

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 18th March, 2014

The House met at 2.30 p.m.

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

PRAYERS

COMMUNICATION FROM THE CHAIR

DELEGATION FROM THE NATIONAL ASSEMBLY OF UGANDA
AT THE SPEAKER'S ROW

Hon. Speaker: Hon. Members, I wish to introduce to you a delegation of the Defence and Internal Affairs Committee, of the National Assembly of Uganda. The Delegation, which is seated at the Speaker's Row, is as follows:-

1. Hon. Benny Bugembe Namugwanya, MP - Leader of Delegation
2. Hon. Peter Emmanuel Eriaku, MP
3. Hon. Frederick Nkayi Mbagadhi, MP
4. Hon. Margaret Makhoha, MP
5. Hon. Rose Lilly Akello, MP
6. Hon. Kezekiah Mbogo, MP
7. Hon. Kivumbi Muwanga, MP
8. Hon. Simon Mulongo, MP
9. Hon. Sarah Nakawunde, MP

The delegation is accompanied by Mr. James Angura, Legal Counsel and Mr. Leonard Okema, Committee Clerk.

(Applause)

The team is in the country to share and draw lessons on best practices in the fight against drug abuse. They will visit various Government institutions involved in the said subject as well as meeting their respective counterparts in the Defence and Foreign Relations Committee. They will be with us until Friday, 21st March, 2014.

Hon. Members, on behalf of this House and on my own behalf, I welcome the delegation to Kenya. May I request that we all accord them the necessary support, they may require while with us.

Thank you.

(Applause)

PAPERS LAID

Hon. Speaker: Yes, Leader of Majority Party.

Hon. A.B. Duale: Hon. Speaker, I beg to lay the following Papers on the Table of the House, today, Tuesday, 18th March, 2014:-

The Report of the Auditor General on the Financial Statements of the Kenya Institute of Curriculum Development for the year ended 30th June, 2013 and the certificate of the Auditor-General, there in.

The National Transport and Safety Authority (Operations of Public Service Vehicles) Regulations 2014, from the Ministry of Transport and Infrastructure

Thank you, hon. Speaker.

Hon. Speaker: Hon. Members, my attention has been drawn to the fact that committees have expressed confusion, on how to deal with issues of regulations. I do appreciate that the Statutory Instruments Act, which was passed at the tail end of the 10th Parliament, might not be familiar to very many Members. Therefore, we will be issuing a communication on how this matter should be dealt with particularly, the matter of the National Transport and Safety Authority (Operations of Public Service Vehicles) Regulation, 2014, so that we can proceed from a position of knowledge and guidance.

REQUESTS FOR STATEMENTS

UNSOLVED KILLING OF KENNEDY KIPLAGAT

Hon. Melly: Thank you, hon. Speaker. Pursuant to Standing Order No. 44(2)(c), I wish to request a Statement from the Chairperson of the Departmental Committee on Administration and National Security regarding the unsolved killing of a resident of Chemase Location of Tinderet Constituency.

On 15th February, 2014 at 10.00 pm. Kennedy Kiplagat aged 22 years was walking home from Cheswerta shopping centre and along the way, he was hacked to death by people who are well known, on the pretext that he was a cattle rustler. Kennedy was a law abiding citizen who did manual jobs at Karebe Gold Mines. In the Statement, the Chairperson, should inquire into and report on:-

(i) what action the Government has taken to bring the culprits forward, especially those who killed the boy;

(ii) establish a lasting solution to the cross-border flares, which have been rampant; and

(iii) when the Government will establish a police post at Kibigori junction, Nandi County, so as to ensure that there is lasting peace in this particular place.

Thank you, hon. Speaker.

Hon. Speaker: Hon. Asman Kamama.

Hon. Abongotum: Thank you, hon. Speaker, for giving me this opportunity. The issue raised by the hon. Member is really urgent. We want to be given two weeks to respond.

On the issue of a police post, I think the hon. Member should sit down with members of that community; whether a sub-DDC or a DDC and recommend that, that

issue be open to the Ministry of Interior and Coordination of National Government. That would be the best procedure.

With regard to the killings, part (ii) will suffice.

Hon. Melly: Thank you, hon. Speaker. This issue has been going on for quite a while. I would request that the hon. Chair of the Committee fast-tracks it so that if the culprits are brought to book---

Hon. Speaker: He has requested for two weeks. This is not an opportunity for you to debate because there is nothing to debate. Even if you tell the entire country how it has been, and we are still going to say it when the report is brought, there is no need.

Hon. Melly: Maybe, he can make it one week.

Hon. Speaker: You know, it is not in his possession. Hon. Abongotum, the hon. Member says you give him the report in one week.

Hon. Abongotum: We can reduce the period to ten days and we will expedite the process.

Hon. Speaker: Very well. Let us hear from hon. Otaalo.

POLICY ON FISH FARMING IN KENYA

Hon. Otaalo: Thank you, hon. Speaker. Pursuant to Standing Order 44(2)(c), I wish to request a Statement from the Chairperson of the Departmental Committee on Agriculture, Livestock and Co-operatives on the national Government plan to spend Kshs700 million to construct fish ponds in the country.

Hon. Speaker, the national Government recently released money to county governments through the Transition Authority (TA) for implementation of fish farming programme.

In the Statement the Chairperson should inquire into and report on the following:-

(i) Government guiding policy and strategic operation concerning fish farming programmes and sensitization of county authorities, including Members of Parliament, among other leaders;

(i) provide a list indicating the number of fish ponds earmarked for every constituency in the country and clarify whether the Government will provide fingerlings and extension officers to every constituency;

(ii) marketing procedures for fish and fish products so that this noble programme is not ruined by losses due to poor avenues of selling the produce locally and abroad; and

(iii) measures or marketing procedures and strategies put in place by the Government to ensure that fish being produced in regions where there are no fish eaters reaches the market in time.

(Laughter)

Hon. Speaker: Are you suggesting that there are some regions where there are no fish eaters?

Hon. Otaalo: Hon. Speaker, there are some areas where fish is not utilized to capacity. Therefore, if we produce a lot of fish in that area and we do not have a place where we can sell it, it will be a problem.

Hon. Speaker: It is not treated as food in such regions?

Hon. Otaalo: Yes, it is not treated as food.

Hon. Speaker: It is treated as---

Hon. Member: As a pet!

(Laughter)

Hon. Speaker: Hon. Otaalo, where is the Chairperson of that Departmental Committee? Hon. Nooru, address the issue including that one of where there are no fish eaters.

Hon. Nooru: Thank you, hon. Speaker. There is nowhere in this country where people do not eat fish these days. Fish is now a very critical component of food security in this country. That is why we need to reach everywhere. It is no longer an issue of a particular community in this country where fish is a preserve for them. However, I will give an answer within the next three weeks because of the nature and complicity of the matter.

Hon. Speaker: How many weeks?

Hon. Nooru: Three weeks, hon. Speaker.

Hon. Otaalo: Hon. Speaker, I see it as a straightforward matter. It is just a matter of getting statistics. I think three weeks is too long a period; maybe two weeks. The hon. Member will be getting statistics; there is nothing he is going to research on.

Hon. Speaker: Hon. Midiwo, is there something burning?

Hon. Midiwo: Thank you, hon. Speaker. Yes, there is something really burning. The Statement being sought by hon. Otaalo is very dear to many people in many parts of the country. I would want to request further that the Departmental Committee requests the Government to provide this House with an audit of how the Economic Stimulus Programme (ESP) monies were spent on fish farming and the successes or failure of it before we inject further monies in this failed programme.

Hon. Speaker, in many parts of this country where this programme was attempted, it is many hon. Members' views that this programme never attained the intended purpose. I want the Chairperson to further clarify in that Statement why it is impossible for the Government to clean up Lake Naivasha and Lake Victoria so that fish can breed and therefore, create fish farming in lake regions, as opposed to giving people money that can never help our people.

Thank you.

Hon. Speaker: I will not expect the Chairperson to do what hon. Midiwo has just done because he has had all the time under the sun to come up with a comprehensive request for a Statement. But I would advise the hon. Midiwo to appear before the Committee when the Cabinet Secretary is invited because he has raised a very important issue. But if it comes as a supplementary request to what hon. Otaalo is requesting, it will not receive the necessary response. It will only be one that is available on record, as requested by the hon. Member in writing.

Now, you are raising an extremely fundamental issue. I think it can either be addressed at the Committee level or you do a request yourself.

Hon. Midiwo: Hon. Speaker, I request---

Hon. Speaker: No. You cannot build a request upon a request; unless you are seeking clarification when the response to this request will be brought to the House. This is because the request I have here and which I have approved is not the one that you have handed in so that hon. Otaalo will get his response. You will be at liberty either to appear before the Committee when the Cabinet Secretary is going to be invited or you seek further clarification. I doubt that the Chairperson will be in a position to respond to the issues you have raised. This is because much more is required than even what hon. Otaalo requested for.

