

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 8<sup>th</sup> May, 2013

The House met at 9.00 a.m.

*[The Speaker (Hon. Muturi) in the Chair]*

### PRAYERS

**Hon. Speaker:** Yes, Hon. Ng'ongo.

### NOTICES OF MOTIONS

#### ESTABLISHMENT OF FISHERMEN FUND

**Hon. Ng'ongo:** Hon. Speaker, I beg to give notice of the following Motion:-

THAT, aware that the fishing industry makes a major contribution to the economy by producing over Kshs10 billion in foreign exchange and further aware that the industry provides employment both directly and indirectly to many people; noting that the potentiality of the sector is under threat due to use of non-scientific ways of fishing and continued use of wrong fishing gear due to poverty levels affecting the fishermen; this House urges the Government to establish a Fund from which fishermen can be given grants and access cheap loans to help them acquire the correct and scientific fishing gear.

Thank you, Hon. Speaker.

**Hon. Speaker:** Very well. Can we have the next Hon. Member? Yes, Hon. Chris Wamalwa.

#### ESTABLISHMENT OF FERTILIZER BOARD

**Hon. Wakhungu:** Hon. Speaker, I beg to give notice of the following Motion:-

THAT, aware that the National Cereals and Produce Board is now procuring fertilizers, which is not its mandate, cognizant of the fact that this had led to delays in the importation and procurement of the necessary input for the farmers in a timely manner, noting with concern that fertilizers arrive after the planting season; deeply concerned that, that is affecting food security in the country as fertilizers are the key inputs in farming; also noting that lack of those inputs affects farm yields and impoverishes farmers; this house urges the Government to set up a fertilizer board that will manage the issues of fertilizer and other farm inputs, while offering subsidized inputs to farmers and also fast-

tracking the process of setting up a factory to produce fertilizers and other farming inputs locally in the long-term.

Thank you, Hon. Speaker.

**Hon. Speaker:** Very well. Hon. Kinyanjui, go ahead.

**Hon. Mburu:** Thank you very much, Hon. Speaker. I have been advised by the Leader of Majority Party that I should give notice of my Motion in the afternoon. But with your indulgence, I can move it because I have it here already.

**Hon. Speaker:** It is giving notice of your Motion, and not moving it!

#### UPGRADING OF CONSTITUENCY ROADS TO BITUMEN STANDARD

**Hon. Mburu:** Yes, Hon. Speaker. I beg to give notice of the following Motion:-

THAT, aware that the road network in the country currently stands at approximately 160,886 kilometres out of which only approximately 11,189 kilometres are paved; noting that the extent of unclassified and urban roads remains unknown, with most such roads in such bad condition; aware that good infrastructure facilitates trade, economic development and improvement in quality of life; this House urges the Government through the Kenya Rural Roads Authority (KeRRA), Kenya National Highways Authority (KeNHA) and Kenya Urban Roads Authority (KURA) to upgrade a minimum of 20 and a maximum of 30 kilometres of roads to bitumen standard in every constituency across the country in every financial year to enhance roads network in the country and subsequently enhance agricultural productivity and job creation.

Thank you, Hon. Speaker.

#### PROCEDURAL MOTION

##### EXEMPTION OF BUSINESS FROM PROVISIONS OF STANDING ORDER 40(3)

**Hon. A.B. Duale:** Thank you Hon. Speaker.

I beg to move the following Procedural Motion:-

THAT, the business appearing in today's Order Paper be exempted from the provisions of Standing Order 40(3) being a Wednesday Morning, a day allocated for business not sponsored by the Majority or the Minority Party or a Member belonging to the Majority or the Minority Party or business sponsored by a Committee.

Hon. Speaker, I urge the House to approve this Procedural Motion on the basis that the Division of Revenue Bill (Bill No.1 of 2013) has a timeline because it is supposed to be before the National Assembly and all the process for a period of ten days and, thereafter, be sent to the Senate.

Hon. Speaker, we have today, tomorrow and Thursday to dispose of this matter and I urge my colleagues to agree that we begin the Second Reading of the Bill today. That is with the Chair's approval. We can then go to the Committee of the whole House tomorrow.

I urge my good friend, Deputy Majority Whip, Hon. Wamalwa, to second.

**Hon. Wakhungu:** Thank you Hon. Speaker. I am not the Majority Whip but the Minority Whip. I rise up to second.

This is a very critical Bill and we all know that in the spirit of devolution, it is, indeed, very critical. I second.

Thank you.

*(Question proposed)*

**Hon. Ng'ongo:** Hon. Speaker, I want to support this Procedural Motion. Even this House is aware that this issue should have been transacted in March, but because of circumstances, which all of us know about, there was no effective Parliament as at 10<sup>th</sup> March - it was not practical. This is a Motion that we need to dispose of. We have no time actually. We have up to tomorrow because the ten days are calendar days.

Hon. Speaker, allow me to just say, as I conclude, that it is unfortunate that this Bill will be transacted in this House without going through the necessary scrutiny by the Budget and Appropriations Committee. This is a mistake that this House should be responsible for. We are letting down the people of Kenya by unnecessary grandstanding. I wish that we wake up to the reality that this country requires proper scrutiny of the various Bills that come to this House.

Hon. Speaker, finally, I urge that both sides of the House to be sober and know that we want to move forward and have the committees in place as soon as possible.

Thank you.

**Hon. Speaker:** Yes, Hon. Cheptumo.

**Hon. Cheptumo:** Thank you, Hon. Speaker. I rise to support the Motion. Under Standing Order No.233, we are supposed to send this Bill to the Senate, as my other colleagues have said. This Bill is critical because we are now going for the first time to share the national revenue with the county governments. We need to do our duty as a House.

Article 95 of the Constitution requires us, as a House, to fulfill our mandate that we are supposed to do. My good friend Hon. Mbadi talks about us failing as a House. The Minority side of the House is really the cause of this problem. We have committees of the House which will address this issue and look at the Bill because our colleagues on the Minority side have refused to participate in the creation of the committees.

Hon. Speaker, we should move forward and say we need to sober up. It is both sides of the House – the Minority and the Majority that should sober up on these issues. So, I support this Motion and we need to pass it as soon as possible, so that it can be taken to the Senate. Thereafter, it will be used to allocate the national resources of our country.

**Hon. Speaker:** Hon. Gichigi.

**Hon. Gichigi:** Thank you, Hon. Speaker. I rise to support this Motion. I have had a look at the Bill that we are supposed to dispose of. This is the first time that this is happening since the new Constitution was promulgated. As it has been stated by the speaker before me, we will not have the advantage of going through this Bill after a committee has looked at it. There are quite a number of issues in this Bill, including an apparent dispute between the Commission on Revenue Allocation (CRA) and the National Treasury. We, therefore, as Members of this House, have a serious task. We do not have time, but it is necessary that we go through this with a tooth comb and make sure that what we follow the Constitution and the reality on the ground. As I have said, this is the first time that this is happening. Unless we set the proper precedent with this

Bill, we are likely to cause disputes and unfairness to either the national Government or the county governments.

I support it but urge Hon. Members to be very careful as they scrutinize this Bill. Thank you.

**Hon. Speaker:** Hon. Members, whereas it is your right here to debate the Procedural Motion, we know that you are actually saying the right thing. It is only that this is what we are supposed to be heading to – the debate on the Bill. The current Motion is to exempt today's business from the provisions of Standing Order No.40(3), so that we can debate the Bill.

Yes, Hon. Shill.

**Hon. Shill:** Thank you, Hon. Speaker. I support the Procedural Motion. It is the right thing because the Division of Revenue Bill is crucial. We regret that it has not been scrutinized by the committee because there are many issues that we want to look at. However, I want to urge my fellow Members of Parliament that we break the record of the Tenth Parliament by passing as many Bills as possible. We should always think of putting our differences aside and serve the people of Kenya properly. Let us stop the sideshows and showing that you can bring another group down or whatever it is; at the end of the day, you will be judged by the number of Bills that you have collectively passed.

Therefore, I support the Motion.

**Hon. Speaker:** The Member for Laikipia East.

**Hon. Kimaru:** Thank you, Hon. Speaker. I rise to support the Procedural Motion. It is very important that we move on with the business of passing the Division of Revenue Bill because the Government cannot move forward without us going through this very important exercise. Even the good salaries that we are all talking about and the expenditure of this House will not be possible without the enactment of the Bill. The functioning of the Government will equally not be possible.

Hon. Speaker, I support the Procedural Motion.

**Hon. Speaker:** The Migori County Women Representative, take the Floor.

**Hon. (Ms) Ghati:** Thank you, Hon. Speaker. This lady here is Dennitah Ghati, the County Women Representative for Migori County.

I wish to support the Motion but it is very unfortunate that, even as we support this Motion, it has not really been subjected to the appropriate committee that was supposed to scrutinize it. Therefore, I support the Motion because Kenya has to move on; we have to move on. The people of Kenya want to move on. What I want to suggest, as I support this Motion, is for us to find amicable solutions, so that we do not have a standoff on other Motions that we are going to move in this House. With that, I urge Hon. Members to take time and scrutinize this Bill, so that we can contribute effectively in this House.

Hon. Speaker, with those few remarks, I support the Procedural Motion.

**Hon. Speaker:** This is a Procedural Motion. Let us hear from Hon. Dalmas. However, the main debate is in the Bill.

**Hon. Anyango:** Hon. Speaker, at this stage, you know we have left out the public participation which would have come in the Committees. We need your guidance on this. The Leader of the Majority Party should send us a summary of what any members of the public may have given with regard to this Bill. That should be tabled here so that we have access to that information as we debate the next Order.

Hon. Speaker, I support.

*(Question put and agreed to)*

**BILL**

*Second Reading*

DIVISION OF REVENUE BILL

**Hon. A.B. Duale:** Hon. Speaker, I beg to move that the Division of Revenue Bill, 2013 be now read a Second Time. The principal object of this Bill is to provide an equitable division of revenue raised by the national Government between the county governments and the national Government. This is for the 2013/2014 Financial Year.

Secondly, this is in line with the constitutional provision of Article 201(b)(ii) and I would like to read it out. It says:-

“The public finance system shall promote an equitable society and, in particular, revenue raised nationally shall be shared equitably among national and county governments.”

So, the object of this Bill is drawn from the provision of Article 201.

In preparing this Bill, the national Government was guided by Article 203 of the Constitution which sets the criteria that should be used in looking at the equitable distribution of resources between the two levels of governments. That Article sets the parameters, the guidelines and the principles that should be used and how the national resources will be shared equitably. Among the principles, at the outset, is national interest. That is key. The public debt and other national obligation of the government is another principle. The needs of the national Government; that is the need to ensure that county governments are able to perform the assigned duties and functions very well, developmental and other needs of counties, stable and predictable allocation of revenue to counties is also a principle. These are the principles that are in Article 203 that set the criteria on how the resources will be allocated.

In table four of this Bill, we have a memorandum that shows how the national Government will take into account the criteria in looking at the vertical division of revenue that has been raised, including the financing requirements of the county governments to make sure that both the needs of the county governments and the needs of the national Government have been taken into consideration and where a financing gap has been found, then a solution is to be found.

Hon. Speaker, Article 203 of the Constitution also provides that equitable share of the revenue raised nationally is allocated to county governments. It says “not less than 15 per cent.” From all the revenue collected by the national Government, the county allocations will be a minimum of 15 per cent. In this Bill, we will show later that the 15 per cent has been surpassed because it is at 25 per cent. This is, again, subjected to the CRA formula that has been passed by this House.

From the outset, I also want to share with the House that since I tabled this Bill, there has been further consultation between the CRA and the National Treasury in order to come up with an amicable solution and a win-win situation for both levels of governments. In this regard, I will be proposing the following changes or amendments at the Committee of the whole House stage. Among the areas that I will bring amendments are:-

(1) An increase in the total county allocations from Kshs198.6 billion, which is now factored in this Bill and raise it to Kshs206.6 billion. This effectively means that the national Government will be transferring more resources and revenue to the county governments.

(2) The other amendments or changes that we will propose at the Committee of the whole House stage is an increase in the county government equitable share from Kshs154.7 billion in the Bill to Kshs175 billion. This effectively means that a higher proportion of revenue will be allocated to counties. This will be shared on the formula that was brought by the CRA and approved by the Tenth Parliament. We will use the formula in sharing the Kshs175 billion.

Hon. Speaker, Article 218(2) of the Constitution requires that the Division of Revenue Bill introduced in the House is to be accompanied by a memorandum setting out the explanation of revenue. I think that memorandum is attached to this Bill for Hon. Members to look at. What is also attached to this memorandum basically explains an evaluation of the Bill in relation to the criteria set out in Article 203(1) of the Constitution.

It is on this background that this Bill is presented to the august House in time for approval to facilitate the finalization and approval of Estimates of Revenue and Expenditure of the national and county levels of governments by Parliament and the respective county assemblies.

I totally agree with Hon. John Mbadi and Hon. Dalmas Otieno that the due process of Parliament was not followed and this is as a result of what is going on in Parliament; that Committees have not been formed. I want to say it in this House that we have an obligation and a mandate to the country on how we run Parliamentary Committees. I am sure that a solution will be reached soon so that the Budget Estimates that we tabled in the House will, again, be subjected to relevant Departmental Committees for scrutiny and for public participation. If that will not be the case, then we will go by the ruling that the Hon. Speaker gave yesterday.

