a critical instrument for enhancing information sharing about the labour market. By shedding light on employment trends, skill demands, wage dynamics, working conditions, and sectoral performance, it provides a comprehensive overview of the labour sphere in Kenya. Such insights are vital for shaping evidence-based policies, optimizing workforce planning, and ensuring our education and training systems are responsive to current and future labour market needs.

For policymakers, LMI offers the foundation for designing informed strategies that promote job creation, productivity, and decent work. For employers and investors, it clarifies workforce development and business decision-making. For training institutions, it is a guide for aligning curricula with market demands. And for job seekers, especially youth, it is an indispensable resource for navigating career choices, identifying emerging opportunities, and building the skills that matter most.

This publication also helps advance equity in the world of work by enabling the monitoring of labour standards and assessing the inclusivity of employment outcomes across gender, age, and other social groups. Through this, we contribute to the broader agenda of social justice, decent work, and national cohesion.

Hon. Dr. Alfred N. Mutua, EGH
Cabinet Secretary, Ministry of Labour and Social Protection

A certificate of service will contain:

The name of the employer and his postal address

The name of the worker

The date when employment of worker commenced

The nature and usual place of employment of the worker

The date when the employment of the worker ceased

Uniforms, overalls and protective clothing

An employer shall provide and maintain for the use of employees adequate, and suitable protective clothing and appliances, including, where necessary, suitable gloves, footwear, and head coverings where employees are employed in any process involving exposure to wet or to any



SOURCES;

Employment Act 2007

Minimum Wage Gazette Notice 2022

Kenya National Bureau of Statistics, Statistical Abstract 2023

Termination of employment

- * Where the contract is to pay wages daily, a contract is terminable by either party at the close of any day without notice;
- * Where the contract is to pay wages periodically at intervals of less than one month, a contract terminable by either party at the end of the period next following the giving of notice in writing
- * Where the contract is to pay wages or salary periodically at intervals of or exceeding one month, a contract terminable by either party at the end of the period of twenty-eight days next following the giving of notice in writing.
- * These terms will not apply if the contract of service requires a longer written notice of termination that the stated



Certificate of service

An employer must provide to worker a certificate of service upon termination of his employment, unless the employment period was less than four consecutive weeks in accordance to the Kenya Employment Act 2007, Section 51, subsection 1.

Acknowledgements



The State Department for Labour and Skills Development wishes to express its sincere appreciation to the Directorate of Labour Market Research and Analysis for their exemplary dedication and rigorous efforts in conducting the research that forms the foundation of this publication. Your in-depth analysis and commitment to understanding labour market dynamics have been instrumental in generating critical insights in the labour market.

We also extend our profound gratitude to the Labour Market Observatory Unit for their unwavering diligence in in-depth analysis of labour market data for production of labour market information and intelligence. Your meticulous attention to detail and steadfast commitment to ensuring data reliability have significantly strengthened the credibility of this publication. This document stands as a testament to your collective expertise and hard work. It serves as a vital resource for policymakers, educators, employers, and job seekers, providing actionable insights.

We are confident that the regular production and use of labour market publications are essential for creating a skilled, agile, and competitive workforce one that is capable of driving Kenya's socio-economic transformation.

Once again, we thank you for your invaluable contributions.

Shadrack M. Mwadime, CBS

Principal Secretary, State Department for Labour and Skills Development

Background Information

The creation of this publication is the result of dedicated efforts by the Directorate of Labour Market Research and Analysis through the State Department for Labour and Skills Development. This initiative was driven by the urgent need to clarify and disseminate crucial labour market information regarding labor rights and standards in the wholesale and retail sectors. These industries play a pivotal role in the economy, employing a significant portion of the workforce.

Over the past five years, the wholesale and retail sector has experienced significant growth in employment numbers, increasing from 260,899 million employees in 2018 to 270,700 in 2023, according to the 2023 Statistical Abstract by the Kenya National Bureau of Statistics. This growth highlights the sector's importance, particularly as part of the government's broader agenda to promote Micro, Small, and Medium Enterprises (MSMEs). The wholesale and retail sector is a key driver of MSMEs, which form the backbone of Kenya's economic development by creating employment opportunities and fostering entrepreneurship.