Hon. Nooru: Thank you, hon. Speaker, for that guidance. I think that was an odd way of doing things. That was totally a different question, but if the hon. Member wants to seek a statement on that, he can go ahead because it involves so many things. The issue of cleaning up lakes is not under my docket; it is under the Ministry of Environment, Water and Natural Resources. He has mixed up so many issues which cannot be sorted out.

With regard to the two weeks that the hon. Member has requested, there are so many Statements pending, but we shall try to give a response within that time as agreed.

Thank you.

Hon. Speaker: Hon. Nooru, did you say two weeks or one week?

Hon. Nooru: Two weeks, hon. Speaker.

Hon. Speaker: Hon. Otaalo.

Hon. Otaalo: Hon. Speaker, I am okay with two weeks.

Hon. Speaker: On the request that hon. Midiwo is making, if we knew the Cabinet Secretary was going to come here we would, in addition, put it in so that he comes to respond to all these issues. It will be for the benefit of the entire country and, indeed, the entire House but that is up to you, Members.

Hon. John Mbadi, you appear to be also interested in this matter.

(Laughter)

Hon. Ng'ongo: Thank you, hon. Speaker. Actually, you studied me right. I am actually agitated because this matter of putting a lot of resources in artificial fish farming, which I call GMO fish as opposed to cleaning Lake Victoria which can give you natural fish with all the ingredients like iron which can develop the brains of the children of this country, is not right. We need to think seriously on it so that we emphasise on the growing of fish or having fish to naturally breed in Lake Victoria. It is a very simple matter: Just allocate resources to clean Lake Victoria and then you will avoid this GMO fish which does not help in developing the brain like the fish that we get from Lake Victoria which develops the brain very well.

Hon. Speaker, actually my constituency depends 70 per cent on fish farming and, therefore, that is why I am so passionate.

Hon. A.B. Duale: On a point of order, hon. Speaker. I listened to hon. Jakoyo Washington because I had the privilege of serving him in the last Parliament as a

Backbencher, but I am shocked. The fish ponds under the Economic Stimulus Programme were implemented when hon. Mbadi was an Assistant Minister in that Government, under the Prime Minister's office. So, is he in order? He was in the Executive by then.

(Laughter)

Hon. Speaker: Now, honestly Members, I think we do not want to make this a debate. This is not the business that we are going to engage in this afternoon. Let me also say this, hon. Mbadi, let us wait for the Statement that will come from the Chair of the Departmental Committee on Agriculture, Livestock and Cooperatives and then we know how we shall progress. If need be, perhaps, you can move a Motion that requires that this House expresses itself in one way or the other in relation to the issue of fish farming, including what hon. Mbadi called GMO fish. I am sure hon. Ottichilo will be happy to tell you that there is nothing wrong about GMO, but that will be a debate for another day.

Hon. Midiwo: On a separate issue, hon. Speaker.

Hon. Speaker: But you cannot, there is nothing. Please, hon. Members, remember we have business.

Hon. Midiwo: On a separate issue, hon. Speaker.

Hon. Speaker: Yes, hon. Midiwo.

(Hon. Opiyo whispered to hon. Midiwo)

Hon. Midiwo: Hon. Speaker, protect me from this "Awendo".

Hon. Speaker, I wanted to raise an issue. You have just ruled that my contribution to Mr. Otaalo's request--- Your ruling was that I should put in a separate Statement but then the issues are related.

Hon. Speaker, I have been around as long as you. Maybe you have been around longer than me in this House. However, I have always seen that if there is an issue one Member can request for a Statement, interested Members can further add to that request. This is like the scenario where you are saying that the Cabinet Secretary would not know. All that hon. Otaalo is asking is for statistics of the success of the fish farming.

Hon. Speaker, I want to plead with you because we are talking about how we spend taxpayers' money and here we are about to spend further taxpayers' money, that the issues are one and the same. I remember, if my memory serves correct, that we have always done this. I have even done it when you are on the Chair. So, I kindly ask you to reconsider it.

Hon. Speaker: But you see, the system we have adopted is a Member puts his request in writing. This particular part that we are doing now is obviously just exhibition. The request that will be presented to the Cabinet Secretary is the one in writing and not the HANSARD record of the House. What is transmitted from the Clerk's office through also the office of the Leader of Majority Party to the Cabinet Secretary is the written request. If we start saying that the Chair of the Committee now also goes to extract the HANSARD record, then it is like we are telling the Chair of the Committee that he is doing clerical work. All he has to do is to be served as the Chairman of the Committee

with the request which is also forwarded or transmitted to the office of the Cabinet Secretary so that they decide whether it is the kind of request that can receive a written answer or one that will require that the Cabinet Secretary appears before the Committee and interrogates it. If we begin introducing this, then it will mean that some Members will never even put anything in writing. They will be waiting for others to do so and then pretend or purport to be asking in addition supplementary requests. I think if we go that route, we will never even be able to transact business. Indeed, this process is similar to the Question Time when the individual Member's Question will never be supplemented by any other person.

Hon. Speaker: Hon. Pukose.

DEGAZETEMENT OF GOVERNMENT LAND IN MT. ELGON

Hon. (Dr.) Pukose: Thank you, hon. Speaker for allowing me to make this request.

(Loud consultations)

Hon. Speaker, protect me from the noise.

Hon. Speaker: Hon. Members, those of you that may be interested to remind themselves of the weekend's events, please now you must remember you are in the House.

Hon. (Dr.) Pukose: Protect me from hon. Mpuri Aburi who "slaughtered" Munya over the weekend.

(Laughter)

Hon. Speaker, pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Lands regarding degazettement of Government land.

Hon. Speaker, the Government had re-acquired some land in the former Rift Valley Province from a private developer and allocated it to members of the Cholim Cooperative Society. The Kenya Forest Service (KFS) later evicted these people from the land claiming to have gazetted it as part of Mount Elgon Forest.

Hon. Speaker, the Chairperson of the Committee should inquire into and report to this House on:

- (i) the situation surrounding the degazettment of the land already occupied by Cholim Cooperative Society;
- (ii) the status of this issue and,
- (iii) whether the Government will compensate these farmers for suffering losses through forceful evictions.

Hon. Speaker: The Chairperson of the Departmental Committee on Lands, Mr. Alex Mwiru.

Hon. Mwiru: Thank you, hon. Speaker. This is a matter that the Committee is already seized of because it was there in the last Session. However, because we have to consult with the Department of Forestry, I would wish that hon. Dr. Pukose---

(Loud consultations)

Hon. Speaker: Order, Members! Lower the levels of consultations.

Hon. Mwiru: Thank you, hon. Speaker. I am saying that this is a matter that the Committee is seized of because it was there in the last Session. We had discussed with the hon. Member, Dr. Pukose, that I will have to consult with the Ministry as well as the Department of Forestry so that I can bring a comprehensive Statement to the House. So, if he can allow me three weeks, I will be able to do the necessary.

Thank you.

Hon. Speaker: Hon. Pukose.

Hon. (Dr.) Pukose: Thank you, hon. Speaker. I want to thank the Chairman for having taken a keen interest in this issue which I raised before we broke for recess. I think I am okay with the three weeks so that we can comprehensively look into this matter and I hope that they will be able to also get time to travel to those areas and meet with the affected families who are living under very difficult conditions.

Thank you, hon. Speaker.

KILLING OF SIMON MUGURO NYOKABI BY POLICE OFFICER

Hon. Kariuki Ndegwa: Thank you, hon. Speaker. Pursuant to Standing Order No.42(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Administration and National Security regarding the killing of Mr. Simon Muguro Nyokabi by a police officer in Nairobi. On 11th February, 2014, a police officer from Jogoo Police Station shot dead Mr. Simon Muguro Nyokabi on a case of a mistaken identity on suspicion that he was a thief. However, the police officer realized that they had mistakenly shot a wrong person and requested the Deputy Officer Commanding Station (OCS) for help to take the victim to hospital, but unfortunately, the Deputy OCS ordered for his killing instead of offering the much needed assistance.

In the Statement, the Chairperson should inquire into and report on why the Deputy OCS issued the shoot to kill order and the action that the Government has taken against the Deputy OCS for ordering the killing of an innocent person.

Hon. Abongotum: Hon. Speaker, this accusation is very serious especially on the performance of our police officers and we need to get to the bottom of it. If an officer can do this - I still take it as an allegation because we do not train these officers to kill people. We train them to protect and defend. So we need ten days to get to the bottom of this so that the people of that area and the family members can get satisfied.