Hon. Speaker, let me go to the salient features of this Bill. Clause 1 to 3 of the Bill relates to the preliminary observations. That is the short title, definition of words and expressions, the object and the purposes of the Bill. Clause 4 of the Bill provides for equitable allocation of revenue raised by the national Government in respect to the 2013/2014 Financial Year among the national Government and county governments. This is set out in the schedule of the Act.

Hon. Speaker, Clause 5 of the Bill provides for the variation of the revenue and specifically if the revenue raised in a financial year falls short of the expected. Then that section gives provision that the shortfall will be borne by the national Government and not the county government. The vice-versa is true so that if the revenue surpasses the target then in that case the country government and the national Government will share that excess in pro rata basis. Clause 6 of the Bill provides for a dispute resolution mechanism between State organs and all levels of Government. It complies with Article 189 of the Constitution.

This Bill is in consistent with the constitutional provisions and the Public Finance Management Act of 2012 regarding the preparation and submission of the Division of Revenue Bill. This Bill is in the House for debate and further action based on the Constitution and Public Finance Management Act.

Treasury had a very good engagement with the Commission on Revenue Allocation (CRA). The amendments that I will be bringing to the House have been agreed upon. If possible, we will table the minutes of those deliberations to show the country that the CRA as an independent Commission, the Transitional Authority and the Treasury have agreed in principle on the amendments that I will be bringing before the House.

Hon. Speaker, this Bill separately provides for an explanatory memorandum which is attached in fulfillment of Article 218 (2) of the Constitution. This Article requires that the Division of Revenue Bill tabled in the House be accompanied by a memorandum. What does the memorandum do? One, it explains the revenue allocation as proposed by the Bill. Two, it evaluates the Bill against the criteria set out under Article 231 of the Constitution. The memorandum provides a summary of significant deviation from the recommendations of the CRA together with explanation for such deviation. In areas where the National Treasury deviates from the CRA, that memorandum will explain why that is happening.

Finally, I wish to request Hon. Members to support this Bill. I ask Hon. Dalmas Otieno, the Member for Rangwe, to second.

**Hon. Speaker:** Is the Member for Rangwe?

**Hon. Anyango:** Hon. Speaker, I am Member for Rongo, but Chris Wamalwa has instructions from the Leader of the Minority Party to second and not me.

**Hon. A.B. Duale:** I am sorry, Hon. Speaker. Thank you for the clarification too. I ask the Deputy Minority Whip, Hon. Chris Wamalwa to second.

**Hon. Wakhungu:** Thank you, Hon. Speaker. It is not that I have the instructions from the Leader of the Majority Party on this matter. I, however, rise to second. Indeed, this Bill is very important. When you look at the functions of the county governments, we do have problems at that level because of lack of funds. To me, this is coming at the right time, but my problem is that, unfortunately, we are not going to give it the attention it acquires because of lack of committees. My humble request is that as we move on, we need to move with speed so that we can have committees. I know Members have not even had enough time to look at the Division of Revenue Bill. I think we are not going to give it the desired attention for that matter. Probably, that is why many Members do not want to second.

However, in line with Article 202 of the Constitution which brings about the sharing of the revenue between the national Government and the county government, it is, indeed, very critical that we urge Members to scrutinize it. The Constitution talks about a minimum of 15 per cent, but my colleague has said that it is more than that. To me, that is a plus.

The Jubilee Government promised the provision of free maternity. However, we have seen mothers yearning for these services. It is important for us to come up with this law so that these services are rendered to the people.

I second.

*(Question proposed)*

**Hon. Ng'ongo:** Hon. Speaker, I rise to support. I do not know how many minutes I have.

**Hon. Speaker:** The usual ten minutes.

**Hon. Ng'ongo:** Hon. Speaker, I would like to support this Motion. However, I have to highlight a few issues that I think are of major concern to me, this House and the whole country.

Devolution is at the heart of the governance of this country. If there is any one good thing that Kenyans realised through the Constitution we have today is to have governments closer to them through the devolved system of government. We need to put more effort to make sure that those governments succeed, and that we do not set them up to failure.

Hon. Speaker, it should be remembered that this House received the Division of Revenue Bill for 2012/2013. I remember very well that we took time with the National Treasury to go into

the details of costing - that is, how much each county would get in order to run effectively and efficiently. You realise that at that time, the National Treasury gave us a total of Kshs185 billion as the minimum that you require to devolve to the counties in order to meet the bare minimum of Recurrent Expenditure. We even went ahead to prepare a breakdown for each county. For example, Mombasa County needs not less than Kshs6 billion to run for a year. You need Kshs16.9 billion to run Nairobi. Where I come from, Homa Bay, you need almost Kshs4.79 billion. The total adds up to Kshs185.5 billion. When we get a Division of Revenue Bill that gives only Kshs154.7 billion and I hear my friend eloquently telling us that they have already negotiated--- I do not agree with that negotiation because this Bill is the property of the House and whatever the CRA needs to do with the Treasury, they should do it through Parliament. I am at variance with the fact that an independent Commission would go to the Treasury to negotiate a matter of such importance. If they were to negotiate, they should have done that before we receive this Bill. They had sufficient time before March to negotiate. So, I take exception to that.

However, even with Kshs175 billion, it should go on record that, that amount of money is not enough to run counties even in terms of Recurrent Expenditure. Therefore, we will be denying our counties funds. The CRA had done a costing and as Parliament, we also did our costing. The CRA's costing was coming to Kshs231.1 billion. We asked the Treasury how much it costs them to run the functions being devolved to the counties. They gave us a figure which we worked with and found that for each county to run and be able to get involved in Development Expenditure, it needs Kshs237 billion. Therefore, the minimum you can give a county---

Hon. Speaker, I will move an amendment tomorrow to increase the minimum shareable revenue to counties to not less than Kshs230 billion unless we want the counties to fail.

There is the issue of conditional grants which the Treasury has proposed as Kshs43.9 billion. If you look at the Finance Management Act that talks about funds being taken to the counties, it is very clear that any amount that you put under the line of county government should be sharable. If there is any conditional grant, that should come under the heading of the national Government funds. So, trying to put conditional grants to counties is trying to hide something. The reason why we came up with the devolved system of government is that we realised there was historical injustice, that there were some counties or areas that were favored in this county while others were denied opportunity to progress. Therefore, lumping money that is specifically going to certain targeted areas of this country under conditional grants is mischief and should be excluded. We need a breakdown of that Kshs43.9 billion so that we can know which counties are going to benefit. I know there are more stakes about Kshs10 billion but there is extra that is going to operations that we are told are ongoing activities. We want to know: Where are those ongoing activities? If they are in Homa Bay, we want to know how much is in Homa Bay, Kakamega, Nyeri or Turkana counties so that we exclude and eliminate this idea of the National Treasury trying to favour some regions as opposed to others.

Hon. Speaker, if you look at this Bill, there is a very curious provision on Section 6. Quest for justice in this country can never be criminalised, however flimsy it is. You cannot criminalise the quest for justice. You are telling us that if anyone has issues with the sharing of revenue and goes to court, is determined that probably he did not follow some procedure and you know it is only the legal experts, lawyers, who are able to determine whether you have followed the procedures or not, you will be personally held liable. That, to me, is undemocratic. You can never criminalise the quest for justice. If my governor feels - like Hon. Isaac Ruto who was complaining about an attempt to take money from his county to another place he does not know



– like going to court and he loses the case, I do not think it is right, as a country, to legislate that such persons should be held personally responsible.

I would also like to add that there is a point that I forgot. I heard Hon. Duale talk about giving 25 per cent to counties. I want to remind this House that that calculation is based on the figures of the revenue raised in the 2010/2011 Financial Year. If you take it to the 2011/2012 Financial Year, it is 22 per cent. Probably if you take it to the 2012/2013, it will be a much lower percentage. If you take it now to the projected 2013/2014, it may even be less than 15 per cent.

I know that the laws talk about the last audited and approved statements but the fact that this House probably was lazy to look at the accounts and approve does not make it happy and glorified. What if the last audited and approved accounts were for 2007/2008? Should we be happy and say that we are giving counties 100 per cent, for example, or revenue? I think we need to be serious. We need to make sure that we provide sufficient funds to run our counties.

Hon. Speaker, finally there is variance. I know that the law requires that once the Judiciary and the Legislature which are independent arms of the Government bring their estimates to Parliament, the National Treasury has up to 15<sup>th</sup> of this month, very few days left, to give us a report whether they agree with those figures or not. But there is a huge variance between the Division of Revenue Bill and the Estimates that we have received from Parliament and the Judiciary. I also know that we need to look at the budget of the Judiciary and Parliament and try to rationalise them. If you look at the Division of Revenue Bill, you will realise that it gives a ceiling of Kshs16 billion to Parliament and yet Parliament is asking for Kshs24 billion. I think we need to harmonise. Further, the Judiciary is given Kshs15 billion and yet in the estimates we have Kshs25 billion. That discrepancy is too big. I think we need to capture this in the Bill, because once it is passed, we may have very little room to approve further amounts. So, we need to be cautious and because we have not looked at those estimates and eliminated the items that require to be eliminated, we need to adjust this Bill. I, therefore, propose an amendment upwards. In the event that the Estimates will arrive at lower figures, then there would be no problem. At the Appropriations stage, we will appropriate sufficient funds. But if you leave this Bill with Kshs16 billion as the ceiling for Parliament and Kshs15 billion for the Judiciary, chances are that when we approve higher figures in the estimates, we will not have a law in place to back the revenue.

With those many remarks, I beg to support.

**Hon. Speaker:** What Hon. Ng'ongo has said shows how he would have served if he was sitting in the Committee of Budget and Appropriations? But I told you that we will be seeing the need for those Committees as we move on. Thank you very much.

**Hon. Kajwang':** Hon. Speaker, I rise on a point of order under Standing Order No.127(3) I want to read together with Article 221(4) and (5) of the Constitution of Kenya to amplify what my friend, the Member for Rongo had adverted before the House. The essence of my order is to seek direction from the Speaker on how we will proceed now as we debate these Estimates and receive representation from the public and public participation. This is because as you read the Constitution, in Article 221(5), in discussing and reviewing the Estimates, the Committee shall seek – it is in mandatory terms – representation from the public and recommendations shall be taken into account when the Committee makes its recommendation. Following your wise counsel in your ruling yesterday, as we proceed now as Committee, the Constitution still demands us to subject this debate to the public scrutiny. That way we will get information and know what the public is thinking. I am asking if the Speaker can give direction

on how the Clerk, therefore, can get discussions from the members of the public on the table, we discuss the Bill and see some of those lines. I know, for example, there are very many county governors who would wish to make discussions on these Estimates. So, would I be in order to ask the Speaker to try and direct the Clerk to see how we can get this public participation as we discuss the Bill?

**Hon. Speaker:** Hon. Kajwang', a Committee is a Committee of the House. Since in your wisdom as Members of Parliament you have chosen to operate without Committees, you cannot now require the Chair to make any decision as to what a Committee which has not been formed will do. But it is within the powers of this House to resolve that any of the existing Committees performs the functions contemplated here, by resolution of the House. But as of now, since you, as Members of Parliament and as a House, you have chosen to proceed on the basis that you do not need the Budget and Appropriations Committee or any other Committee to deal with the Budget Estimates, the Speaker cannot now replace the House with himself. So, we will proceed as I directed yesterday – to debate this Bill.

I agree with him totally. If the Budget and Appropriation Committee was in place, I am sure we would be debating this Bill with a lot of information and insights. He quickly tried to highlight all the areas but, of course, the House remains supreme in its decision and wisdom. It has chosen to operate in the manner that it has and for the time being, that is the way it is going to be.

If members of the public wanted to present views to the House, they would only write to the Clerk. That is if they desire. Remember, we have only today and tomorrow to clear this Bill and refer it to the Senate. So, really, there is nothing that the Chair can do. It is you in the plenary who may decide, actually today - remember my direction is that, by the end of business today, any member proposing amendments must submit them to the Clerk, so that tomorrow, hopefully, when the House proceeds to the Committee of the whole House, the proposed amendments are available and you, as Members sitting in the Committee of the whole House, are able to look at each amendment. When the Leader of the Majority Party will be moving the amendments he will also say that he will be proposing the amendments. I only hope that Hon. Kajwang', Anyango, Ng'ongo and others, who may be desirous of proposing amendments will begin to work on them, so that you consider them. That is because whether you will have received communication from members of the public, or whether you will have walked into some bank and received it, as long as you receive the information lawfully, it should be up to the Hon. Members to discuss it and make a decision.

Thank you.

Hon. R.K Nyamai, you have the Floor.

**Hon. (Ms.) R.K. Nyamai:** Thank you Hon. Speaker. I rise to support this Bill. It is time we had resources allocated to the counties.

Hon. Speaker, before I give my contribution in relation to this, I would like to point out that when you look at the House today, you can clearly see that the Jubilee side has availed themselves and they are ready to scrutinize the Division of Revenue Bill and give their contribution. I would like to, kind of, disagree with Hon. Baraza that you may not do justice to this Bill. Jubilee are willing and ready. When you look at the numbers, you can tell that this is really going to happen.