In addition to the significant growth in employment within the wholesale and retail sectors, the sectors' earnings and contribution to the economy have shown consistent growth, rising from Ksh194,082 million in 2018 to Ksh252,740 million in 2022. This increase reflects the sectors' pivotal role in advancing Kenya's economic development and MSME empowerment, further emphasizing their importance in the government's broader agenda to promote entrepreneurship and create job opportunities

Paternity leave

A male worker shall be entitled to two weeks paternity leave with full pay.

Medical Attention

- An employer shall ensure the provision sufficient and of proper medicine for his workers during illness and if possible, medical attendance during serious illness.
- An employer shall take all reasonable steps to ensure that he is notified of the illness of a worker as soon as reasonably practicable after the first occurrence of the illness.
- The illness should not have been contracted during a period when the worker was absent from his employment without lawful cause or excuse
- The illness or injury is proved to have been self-inflicted

Prohibition of child Labour

The Kenya employment Act 2007 states that;

No person shall employ a child in any activity which constitutes worst form of child labour.

No person shall employ a child who has not attained the age of thirteen years in a Wholesale and Retail sector.

A child between the age of thirteen and sixteen years may be employed to perform light duties.

CHILD LABOR

Hours of work

The maximum working hours for employees shall be forty-eight (48) hours per week according to the Labour Institutions Act 2007

Overtime

Working hours shall not exceed forty-eight hours per week and any extra hours shall be deemed to be overtime and shall, in the absence of a written agreement to the contrary, be remunerated at the minimum rate of one and a half (1.5) times of the normal hourly rate

Rest period

A worker shall be entitled to at least one rest day in every period of seven days

Public holidays

A worker shall be entitled to a day's holiday with full pay on every public holiday during his or her employment. An employee who works on a public holiday receives, in respect of such work, pay at not less than double the rate payable for work on a day that is not a public holiday, that employee shall not be entitled to a day's holiday with full pay in lieu of the public holiday.

Annual Leave

After every twelve consecutive months of service with his employer to not less than twenty-one working days of leave with full pay.

Sick leave

- After two consecutive months of service with his employer, workers are entitled to sick leave of not less than seven days with full pay and thereafter to sick leave of seven days with half pay, in each period of twelve consecutive months of service
- Workers should produce a certificate of incapacity to work signed by a duly qualified medical practitioner

Maternity leave

- ⇒ A female worker shall be entitled to three months maternity leave with full pay.
- ⇒ On expiry of a female workers maternity leave, the worker shall have the right to return to the job she held immediately prior to her maternity leave or to a reasonably suitable job on terms and conditions not less favorable than those which would have applied had she not been on maternity leave.
- ⇒ Maternity leave may be extended with employer's consent or may be followed immediately by other types of leave like sick leave or annual leave

For workers, this pamphlet serves as an essential guide to understanding their entitlements and protections under current labor laws. It outlines the minimum wage rates, working hours, overtime regulations, and other conditions of employment that are critical for ensuring fair treatment and compensation. By equipping workers with this knowledge, the information empowers them to advocate for their rights and seek redress where necessary.

For employers, the document offers valuable insights into compliance with legal standards and best practices for managing their workforce. By following the guidelines presented, employers can minimize legal risks and promote a more engaged and productive workforce.

This publication is a practical resource for workers, employers, and aspiring young professionals in the wholesale and retail sectors. It aims to foster a better understanding of labor rights and conditions, contributing to a more equitable, informed, and harmonious workplace.



**OVERVIEW OF THE WHOLESALE AND RETAIL TRADE
SECTOR IN KENYA**

Wage Employment in the Wholesale and Retail trade sector

In the recent years starting in 2019, employment in Kenya's wholesale and retail sector reached 269,696. This was followed by a decline in 2020, with employment numbers dropping to 251,868. In 2021, the sector improved with employment increasing to 258,477. This upward trend continued in 2022, reaching 267,883, and rose further in 2023 to 270,700, surpassing 2019 levels. These trends indicate fluctuations in employment followed by a steady growth pattern in recent years, suggesting the sectors contribution to the economy by creating employment.