Hon. Kariuki Ndegwa: Hon. Speaker, I am in agreement and I believe thorough investigations should be done for the family to get justice. So, I am in agreement with the ten days. I have no problem with that. I will be patient enough.

POINT OF ORDER

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RULING ON MANDATE OF DEPARTMENTAL
COMMITTEES AND PIC

Hon. Kamau: Hon. Speaker, I rise to seek your guidance on a matter that was deliberated by my Committee this morning on the apparent confusion on the mandate of Departmental Committees on one side *vis-a-vis* the Public Investments Committee (PIC) on the other side.

(Applause)

I know that you had made a ruling on this matter before but I want to request you to revisit your ruling based on the duplication that apparently is being seen on the work of the Departmental Committees and the PIC. If I refer to the Standing Orders and my own understanding on this and the work of the Committees, the Departmental Committees' functions under Standing Order No.216(5) are:-

(a) investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;

(e) investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House.”

On the other side, the mandate of the PIC under Standing Order No.206 is “to examine the reports and accounts of public investments; examine the reports, if any, of the Auditor-General of the public investments and examine, in context of the autonomy and efficiency of public investments, whether the affairs of the public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices”.

The same Standing Order says that the PIC shall not examine any of the following:- “Matters of major Government policy as distinct from business or commercial functions of public investments; matters of day-to-day administration.” When I look at the work that my Committee and several other Committees have been doing, we do not want to get into a situation where we keep duplicating the work of the Committees. Specifically, I recollect recently that there was a standoff between the railways project. The PIC was doing it and the Departmental Committee on Transport, Public Works and Housing was also doing it. On the NSSF Tassia issue, it was the Departmental Committee on Labour and Social Welfare together with the PIC. On the ferry business, it was the Departmental Committee on Transport, Public Works and Housing and the PIC. It was the PIC that was also on the ESSAR, Geothermal Development Company (GDC) and the Kenya Bureau of Standards (KEBS) issues. I think we need to come up clearly so that we get proper direction on how we will be conducting these businesses so that we are not seen like we are too quick to move into various issues that we do not have jurisdiction over, that is the reason why I want to seek your guidance on this matter.

(Applause)

Hon. (Eng.) Gumbo: Hon. Speaker, thank you for giving me a chance to also make a contribution on the matter. It is important to underline that Committees derive their mandates from Article 124(1) of the Constitution and it is very express that each House of Parliament may establish Committees and shall make Standing Orders for the orderly conduct of its proceedings including the proceedings of its Committees. Our own Standing Order No.218 is very clear that a Committee should be limited to its mandate. It says: “(1) Except as expressly provided for in these Standing Orders, no matter shall be referred to a select committee except on a Motion approved after notice given. (2) Notwithstanding paragraph (1), the Speaker may, in exceptional circumstances, on a request by a Member, refer a matter to a Committee.”

Standing Order No.206 talks about the Public Investments Committee, and my Chairman has alluded to it. It is very clear. It gets its mandate from Standing Order No. 260(1). If you look at the first mandate of the Committee, it is to examine reports and accounts of public investments. That is important because, almost on a weekly basis, the Leader of Majority Party lays reports of public investment in this House. In fact, one would expect that based on the activities coming from Leader of Majority Party, this should actually be a lot of workload for the Committee. You look at Standing Order No.216, which our Chairman has alluded to, it gives the mandate of the Departmental Committees. Standing Order No.216(1) gives the functions of Departmental Committees. The mandate is very clear. It is:-

“(a) investigate, inquire into and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;

(b) study the programme and policy objectives of Ministries and departments and the effectiveness of the implementation;

(c) study and review all legislation referred to it;

(d) study, assess and analyze the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;

(e) investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House;

(f) to vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order No.204 (*Committee on Appointments*); and,

(g) make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.”

I am in the Committee on Energy, Communication and Information. The subjects that it covers include fossil fuels exploration, development, production, maintenance and regulation of energy, communication, information, broadcasting and Information Communications Technology (ICT) development and management.

I do not want to belabor the point but I think unless we can clearly limit and observe--- Of course there is the letter of the law and spirit of the Standing Order. It is incumbent upon us to work within the letter and spirit of the Standing Orders. Unless we have clear demarcations, my fear is that we are about to witness what, for lack of better physiology, I would call oversight banditry. It looks like we are headed in a situation where some Committees will be equal but others will be more equal than others. We are

headed in a situation where, unknowingly, we may start looking at some Committees as the mothers and grandmothers of Committees. I would request you to look into this matter because it is important. It is important that we, as Parliamentarians, utilize our time effectively. My Chairman has talked about the Report on the Standard Gauge Railway. How would it look if one Committee which is properly seized of the matter makes a report in advance and another Committee, which feels it also needs to look at that report, brings another report which is contradictory? That, in my view, would not present Parliament in good image and I think it is important that our work be seen to be orderly, while respecting the respective mandates of each Committee. Each Committee should respect the mandate of the other Committee. No single Committee should be seen to be usurping the roles of other Committees. Hon. Speaker, I beg for your ruling on this matter.

Hon. Speaker: Hon. Members I can see a number of requests, I do not know whether these request relate to the issues that have been raised. There is a request by hon. Kaluma. Is it with regard to this one?

Hon. Kaluma: Yes, hon. Speaker

Hon. Speaker: Okay

Hon. Kaluma: Thank you, hon. Speaker, for giving me the opportunity to add my voice to this matter. I disagree with the idea that we should pigeon on the work of various Committees. That is because from the manner in which the law and the Standing Orders of this House are made - and I wanted to ask my colleagues to think about it very seriously - it is such that Committees will always interface in their work. There will always be overlapping of functions. I can give an example. If you took for instance, at the Committee on Delegated Legislation, the delegated legislation which that Committee is to deal with, under the Standing Orders, comes from the various sectors and departments of Governments. If we said all matters arising from Government departments are left within the ambit of Departmental Committees, then you will be saying that such a Committee, despite its useful function, does not need to exist. That is because it exists for a reason. It is there to deal with specific issues. Look at the Budget and Appropriations Committee and Finance, Planning and Trade, I want to ask hon. colleagues to be very circumspect when dealing with this matter. We have both Committees dealing with overall budgeting, but we have various Departmental Committees also bringing on board issues of budget relating to the various sectors and departments falling within their Committees. The day we will say we leave everything to the Budget and Appropriations, how for instance, will the Justice and Legal Affairs Committee express itself to the Budget and Finance Committees and later to the House the need to consider specific and particular issues of development of budget affecting the Judiciary or, indeed, those sectors within the justice and law sector?

We have PIC and PAC. Those are oversight Committees. Whether we like it or not, it is not oversight in a vacuum. It is oversight of the various sectors and departments of Governments. The day we will say that those Committees will not go into some departments because they are Departmental Committees is the day we will be saying that those Committees have no purpose for existence.

As I end, there is fear that Committees may come to different findings. To me, I see a higher calling when, as a Committee, you sit down, inquire into and make a report

on an issue. Proceed on the basis of facts. When you proceed on facts and not rumours, hatred or mischief in doing our reports following investigations; why should one Committee come to a different finding on the same set of facts? The problem we have is that people import their party affiliation, ethnic thinking, professional issues and personal vendetta into the reports of Committees which, to me, is not a question as to whether or not the Committee should be doing their work, but upping up their game particularly in the area of oversight. We have genuine fears - and you saw what happened when we started on the Westgate thing. I remember the presentation and the able submissions that were made by hon. Ochieng one day. I think I supported him. We were saying that when a Committee is proceeding with investigations, as a chair of the Committee for instance, do not go out there and say this did not happen when you are still inquiring and investigating. When you do that, you are like covering. See the situation you now have. We now have the Report of the Joint Committees and it is confirming beyond all doubts that there is a problem. Property and goods left Westgate, contrary to what a Chair of one of the Committees was already saying unilaterally. I would say hon. Speaker---

Hon. Speaker: When you do that, you are over-stepping because the Report is due to come.

(Laughter)

Hon. Kaluma: I am sorry. I regret, hon. Speaker. I was absent for some part of last week and I thought it had been debated. I am saying that if we are proceeding on the same set of facts, we should not fear a situation where all Committees are dealing with the matter because they will come to the same decision. Where the Chair is of the view that there could be thinking that could lead us into separate reports then the various Committees concerned should come together as joint Committees and deal with the issue. They should not say that they want to limit how much a Committee can deal with the matter falling within their limit.

Hon. Speaker, I thank you for the opportunity.

Hon. (Ms.) Mathenge: Thank you, hon. Speaker. I also want to echo my sentiments on this because this morning it was very embarrassing because the Cabinet Secretary for Transport and Infrastructure was to come and tell us about the 20-kilometre road that was promised to all the constituencies. But unfortunately, we were told that he was giving the same report to the Departmental Committee on Transport, Public Works and Housing. When we looked at that report, we found that it did not even talk about the 20-kilometre roads but it just gave the status of the roads that are being done in the constituencies.