I would also like to point out that as much as the country and this House are looking forward to devolution from the national level, there is a danger at the county level. As much as

we say 15 per cent of the revenue allocation or more should go to the counties, there is a danger that the 15 per cent that is going to the counties may not reach the grassroots.

**Hon. Wamunyinyi:** On a point of order, Hon. Speaker. I think it is important that the Hon. Member does not get away with this. She made reference to Hon. Baraza. Hon. Speaker, you have made several rulings in the past that this is a House of rules and record. Will I be in order to ask that the Member clarifies who this Baraza is and what Hon. Baraza said in the House?

**Hon. Speaker:** Well, I believe the Hon. R.K. Nyamai meant the Hon. Chris Wamalwa Wakhungu. Is that correct?

**Hon. Wakhungu:** The Hon. Member did not understand my name and even what I meant when I talked about the Committee.

**Hon. Speaker:** Just confirm your names.

**Hon. Wakhungu:** I am Wamalwa Wakhungu.

**Hon. Speaker:** All right. Proceed Hon. R.K Nyamai. That is just for information. Those are his names.

**Hon. (Ms.) R.K. Nyamai:** Thank you, Hon. Speaker. Thank you Hon. Wamalwa Wakhungu for that clarification of your name, I meant Hon. Wamalwa Wakhungu; you looked very worried. You thought this Bill would not be scrutinized properly. I just wanted to clarify that when you look at the numbers right now, you can see that the Jubilee side is ready. Even though we got these documents late, we have scrutinized them, and I would urge you to fit in the kind of contributions that you are going to give. We are ready and willing to give views in relation to this. I would also like to point out that, maybe, this is the reason why the CORD side is not comfortable with us being in PIC and PAC, and thinking that Hon. Members on the Jubilee side cannot exercise oversight mandate. I am saying that because I am aware of the stalemate that we are having in the House.

I would like to go back to the point that I was raising in relation to devolution. I was saying that we are very keen on devolution from the national level. But it is important to also point out that we may not realise that devolution at the county level. It is not likely to happen in counties that are not homogenous in terms of the parties, and whose Members are in this House. On this issue, I want to point out to a situation where we have a governor and Hon. Members, who are majority in one party and minority in one party. So, it is important for us at some point to even try and make the governors to also devolve resources equitably, because this is the spirit at the national level. That spirit should also be at the county level.

I said that because Article 95(4)(b) gives us the oversight role at the national level of all other state organs. I believe that county governments are part of that. We can also read Article 95(4) and relate it to 217(2)(c) where we should be doing funds allocation in consultation with our governors.

Hon. Speaker, I would like to bring to your attention that most Hon. Members of Parliament in this House were not consulted in the initial public hearings that were held by our governors at the ward level. Most of them did not give enough notice, and it was also done on a day when we were supposed to be in the House. So, for us to do justice as far as devolution is concerned, we should be able to do it at national level and be meaningfully involved at the county level.

With those few remarks, I beg to support.

**Hon. Speaker:** Hon. Member, pardon me again; I have not quite got your name; the Hon. Member for Balambala.

**Hon. Aden:** Thank you, Hon. Speaker. My names are Abdikadir Aden. I rise to support this Bill and I must say that my support comes with the recommendations proposed by the Leader of the Majority Party.

There are a number of things; when looking at this document, which I think should have been very appropriate if we put it under the microscope in a Committee--- I would like to join my colleagues in emphasizing that this would have probably been dealt with a lot more effectively under a Committee of Budget, which would have queried some of these issues further.

The increase that was just made by the Leader of Majority Party raised the unconditional allocations from Kshs198 billion to Kshs206.6 billion; this is about 33.97 per cent of the last audited revenue; it is a move closer to reality. The increase to county government equitable share from Kshs154 billion to Kshs175 billion, further raises the percentage from 25.5 per cent to 28.8 per cent. I think those are some of the recommendations that he has made; even though not good enough they are going to move us in the right direction.

I want to very quickly point out one or two things. The first one is that as Hon. Ng'ongo said, under the conditional allocation to counties, which is Kshs43.9 billion, I think it would be very important if this house got to understand in details, what exactly the itemized portions of Kshs43.9 billion are. Without those details, it becomes very difficult. It is just a number that has to be put there, but we do not know what portions the counties will be benefiting from. Without those details, these are just numbers. It becomes very difficult. It is just a number that has to be there and we do not know what counties and in what proportions they will be benefiting from this.

Hon. Speaker, amongst some of the recommendations or amendments which I would like to put forward is that first of all under Clause 5, which is the explanation of the deviation from the recommendations of the Commission on Revenue Allocation (CRA)--- In Table Three the CRA recommends the remuneration for county executives and assemblies as Kshs15 billion while the National Treasury says it is Kshs7.5 billion, with an explanation. The National Treasury says under Clause C after the table that: "These Estimates of the CRA do not reflect the new lower salary structures gazetted by the Salaries and Remuneration Commission (SRC). Treasury's Estimates for salaries for county executives and assembly members are the new SRC salary structure." I think the position of this House under that gazette notice is very clear. This Bill says that it is going to comply with that particular Gazette notice which has been spoken about very widely here; this is a contentious issue and it also needs to be looked into.

What we are otherwise saying is that we will accept the SRC's recommendations that we have been talking about very much here to lower the recommended salaries for the County Representatives, but we are saying that what she recommended for this House is not viable, or should not be so. It is something that we need to look at. It is an amendment that, in my view, needs to come in.

Hon. Speaker, there are other issues which need to be queried. Under Table 4, if you look at the national allocation, which has been further broken down, you will realise that there are a number of issues which we need to get some clarification on, and I will just pick two. Maybe in my amendments to this I will give more details. You look at Parliament, which has grown in size; the recommended growth in terms of the allocation is in 2012/2013 to 2013/2014; you will

realise that it is a growth of just about 9.3 per cent. That is the increase from Kshs15.29 billion to Kshs16.7 billion. But, interestingly, look at line No.8, other constitutional commissions and independent officers, you will realise that the figure grows from Kshs5.9 billion to Kshs8.8 billion, which is an increase of 48 per cent. Again, I want to ask this, that we know what has happened in this House. The numbers of the Hon. Members of this House has increased from 222 to 349, but I really want to understand what changes, or increases, have happened in the constitutional commissions, so that Parliament only grew its expenditure by 9.3 per cent whilst the commissions grew by nearly 50 per cent. This issue was again discussed in this House at length, and I will say that if we will have the opportunity to constitute the Budget Committee, which in my view is a very critical committee going by the fact that we are going through a critical time, when this country requires us to do some justice, then it will be a good thing.

*[Hon. Speaker left the Chair]*

*[Hon. Deputy Speaker in the Chair]*

Hon. Deputy Speaker, I want to say that I agree very much with the recommendations put forward by the CRA, which say that allocations to county governments should be Kshsh231 billion and not Kshsh198 billion, as proposed by the National Treasury.

With those few remarks, I want to say that I support this Bill with the recommendations of the CRA.

**Hon. Deputy Speaker:** Hon. Wamunyinyi.

**Hon. Wamunyinyi:** Thank you very much, Hon. Deputy Speaker for giving me the chance to contribute to this important Motion before the House. I want at the outset to propose that the Clerk's office makes available any public presentations which have been sent to Parliament. This is in line with the requirement of the Constitution, as well as the Standing Orders.

Having said that, I want to say that the division of revenue allocation is one such important aspect in the area of devolution; more particularly, I want to say that the relationship between the national Government and the county governments in the country will be of great importance, as has been highlighted by most Hon. Members. The aspect of devolution is at the heart of every Kenyan; how it is going to be implemented is a matter of concern for all of us.

Hon. Deputy Speaker, the success of devolution and realisation of what is envisaged in the spirit of focus on rural development will depend entirely on how the national Government is going to relate to the county governments, particularly as regards the aspect of adequate funding. Adequate funding in terms of allocation of revenue is key to the success of devolution, and I want to recommend that this must be strictly adhered to. As Hon. Members we should also push for the adequate allocation of resources to the county governments.

I am concerned that we have not seen the terms of reference of the Ministry of Devolution and Planning. I hope that it is not going to be another Ministry of Local Government, which is going to hoard budget and supervise the county governments. The Ministry of Local Government was responsible for local councils. It was responsible for the budget for the mayors and chairmen of local councils who, occasionally, visited the Minister for Local Government to pledge loyalty and receive some favours. I hope this is not going to be the case with the Ministry

of Devolution and Planning which, as of now, we do not know its terms of reference and what it is going to be doing.

Hon. Deputy Speaker, on the issue of interference with the running of county governments, I think it is important that the national Government does not attempt to micro-manage the county governments. They should be given a free hand to run their affairs. Of course, I will also be bringing some amendment to this Bill tomorrow, so that we may raise the amounts allocated and also put in measures which will ensure that there will be no interference.

The other thing I would like to raise is the fact that there is need for us to reduce the amounts allocated to commissions. Some of the commissions like the one headed by Mrs. Serem, who inadvertently raised her salary from Kshs300,000 to Kshs900,000--- The amounts allocated to these commissions must be reduced. I am also aware that she refused one of the vehicles which was given to her of a capacity of 2000 cc and bought herself a big Mercedes Benz car. These are some of the issues which we are going to be addressing, and because of that we have to make recommendations to see that the amounts given to these commissions are reduced; instead we will increase the amount to the county governments.

With these few remarks, I trust that many Hon. Members want to speak on this Bill. I want to recommend that we ensure that devolution is a success story in this country. Thank you, Hon. Deputy Speaker.

**Hon. Mburu:** Thank you, Mr. Speaker. My names are Hon. Mburu Stephen Kinyanjui. I rise to support this Bill. My colleague, who is a senior financial expert, Hon. Ng'ongo, has just said that we need to move serious amendments to this Bill. Immediately I got the Estimates of the Recurrent Expenditure, I rushed to the relevant Ministries and found that there were serious discrepancies. For example, in Nyandarua County, where I come, projects that had an allocation of about a Kshs1billion had been removed from these Estimates. These projects fall under three Ministries. So, I concur with my senior financial expert, Hon. Ng'ongo.

I am also very grateful to Senator Khalwale because I was elected on the promise that I would be like Senator Khalwale and others. I concur with my senior, Hon. Ng'ongo, that we should move amendments to the Estimates that have been tabled before this House. I have found that the Kshs1.2 billion allocated to my projects is missing, and I do not know where that money has been taken. Those projects have kicked off; they have been awarded to consultants and are very important. They are denying Nyandarua County access to a project that has consumed Kshs4.2 billion and has been completed. However, we cannot use that facility, because of a very short stretch of about 34 kilometres which requires about Kshs1.2 billion to be done. So, Kshs4.2 billion of taxpayers' money is not being utilized in our county because of that short link road that measures about 42 kilometres, and whose funds were relocated to other well-connected political projects in the last Parliament. So, I concur with my colleagues that we need to move amendments to make sure that Kshs1.2 billion allocated to a project in Nyandarua County is returned with immediate effect or without much ado.

I would like to inform my colleagues on the other side of the House that we will play our oversight role even more than them. That is why I would kindly like to plead with our dear brothers, Hon. Members, that they let us have in place the Budget Committee, which is crucial. This is because I have never slept since I received this document. I visited the relevant Ministries when I received this document yesterday; if we go into details you will be shocked. That is why all of us should agree as Hon. Members of the Eleventh Parliament that we have the Budget Committee. As we fight over the other Committees and about who will lead and who will not,

let us have the Budget Committee in place. This is very urgent; our counties cannot make progress because they do not have resources.

I humbly urge both the Leader of the Majority Party and the Leader of the Minority Party and both the Chief Whip of the Majority Party and the Chief Whip of the Minority Party to have a consensus and, at least, form this important Budget Committee, so that it can scrutinize the Estimates. I have not slept because I have been going through these Estimates. What will happen is that some people will not have anything while others will have so much that they will not even be able to “swallow” it.

I kindly urge this Eleventh House - my dear brothers and sisters, Hon. Members - let us have the Budget Committee, so that we can scrutinize these Estimates, and every county gets its fair share in order to heal these historical injustices. That is why I moved a Motion this morning to make sure that every constituency has, at least, a tarmac road. The maximum will be 30 kilometres. After five years, every constituency in this country will have a minimum of 100-kilometre tarmac road while the maximum will be a 150-kilometre tarmac road.

So, I rise to support this Bill and plead that let us have the Budget Committee.

Thank you, Hon. Deputy Speaker.

**Hon. F.K. Wanyonyi:** Thank you, Hon. Deputy Speaker. I wish to support this Bill because it is long overdue, and we are also looking at how the county governments will start functioning right away, because they are already in place. I believe that the initial allocation should be more than what we are looking at here, because it will, first of all, set up infrastructure in these counties. I know most of them want this because they do not have proper infrastructure.

Some of these county governments have inherited huge debts from the previous local governments. Unless this matter is taken into consideration, some of this money allocated to the counties might just service these debts. So, we should also look at a way to make sure that the funds allocated will not just go into servicing debts, but will make the county governments functional.

We must also look at disaster management issues. Most of these erstwhile local governments were unable to carry out disaster management when it happens. So, we must also look at how these county governments will handle emergencies when they arise. As I support this Bill, I propose that some of these considerations must be looked into, so that we allocate enough funds to enable them, from the outset, start functioning without any problem. This is because the initial allocations must be more than the future allocations because I know that we will use the money for capacity building, servicing debts and other functions that may not be seen at this time.

