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By ERIC ORINA

The Minister for Manpower Development and Employment, Mr Dalmas, Otieno, said on Friday the insurance course taught at the University of Nairobi would be reviewed.

He said the review of the course content and the criteria

for admissions into the course should be undertaken by the university and representatives of the insurance industry.

This, the Minister said. Would ensure that the students of insurance got jobs after graduation.

"Most of the time the focus has been on the university's internal capacity to absorb as many students as possible, without paying attention to economy's ability to create jobs for graduates," he said.

Mr Otieno was speaking at the University of Nairobi’s Insurance

Students annual farewell dinner

held at the 660 hotel.

He said the Government would like to see the insurance sector

expand fatter than it had done in the past. He thanked the Vice

President and Minister for Finance, Prof George Saitoti, for this

Year’s “growth oriented budget”.

The insurance sector would be challenged to develop and expand the pension provident funds Programmes as stipulated in the budget

The Minister, who is a fellow of the Chartered Institute of Insurance, said last year, a total Sh6 billion in premium was

written in the local insurance market.

Gross premiums written in the whole market on long term assurance business amounted to Sh1.3 billion, he added. The corresponding figure for general insurance business was Sh4.6 billion.

He said life assurance business was only 25 per cent of the total insurance cover. He called for an increase in life insurance business.

As a proportion of monetary

GDP, the Minister said, gross insurance premiums amounted to only 3.6 per cent. "This relatively low percentage indicated a vast untapped potential for creative insurance people to exploit."

He told 'students of the course that would graduate this year that they would have no difficulty in securing jobs.

"The industry needs new manpower, new capital, new ideas and new technology to develop and firmly establish its place in the economy," he said.

The Minister said the management of claims was crucial to the growth of the industry. Too many companies were 'too slow' in settling claims which gave a bad image for the industry, he observed.

"On many occasions the customers are left at the mercy of some ruthless lawyers that only make their misery worse," he said.

He advised insurance companies to ensure that their capital base was adequate and to follow sound management practices at all times for faster settlement of claims.

About Aids, Mr. Otieno said the deadly disease posed a big challenge to life insurance underwriters.

Research had estimated that as high as 9.8 per cent of the middle and upper income people that needed life insurance were HIV positive.

The Chairman of Kenya

National Assurance, Mr Henry Kosgey, said the company had sponsored six students to the UK to study Actuarial Science, which he described as of great importance to the industry.