Hon. Speaker: Could you introduce your Committee?

Hon. (Ms.) Mathenge: Hon. Speaker, I am in the Implementation Committee. I believe that the Implementation Committee is supposed to follow on the resolutions made on the Floor of this House. So, when another Committee hijacks the Cabinet Secretary on the same thing, we wonder whether the same Committee should continue to be there or it should actually be disbanded and we leave the work to the various Committees.

Hon. Speaker: I can see Eng. Mahamud who is the Vice-Chair of that Committee.

Hon. (Eng.) Mahamud: On a point of order, hon. Speaker. Is the Member in order to say that we hijacked the Cabinet Secretary for Transport and Infrastructure? That is totally out of order. We had a meeting with the Cabinet Secretary, National Treasury and the Cabinet Secretary, Transport and Infrastructure to discuss budgetary issues. The only letter we had was that they had another schedule. Maybe, that confusion was created by the Clerk's Office because you cannot invite the Cabinet Secretary to two meetings at the same time. However, we did not hijack him.

(Laughter)

Hon. Speaker: Well, there is need for co-ordination. Does the Leader of Majority Party want to express himself on this?

Hon. A.B. Duale: Hon. Speaker, I think Parliament works through the Office of the Clerk and the Executive is given enough time. It is given written submission but we need to find out. I am sure that the Sergeant-at-Arms and the Parliamentary Police are watching that a Cabinet Secretary has been hijacked by a Committee.

(Laughter)

Hon. Speaker, the matter that was raised by hon. Jamleck Kamau was a matter that you gave direction on and I am sure that the communication is there. However, this matter is real. It is real in the sense that the Standing Orders give specific mandate to each and every Committee. It gives a specific mandate to the PIC, PAC and to the Departmental Committees. Where issues overlap, the precedent has been that joint Committees have to be formed. That is what has been in the last Parliament and in the other Parliaments which you were a Member. I am sure that we can do better.

Hon. Speaker, if you look at Standing Order No.205 on PAC, you will find that this Committee's mandate is to do an examination of the accounts after they are tabled on the Floor of the House. Today, if you look at some of the issues the PAC is handling, you will term that as operational or day to day activities. I once said that there was an item that the PAC was dealing with which in my honest opinion should have been under the Departmental Committee on Justice and Legal Affairs. However, it was an operational matter. I think these things are real but again, if I go back because as much as you will give a communication--- I will start with the Public Investments Committee. It says that the PIC's functions are, first, to deal with reports and accounts of public investment. Secondly, it is supposed to deal with anything arising out of the Auditor-General's Report on investments portfolio while the PAC will deal with accounts. It further says that they are supposed to do an examination in the context of the efficiency of the public investment portfolio. That means that if there is an investment or a business going in a department of the Government today; and in the opinion of Parliament we feel that, that investment is not right or is not beneficial to the taxpayers then the PIC will have a say in that investment, which is a day to day activity.

If I go to the Select Committees in which my good friend, hon. Jamleck read very well, it says that the functions of Departmental Committees are to investigate, inquire

into and report on all matters relating to the mandate, management activities, administration and operational estimates of assigned Ministries and departments.

The CORD leadership under the – I want them to listen to me because this is very important--- If you read that, you will find that the functions are to investigate, inquire into and report on all matters relating to the mandate, management activities, administration and operational estimates of the assigned Ministries and departments. There is nowhere investment portfolio is mentioned. If our colleagues read the Standing Orders very clearly, they will find that a lot of issues of overlapping will be solved.

Hon. Speaker, let me speak for the Government for once or at least today. You will see a Departmental Committee sending a letter with issues to a Cabinet Secretary. You will also find another Committee sending a similar letter and the only difference is maybe the title of that Committee. The same questions or issues could, maybe, be coming from the PIC and another Departmental Committee. That in itself should not be a good image that should come from Parliament.

Hon. Speaker, part of your communication, because I think we have an opportunity, you must rein in on Chairs who are yet to understand their role as the leadership of Committees of Parliament and the Executive.

You will find Chairs who have offices in the Executive.

(Applause)

You will see a Chair carrying a speech to go and read on behalf of a Minister. That Chair or that Vice-Chair should know the constitutional borderline between the Executive, Parliament and the Judiciary. We need to make serious communication that touches on what hon. Jamleck said. However, we also need to do a cleanup and I want to assure hon. Kamama that if I am asked to substantiate, I will. I am saying what is there. So, let us allow the Speaker to give us a conclusive ruling.

I want to make this very clear because I had the benefit to serve in the last Parliament, the only thing that is binding on the Government is a resolution of the House. You will find a Chair going to the Clerk and telling him to write a letter to the Executive to stop payment or to stop a project. That is not in order. Anything that will bind on the Executive is when a resolution--- Do an investigation, do a report, bring it to the House and if the House agrees with you, with your recommendation, that will bind on the Executive or any other person. I think there are many issues and I am sure that part of your communication---

Hon. Members: On a point of order, hon. Speaker.

Hon. Speaker: Hon. Members, instead of rising on a point of order when you just want to contribute--- I will give you a chance to contribute please.

Hon. A. B. Duale: Hon. Speaker, I am saying that what hon. Jamleck Kamau raised will also give us time to clean and give direction to Parliament. When this Member told the Clerk to do a letter, the Clerk explained; that person came to my office, I explained and he said the Clerk will be summoned by his Committee. This is not in order. I want you to use this Communication to rein in on people who want to use the backdoor to intimidate Government officials. We must protect the image of Parliament. We need to do a serious induction for the leadership, so that we know the border lines of

the Public Investments Committee, the Public Accounts Committee and the various Departmental Committees. Then we can know, for example, if a matter is under investigation by the Transport Committee, that another Committee must get the concurrence from the Chair to investigate it. How do you call today a whole team of Cabinet Secretaries and their colleagues and you ask them the same questions, and tomorrow, they appear before another Committee answering the same questions? These are the questions that the Executive has been asking me. Now that there is an opportunity, those of us who have offices in the Executive, then you cannot be a Member of Parliament. Forget being a Chair, you cannot be a Member of Parliament and if you are there, if you are hearing me, you get out of that and come and have your office in Parliament.

Hon. Speaker: Hon. Members, I can see that there are a number of you who want to express themselves on this. Of course, I have allowed the Leader of Majority Party some more time than the rest. I will do the same to the Deputy Leader of Minority Party because this matter is not light. It is fair that we exhaust it because I have received a lot of complaints. But even as you address me on this matter, please, specifically look at the wording in the Standing Order No.205 that there is established the Public Accounts Committee for the examination---

Then, go to the wording in the Standing Order No.206(6), which states:-

“(6) The functions of the Public Investments Committee shall be to-

- (a) examine the reports and accounts of the public investments;
- (b) examine the reports, if any, of the Auditor-General on the public investments; and
- (c) examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.”

Members, I want you to address me on this. You can only be asking me to make a ruling because these are the ones that have given you some cobwebs, so to speak. Then compare this with the wording in the Standing Order No.216 for Departmental Committees “to investigate, inquire into”, so that we can begin to become clearer so that it does not become like we are just discussing this out there. Please, if we can confine ourselves to just those, that is where there is the confusion; examine in the context of autonomy the affairs of public investments in Standing Order No.206 and then, the mandate in Standing Order No.216; investigate and inquire into. There have not been any complaints about a Bill being referred to a Committee and that Committee saying that they want to look at the Bills. Apparently, Bills are not of interest to Members. It is this issue of examination; “examine in the context of” and then “investigate and inquire into” in Standing Order No.216.

So, as you address me, do not address me on anything under the sun. Just confine yourself to those three Standing Orders, namely, 205, 206 and 216, so that then I can give you something that also makes sense that addresses what you will have addressed me on, hopefully. I believe that it will be.

Members, of course, you appreciate the Leader of Minority Party, hon. Midiwo.

Hon. Midiwo: Hon. Speaker, I want to agree with you that this is a weighty matter. This is the first time we are grappling with the new order of this Constitution. It is a challenge. First of all, I do not agree with the Leader of Majority Party that the Speaker should rein in on anybody because I think those are political party matters or house leadership matters. I do not think I want that responsibility to come to you. We are called hon. Members and we must behave honourably, particularly when it comes to our work.

Before I address you on the substantive issue, I said here last week that when you hear a Committee Chair - and the Cabinet Secretary will tell you - saying that they are putting pressure, that they want an office in the Executive, you know somebody has gone crazy. I also want to disagree that they need to be inducted again. This is because you have done your bit as the leader of this House. So, that cannot be your responsibility. If that person is in PAC or PIC, it is our responsibility as the CORD, but the rest of the Committees are the responsibility of the Leader of Majority Party. If they are misbehaving and shaming the Government, remember the Government is not CORD or Jubilee. It is the Government of Kenya. We want Parliament, which is the Parliament of Kenya, to behave with decorum. It must.