Hon. Deputy Speaker, I beg to support the Bill.

**Hon. Shill:** Thank you, Hon. Deputy Speaker. I support this Bill. Devolution was at the heart of Kenyans during the constitution-making process because we wanted equitable distribution of the resources of Kenya. There are places which have been highly developed for the last 50 years, while others have been marginalized. I can see the same marginalization going on at the National Treasury. This is because they are trying to give us some rules. Up to now, we do not know the criteria they will use or they have used to equitably divide the resources. Nairobi cannot be the same as Wajir or Turkana. For instance, we know that Nairobi is a heavily populated city, but in the last 50 years, it has been receiving a big chunk of the resources while Turkana and other places have never been developed.

Hon. Deputy Speaker, we know many Hon. Members here are new, and we do not want to be ambushed. This is because some of these bulky documents that have been brought need to be combed properly, and we must know what is hidden beneath. I was looking at the competition of county governors for equitable shares, especially in respect of conditional allocations and I could see that donor support was allocated Kshs16 billion. When you talk of donor support and, again, it is conditional, we, the people in the marginalized areas, feel that we will be marginalized for the simple reason that such a--- We cannot do anything in our areas because there is cattle rustling or *Al Shabaab*.

We cannot do anything there because of the presence of *Al Shabaab*. We have no justice. You talk about expenses relating to regional referral hospitals. We have never seen such things. They are not known in our areas. This is because there has never been even one. So, we think that marginalization is still going on, and it must stop. What happened when the Commission on Revenue Allocation (CRA) allocated some revenue, and went public by declaring what amount of money was given to which country? All of a sudden, the National Treasury was saying that we must go back to the drawing board. We want to know what has changed.

Hon. Deputy Speaker, we know that this is the first time we are trying to practise devolution and we know it comes at a cost. There are some places with no infrastructure. I thought we would have allocated a lot of money to the county governments, so that they at least pick up. There are counties which are income-generating; others are not, yet they must put up the essential infrastructure, so that they pick up. These are some of the things that must be looked into.

As the august House we need to ensure that the rules that are being used are fair. Somehow we are very busy trying to paralyze this House on the issue of committees. The other day when we were talking about salaries, we were all together and we had no problem. I do not know why when we want to serve the nation we should bring problems. This House is ruled by this Green Book, the Standing Orders. It is high time our friends in CORD realised that--- Many of them always stand on points of order holding this Green Book and trying to---

**Hon. Ng'ongo:** On a point of order, Hon. Deputy Speaker. Our Standing Orders which my colleague is referring to are very clear on relevance to the topic of discussion. Is he in order to take us back to a matter that was ruled on by the Speaker instead of discussing a very important Bill, that is the Division of Revenue Bill? This is the Bill that is supposed to give his marginalized county money.

**Hon. Deputy Speaker:** Your point has been made. Continue, Hon. Shill.

**Hon. Shill:** Hon. Deputy Speaker, this is a House of rules and I am also talking for posterity. When Hon. Ng'ongo stands up on points of order and cites the Standing Orders he needs also to respect those Standing Orders.

**Hon. Deputy Speaker:** Let that matter rest.

**Hon. Shill:** Hon. Deputy Speaker, I have made my point anyway. We want the revenue to be allocated properly. The Budget Committee needs to be formed immediately not only for the purpose of this Bill, but because there are many things that will be forwarded to it for scrutiny. That way, the marginalized people and others will be given fair chances and they will benefit from fair contribution.

#### COMMUNICATION FROM THE CHAIR

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## TIMELY SUBMISSION OF AMENDMENTS

**Hon. Deputy Speaker:** Hon. Members, I am sure you were informed earlier by the Speaker that we would be receiving amendments today. No amendments should be given tomorrow on the Floor during the Committee of the whole House. Hon. Members be informed that if anybody wants to move an amendment--- A lot of you have been making reference to bringing amendments to this Bill and going by Standing Order No.133 (2) no amendments shall be moved to any part of a Bill by any Member other than by a Member in charge of the Bill and unless written notification of the amendment shall have been given to the Clerk 24 hours before the commencement of the sitting at which that part of the Bill is considered by the Committee.

Considering that the Bill has come late, we will not make 2.00 p.m. the deadline; we will move it to 5.00 p.m. So, anybody with amendments must brought them to the Clerk, so that they are taken to the Legal Department before they are put on the Order Paper for tomorrow.

**Hon. Wandayi:** Hon. Deputy Speaker, I have very few remarks to make. I am rising to support this Bill. The problem we have in spite of the fact that we are living in a new dispensation, we still have the old mindset ruling us. Why do I say this? If you look at Article 216 that gives the CRA its mandate, it states that the CRA has the sole responsibility of making recommendations on the revenue allocation between the national Government and the devolved government. I would expect, therefore, that this Bill would borrow from the recommendations of the CRA. Even if there are deviations they must be reasonable. The deviations we are seeing here are abnormal, to say the least.

Hon. Deputy Speaker, in the explanation given about the deviations, there is a lot that is wanting. For instance, we are told that the CRA has not given forth the meaning of the first criterion as outlined in Article 203, that is national interest. There is no further explanation as to how the CRA has failed to meet that obligation.

The Treasury is coming out as an institution still playing the role of a big father, and trying to give donations to the county governments. That should not be the case. The Constitution clearly stipulates that there are two levels of government, which shall be independent of one another. Therefore, if the national Government is ceding or transferring functions to the devolved government the transfer of those functions must be accompanied by the transfer of adequate funds. Those adequate funds must be according to the recommendations given by the CRA, which is the sole body mandated by the Constitution to make recommendations on the allocation of funds between the two levels of government.

I cannot conclude without talking about the independence of the CRA. This is one of the independent constitutional commissions. You can see a tendency, or a trend, that negates that very independence.

Hon. Deputy Speaker, we have seen in the media reports of meetings held at the Office of the Deputy President. The Deputy President summoned the Commission on Revenue Allocation (CRA) and the Treasury to purportedly discuss revenue allocation, yet the Bill that is supposed to deal with revenue allocation is already before this House. Earlier on, the Leader of the Majority Party alluded to that meeting and, in fact, he also mentioned that one of his amendments for tomorrow emanated from that meeting. If we are to be faithful to the rule of law and are to comply with the Constitution, we should at all costs uphold the independence of the Commissions, including the CRA.

The devolved governments need adequate funds to run. The very foundation of the Constitution is rooted in devolution, but devolution will not work until we have the political will to make it work; that will must be evident from our talk. Therefore, since I support this Bill, I will vouch for the amendments that have been proposed to ensure that the recommendations as given by the CRA originally are upheld on the Floor of the House. The Bill that is passed here should carry those recommendations.

With those few remarks, I beg to support.

**Hon. Kimaru:** Hon. Deputy Speaker, I am still new and so I may need to say my names, so that my friends who do not know me know me. I am Anthony Mutahi Kimaru.

Though we are discussing this Division of Revenue Bill, I would like to go back to a topic I think I should not be moving back to. I would like to urge all of us in this House, as Members of this House, to take the business that we have here quite seriously, and move it forward. Let us put aside all our differences that we may have; let us put the nation before other interests and constitute committees because they are important. Whatever else we may not agree on, I am sure we can sort it out and we move ahead. It is rather sad that we are going into this exercise without the full benefit of scrutiny. We have not had the benefit from a committee scrutinizing this Bill. I am sure there would have been a lot of input. My brother said that whatever comments have been availed to this House by the public should be availed to every Hon. Member. It is going to be cumbersome; it may not produce the same result as we would have had from a committee sitting to scrutinize this Bill.

*(Applause)*

Let us have these committees constituted and then we will be able to carry out the business that we are supposed to carry out in this House in a more meaningful manner.

As I support the Bill, I would like to say that this Bill is very important. For the first time the people at the county level will set their development agenda. We may be complaining that we do not have enough revenue, but revenue is never enough at any given time, anyway. But, at least, this time round we have approximately 22 per cent of the revenue going to the counties. I am sure this amount of money can be used to transform the lives of our people down there by providing services. Marginalization should be a thing of the past. Now people will really determine their development agenda and where they want to go. It is now up to those who have been given the task, the governors and the other people down there, to make this a reality. We should not cry all the time that we do not have resources; whatever little we have, let us make good use of it and I am sure it will bring transformation at the local level.

Concerning the conditional allocation, I would like to concur with my colleagues who have spoken before that in allocating these particular funds, there should be equity, accountability and transparency. When I see at provincial and referral hospitals, I tend to imagine the drafters of the Estimates and Vote Heads might have forgotten that the provincial system is long gone. I would have expected to see county hospitals because that is what is envisaged in devolution. We would want to have in every county a referral hospital worth the name. We have Kshs10 billion for that particular function, and I believe this amount of money over time will make our referral hospitals at the county level functional and useful to our people. We do not need to come to Nairobi or go to any other place to get services, which can be provided at that particular level.

Hon. Deputy Speaker, whereas we ask for a lot of money at every given point, we must also take note that if you are a spendthrift you must also work very hard to generate money. So in passing this Bill, and whatever other policies we are going to pass in this Parliament, we must make sure that the environment for business and for production is provided---

We must also empower local cooperatives, so that marketing of products and value addition are achieved. That is the only way in which our people are really going to have full benefit of whatever policies we have here.

With those few remarks, I beg to support.

**Hon. Ababu:** Hon. Deputy Speaker, I rise to support this very historic Bill, the Division of Revenue Bill, 2013. In supporting this Bill, let me say that I have heard other Hon. Members saying that devolution is truly the soul, heart and core of our new constitutional dispensation. I had the privilege of co-chairing a Select Committee of this House that negotiated this Constitution. As we grappled with the structure, the framework and the architecture of the Constitution, it was manifestly clear to those of us who sat on that Committee on behalf of this House that devolution, indeed, had been at the heart of the drive and push for a new constitutional order in this country. Therefore, as this House continues the excellent work done by the Tenth Parliament in getting Chapter 11 of the Constitution on devolved government operational, we need to remain alive, acutely so, to the significance of devolution and the reality that the paradigm of governance in this country has shifted, and shifted permanently and unequivocally. As we debate this law, we need to be very alive to the constitutional principles that must guide legislation on any matter touching on devolution, and especially the issues of financing our devolved units of government.

Hon. Deputy Speaker, sometimes, those who are drafting these laws and perhaps those who are preparing these revenue sharing structures at Treasury may really not be in keeping with what I may want to call absolute fidelity to the principles in this Constitution. For the record, let us remind them and remind ourselves in this House of the principles set out in the Constitution that ought to guide the revenue allocation and division of the same between the two levels of Government.

Hon. Deputy Speaker, the Constitution at Article 203 is very clear that the criteria for sharing revenue and dividing revenue shall follow the following principles: The national interest; respecting public debt and other national obligations; the need for flexibility in responding to emergencies and other temporary needs, based on similar objective criteria; the need to ensure that county governments are able to perform the functions allocated to them. That is fundamental principle, and one that Treasury really needs to be alive to. The Constitution says that the criteria must respect the need to ensure that county governments are able to perform the functions allocated to them. The fiscal capacity and efficiency of county governments; developmental and other needs of county governments need to be looked into as well. Indeed, the Constitution did contemplate that our counties are not uniform both in terms of the geography, population, development levels and needs. Economic disparities within and among counties and the need to remedy them is an important component. It is a fundamental principle. These laws must respect the reality of economic disparities within and among counties and the need to remedy them. There is need for affirmative action in respect of disadvantaged areas and groups; the need for economic optimization and provision of incentives for each county to optimize its capacity to raise revenue.

Hon. Deputy Speaker, for me, this is a balancing principle, a principle that takes due cognizance that, whereas there are certain counties and some of them have been named here; Turkana and such counties, because of infrastructural and historical issues they may not be at the same level as other counties. But this principle also acknowledges that there are certain counties that have certain capacities and those capacities have to be enhanced. It is a balancing principle; the desirability of stable and predictable allocations of revenue and the need for flexibility of responding to emergencies and other temporary needs based on similar objectives.

Hon. Deputy Speaker, I do not wish to bore the House with the text of the Constitution, but it is important because we are legislating and formulating these pieces of legislation in line and directly out of the mandate of this Constitution. So, if there is any law that comes to this House and attempts not to be faithful to those constitutional principles, that law certainly will be annulled to the extent of that lack of faith. Therefore, may we remind those at the Treasury that it is important to be very keen and very clear that, as we formulate these laws, we offer options that are strictly in line with those constitutional principles.

Hon. Deputy Speaker, I want to urge Hon. Members in this House - and I said this yesterday and I want to reiterate it - that when we come to this House, we come here representing different constituencies and regions. But when we sit here, we sit here as Hon. Members of one indivisible House. Therefore, when we are looking at the challenges facing various regions of this country, it is important to be sensitive enough, especially to the needs of those areas that require special attention.

During the campaigns - and we all campaigned together - we formed coalitions and we hunted for votes together. We won or lost together. I want to urge this House that in the matters of devolution, let us form a coalition for devolution in this House that will protect devolution across our respective coalition. So, whether you are "jubilated" or "corded", I do believe that when it comes to devolution, we can be 'devoluted' together across our political divide. I say this very deliberately because I know, if this House does not rise to protect devolution, there are those out of this House that may not share the same passion and will to push through the dream of devolution as you shall in this House. We can only achieve that when we forget these little political differences that divide us even on matters of great national importance. If we do that, we will actually demonstrate that we are ready and willing to look at Kenya as our overall constituency besides our constituencies that sent us here. Indeed, a great man Richard Whittle once said that:-

"A man is called selfish not for pursuing his own good, but for neglecting his neighbours."