Year	2019	2020	2021	2022	2023
Number of wage-employed people	269696	251868	258477	267883	270700



An employer must supply a worker with the following:

- The name, age, permanent address and sex of the employee;
- The name of the employer;
- The job description of the employment
- The date of commencement of the employment;
- The form and duration of the contract;
- The place of work;
- The hours of work;
- The remuneration, scale or rate of remuneration, the method of calculating that remuneration and details of any other benefits;
- The intervals at which remuneration is paid; and
- The date on which the employee’s period of continuous employment began, taking into account any employment with a previous employer which counts



What the law says about deductions

According to the Kenya Employment Act 2007, part IV, Section 19(1), an employer may deduct from a worker's earnings;

- Any amount due from the worker as a contribution to any provident fund or superannuation scheme
- A reasonable amount for any damage done to, or loss of, any property lawfully in the custody of the employer occasioned by the willful default of the worker
- An amount equal to one day's wages in respect of each working day for the whole of which the worker, absents himself from work without leave or other lawful cause
- An amount of any shortage of money arising through the negligence or dishonesty of the worker being entrusted with the receipt, custody and payment of money
- Any amount paid to the worker in error as wages in excess of the amount of wage due to him
- Any amount of deduction authorized by any written law, collective agreement, wage determination, court order or arbitration award

A written contract of service shall state;

A contract of service is a written agreement between the employer and employee stating the particulars of employment and is consented to by the employee. It states the conditions of employment and provides legal protection for both employer and employee. According to the Kenya Employment Act 2007, part III, Section 10, subsection 2; An employer must supply a worker with the following:

Wholesale and Retail Sector Earnings

The wholesale and retail sector in Kenya has made a significant and growing contribution to the economy over the past several years. In 2018, the sector generated earnings of Ksh194,082 million, which rose sharply in 2019 to Ksh221,894 million. Despite a slight dip in 2020 to Ksh220,714 million, earnings increased again in 2021, reaching Ksh231,058 million, reflecting the sector's resilience. By 2023, the sector's contribution had further expanded to Ksh252,740 million, showing steady growth and highlighting its role as a key driver in the economy, supporting both employment and economic output.

Year	2018	2019	2020	2021	2022
Earnings in Ksh	194082	221894	220714	231058	252740

Source: KNBS Annual Economic Survey reports



Who are Wholesale and Retail trade workers?

Wholesale and Retail trade workers are workers employed in various departments in wholesale or retail shops, stalls, and markets, and perform tasks such as selling goods and demonstrating products to potential customers.

They sell a range of goods and services directly to the public or on behalf of retail and wholesale establishments. They determine customer requirements and advise on products by explaining the functions and qualities of these goods and services, and may operate small shops or supervise the activities of shop sales assistants and cashiers.

They accept payment for goods and services by a variety of payment methods, and prepare sales invoices; undertake or assist with the ongoing management of stock such as product inventories, and participate in stock takes; stacking and displaying goods for sale, and wrapping and packing goods sold; determining product mix, stock and price levels for goods to be sold; supervising and coordinating the activities of shop sales assistants, checkout operators and other workers in supermarkets and department stores.

Predominate occupation titles in this sector include; clerk, store; technical sales representative; demonstrator, shop; attendant, shop; clerk, sales; supervisor, shop; cashier, supermarket; supervisor, supermarket; clerk, sales etc.



Will all Wholesale and Retail trade workers get the same wage?

Workers in this sector will not earn the same but will earn according to the nature of work performed. All Wholesale and Retail trade workers should at least be paid the minimum wage in the above tables, however workers earning more than the prescribed minimum wage will continue to earn the higher wages as conditions of employment cannot be changed unilaterally.

Payment of Remuneration

Must be paid in:

- ♦ In cash Into an account at a bank, or building society, designated by the worker
- ♦ By Cheque, postal order or money order in favour of the worker
- ♦ In the absence of a worker, to a person other than the worker, if the person is duly authorized by the worker in writing to receive the wages on the workers behalf.