I spoke here last week about the issue of rent seeking because it is out there. What you are being asked to rule upon should not be a question before you. If the Members of PIC and the Members of the Committee on Energy, Communication and Information cannot work together for the betterment and the good of Kenya, it is not the problem of the Speaker. It is irresponsibility on our part as Members of Parliament because the mandate of the Committees is known. You cannot stop the PIC from doing its work. At the same time, you cannot stop the Committee on Energy, Communication and Information from doing its work. All these clashes are not because of any lacuna in the Constitution or in the Standing Orders. That is why it should not come before you. It is because of the value of that investigation, which the Members do not know.

(Applause)

That value is what we must speak about. I know many Chairs here may not want to hear it, but we have a responsibility to this country. We do not do it for free. We do it for a premium price to the taxpayer. So, if a Member can wake up and see a newspaper story, which may be propaganda and tomorrow summons a Cabinet Secretary, that Member is rogue. There is a way by which we get information. Hon. Midiwo cannot go to a funeral and say that such and such Cabinet Secretary is incompetent and then tomorrow you summon them because hon. Midiwo talked about them in a funeral. We must uphold the dignity of this House. It has never been and it cannot be.

Hon. Musyimi: On a point of order, hon. Speaker. Hon. Jakoyo Midiwo, the Member of Parliament for the great people of Gem, has made a very serious statement here. He has said that there are Chairpersons of Committees with offices in the Executive, which will be completely irregular. Is the Member for Gem in order to make that allegation? Can he, please, substantiate?

Hon. Speaker: Proceed, hon. Midiwo.

Hon. Midiwo: Hon. Speaker, my counterpart had alluded to it. I want to plead with my friend, hon. (Rev.) Musyimi, to be patient because this is a real issue. Kenyans

are complaining. This House is not even letting the Executive work. Kenyans shall judge us harshly. A Cabinet Secretary cannot spend the whole day in Parliament, seven days a week over the same issue. We cannot allow that to happen. It is bad when it is CORD. It is bad when it is Jubilee. It is bad when it is all of us. We must agree to that fact. The issue of Chairpersons of Parliamentary Committees intimidating the Executive is in the public domain. We have discussed it. Out of decorum, I do not want to name a colleague even though I know it.

An hon. Member: Give a name!

Hon. Midiwo: I will not name anybody because there is no provision in the Standing Orders that forces me to name anybody. I want to tell you that if you want to engage me, I may bring your name on board in this discussion but I am sparing you.

(Laughter)

Hon. Speaker, to go back---

Hon. Speaker: Hon. Members, I want us to conclude this matter, so that we can move to the very serious business that is on the Order Paper.

An hon. Member: On a point order, hon. Speaker.

Hon. Midiwo: Hon. Speaker, I said that with a light touch.

Hon. Speaker: Hon. Members, there is nothing that is out of order. Let us not take a lot of time on this one.

Hon. Chepkong'a, let us hear your point of order. It has better be a point of order.

Hon. Chepkong'a: Thank you, hon. Speaker, for giving me this opportunity. It is, indeed, a very serious point of order.

Hon. Jakoyo Midiwo has looked at hon. Kamama with very menacing eyes.

(Laughter)

Hon. Speaker, hon. Midiwo has, in fact, threatened to name him. He said it but you never heard it. I heard it as I was seated here. It is unfair. As you know, he is holding a very senior position in this House. So, I have a lot of respect for him but when he threatens my colleagues, I also feel threatened. Is he in order to intimidate hon. Kamama?

Hon. Speaker: Hon. Chepkong'a, you are now naming hon. Kamama when he has not been named by anybody.

(Laughter)

Hon. Chepkong'a, I have been listening very attentively to hon. Midiwo. He has not named anybody.

Can you proceed, hon. Midiwo?

Hon. Midiwo: Hon. Speaker, I hope that hon. Kamama does not take offence because I was saying it with a light touch.

Hon. Speaker, we are talking about a serious issue. Just to bring the point home, the Leader of the Majority Coalition walked us through Standing Order Nos. 205, 206 and

216, on which you have asked us to address you. For avoidance of doubt, this is capped in Standing Order No.216 (5) (e), which says:-

“216(5) The function of a Departmental Committee shall be to:-(e) investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House”

Hon. Speaker, the Leader of the Majority Coalition says that he does not see the word “investment” there. The words “as they may deem necessary” were put there intentionally, so that the oversight Committee does not wait for the referral by the House. So, I want to plead with you, the Standing Orders are very clear; they are unambiguous. All we need to sort out are our in-house matters. All that I want to request you is that where there are cross-cutting issues, we constitute joint Committees to deal with them. I want to agree with hon. Duale on this one. When you do that, you sort out issues.

Hon. Speaker, I want you to rule from the Chair because you have authority over us in regard to this matter. One year down the line, a Chairperson of a Committee cannot be new. As these investigations go on, Committee Chairperson cannot go and address Committee issues in the Press Centre, leaving behind the Members of the Committee. A Committee Chairperson can only talk on behalf the Committee. No Committee Chairperson or an individual Member of a Committee expresses his opinion on a matter that is before the Committee.

We have a scenario where Members who are sitting in a Committee talk about the deliberation of Committee at funeral gatherings. The only person who can talk on any issue is Mr. Speaker, under Standing Order No.1. You are given that authority. None of us here has that authority – so that we behave with decorum. At the end of the day, we shall have you and all of us to thank for a job-well-done with taxpayers’ money.

Thank you, hon. Speaker.

Hon. Speaker: Yes, hon. Kathuri.

Hon. Murungi: Thank you, hon. Speaker. I would also like to echo my sentiments on this issue because today is the second day in the last two weeks when the conduct of Departmental Committee Chairpersons is being discussed in this House. This is really hurting to some of the Members of this House and to Kenyans in general. Chairpersons of Departmental Committees have offices in the Executive. The Jubilee Government is unable to implement projects due to this confusion. It is in the public domain that the Standard Gauge Railway Project is still stalled. The Laptop Project is also still stalled because of the confusion brought about by the Committees.

Hon. Members: No! No!

Hon. Murungi: Protect me, hon. Speaker.

Hon. Speaker: Hon. Kathuri, you are protected!

(Hon. Wamunyinyi stood up in his place)

Hon. Wamunyinyi, resume your seat.

(Hon. Wamunyinyi resumed his seat)

Hon. Speaker: Hon. Kathuri, I think that is why hon. Duale suggested that we need another induction. When a matter is before a Committee of the House, it is out of order for a Member to want to discuss outside that Committee. So, please, even as we discuss this matter, let us just do so in the context of what was raised by hon. Jamleck Kamau. Let us avoid prejudicing what is being done by the Committees.

Hon. Murungi: Hon. Speaker, I am guided but if this matter falls under the docket of the Party leadership, let it be sorted out once and for all because as Committee Members, we are very tired. Kenyans are very tired because some of the matters pending before this House are delaying projects that Kenyans should now be enjoying. It is unfortunate that even some Members of the Committees discussing those issues are calling press conferences to discuss how they will impeach some of the Cabinet Secretaries. The Committees are still in discussion of the Cabinet Secretaries they are talking about. They have not even brought their Report to this House but they are already out there threatening the Cabinet Secretaries with impeachment.

Hon. Speaker, we should have open and clear roadmap on how to conduct our business in this House.

Thank you.

Hon. Speaker: Yes, hon. Rachael Nyamai.

Hon. (Ms.) R. K. Nyamai: Thank you, hon. Speaker for the opportunity to speak on this important issue. I would like to echo the sentiments of my colleagues that it is actually very difficult, when a Chair and a Committee are trying to follow up or investigate a matter as per our Standing Order No. 216 and then they realize that another Committee is also following up on the same matter.

It is important for us to respect our fellow Chairs and also ensure that one Committee does not become like the prefect of others. There were a few matters we were following up within our Committee and some Members of one of the Committees that are being discussed here, mentioned to us that if we do not take up that matter fast, it was going to be taken up by PIC.

We are following the Standing Orders and your instructions. In Standing Order No.216, we are instructed to investigate on all matters that relate to Ministries, within our jurisdiction. I would also like to point out that there are times when two letters have gone to the Executive at the same time and my Committee on Health may have been a victim of this. We wrote a letter to a certain parastatal and at the same time, we realized that another letter on the same matter had been sent by PIC. Since the matter is being handled, I do not see why it should now become a subject of discussion, when it has already been corrected.