You will not be called selfish because you pursued your own, but because you ignored or neglected your neighbour's need. I believe that, together, we can look after each other and make sure that devolution works.

Hon. Deputy Speaker, let me just conclude by expressing a greater regret that today, we start debate on such a key piece of legislation without having subjected this piece of legislation to the scrutiny and input of a committee of this House. It really bleeds my heart that this Bill has come to this House without the benefit of the input of a committee of this House. Having served in the Tenth Parliament and having had the privilege and honour of chairing a parliamentary committee, as Chair of the Justice and Legal Affairs Committee, I had the privilege of presiding over the process of Hon. Members scrutinizing a Bill. I can tell the new Hon. Members of this House, with due respect and congratulations fully to yourselves for coming to this House, that

the place where legislation really takes place properly is in committee where Members have an opportunity to really take time to scrutinize the meaning and sense of every single clause in any piece of legislation.

I want to plead with this House that may this be the last piece of legislation that will come to this House without passing through the scrutiny of a committee of the House. Basically, what I am urging the House to do is this: May we really take this as a challenge to resolve this matter that is interfering with the proper functioning of this House. It is a responsibility that - looking at all of us here and looking around you - you are all men and women of great standing in the society; people who have achieved in whatever fields that you have put your energy and mind to. We have great business people here who have succeeded in a big way! Lawyers, accountants; I mean, I do not believe that this little matter is beyond us to resolve. That, we want to continue transacting the business of this House in a manner that even violates the letter and spirit of the Constitution; the Constitution contemplates that this House will have committees and that business will be prosecuted through committees before it comes to the Floor of this House. Hon. Members, we can do it! Why are we not doing it? I wish the leaders of majority and minority parties were in this House. It is time we moved on. Listening to some of us here, it is like we are still in the campaign mood.

As I conclude, let me share with you the Book of Ecclesiastes Chapter three verses one to eight. Deputy Speaker, allow me to share this one.

**Hon. Deputy Speaker:** We hope it is relevant to the subject of devolution.

**Hon. Ababu:** Oh yes! Oh yes, Hon. Deputy Speaker, it is. The good book of Ecclesiastes, Chapter three tells me the following:-

**Hon. Member:** Which verse?

**Hon. Ababu:** Verse one moving forward. It states as follows:-

“There is a time for everything and season for every activity under Heaven. A time to be born and a time to die; a time to plant and a time to uproot. A time to kill and a time to heal; a time to tear down and a time to build. A time to weep and a time to laugh; a time to mourn and a time to dance. A time to scatter stones and a time to gather them. A time to embrace and a time to refrain. A time to search and a time to give up. A time to keep and a time to throw away. A time to tear and a time to mend. A time to be silent and time to speak. A time to love and a time to hate; a time of war and a time of peace.”

Hon. Members, we had a time to dwell on matters and a time to engage on the political platform before the court of public opinion, and the court of public opinion made its determination. It decided that some would serve in this House as a majority, and some as a minority. That is the reality and that reality was not determined by you and me. That determination was made by the people of Kenya. So, why are we still locked in the past? The time for our political feuding is behind us. It is now time to embrace one another and move on.

Hon. Deputy Speaker, I request this House that before the end of the day today, let us resolve this matter, move on and lead this country in the manner contemplated by the Constitution.

I support, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** Hon. Member for Ruiru.

**Hon. (Ms.) Gathogo:** Thank you, Hon. Deputy Speaker, for giving me this opportunity. I rise to support this Bill, but before I do that, I would like to say that Kenyans are more important

than an individual, and Kenya is more important than one person. So, I think we should bury all our differences, so that we have what we are talking about; if we say that we want to take the money to the counties and we want to do “abcd” but we are not trying to constitute the committees, then that will be our downfall. If we form the committees, they will help us discuss these things, so that we do not take to the counties money that is not discussed and in the process disturb their operations.

Hon. Deputy Speaker, I would like to thank Hon. Ababu Namwamba for having commented on how we are going to be together and forget our political past. It is now not campaign time. It is time to work, and I would also apologise to him before I say what I want to say; I saw him on television saying that CORD Hon. Members had refused to serve on any committee. If I am not wrong, I think I saw something to that effect. Just forgive me if it was not you because I saw somebody like you; Hon. Members, it is important---

*(Laughter)*

**Hon. Ababu:** On a point of order, Hon. Deputy Speaker. Would I be in order just to put it on record that it was not me? Perhaps, it was my clone or photocopy. It certainly was not me, gracious lady.

**Hon. Deputy Speaker:** Okay. That is put to rest.

**Hon. (Ms.) Gathogo:** My eyes saw Hon. Ababu.

**Hon. Deputy Speaker:** Put that one to rest and move on with your contribution.

**Hon. (Ms.) Gathogo:** Hon. Deputy Speaker, I would like to say that the majority of our people out there are waiting for us to perform. You remember we promised so many things to our people, including the Members of Parliament, Governors and Senators. We have to show these people that what we are doing in Parliament is not about drama and who will feature in which committee. It is about who is working for our people. So, I think the whole thing about distributing money to the counties and the formation of committees concerns you and me. This is because when Parliament convenes, we have to have committees and bury our differences. This is because there is no way all of us can be leaders. It is also good and important to obey and to agree that as both the majority and minority, we should be together. That is why we had the Leader of the Majority Party and the Leader of the Minority Party. This is because we could not have both of them having the same numbers in this House. That is why I want us to sit down, and have the committees formed and move forward.

Thank you, Hon. Deputy Speaker, for giving me this opportunity.

**Hon. Deputy Speaker:** The Hon. Member for Bomet Central.

**Hon. Angwenyi:** I am the Hon. Member for Kitutu Chache North.

**Hon. Deputy Speaker:** Hon. Angwenyi, please allow us to move forward. Do not decide for Hon. Deputy Speaker.

**Hon. Tonui:** Thank you, Hon. Deputy Speaker for being very firm and giving me this opportunity and not allowing anybody to grab it. I am Hon. Ronald Kiprotich Tonui from Bomet Central; this is for the benefit of my colleagues who might not know me.

Hon. Deputy Speaker, I want to contribute to this Bill. I am a mathematician. I am not an accountant; using my little mathematics and calculating what we have here, I have seen we are allocating the national Government about 79 per cent while we are allocating the county governments 21 per cent of all this revenue. I believe most of the functions under the

Constitution that are directly beneficial to the people at the grassroots are those which are assigned to the county governments; I would have expected more resources to have been allocated to county governments.

In the Constitution, activities such as construction of roads will be taking place mainly in the counties where we need murraming of the roads. I know in some areas they no longer talk of murraming roads, but in a place like Bomet County we are really talking of murraming of roads because we do not have roads. Roads are non-existent. This is a tea growing area but it is not possible to transport tea to the tea factories because of the rains and very bad roads. For me to reach my village, it is a very tough task. So, I would wish that we have more resources allocated to the county governments rather than to the national Government, where we know there is a lot of expenditure which is not felt by the common man on the ground. So, I would wish that the resources allocated to county governments should not be 21 per cent against 79 per cent allocated to the national Government. I would wish that we have at least a 50-50 situation based on the functions of the county governments and the national Government as stated clearly in the Constitution.

Hon. Deputy Speaker, we are talking of revenue collection of about Kshs920 billion, and we know the real Budget of this country is about Kshs1.6 trillion. That is what is being shared out now. I would wish that the real Budget of Kshs1.6 trillion is shared out and not this Kshs920 billion. I would suggest that we adjust the Budget, so that we take care of devolution; if we do not give finances to the county governments, I am sure they are going to fail.

We know that facilities such as dispensaries, health centres and hospitals have been assigned to the county governments. These facilities require money. We need referral hospitals in the counties. These ones should be in this Budget. We need at least a university in each of these counties. Some counties are lucky to have more than two to three universities. A county like Bomet does not have even one. I would wish to see in this Budget, money allocated for universities in the counties which lack them.

I come from a teaching background, and I have seen the Teachers Service Commission (TSC) being allocated about Kshs143 billion; I can see that this does not even take care of several issues which the TSC and teachers unions had raised. On the issue of implementing agreements which had been agreed on previously between the Government of Kenya and teachers unions--- I wish that the Government could have factored in, at least, something to pay the allowances of teachers as agreed in 1997 under that Gazette Notice No.534.

On this Bill, I think it is too shallow for this stage of Parliament. Now that we do not have committees, I would have wished to have the real costing of all the functions of the county governments and the costing of the national Government. I believe that we are likely to pass something which we will regret later. Without the committee and the scanty details we are getting here, it is dangerous. I wish that we form these committees as already directed by the Kenyan people. We went into elections and Kenyans decided the number of Members of Parliament on the Government side and the Opposition side. The Standing Orders will guide us.

I request the Opposition Benches to simply accept what the Kenyan people have decided that they will have a certain ratio in these committees. After all, all of us in this Parliament are here to play an oversight role and that role is not only for the Opposition Members. It is clearly stated in the Constitution that the role of each and every Member of the National Assembly is

oversight. This role is not a preserve of the Opposition Benches. Simply accept what Kenyans have decided that we---

**Hon. Deputy Speaker:** Hon. Member for Bomet Central, in the presidential system, we have the minority and the majority. So, we do not have the Opposition. Just call them the minority party.

**Hon. Tonui:** Thank you for that correction, Hon. Deputy Speaker. I was proposing that we have these committees to be able to scrutinize these estimates. This is because we will rubberstamp something here, and it is very sad for me to be part of the rubberstamping process which is just about to happen in this House. We are all saying that we are supporting this while we know that the details are not here. At the end of the day, we will not have something which is well balanced.

During Labour Day celebrations, somebody said that there is a lot of “leakage” when it comes to the revenue that is collected in this country but the Government did not even respond. So, we know that this Government will be able to raise more funds and concentrate on various sectors which have been highlighted in order to collect more money. I propose that they continue streamlining the collection of revenue so that we have adequate revenues to fund devolution or give the county governments.

I know that the sharing of resources between the counties is the preserve of the Senate. However, the Treasury has revised the budget proposals for each of these counties. For example, Bomet which had proposed a budget of Kshs4.6 billion has been allocated about Kshs2.9 billion which will be quite inadequate considering the need to work on various sectors in the county. I would like us to be given the details of the proposals which were made by these counties, the functions which they want to carry out and the amount of money they have been allocated.

Hon. Deputy Speaker, I beg to support this Bill with amendments.

**Hon. Nuh:** Hon. Deputy Speaker, I rise to support this Bill. However, I would like to make a few comments. As has been said by the Hon. Bishop Ababu Namwamba, the man who came to preach that the soul of the new Constitution of this country is devolution, without devolution the Constitution is deemed to have died or passed on. The amount of money that was initially allocated in this Bill was supposed to be Kshs231 billion but what we are seeing here now is Kshs198 billion with conditional allocation of Kshs43 billion. That money might not be enough to run our counties because that will be the primary vehicle we will use in future for purposes of development in this country. I would like to say that the Treasury needs to look at this. They have not specified how they intend to use even the Kshs43 billion which is conditional allocation. This is with the exception of the Kshs10 billion they have allocated to the referral hospital but it is not known how the remaining amount of over Kshs30 billion will be spent and the counties which will benefit from those funds.

Hon. Deputy Speaker, if you look at the estimates for the national Government which were tabled in this House recently, you will find that the Ministry of Devolution and Planning has been allocated Kshs84 billion. I do not see the business or work that, that Ministry has that can consume Kshs84 billion. That is a Ministry that has been created for the purpose of co-ordination and nothing more. The Ministry of Planning used to be active only during the census. Other years they were allocated a budget of between Kshs2 billion and Kshs3 billion, unless this Ministry is being converted to the former Ministry of Local Government that used to run local authorities. The monies that are meant for the counties will be put under that Ministry and the governors will go to that Ministry and beg for the money, the way the chairmen and mayors used



to do. This is because the Constitution says that the two governments are distinct. The National Treasury is supposed to put the money that is meant for the county governments directly into the county accounts. So, the allocation of Kshs84 billion to the Ministry of Devolution and Planning should have been transferred to the county governments to enable them run their counties.

Hon. Deputy Speaker, having said that, the Bill has not given us comparative estimates in the sense that it is only using historical figures. They have used the figures that the Government has been collecting in the last three years. They are supposed to give us comparative estimates and tell us how much the Government expects to collect in the next one year. This is because when you are discussing a Budget of over one trillion and you expect it to go up, the allocations must also go up. So, the guy who is doing the accounts should have given us the comparative estimates so that he increases the revenue to the county governments.

Thirdly, the law requires that they do mid-term estimates. They are supposed to give us an estimate for the next three years. That is in the Financial Management Bill, and yet they have not provided for this.

In essence, I am saying that the county governments' allocations are not enough to run those governments. The Members have to look at this matter collectively the way we looked at our salaries because it will be impossible for the county governments to do development even in their constituencies. You might be forced to look for money from the national Government if the county governments are allocated very little money. If you go to the national Government to look for money, it will give you a good answer that it has taken money to your county and, therefore, you should go and look for your Governor.