8	Tailor, driver (Medium sized vehicle)	23039.40	21175.15	18881.21	25804.15	23716.20	21147.00	27352.40	25139.17	22415.82
9.	Dryer, crawler tractor driver, sales man	25435.20	23731.80	21418.50	28487.40	26579.60	23988.70	30196.64	28174.38	25428.02
10.	Saw doctor, caretaker (buildings)	28147.60	26283.30	24485.10	31525.30	29437.30	27423.30	33416.82	31203.54	29068.70
11.	Cashier, driver (Heavy commercial vehicles) sales-man driver	30627.45	28822.10	27023.95	34302.75	32280.75	30266.80	36360.92	34217.60	32082.81
12.	Ungraded artisan	18319.50	16907.90	13975.55	20517.85	18936.85	15652.60	21748.92	20073.06	16591.76
13.	Artisan (Grade III)	23039.45	21175.15	18845.55	25804.20	23716.20	21107.00	27352.45	25139.17	22373.42
14.	Artisan (Grade II)	24884.05	23731.80	21418.50	27870.15	26579.60	23988.70	29542.36	28174.38	25428.02
15.	Artisan (Grade I)	30627.45	28822.10	27024.00	34302.75	32280.75	30266.90	36390.92	34217.60	32082.91

Source: Minimum Wage Gazette Notice 2022

What does the law say about wages?

The Kenyan Employment Act 2007 states that;

An employer shall pay the entire amount of the wages earned by or payable to a worker in respect of work done by the worker

An employer shall pay wages to a worker on a working day, and during working hours, at or near

to the place of employment or at such other place as may be agreed between the employer and the worker.

An employer shall not pay wages to a worker in any place where intoxicating liquor is sold or readily available for supply, except in the case of workers employed to work in that place.



Table 1: Minimum wages for workers in the Wholesale and Retail Sector

SNO	Occupation	2018		2022		2024	
		Monthly contract per month	All Former Municipalities and Town Councils of Mavoko, Ruuru and Limuru	All other areas	Monthly contract per month	All Former Municipalities and Town Councils of Mavoko, Ruuru and Limuru	Monthly contract per month
		Nairobi, Mombasa, Kisumu and Nakuru Cities	Kshs. Cts	Kshs Cts	Nairobi, Mombasa, Kisumu and Nakuru Cities	All other areas	All Former Municipalities and Town Councils of Mavoko, Ruuru and Limuru
			Kshs. Cts	Kshs Cts	Kshs Cts	Kshs Cts	Kshs Cts
1.	General laborer including sweeper, gardener, children's ayah, house servant, day watchman, messenger	13572.90	12522.70	7240.95	15201.65	14025.40	16113.75
2.	Miner; stone cutter, turnboy waiter, cook, logger line cutter	14658.85	14038.00	8366.35	16417.90	14566.40	15220.38
3.	Night Machine attendant, sawmill sawyer, machine assistant, mass production machinist, shoe cutter, bakery worker, bakery assistant,	15141.95	14038.00	8636.30	16959.00	15722.60	17976.54
4.		15383.45	14315.30	11602.90	17229.50	16033.15	18263.27
							12995.25
							16995.14
							16665.96
							10253.06
							13774.97

5.	Machinist (Made to measure) shoe upper maker, children's clothes maker, vehicle service worker (Petrol and service stations), bakery plant hand, laundry operator, junior clerk, wheel tractor driver (light)	17561.00	16428.30	13431.30	19668.30	18399.70	15043.10	20848.40	19503.68	15945.69
6.	Printing machine operator, bakery machine operator, plywood machine operator, sawmill dresser, shop assistant, machine tool operator, dough maker, table hand baker or confectioner y, copy typist, driver (Cars and light vans)	18319.50	16907.90	13975.30	20517.80	18936.85	15652.30	21748.87	20073.06	16591.44
7.	Pattern designer (Draughts-man) garment and dress cutter, single hand oven man, charge-hand baker, general clerk, telephone operator, receptionist, storekeeper	20904.90	19112.05	16295.95	23413.50	21405.50	18251.50	24818.31	22689.83	19346.59