If an issue is purely on health or on matters of normal daily running, then it becomes interesting for PIC to also pick it up. If a Committee is in the course of investigating a matter and at the same time they realize what they are trying to follow up is disregarded, the Chair has an opportunity to inform the parastatal that they are working on that matter. This may have happened within some of the Committees and when the Committee on Health is touched, I should also stand and defend our position.

When you are an oversight Committee and you realize that the matter you are investigating is being pushed forward, then it is important for you to communicate with the institution concerned. I am sure most of the Chairs of Committees have been working

amicably with the institutions that are within our Ministries and doing what we should as per Standing Order No. 216. When we realize that there is another Committee which wants to perfect us, we get concerned and feel that our toes are being stepped on and we have a right to speak.

Thank you, hon. Speaker, for giving me an opportunity to speak on this matter.

Hon. Speaker: Hon. Keynan.

Hon. Keynan: Thank you, hon. Speaker. It is good that this issue is being raised because as the elected representatives of the people of Kenya, we are all here to serve them. Indeed why this House or any house that represents any civilized citizens has leadership is because, whenever there are issues, they actually ought to be addressed within the framework of the law. As you contemplate a ruling on this, I would want you to also consider the following because the confusion is at the definition of some of the operational terms. If you look at Standing Order No.216, we would want you to help us define it as follows:-

(i) what is the real meaning of the functions “investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments.” We would want to know and get a definition of the departments and Ministries.

(ii) Give us also the definition of what constitutes public investments *vis-a- vis* Standing Order No.206.

Equally, as you also attempt to guide the House, the issue at hand was raised by my good friend, hon. Jamleck Kamau on Geothermal Development Company (GDC), and it came up as a result of our interaction with them in relation to their accounts that were brought by the Auditor-General in August 2013. The Auditor-General said the report was ready. How else could PIC or PAC have pursued that issue in order to certify that whatever was presented by the Auditor-General was indeed correct?

(iii) You also need to define the very essence and revolution of Departmental Committees and Investigative Committees. I really want us to be blunt on this, because there is problem and I want Kenyans to hear. I am happy for those great Kenyans who participated in the setting up of these key committees, some of them are still alive. We have the privilege of having had you as the Chair of PIC and therefore you are in a position to really consider and find out whether anything that was done by PIC or PAC or any other Departmental Committee has really extended the mandate of that particular Committee, because these are real issues that need to be cleared.

In my mind as an individual and having familiarized myself with the Standing Orders and all other laws relating to this, there is a definition problem. The Departmental Committees assume that assigned Ministries and departments are parastatals. I want to differ that parastatals are entities formed by statutes that were passed by this House and therefore, they are not departments or Ministries. The only linkage is that they have parent Ministries and I will not be contradicted on this. Parastatals and State corporations are legal entities recognized by law that are formed as a result of laws; that is statutes, which have been passed by this House. Therefore, if we get the operational definition, we will have no problem.

Take this for example, there is an issue regarding stealing in National Hospital Insurance Fund (NHIF). Even when you were the Chair, ten years ago, the issue of NHIF

headquarters is one that has appeared in PIC reports over the last ten years and it is still before PIC. A Departmental Committee attempted to pursue the same. How will they report to the House because this is an audit issue? It is high time you took all the Committee Chairs through the Standing Orders and the Constitution because this is a House of rules, tradition and precedent, and we cannot change the laws simply because hon. Keynan has opposition today. We have precedent. I want to thank hon. Jamleck Kamau for raising this because we really want guidance.

The audit issue of GDC happened in 2010, how will PIC prepare a report given that we said we want to clear the backlog? The audited report of Tana and Athi River Development Authority (TARDA) dates back to 1998. We are in a new constitutional dispensation, how can we be dealing with issues that happened in 1998? I am sure there are Members who were born after 1998. In preparation for a major report, which we want to table we have done interrogations of State corporations, which are over 90 and our desire is that by June, we should have cleared with half of them, so that we will be dealing with current issues as brought by the Auditor-General.

There is no problem to do with budgets or bills; the only problem is definition and this is where we really want you to confront. I can speak authoritatively, in the last Parliament, I was the Chair of a Departmental Committee and you know the issues we handled within its purview. If we can get the definitions, they will help us sort out this operational confusion as to what constitutes Ministries and departments. I want to agree with what hon. Midiwo said, any Departmental Committee for that matter can investigate any issue, but there are limits, a boundary and guidance. This is why we have investigative, departmental or in-house committees. That is why I want to thank the scholars who participated in the drafting of these Standing Orders because they were not picked from the blues. It was as a result of precedent and traditions that happened in other civilized worlds, where there are legislators who have been legitimately elected. It is because of this that I am really touched when I see individuals who do not know their roles, they are confused and they also want to confuse others.

Please if you are confused, go for a lecture or go to those who know better than you. This is simply because you do not understand alone; do not be mad with others. The Standing Orders are very clear and I want to repeat that the functions of Public Investments Committee (PIC) are very clear. We have rules that were made by your predecessor, like hon. Marende. We have rulings and you have been in the Chair. If there is anything outside what is clearly stipulated in Standing Order No. 206; I will not be told anything because I participated in the drafting of these Standing Orders.

Hon. Speaker, I want every hon. Member to listen, maybe, some of my colleagues here have not had an opportunity to read Standing Order No. 206 which has three functions as follows:-

“examine the reports and accounts of public investments.” We want you to help us because in my understanding, it is not consistent with the way my brother, hon. Jamleck Kamau understands. Maybe I understand “Ministries” and “departments” in a way that is different from the way somebody else understands it. I am saying that the issue my sister wanted to deal with concerning the Ministry of Health is an issue that you left to PIC. I want to urge most of you to look at the reports of PIC for the last seven years vis-à-vis the whole report of National Hospital Insurance Fund (NHIF). The report

is before PIC and it was tabled before we went for elections, it still has that particular issue.

Hon. Speaker, I want to believe that it is unfair for this House to discuss its own functions every day. I want to plead with the Chair, help us define--- I want to the Leader of Majority Party to hear because this is a critical issue. Help us define the first function of PIC which is to:

“examine the reports and accounts of public investments.” That is exactly what we are doing.

(Loud consultations)

I think I have the right to be heard.

Hon. Speaker: Hon. Keynan, do not get distracted so that you can finish.

Hon. Keynan: Let me go to the second function. I only request those who are fine with this music to bear with me because we will follow the law.

The second function is to “examine the reports, if any, of the Auditor-General on the public investments.” This is why in all our meetings, unlike Departmental Committees, we have the Inspectorate of State Corporations, representatives of the Investment Secretary, the Auditor-General and a representative from the National Treasury. This is simply because we have to deal with three issues:

- “(a) examine the reports and accounts of the public investments;
- (b) examine the reports, if any, of the Auditor-General on the public investments; and
- (c) examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices.”

This has caused some confusion. “Autonomy” means an institution that is legally recognized as an entity that can stand on its own by virtue of a law that has been passed by this House. Therefore, “examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices.”

Hon. Speaker, I want to be told what that means? The confusion lies with the definition of these operational Ministries and departments vis-à-vis public investments. Once we get these State corporations and departments of Ministries clearly defined, we will be at home. For us, in the next three weeks, I will be giving you the reports on those 96 parastatals as required by law. I am sure you will be very happy simply because we are following the law. I do not know what Public Accounts Committee (PAC) does. But I can speak on behalf of my colleagues here, we have never gone outside our mandate. Having been in this House for so many years, I am a stickler to procedures. I want you to believe me for the sake of this House and our names. By now we should have spent this hour on something else. I would like to plead with you to bring this issue to an end today.

For those hon. Members, because we are being lumped together as chairpersons--
- For the last one year that we have been in office, I have interacted with only two

Cabinet Secretaries because we do not deal with budget or policy issues or Bills. We have met with only two because we expected them to clarify certain issues that were raised by the Auditor-General and because they concerned them. That is why you will not see PIC in budget making or budget formulation and even in legislation. The role is very clear.

Finally, I want to say this; for those chairpersons whose offices are in the Executive, it is immoral and wrong and it is clearly an issue of conflict of interest. I want to plead with you, because we have all been lumped together, if you are such victim or such an individual, you can honourably vacate before you are named because that is a very important issue and it touches on all of us.

Hon. Members: Name them!

Hon. Keynan: I do not know them and I heard it being said by the Leader of Majority Party. If you are such an individual, please vacate. If you are not a victim, then you have no problem, so that we do not talk about the chairpersons like this. Maybe, it is one or two who do it.

In conclusion, I want to plead with hon. Members, whatever we do, we are doing because of public investments, but because of ignorance, we overstretched. Please, there is perseverance and patience is what is required.

Hon. Abongotum: Thank you very much. What we are facing as National Assembly are actually teething problems having to do with complications of the Presidential system. This is a system which is evolving. It is a new system and we have to accept it because it was voted for by Kenyans.