If you look at this Bill, you will find that commissions have been allocated Kshs9 billion. I do not think that more work is remaining for commissions in this country. Eighty per cent of the Constitution has been implemented and Mrs. Serem has already reviewed our salary and everybody's salary. I do not know what work is remaining for commissions to be allocated Kshs9 billion in the next financial year. I have talked to Hon. Mbadi and asked him to bring an amendment that will reduce the money allocated to the commissions to between Kshs2 billion and Kshs3 billion.

Hon. Deputy Speaker, proposals have been made in this House that these commissions should work on part time basis because they are equivalent to Board of Directors of companies. We do not sit in those companies every day to run them. The Board of Directors come, meet and give their views which are taken by the Managing Director who implements them. So, there are secretariats which run those commissions. Why should a commissioner be allocated a Government vehicle that is fueled by the Government, have bodyguards, drivers and all things that a state officer should enjoy? This is the case and yet they have denied these things to Members of Parliament.

This Bill ought to have gone to the relevant departmental committee. That matter has been overemphasized. That way, it would make a lot more sense. What we are now discussing here would have better been scrutinized by the relevant departmental committee. I am, therefore, requesting both sides of the House to agree and allow the committees to function. I also request my colleagues on the Jubilee side to allow the CORD side to chair and also have majority Members in the Public Accounts Committee and the Public Investments Committee. They should not subject those two committees to the main guiding principle of the tyranny of numbers, as they did in the past elections. We know they are more than us in Parliament, but this is a

different Parliament and so I am requesting them to accept the two committees to be chaired by Members from CORD.

I beg to support.

**Hon. Angwenyi:** Hon. Temporary Deputy Speaker, I rise to support this Bill. I wish to thank the Treasury for giving more than 15 per cent of the budget to the counties. I want to reiterate the fact that this is a national institution. National Assembly is a national institution. It is not a devolved institution. So, we must guard ourselves. We are not used to destroying national institutions including the national executive.

This Government was elected by Kenyans on the basis of their manifesto. The Government has the mandate to decide how to implement that manifesto which was accepted by Kenyans.

I wish Hon. Ababu Namwamba was here; I would have asked him kindly to go and lecture the CORD Members of Parliament in some Parliamentary Group (PG) meeting about the importance---

**Hon. Deputy Speaker:** You are lucky because he has just walked in. You can tell him the message you wanted him to hear.

*(Laughter)*

**Hon. Angwenyi:** He has just come in. Hon. Deputy Speaker, Hon. Ababu Namwamba is one of the Hon. Members that I really respect. I want to make an appeal to him that he convenes a CORD PG meeting and then lectures the CORD Members of Parliament on what he lectured us in, in the morning. You need to tell them the importance of having these committees so that Parliament can perform well. Tell them the importance of the committees when it comes to implementing the devolved government. The committees allow for scrutiny and even public participation.

**An Hon. Member:** On a point of order, Hon. Deputy Speaker. Is the Hon. Member in order to instruct that the CORD Members of Parliament be taken through a special induction? Does this in any way mean that the Members seated on this side have not gone through that induction programme? Hon. Angwenyi should know that the Hon. Members seated on this side are firm Kenyans who represent the will of very many Kenyans and who intend to take a strong position in order to have a proper oversight on the majority side.

**Hon. Deputy Speaker:** Alright. The point has been made.

**Hon. Angwenyi:** Hon. Deputy Speaker, I wish Ababu Namwamba was the Leader of the Minority Party on that side. I am sure we would have a committee set already on the budget. However he is not the one. Therefore, I am just appealing as a Kenyan that this country must be run as a unitary state. We never created states in this country. There is nowhere in our Constitution the word "states" features. We only upgraded our county councils to give services to our people at close range. That does not mean that the national Government cannot give services to our people. Actually the bulk of our services, that is, 34 functions---

**An Hon. Member:** Hon. Deputy Speaker, is it in order for the Hon. Member to equate the Governor system to an upgraded local authority?

**Hon. Deputy Speaker:** I think you are treading on very dangerous grounds, Hon. Member. I do not know whether or not county governments can be equated to an upgraded local authority.

**Hon. Angwenyi:** Hon. Deputy Speaker, I used that expression because some of the Hon. Members here seem to think that we do not have a national executive. They do not know the functions of the Treasury. We have established the Ministry of Treasury. What are its functions? Do you want the Commission on Revenue Allocation (CRA) to take over the functions of the Treasury? Will that be correct? Do you want to take over the functions and roles of the presidency? Those are clearly stated in the Constitution, including the fact that you can give a minimum of 15 per cent of the national budget to our devolved governments. This Treasury has allocated 21 per cent. We should thank them and encourage them to give more next time they collect more money.

**Hon. Deputy Speaker:** Hon. Angwenyi, I do not know if you believe in the spirit of devolution.

*(Laughter)*

I think your sentiments---

**An Hon. Member:** Hon. Deputy Speaker, is Hon. Angwenyi in order to insinuate that the Treasury is doing the county governments a favour by allocating them 21 per cent of the national revenue when he knows that the Jubilee Government had promised 40 per cent which they have not done? We are now discussing Jubilee revenue here!

**Hon. Angwenyi:** Hon. Deputy Speaker, I need to express myself, I do not have to express their views. These are my views. This is my opinion. It is representation of my people. I hate the day I will be asked to go and kneel before a Governor to get a project done in my constituency.

**Hon. Deputy Speaker:** Hon. Angwenyi, you are getting us into dangerous waters. The discussion here is about the division of revenue between the national Government and the county government. There are no favours being done by the Treasury.

**An Hon. Member:** He is drunk with power, this guy!

**Hon. Deputy Speaker:** The question is that you discuss this Bill. Stick to the topic; how you feel this Bill has divided the revenue between the two governments and not county councils.

**Hon. Angwenyi:** Hon. Deputy Speaker, with due respect, I said that I am expressing my opinion. You must protect me, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** You are being protected, but you are also getting yourself into a situation which may not be the thinking of the whole House and the Jubilee Government in particular.

**An Hon. Member:** On a point of order, Hon. Deputy Speaker. I would like to know whether the Hon. Member is in order. I believe that Hon. Angwenyi who has been in this Parliament, despite the fact that he has been in the cold for five years, may not realise that we are in a new constitutional dispensation. I would like to know whether Hon. Angwenyi is the advocate of the devil in this Parliament in terms of allocation of revenues that we are talking about such that he is defending the Government.

**Hon. Deputy Speaker:** Hon. Angwenyi, finish your contribution and please stick to the discussions.

**Hon. Angwenyi:** Hon. Deputy Speaker, if I am to borrow from others what I should say in this House, then I do not want to continue speaking.

**Hon. (Ms.) Emanikor:** Hon. Deputy Speaker, the spirit in this House definitely is that of taking more resources to the counties and I am looking specifically at the Equalization Fund. While I respect and appreciate the parameters and the formula used to allocate resources to counties, I still think Kshs3.5 billion for the Equalization Fund is little looking at the districts that will receive it and the disparities in development between those counties and the rest of Kenya. The Equalization Fund needs to be increased.

Looking at the emergencies, the magnitude and the frequency of emergencies in Kenya, it is alarming and allocating only Kshs5 billion is little. We had money allocated for elections; Kshs17 billion, do we anticipate by-elections or what? That is too much! Some of that money should go to emergencies. Some of that money should also go to the counties. I want to appreciate what Hon. Ababu said in quoting the principles of revenue division. Looking at the fiscal capacity, the human resource capacity and the efficiency of counties before the allocation of these funds, the Treasury must ensure that the counties and the human resource in those counties will be able to effectively utilize the resources. On emergencies, currently the country is experiencing floods. We have just come from droughts and there are landslides. So let us consider emergencies as something important.

**Hon. (Ms.) Mitaru:** Hon. Deputy Speaker, I stand here to support the Motion. I come from a constituency that is different from another, that is Embu. We have an area of dry land and other parts are in highlands. I know that this budget is going to be very useful to our county and the whole country. I want to say that it is not enough looking at the counties that we come from. I wish we would have increased this budget so that our people can benefit. Right now, we have the problem of food security, floods and insecurity in our country. These need more money for emergency to reach our people. I know that we are going to pass this budget without going through a committee. I know very well that it will not be a very good thing for this august House, with such Hon. Members, not to agree on very small things. I know campaigns were very difficult. This is a small issue and I think Hon. Members of this august House should plead as I plead with our people, Members from the Minority Party and the Majority Party to sit together, especially our two leaders, so that we have the committees constituted.

Everybody is worried. I have received very many calls from rural areas asking what is happening to the august House. We have very good people here, why can we not agree so that our counties benefit? This will also benefit our people. Some of us represent thousands of people who are waiting for us. We should agree for the benefit of our people. I stand here to support this Motion and plead that we add money to our counties. We know that the money allocated is very little, yet the demands are very high and the resources are not enough.

**The Member for Mvita** (Hon. Nassir): Hon. Deputy Speaker, I need to first and foremost remind myself and other Hon. Members in the House here that if at all there is a time when public opinion for this House has been at one of its lowest levels, it is at this particular moment. The laws of economics have it that today we are seated here trying to debate, go through and pass a piece of legislation that shall be the one that shall lead the lives of millions of Kenyans and we have done this without this document being properly scrutinized by committees. This is, indeed, a shame and we need to realise that respect and honour is not a title but we need to act as Hon. Members for us to deserve to be taken as honourable. Today - I am afraid the Hon. Member who said that we need to change our Leader of Minority Party is not here - we might as well have the same opinion that the majority party needs to change their leader as well. We do not need at this very moment lessons as to how individual parties and coalitions need to govern

themselves. We need to lay it out in the open and unfortunately Members of this House have to go out to the media. They have created all kinds of animosities despite the fact that we have just come from a very vigorous election. As my Hon. Colleagues have the tyranny of numbers in this House, we at the CORD are of the belief that we have the numbers of the Kenyans on our side.

*(Applause)*

Hon. Deputy Speaker, it is really unfortunate that 349 Hon. Members are seated here today and they are going to put millions of Kenyans' lives at stake by virtue of holding hard principles and stands. I wish to pass a message to our Members from the majority party; two wrongs have never been able to make a right. Just because Standing Orders that have been quoted---

**Hon. Njagagua:** On a point of order, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** There is a point of order.

**Hon. Njagagua:** Deputy Speaker, I want to know---

**Hon. Deputy Speaker:** Just have a seat while you are raising your point of order.

**Hon. Njagagua:** I want to know if the Hon. Member is making his maiden speech or if he is making a political statement because the Motion before us is on devolution and, clearly, it is about division of revenue on devolution.

**Hon. Deputy Speaker:** But why are you asking him if it is his maiden speech?

**Hon. Njagagua:** Because I believe that he was trying to make a political statement on this.

**Hon. Members:** Ah! No!

**Hon. Deputy Speaker:** That is not a point of order. Just continue Hon. Nassir.

**The Member for Mvita (Hon. Nassir):** Thank you very much. For the record, yes, it is my maiden speech and, maybe, for the record as well, next time, if you wish to cut someone's speech on a point of order, it will be nice to introduce yourself as well.

Hon. Deputy Speaker, I would like to relay this message to the Majority Party in Parliament; the natural laws of economics state that you cannot be the one to account for yourself. We are dealing with public funds and it is only responsible for the majority to accept that the minority has a job to do in Parliament. It is our job to ensure that we scrutinize and go through the figures that have been presented by the Government for the sake of Kenyans. I wish to say this again: Today, if we had a select committee in place, we would have been able to know how the Ministry of Devolution will account for Kshs84 billion. This Parliament has been given Kshs16 billion and we have not been able to get an answer as to why that is the case. We are now having commissions being given an excess of Kshs8.7 billion. The difference between last year's budgets for the commissions is close to Kshs2.6 billion. The difference between last year's budget for Parliament is about Kshs1.5 billion. I seriously doubt whether any Hon. Members in this House today will be able to give an answer to that and yet, we have to pass this document by tomorrow. That is how serious we are in the Opposition. Again, I urge Hon. Members because truly, we cannot know where we are going until we know where we are. Where we are right now in the eyes of the public as Parliamentarians is totally at the gutter!

Thank you very much, Hon. Deputy Speaker.

**Hon. Bichage:** Thank you, Hon. Deputy Speaker for recognizing me. I have been suffering for three weeks. I stand to support this Bill with amendments. Probably, this is the most

important job for a Member of Parliament in the Eleventh Parliament - revenue allocation. As other Hon. Members have said, some of us came to this House on the basis of devolution; fighting and defending the spirit of devolution.

Hon. Deputy Speaker, when you look at this document, we have risks. Besides, all of us have domestic problems about the formation of committees and trying to find out whether committees are in place or not. It takes two to tango. I do not think it would be fair now to start engaging in blame game when we have a job before us of defending, protecting and planning on how Kenyans will get service at the grassroots.

