



Salaries & Remuneration
Commission
Rewarding productivity

PRESS RELEASE

Fourth Quarter Wage Bill Bulletin (April to June 2024)

Wage Bill Trends

Friday, 9 August 2024, Nairobi: The Salaries and Remuneration Commission (SRC) has released the Fourth Quarter Wage Bill Bulletin for the period, April to June 2024, for the financial year (FY) 2023/2024. An extract is presented hereby below:

Requests from public institutions *(See bulletin with detailed table)*

During the period under review, SRC approved requests worth Ksh 32.21 billion, equivalent to 61.92 per cent, compared to Ksh 4.27 billion approved in FY 2022/2023, equivalent to 52.26 per cent of the requests received.

SRC received 79 requests, worth Ksh 52.02 billion from public institutions in FY 2023/2024, compared to Ksh 8.18 billion received in FY 2022/2023. Of the 79 requests, 9 were on CBA reviews (11%); 62 on allowances and benefits (79%), 5 on bonus requests (6%) and 3 on salary reviews (4%).

During the fourth quarter of FY 2023/2024, SRC approved Ksh 2.52 billion in requests, representing 46.21 per cent of the Ksh 5.46 billion requests received from public service institutions. The high percentage of requests approved by SRC as a share of requests received from public institutions in the fourth quarter was mainly attributed to SRC's advice on Collective Bargaining Agreements (CBA) for Universities Academic Staff Union (UASU), Kenya University Staff Union (KUSU), and the Kenya Union of Domestic, Hotels, Educational Institutions, Hospitals and Allied Workers (KUDHEIHA) for the 2021-2025 cycle, as presented by the Inter Public Universities Council Consultative Forum (IPUCCF). *(See Table 2.1 below)*

Table 2.1: Cost of requests received and approved by SRC during FY 2022/2023 – 2023/2024

Financial Year	Quarter	Requests by Public Service Institutions (Ksh 'million')		
		Received	Approved	Approved as % of Received
FY 2022/2023	Q1	2,099.84	1,611.95	76.77
	Q2	614.37	571.16	92.97
	Q3	3,240.44	411.43	12.70
	Q4	2,224.00	1,679.24	75.51
	Total	8,178.65	4,273.78	52.26
FY 2023/2024	Q1	39,801.57	24,052.58	60.43
	Q2	1,845.89	919.08	49.79
	Q3	4,903.41	4,709.44	96.04
	Q4	5,464.27	2,524.79	46.21
	Total	52,015.14	32,205.89	61.92

Personnel Emolument for the county government *(See bulletin with detailed table)*

County expenditure on Personnel Emoluments (PE) during the fourth quarter of FY 2023/2024 is estimated at Ksh 53.42 billion, up from Ksh 48.4 billion spent during the third quarter, and down from Ksh 59.24 billion spent in the fourth quarter of FY 2022/23. This means that the county government expenditure on the wage bill, as a share of revenue, shows that on average, the ratio has remained above the PFM Regulations, 2015, of not more than 35 per cent.

Personnel Emoluments for the national government *(See bulletin with detailed table)*

The PE for the national government (excluding the national security sector and CFS), as a share of the total expenditure, is estimated to rise from 25.51 per cent in the third quarter to 23.54 per cent in the fourth quarter of FY 2023/2024.

The ordinary (tax) revenue in the national government is estimated to have dropped from Ksh 484.22 billion in the third quarter, to Ksh 471.1 billion in the fourth quarter of FY 2023/2024, resulting in an increase in the wage bill (PE) to ordinary revenue ratio from 29.92 per cent to 34.73 per cent, respectively, barely below the threshold of a maximum of 35 per cent, as set by PFM Act, 2012, and PFM Regulations, 2015.

Cumulatively, out of the requests received in FY 2023/2024, SRC approved Ksh 32.21 billion, equivalent to 61.92 per cent, compared to Ksh 4.27 billion approved in FY 2022/2023, equivalent to 52.26 per cent of the requests received.

Public wage bill trends *(See bulletin with detailed table)*

The wage bill to nominal GDP ratio declined from 7.91 per cent in FY 2016/2017 to 7.67 per cent in FY 2021/2022. The ratio is estimated to drop further to 7.29, and then to 6.92 per cent in FY 2022/2023 and 2023/2024, respectively.

The wage bill to ordinary revenue ratio declined from 54.77 per cent in FY 2020/2021 to 47.06 per cent in FY 2021/2022, and is estimated to have reduced further to 46.64 and 46.23 per cent in FY 2022/2023 and 2023/2024, respectively.

The total wage bill grew at an average rate of 9.15 per cent per annum between FY 2017/2018 and 2021/2022, and estimated to continue growing, but at slightly lower rates of 6.36 and 6.37 per cent in FY 2022/2023 and 2023/2024, respectively.

About the Salaries and Remuneration Commission

The Salaries and Remuneration Commission (SRC) is established under Chapter 12, Article 230 of the Constitution of Kenya, 2010. Its mandate is to: a) Set and regularly review the remuneration and benefits of all State officers; and, b) Advise the national and county governments on the remuneration and benefits of all other public officers.

To get the Fourth Quarter Wage Bill Bulletin (April-June 2024), or other past quarterly wage bill bulletins, visit the SRC website: <https://src.go.ke/resource-centre/reports/>

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