First of all, I have to say that I am a trained technocrat. I understand matters of government and there is no way somebody like--- Some people wanted to believe that I am one of those who intimidate and actually summon Ministers on a daily basis. As a Committee we summon Ministers two or three times a month. Therefore, I do not belong to that league and I do not want to defend my colleagues because I know they are equal to the task; we may be having one or two issues.

Hon. Speaker, I want hon. Members to listen because there is a problem of duplication. When we have situations where the PIC and a certain Committee are investigating the same matter; the same issue running concurrently, we must address that problem. Even the Judiciary or the Executive cannot appoint two committees to deal with the same matter. That is very clear from the word go. We want the Chair to give us guidance to avoid this duplication of functions because Kenyans are viewing Parliament as actually confused to have two investigations running concurrently. First of all, it is very expensive. Therefore, we want this lacuna in our Standing Orders addressed.

Hon. Speaker, for the Members who have offices in the Executive, maybe this is due to naivety and lack of experience. So, what I would advise is just investigate and give instructions to those Members to come to the National Assembly offices.

Hon. Speaker, on the issue that was raised by the Leader of Majority Party and also by hon. Midiwo on Chairs, I want to say that most of these Chairs understand their roles and please let us not besmirch and vilify their names because of one or two weaknesses here and there. They are also there to learn and if we have one or two who have problems, you can guide them as our Speaker. So, I want to propose that this issue of duplication and of having two Committees concurrently investigating the same matter be addressed by actually looking at the lacuna in the Standing Orders so that we do not

have this situation. We want this to end today so that people should not blame my friend, hon. Keynan. I know he is a very effective and efficient Chair. We want this to end today so that there is no confusion between the Chairs and the Public Investments Committee .

Lastly hon. Speaker, I know that you used to be the Chairman of PIC I think in the Ninth Parliament. So, we want this confusion to be addressed once and for all by looking at the lacuna in the Standing Orders so that we finish it once and for all because it is really shameful and painting a bad picture.

Thank you, hon. Speaker.

Hon. Speaker: Okay. Can we hear now hon. Maina Kamanda? However, Members let us not make it like a defence.

Hon. Kamanda: Thank you, hon. Speaker. First, let me clarify one point that was raised today. My Committee had a meeting today in which we summoned---

Hon. Speaker: No, hon. Kamanda. I think hon. Eng. Mahamud raised it. You see it is now not addressing the issue which I am supposed to rule on.

Hon. Kamanda: *(Inaudible)*.

Hon. Speaker: You are not on record.

Hon. Kamanda: Hon. Speaker, I wanted to draw your attention to the office of the Clerk because this confusion comes from his office. When you see two Cabinet Secretaries invited at the same time to two Committees, where does that problem emanate from? It emanates from the Office of the Clerk. This is because you cannot summon two Cabinet Secretaries at the same time to appear before two Committees. So, that is an area which we need to look into.

Hon. Speaker, the other point I want to raise is that I have no quarrel about who takes up the issue even if it is my Committee. This is because all these Committees belong to this House. However, the only problem is when another Committee investigates a matter when in fact another one had started doing the same earlier. If we can agree that we combine the two Committees and have a joint sitting, I do not see any problem with that because at the end of the day the results will be reported to this House. All Members of this House are free to attend any sitting of any Committee. So, to me the issue of who handled this or that does not arise.

Hon. Speaker, there have been a lot of complaints from many parastatal heads on micromanaging their institutions. Most of the Committee Chairs are micromanaging parastatals. Like hon. Midiwo said, you get a small issue and you say that you will summon so and so tomorrow. On a matter appearing in the Press, you want to waste a lot of time calling so and so.

Hon. Speaker, this is where we need to be very careful. Sometimes it comes from the membership of a particular Committees and not from the Chair. The pressure sometimes comes from the members of a Committee and sometimes it is because of their personal interests in certain matters.

Hon. Speaker, on the issue of the Chair failing, if that is the case then the Leader of Majority Party and the Leader of Minority Party have failed ten times. Why do I say this? You cannot come here and condemn your Chairmen. You have not taken them for an induction course. Some of these people are new. They are not like us. We do not even need offices. New Committee Chairs need induction but I cannot call for their induction. That is the work of the Leader of Majority Party and the Leader of Minority Party. So,

you cannot come here and watch the Chairs washing their dirty linen in public and yet it is you who have failed.

(Applause)

You have failed to induct your Chairs.

Hon. Speaker: Leader of Majority Party on a point of order.

Hon. A.B. Duale: Hon. Speaker, I heard my able Chair talking of the way Committees are micromanaging parastatals because of personal interests. I want the Chair to confirm if he wants me to micromanage Chairs. As leaders, we have given Chairs the responsibility to run their mandates. I want him to go further and say the micromanaging of parastatals is not for personal interests. It is for personal financial interest. That should come out very clearly.

Hon. Speaker, is he in order? I do not want to micromanage Chairs because he said Chairs want to micromanage parastatals.

Hon. Speaker: Hon. Kamanda, can you wind up?

Hon. Kamanda: Hon. Speaker, I have a lot of respect for the Leader of Majority Party since he is my good friend but I am saying some of the Chairs here are new and they need the intervention and the leadership of the Leader of Majority Party and that of the Leader of Minority Party. This is his third stint in Parliament and there is nothing wrong with him inducting his Chairs. That is not micromanaging, it is good leadership and you can offer that. If there are Chairs with offices in the Ministries then it is wrong and we need to mention it. This is because people out there would think that Kamanda has an office. Let me tell you that I do not even go to those offices. I summon them to my small office here in Continental House besides my private office where I can also summon them. I talk to them in my official office of Parliament.

So, hon. Speaker, I do not see a problem in this matter. If we can work as brothers and sisters for the interests of this House then it will be good. If another Committee is handling the same matter as mine, I will approach the Committee's respective Chair and ask him or her if we can work together for the interest of this Parliament.

Hon. Speaker, I came for your guidance. Let me thank you because you were able to guide us on the best way to do our work with my friend, hon. Keynan. I do not think we have an issue any more. We agreed that we could have merged the two Committees to bring one report. So, it is how the Chairmen and financial personal interest---

(Applause)

As Chairs, we should allow even the Cabinet Secretary to work. We are giving them a lot of work summoning them for no apparent reason.

Hon. Ngong'o: Hon. Speaker, having had the privilege and advantage of listening to many contributions from my colleagues, I realize there are two key issues that we are confronted with this afternoon. First is efficiency in terms of managing our affairs as a House and also the efficiency on the part of the Executive. Secondly, it is the mandate of the Committees. Very quickly because a lot has been said, I would be very reluctant to advocate a situation where more than one Committee investigates the same issue. This is

because we need to be efficient as a House, both in our Committees because when we sit in those Committees we use public resources. Even this House would be reluctant to debate two reports on the same matter. So, having the same members of the Executive appearing before more than one Committee to answer to the same queries is inefficiency in totality for our country. I do not advocate for that. Therefore, we need to find a way where this House shall not engage in the same matter more than once. I mean not more than one Committee should investigate the same matter.

Regarding the mandates of the Public Accounts Committee (PAC), the Public Investments Committee (PIC) and Departmental Committees, we need to address this in this context: One, we need to understand the origin of the PIC. If you go to other jurisdictions outside there, comparable in the Commonwealth, you will realize there is one watchdog committee. Sometimes you call it a postmortem committee and that is the PAC. Because there is heavy responsibility in the context of Kenya, it has so many parastatals, what we call public investments; we have almost over 300, it became necessary to split PAC to deal with accounts of Ministries and departments and leave the public investments to the PIC. Therefore, in my view, when you asked us to talk about examining and investigating, there is a marked difference. When you talk about examination and examining, the catch word there should be examining of records; examining financial records, commercial records and commercial practices. In so far as this PIC is examining records and financial documents relating to the affairs of public investments in this country, the PIC is perfectly in order. So, if there is a matter that has been raised and I would urge--- We should sometimes allow Committees to go for education tours. We go to countries out there. If you go to the House of Commons, for example, you need to find out how PIC in the House of Commons operates. They examine accounts and if there is any matter in the process of examining the accounts that requires further examination or investigations, then it should flow from the accounts. Therefore, if PIC was looking at a matter and that matter requires that you go to physically verify, for example, the expansion of airport in Mombasa, when you are looking at the accounts of the Kenya Airports Authority (KAA), then you will still go and do it. But when it comes to day to day running of the affairs of the Ministries and departments, we should leave that to Departmental Committees to discharge their duties.