Hon. Deputy Speaker, when you look at this document, the urgency of Parliament to scrutinize it, which can only happen at the committee, cannot be over-emphasized. When you look at this document, I have a feeling that it is a “cut and paste”. I say that because when you talk about the money going to the counties, conditional release has been put there of Kshs43 billion. I propose that because of the problem of start-up - that is because county governments are starting up in Kenya - we increase the allocation by first saying: “Both Kshs154 billion and Kshs43 billion move together in one batch.” As you are aware, all counties are struggling to stand up. That is one proposal in the amendment I am going to propose. That, instead of talking of “conditional allocation” we say: “Because of the urgency of getting the counties to stand up, we amalgamate this and say Kshs154 billion plus Kshs43 billion be a direct allocation.”

Two, when you go to the allocation in relation to Article 203, I also find it very interesting that despite the feeling that most commissions have done their job, the allocation for the recurrent estimates is going up by about 50 per cent. Parliament, which in my understanding is the National Assembly and the Senate with membership that has gone up from 210 to over 400 Members, has increased responsibilities and expectation from Kenyans. The allocation goes up by a mere Kshs1.5 billion. Unless there is a conspiracy to kill Parliament, in which case you kill the oversight body which will, despite the feelings of the “constituency of face book” and the civil society, be the only body that Kenyans will look up to, to point out the problems that arise from the “servants” --- By “servants” I mean the three arms of Government; the Executive, Judiciary and the Legislature.

Hon. Deputy Speaker, the other issue that I want to put on the table is with regard to Teachers Service Commission (TSC). We all know - at least, from my constituency and my county - that the teacher-student ratio is extremely poor in the rural areas. The poor performance is as a result of not having enough teaching staff to baby-sit our children to be great citizens. I propose that we examine and re-evaluate the allocation to the Ministry of Education so that it can hire more teachers. That is because in the rural areas, there is a big problem.

Hon. Deputy Speaker, we have problems in our hospitals. Those problems have been mentioned and highlighted before. They entail empowering the health sector in the counties. We would like to see our people who are dying of lifestyle diseases being assisted. The problem of cancer has not been given consideration in terms of revenue allocation. Cancer, diabetes, hypertension and HIV/AIDS pose a serious problem in Kenya. Cancer is a serious problem but when you look at what has been allocated for the counties, it is a drop in the lake. I am proposing that we urgently increase it because, unless you have a healthy population, you cannot have economic development. I am proposing that we increase the allocation to the health sector to the counties. The overriding factor is that you can only get meaningful development at the counties. So, devolution is not an option. It is a must. My fear here is that when we say that we are going to have competing interests between the national Government and the county governments, I find

it worrying because my understanding is that the Treasury, in the spirit of devolution because Kenyans spoke, must make sure that the county governments are empowered to offer services closer to the people.

Hon. Deputy Speaker, I know that there was a ceiling in the transitional arrangements that the Constituencies Development Fund (CDF) which, despite all the accusations, has been evaluated at over 70 per cent success. It has been proven that devolution is the only way to go. So, my feeling, despite my brother Hon. Angwenyi saying that it was a privilege and he was congratulating Treasury, is that in accordance with the Jubilee Manifesto, I would like the 40 per cent to be attained sooner than later. I am looking at a dream where we will be talking about 50 to 60 per cent being devolved funds and 40 per cent remaining at the national Government.

So, Hon. Deputy Speaker, my submission, as I continue to support this Motion, is to create the Budget Committee, so that these issues and amendments are incorporated before we come back to pass the Bill. That is because if we pass it the way it is, then we will have condemned Kenyans to a whole year of non-performance, no development and then you will encourage corruption; you will have a scenario where you are leaving decisions to be made by people who are not close to the owners of that money. The owners of that money are our mothers, fathers and sisters at the grassroots. Let us do ourselves justice, as Parliament, and let us remind ourselves that, despite all that we are hearing in the media and from the civil society, this House is the only hope that Kenyans have to make sure that the right things are done so that we can move this country forward.

I support the Motion.

**Hon. Deputy Speaker:** Yes the Hon. Member for Galole.

**Hon. Dukicha:** Thank you Hon. Deputy Speaker. My names are Hon. Hassan Dukicha, Member of Parliament for Galole, Tana River County. I rise to support this Bill, but I have these few remarks to make. The Jubilee Government promised in their manifesto that 40 per cent of the national income will be put in the devolved government, and now the question is: If the county government or the governor is going to pay salaries for their staff with this little money, how come places that have been marginalized since Independence - like Galole - do not have even one institution or college? We do not have tarmacked roads. We have never seen electricity. There is no infrastructure at all. I think the allocation of revenue is just too little. In my place, and this seems very funny Hon. Members, we travel on donkeys. That is our mode of transport. For 100 kilometers from Hola to Waldena, we move by donkeys, especially during this rainy season. This allocation here is not enough at all.

Hon. Deputy Speaker, with regard to committees, let us put our differences aside. The interests of the people of Kenya are much more important than us. Hon. Members, Kenyan people have given us the mandate and they are watching us. Let us be responsible, regardless of our political affiliation. Let us have sober minds and sit together as brothers and leaders and sort out our problems in this House.

Thank you Hon. Deputy Speaker. I beg to support.

**Hon. Deputy Speaker:** Hon. Grace Kipchoim.

**Hon. (Ms.) Kipchoim:** Thank you, Hon. Deputy Speaker. My names are Grace Kipchoim, Member of Parliament for Baringo South.

I rise to support the Bill and cite some few areas with discrepancies. When you look at the Bill, you can see the allocation to the National Intelligence Service (NIS). But a few days ago, we have been seeing throughout the country problems of insecurity. When you look at the

Bill, the budget for the Ministry in charge of internal security and defence has been slashed to Kshs8 billion. That Ministry is supposed to be given more money so that we can have good security in the country.

With regard to Parliament, in the last financial year, it was given Kshs15 billion. Now, it has been allocated Kshs16 billion. When you look at the increase of Hon. Members in Parliament - on both sides of the House - we have an increase of 149 Hon. Members. The same applies to the Senate. From the budget, we currently have only an increase of Kshs1.5 billion. We expected this budget to go upwards.

Hon. Deputy Speaker, looking at the Police Service, the money allocated to them is very little compared to the rampant insecurity in the country. We were expecting the budget to the police and the other ministries related to security to go up. That is because we want to live in a country where we offer better security to our people. So, I am urging this House that we form our committees, so that we can scrutinise this budget properly. We need Members who will be sitting in those committees to give us proper budgetary estimates.

On the issue of emergencies, we live in places where they occur. Landslides are there, as mentioned before. There is the issue of floods and other problems. The amount of money that has been allocated to cater for emergencies is too little. This allocation should, therefore, be increase to effectively deal with emergency cases.

Hon. Deputy Speaker, on the Equalization Fund, I would like to say that Baringo is located in a semi-arid area. Areas from Rongai in Nakuru County to Turkana are dry and bare. We want help now that we are experiencing floods and part of the Equalization Fund should be sent to that county.

Thank you, Hon. Deputy Speaker.

**Hon. Njenga:** Thank you, Hon. Deputy Speaker. My name is Hon. Francis Kigo Njenga, the Member for Gatundu North. I want to support this Bill with reasons. First, revenue allocation requires clarity, and clarity has to be sought. When I went through this Bill, I found that the national Government takes about Kshs720 billion. Reconciling that is the Fourth Schedule which is attached to the Constitution of the Republic of Kenya, I find clarity of purpose. I have heard Hon. Members talk about roads being constructed and I can see the trunk roads that go to the Central Government. I can also see the county roads that go to the counties. In a country with scarce resources, getting Kshs198 billion and leaving Kshs720 billion to the national Government, there is clarity of purpose. The Revenue Allocation Bill in this House is in good spirit.

However, an Hon. Member has spoken about increasing the rate even to 40 per cent. This promise was made by Jubilee. However, I think that even the Jubilee Manifesto is equally progressive as we shall be progressive in the future Bills. We cannot just wake up one day and increase the rate from the minimum threshold of 15 per cent to 40 per cent of what we are supposed to allocate to the counties. That will make the country not take care of its national interest.

I have looked at the basis under which this was allocated. I have been in the accounting profession for over two decades. I know that for a good allocation, you have to harmonise the formula. In Mathematics, the basis that is used in your fractions has been harmonised well. For example, this Bill removes things like contractual obligation. I have looked at the public debts which have been removed to arrive at the revenue that we are supposed to allocate the county governments. I mean the Kshs44 billion which has been removed to arrive at the revenue that we



will apportion the percentages. That is Kshs16.5 billion for the donor support and the capital cost of Kshs10 billion for referral hospitals and other services.

Hon. Deputy Speaker, I believe that, that Bill is done in light of modern ways of apportioning and appropriating revenue to the demanding institutions in terms of scarcity. As to the support services, whereas the line services of the counties as indicated on the Fourth Schedule is well clarified, this Bill has also taken into account the other services that should support the main services that the counties shall be giving. This includes prudent financial management and the amounts of money that will go to the councils. That is also a plus.

On emergency funds, I know that we are now subject to harsh weather conditions. I think an Hon. Member has talked about Baringo County, Garsen Constituency and Muranga County which are experiencing disasters. We know very well that this Bill has set aside Kshs5 billion to counter the risks that we will probably meet in future. We hope that we do not get them but Kshs5 billion has been set aside to meet the harsh weather conditions and other emergencies that may arise. This is also a plus.

Hon. Deputy Speaker, I looked at this Bill and found out that it protects what we call inconsistency. Consistency has been addressed. This means that we have set aside this amount of money today and tomorrow we are meeting probably to amend this Bill in order to meet the unforeseen circumstances. I am happy that this Bill also looks at the inconsistencies and promises continuity of the said Bill.

On the Kshs3 billion Equalization Fund, I recall that this was apportioned recently and we saw what every county will get. That is actually implementing the Constitution. Therefore, the spirit of the Bill supports devolution. If it was not, this would not have given eminence in this particular Bill. It has reconciled - and reconciliation is very important. Interactive measures have been put in place and ambiguity has been removed. I think they have reconciled with CRA and what was passed by Parliament and came up with something that we could understand. That is from what they got - what they were to get last year and what they are getting this year. You can get clear reconciliation. However, there is one thing that I really feel that we should now check as Parliament. Public funds are being lost out there. As much as we make good laws, the Kenya National Audit Office (KNAO) needs to come out, even if it is in future Bill, on time and tell us what happened to money collected from the taxpayers. However, these are things I know may come in future amendments. We are required to remove ambiguity in this Bill. If you go to the first pages of this Bill, you will see repetition of the word "*pro rata*" You *pro rata* what? Give us the actual meaning of "proration" and "impossible". The minimum threshold proration is in case we do not meet the national revenue base because this ambiguity creates loophole for problems.

I want to refer to our brothers here who have talked about oversight. Having been in the audit sector all these years, I would like to inform this House is that we have an obligation. Some of us are members of institutions that have been supportive of this Parliament, for example, the Institute of Certified Public Accountants of Kenya, the Surveyor of Kenya and the Law Society of Kenya. We have an obligation to protect what is due to our people. We also have an obligation, as Ababu Namwamba has said, to God. I would like to tell my brothers on the other sides of this House, the Minority, that you do not have to be so many to provide adequate oversight role. In any case, we are partners, as a House, to provide oversight roles. That is a crucial role which we must also provide. We would be doing Kenyans a service if proposals, especially of technical nature, were given to a Committee. However, we are doing Kenyans a disservice when we do this in this Plenary.

However, I support this Bill.

**Hon. Kasuti:** Thank you, Hon. Deputy Speaker. My names are Suleiman Murunga, the Member for Kimilili. I rise to interrogate and support some of the proposals in this Bill. I would like to say that some of the Estimates that have been prepared are way below what Kenyans expected. This is especially with the allocations made to the Teachers Service Commission and health services. We have not provided enough money to these areas and Kenyans look forward to Parliament to make sure that whatever is being allocated is sufficient enough to support the services that we intend to provide.

The Jubilee Government, in its Manifesto, guaranteed health services to all Kenyans and yet the amount of money that has been provided for in the Estimates is way below the services that should be offered.

Therefore, like the previous speaker has said, we needed to allow this Bill to be interrogated by the Committee before it is brought to the plenary for us to discuss it. At the moment, if we pass this Bill as it is, we are bound to make serious mistakes and Kenyans will not forgive us for that. So, Hon. Deputy Speaker, I would like to urge my colleagues to agree that we form the necessary Committees of the House so that matters that are supposed to be brought before the various Committees are interrogated at that juncture before they come to the plenary.

Hon. Deputy Speaker, I support the Motion.

**Hon. Ochieng:** Thank you, Hon. Deputy Speaker. I rise to support this very important Bill. To me, this is the most important Bill in this House this year. It is because this Bill will determine whether our county governments will start and run or they will become “kaput”. This Bill will basically lay the foundation for the much sought after devolution. That is why we must ensure that it sets a good basis for devolution. I am appalled by the fact that we have a Bill before us that purports to divide revenue between the national Government and the county governments and yet, it leaves out very important details.

At Page 12 of the Schedule in the Bill which shows comparison of recommendations between the Commission on Revenue Allocation (CRA) and the National Treasury, you will realise that there are no figures we can use from the relevant Commission. The figures or recommendations by CRA are missing. We are being told that they are not available. It is CRA that is supposed to give us those figures. How are we supposed to compare? In law, when you give exceptions, it is not supposed to be the norm. The Treasury has decided to use the better part of this Bill to give reasons why it is running away from what the CRA has proposed. We need to get the figures as proposed by CRA.

The Bill goes further to say that with regard to county vertical allocation for 2013/2014, CRA started with a base of Kshs203 billion. We are not being told what figures, measures and proposals there are from CRA. We must respect our institutions by allowing them to carry out their roles. When they do that, then it has to be judicious and legal. We cannot allow Treasury to bring a Bill before us that flies in the face of the Constitution. We do not have figures from CRA!

Devolution does not merely mean transferring the functions of employing Government officers from the national level to the county governments. Much of the money reflected here is for recurrent expenditure. It will be used for employment of staff at the county government. We do not see money that will help the county governments carry out their revenue mandate.

Hon. Deputy Speaker, if you look at the Fourth Schedule of the Constitution, it is very clear. The mandate of the county government is very large; it is huge! However, they cannot do

that if you give them peanuts. You are only giving them money to use for salaries and allowances and yet, you are not giving them money to build roads and hospitals and to run their systems. So, if we want the structures to run--- CRA went round this country to collect views of Kenyans and so, they must come up with a formula on how they think if money is allocated to the county, how the government structure will work.

We need to look at Article 203 of the Constitution. You need to look at national interest and compare that with what we have been given by the Treasury. In my view, national interest, under this Bill should not be the allocations given to the various national government structures. It should be what is allocated to the county government structures and the national Government and how that sounds nationally. Does it spur national interest? If you look at what is being said here you will realise that it is the budget for the national Government. National interest is how you have gone about in preparing this Division of Revenue Bill and in looking at the national interest in totality.

The same Article requires us to look at the physical capacity and efficiency of the county governments. That does not mean that you tell us that it should be noted that local taxes and revenues assigned to the counties under Article 209 will help the county governments get money. The Treasury must tell us how it took into account the fact that some government structures may not be physically viable. Some of them may not have the capacity to even absorb the money. How has the national Government taken that into account? How has it treated the various counties? How does it intend to improve the physical capacity and efficiency of those county governments?

We have had this question with us for the last three years and we cannot just be told that when the counties start running is when you will then evaluate their physical capacity. No! You should have data by now. You should know, for example, that in Siaya county, where I come from, it has this and that capacity.

We cannot be treated to generalities. This Bill is so important that I think if we give a cursory look and pass it, we will be setting a bad precedent for devolution in this country. Even in terms of economic optimization, we need to have details on how this needs to be done.

Look at the structure of the Bill. In fact, look at Clause 2 of the Bill. This Bill is supposed to communicate to the public what we intend to do; that is, how the revenue is divided. However, if you use statutory terms and only define three of them to the public, are you helping the public to engage? If you go to the Constitution, of course, you will find the definition of the Cabinet Secretary, the State Organ and so on. We should have definitions of the terms that are used in this Bill. I am talking about terms that they have used like "PFL", "Holding counties harmless", and so on.

Let us have the public in a position to engage. Let us not cloth our Bills in legal jargon so as to prevent the public from participating. I have heard a lot of words being said about the need for organization and the minority in this House being able to appreciate that we have to move on. We have moved on! However, rules are a hand maiden of justice. They are not meant to block the dispensation of justice. We cannot have rules in this House---

**An Hon. Member:** On a point of order, Hon. Deputy Speaker. Is the Member in order to purport that the rules that we have are not serving this House and that is why we do not have the relevant Departmental Committee to deliberate on the Division of Revenue Bill? At the same time, we have not seen any attempt in form of an amendment to the Standing Orders from the minority side to justify their position.

**Hon. Deputy Speaker:** Are you in order? Are you saying that the rules are not there, or is it that we are not following the rules?

**Hon. Ochieng:** Hon. Deputy Speaker, if I may go slowly, I only said that rules are handmaidens of justice, but where they interfere with the carriage of justice, then we must allow ourselves to negotiate and discuss the rules so that they work for us. That is all I meant. I think that is even how we interpret laws in courts so that where rules are made absurd, the persons looking at them must bend them so that they fit the circumstances.

I did not talk about Committees, but now I will talk about them. The fact is that we need to have these Committees in place. This matter cannot be gainsaid. This Constitution establishes both minority and majority. Some of us are still held up in the hangovers of the past. Let us work for Kenyans in a manner that will enable us achieve the purpose of this Constitution. You are not going to tell us that you are going to use the tyranny of numbers to pass things you want. No! Let us be Members of Parliament and not Members of Jubilee. Let us all act as such. CORD, where I belong, has accepted that its Members will not join Committees not just for the sake of it, but for the sake of making them work for this country.

I thank you, Hon. Deputy Speaker and also beg to support.

**Hon. Deputy Speaker:** The Hon. Member for Dagoretti!

**Hon. Kariuki:** Hon. Deputy Speaker, I would like to first of all encourage my brother to draft some amendments to the Standing Orders instead of making all those pleas, so that they can be debated on the Floor of the House. I would like to support this Motion and I will start by saying that we, as the Jubilee Coalition, have promised to create employment for our youth. To achieve that means that we must invest in infrastructure. We have said that we want to turn this region, our country to be a logistics hub. We cannot achieve that if, in the investment of revenue that we have - we are under-investing in infrastructure - for example, our port, road network and railway. We also have to have serious elaborate investments in energy. You are also aware that we are trying to turn Nairobi into a hub. I do not think all that can be achieved by under-investing in some of the functions that have been left for the Central Government. In support of this Motion, I am suggesting that we should seriously think of how we can invest in the next ten years. For us to achieve Vision 2030, we have to seriously think of how to make energy affordable. We can sit here trying to make political statements. Maybe, you want to be seen by your constituents that you are talking about allocation of revenue. But what we need to know is to make sure that this country will grow by 10 per cent; consistently for ten years.

We cannot achieve this if we do not have priority projects as a Government so that, in another ten years, we are not talking about the size of this cake. We are dwelling so much on how to divide the cake and not how to enlarge it. I would urge Hon. Members to try and ensure that we formulate fast Bills that are going to make sure that our youth - like in Dagoreti South - get full employment. In this Division of Revenue Bill, we are talking about Kshs145 billion and a total of Kshs198 billion. I would like to remind most Hon. Members here that some of our annual revenue, our GDP, is even smaller than the private companies in the USA. The issue is how we can expand this economy, ensure that we are not talking about Kshs198 billion or Kshs145 billion, but about over Kshs20 trillion. That is the way we will achieve all those things that we want to do as a country.

As the previous Hon. Member has said, it is about time that we do not just oppose things for the sake of it. Let us rise above those political party hard-line positions and we do what is right for the country. I was just wondering that we are talking about Kshs148 billion to the

county governments. I am not sure how much absorption capacity we have in those counties. Nobody has addressed that issue. Nobody has addressed how much capacity building has been employed in those counties. We are just talking about sending money and we are not even talking about how much oversight capacity has been deployed in these counties. If you know the Government procedures, you know how long it takes even to procure. It takes between three to six months. We have been having an issue with absorption of budgetary allocations in this country. We are talking about amounts when we should be talking about how those counties will absorb the allocation that they already have.

I would like to dwell more on the growth of this economy and that will ensure that we will not be in trouble with Kenyans about how much we are paid because we will have expanded this economy. We are the youth in this country and we do not want to waste our time discussing populist positions along party lines at the expense of this country. I would urge Hon. Members and especially my colleagues, the Minority Party, to just not oppose this Bill; to recognize that the Central Government has other responsibilities that are national like building infrastructure, roads and the Lamu-Juba Corridor. That is the only way we are going to achieve the growth that we desire and achieve Vision 2030 that we want to achieve.

Thank you!

**Hon. Bunyasi:** Thank you Hon. Deputy Speaker. My name is John Sakwa Bunyasi, Member of Parliament for Nambale. I rise to support and interrogate this proposed Bill.

In the Presidential Speech, it was quite clear that the attainment of double-digit growth was one of the core goals and we know that there is planning of growth in the Budget. That will enable things to happen. So, it is very important that, as we look at this Bill, we should also say that it should be the kind of budget that will provide the services that can contribute significantly to double-digit growth. I am not quite sure about that because I do not have enough information. What I would like to say here is that let us not make the assumption that what goes to the counties is a waste and that what remains at the central Government is useful. Waste occurs at both levels. But, also, as the resources go to the counties, they are better distributed across the country.

One of the problems with the double-digit growth is that it does not tell us about distribution. This country has gone through phases of development where growth has been geographically concentrated because of deliberate Government policies. So, anything that goes towards re-distributing it more broadly using the resources is helpful. We shall allow the counties in that process as much leverage as possible to determine locally where the priorities actually lay and minimize what comes from Nairobi as pre-determined expenditure. I feel it is critically important that we interrogate seriously these proposed allocations, even in the absence of the underlying assumptions that they are not yet available to us. But it is quite clear, when you see the direction of change, that, that probably is what is intended to provide support.

Hon. Deputy Speaker, I would like to re-iterate the earlier comment that has been made that, for instance, the growth of Parliamentary expenditure allocation is only 9.2 per cent. Whereas Parliament, even in terms of physical numbers--- If we just get the change in numbers of Parliamentarians--- It only has the quantum of expenditure that is implicit in that change. It has grown by a factor of nearly 40 per cent and the allocation has increased by only 9 per cent. That is not going in the right direction.

Secondly, I think the growth in the Judiciary expenditure to me is inadequate because people are not getting justice. I assume there is a capacity issue in the Judiciary side. I hope that,

that can be looked into and that the Judiciary would agree to move towards more accountability in the discharge of its functions. That way, cases will not stay in court for so long. Whatever it takes, I think they should look into it.

Hon. Deputy Speaker, the expenditure proposals for Teachers Service Commission (TSC) are – and I do not have the details - but my only plea here is: We should pay teachers all the previously agreed commitments to avoid strikes at the beginning of every term. I support the proposed growth here. We cannot over-estimate the importance of supporting education.

I see a significant growth in police services and I hope that, that will actually translate into improved services. That is quite obvious here because I do not know what objectives are being funded in this particular proposal.

I really think that the expenditure on commissions should not just look at the growth. I think it should look at the initial figures and whether they were not overstated. Commissions that have automatically nine members or so may be costing the taxpayer more than it is needed. There is no reason why we should have more than three commissioners. Let those people be experts. Maybe, we can hire them when we need them. There is no reason to have such overheads and so on. So, I interrogate not just the growth, but also the base figure of Kshs5.9 billion. I find the allocation there is probably excessive and barely justifiable. That has no relationship to what the Salaries and Remuneration Commission may have done. It is not consistent with the budget that that aims to have double-digit growth.

Hon. Deputy Speaker, on emergencies and disasters, so many emergencies are occurring and yet, there is not even a provision for inflation change year to year. What that tells me, as a public finance person, is that the initial allocation was higher than was needed. Maybe, funds are just being packed there. But I would have thought that since the country has gone through such disasters, this has grown, at least, with inflation.

Hon. Deputy Speaker, overall, I support this Bill but I look forward to getting a little more time, so that we can interrogate the individual numbers more and more. Thank you very much.

**Hon. Deputy Speaker:** Yes, Hon. Sakuda.

**Hon. ole Sakuda:** Thank you, Hon. Deputy Speaker. I rise to support this Bill. As has been said earlier, efforts have been made to have money go to the grassroots – the level of *wananchi*, as is the case with the Constituencies Development Fund (CDF); we want to see our people served well. That is why I have risen to support this Bill. However, I think issues have been raised about the allocation. When you compare it with the national allocation of about 78 per cent, and then you have the 21 to 22 per cent going to the counties, it begs the question: Do we have the capacity at this level to even suggest an increase towards the county allocation? My hope will be that through the relevant Government Ministries, the local *mwananchi* will be able to participate fully and enjoy some of the development benefits that we have.

For instance, I come from Kajiado County which, unfortunately, was left out of the Equalisation Fund. We see that as an oversight because when you look at the development in Kajiado County and compare it to other counties, it should have been in the category where the roads and the schools in rural areas need urgent upgrading. It is actually a shame that we have been told to wait for another three years before a review can be done. So, if we have an opportunity in this House to really recommend that counties get extra funds, we know that *wananchi* will be able to get the basic services they want; they should be able to access them.

Hon. Deputy Speaker, as has been said earlier in this House, during the passage of the Constitution, the whole issue of devolved governments was targeted at making sure that the common *wananchi* actually gets basic services. The devolution spirit of the Constitution was that in respect of all development programmes and projects that *wananchi* do not get, they would be able to get them through the county governments. Therefore, it is my prayer that going forward, this Hon. House will look at supporting the devolution spirit that is envisaged in the Constitution, so that the common *wananchi* can get the services at the grassroots level.

With those few remarks, I support the Bill.

**Hon. Lati:** Hon. Deputy Speaker, thank you very much. I was only trying my luck because I have been standing for so many times and nobody has seen me. It has taken me a lot of energy but thank you very much.

I want to contribute to this Bill and I am actually in support of it. However, before I go to this Bill, I want to say something about this House that I have observed over the last few days. Hon. Members on the other side of the House have really treated us like if we are Jubilee zombies, and whatever Jubilee wants us to do, we will do exactly that. I want to state here that some of us are very independent-minded people. We came here to represent our people and not to represent parties.

### ADJOURNMENT

**Hon. Deputy Speaker:** Order, Hon. Member. You will have a balance of nine minutes when this House resumes this debate.

It is now time to adjourn the business of the House. The House stands adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.