This afternoon, I was not a very happy Member of Parliament. Why? This is because some allegations have been made in this House. Even if those Members cannot be mentioned here, some action needs to be taken. Unless we are engaging in rumour mongering, if it is true that some of us and I say this because it came from the Leader of Majority Party and the Deputy Leader of Minority Party, this must be a very serious matter. I do not want to walk out there and be seen as someone who is rent-seeking. I would like to know who these are who are rent-seeking; who are making the reputation of Parliament to come down. If we cannot name them here, these are people or Members, whether Chairmen or not, who should be reported to the Powers and Privileges Committee so that we deal with this issue. It has been repeated. This is not the first Parliament talking about rent-seeking in this House. For how long are we going to talk about it and especially when it comes to the House leadership; the Leader of Majority Party has spoken to it and has been ably supported by my leader, the Deputy Leader of Minority Party. Therefore, I would urge that for this matter, you ask the Leader of

Majority Party and the Deputy Leader of Minority Party to report these names so that action is taken. We cannot sit here and allow the reputation of this Parliament to continue coming down every day. I plead with you as you make a ruling on this issue also to consider asking the Leader of Majority Party and the Deputy Leader of Minority Party to mention them. They spoke with a lot of confidence and passion about those who are either intimidating others or going out there for financial gains. In fact, they did not shy away from saying “financial gain”.

(Loud consultations)

Hon. Speaker: Order, hon. Members! A ruling on this matter will be made but let me say from the outset that it will merely be expounding on my earlier ruling made on 5th December, 2013. The reason is that in that ruling I said that in the event that what I had ruled then became necessary to be further guided on, then on a case by case basis, I would consider making further communications as need arises. But the issues you have discussed are not very light. They are matters of great moment. It is true that there has been confusion. Some of it may have been occasioned through the administrative structures of Parliament, letters issued out concurrently to Cabinet Secretaries and other Government functionaries and thereby causing confusion, of course, leading to the use of certain terminology this afternoon by hon. Mathenge that Cabinet Secretaries could easily have been hijacked. It is an unfortunate situation. It could not happen in the precincts of Parliament though. But even as I do that ruling, I draw the attention of Members to Standing Order No.180 on duties of Committee Chairpersons. “...a chairperson of a committee shall (a) preside at meetings of the committee; (b) perform the functions and exercise the powers assigned to office of the Chairperson by the committee, resolutions of the Assembly or legislation---” The Assembly can resolve that a Chairperson of a particular Committee does any matter that the House will have resolved itself on. On (c) “be the spokesperson of the committee.”

I think it is important if you serve in a Committee to know that if you are investigating a matter that is before that Committee, it is totally out of order and you are drawing the House into disrepute to go and purport to make comments outside that Committee. Whether you are addressing a Press conference and it is a matter that is before your Committee, please, be advised. You can discuss and say anything while in the Committee, but before your Committee has tabled a report in the House, it would be utterly wrong and, indeed, out of order for you to begin to discuss the matter with strangers. So, whether it is in a mosque or in a church or any other such like venues, please, resist the temptation to discuss that which has come to you merely because you are a member of a Committee before the Committee has tabled its report before the House. Those are your own Standing Orders.

I had intended to draw the attention of hon. (Ms.) Mathenge to the provisions of Standing Order No.209 on the functions of her Committee – the Committee on Implementation. They are very well clearly laid out. They deal with undertakings, petitions and resolutions of the House. Those are undertakings made by the Government; promises made. That is the function of that Committee. It is to make follow-ups. Indeed, I am yet to see you even make recommendations for sanctions against Government

functionaries for failing to implement resolutions of the House. It is so even with regard to Motions that are passed by the House requiring that a particular thing be done by whomever in the Executive. So, it is a challenge to that Committee. That is because I know we have passed many Motions. It is that Committee that is required by your own Standing Orders; Standing Order No.209, to make follow-ups and where they do not get answers, recommend to the House to take whatever sanctions they feel as a Committee, so that we can come and debate them here. It may be very useful to know that, that Committee was not put there in vain. I know it is not an old Committee; it just came in the Tenth Parliament. It was not there in the Ninth Parliament, but it is such a critical and important Committee of this House. It is an important tool for the House. It is that Committee that will help us to see how far the resolutions of this House and the Motions you pass are being implemented. When we get undertakings, it is that Committee that should take up the responsibility of ensuring that those undertakings are being implemented faithfully to the letter, failure to which the Committee then brings a report.

It is not enough to say that you want to visit the offices of the Executive from time to time. That is because that is not where your answers come from. That Committee should, through the Office of the Clerk, invite whomever and get responses. If you do not, please prepare a report. There are very few Committees that have made reports here. You know how many Committees have made reports. Honestly Members, if you belong to a Committee that you know has not tabled any report detailing the functions given to you in Standing Order No.216, please, move with speed so that, as we want to hold others to account, we are also seen to be accountable. We cannot be saying that we want to hold others to account if we are not being accountable ourselves.

Hon. Members, with that, there will be a ruling on this matter, specifically on these issues. They are not complicated but, as said by several of you, perhaps, it is a question of not being too familiar. But if, indeed, Members and Chairs of Committees feel that they need to be inducted, the Office of the Speaker is ready at any time to do exactly that. It is ready to do an induction workshop if only to understand our functions and mandate in various Committees where we serve. Even if that becomes necessary, remember also you are required as Committees to remember the rule on attendance. The rules on attendance before Committees are also very serious. One, if a Member fails to attend Committee meetings, the Chairperson should be there to deal with the matter. The Chair exercises the powers of the Speaker when he or she is chairing a Committee meeting. I do not need to remind you Members. It is in your own Standing Orders.

I thank you. Next Order!

Hon. Shukre--- Is your name Shukran or Shukra Gure?

Hon. (Ms.) Gure: Shukran Gure. Thank you, hon. Speaker for giving me this opportunity. I wish to rise under Standing Order No.43 to make a general Statement. I would like to request for your direction regarding the Pan African Parliament membership.

Hon. Speaker: Your request is approved. You brought it at the required time before 3.00 p.m. I can confirm that. That is approved. You will make that Statement at the hour of 6.25 p.m. this evening. You do not require the support of Members. So, in terms of that Standing Order No.43, you will be given five minutes to make the Statement.

Next Order.

MOTIONS

ADOPTION OF PAC REPORTS 2008/2009; 2009/2010

(Hon. Ababu on 6.3.2014)

(Resumption of Debate interrupted on 13.3.2014)

(Hon. Members withdrew from the Chamber)

Hon. Speaker: Who was on the Floor? Those who are withdrawing, hon. Keynan and others, do so quietly. Debate on the Reports of the Public Accounts Committee had been concluded, but the Question could not be put for obvious reasons.

(Question put and agreed to)

Hon. Members, following consultations and having seen the number of proposed amendments to the Marriage Bill, Bill No.13 of 2013 which is business in Order No.9, I have determined that the number of amendments exceed and, therefore, should go the Departmental Committee. We will deal with this business tomorrow at 2.30 p.m. This, therefore, means that we will skip the business on Order No.9.

Next Order.

ADOPTION OF REPORT ON 2014/2015

BUDGET POLICY STATEMENT

(Hon. Musyimi on 13.3.2014)

(Resumption of Debate interrupted on 13.3.2014)

Hon. Mary Emaase was on the Floor and she had eight minutes.

Hon. Members, for avoidance of doubt, this is debate on the Report by the Chairperson, Budget and Appropriations Committee on the Budget Policy Paper.

Hon. (Ms.) Otucho: Thank you, hon. Speaker for giving me this opportunity. I will proceed by moving amendments to the Motion on the adoption of the Report of the Budget and Appropriations Committee on the Budget Policy Statement.

I beg to move that the Motion be amended by deleting the “full stop” after the figure 2014 and substituting thereof the words “subject to”.

Hon. Members may I draw your attention to page 22 of the Budget Policy Statement Paper. I beg to move deletion of the recommendation (f) on page 22 of the report and substituting thereof with the following new paragraph---

(Loud consultations)

Hon. Speaker, I kindly seek for your protection because the consultations are too loud and yet these amendments are very important.

Hon. Speaker: Hon. Members, hon. Moroto, hon. Leader of Majority Party and hon. Asman Kamama allow hon. Mary Emaase to be heard. Do not impede the view of the Chair and the contributor. Again, those are your rules.

Hon. (Ms.) Otucho: Thank you, hon. Speaker.

I beg to move the deletion of recommendation (f) on page 22 of the Report and substituting therefor with the following new paragraph:-

“(f) that the following provisions be transferred as conditional grants to the county government:-

(i) provision towards revamping youth polytechnics amounting to Kshs1.4 billion to be shared equally among all counties; and,

(ii) provision for supporting service delivery in Level 5 hospitals amounting to Kshs3.74 billion.”

Insertion of the following new paragraph (g):-

(g) That the following provisions be ring-fenced and be included in the share of national Government:-

(i) provision of Kshs5 million per constituency towards completion of the centres of excellence under the Economic Stimulus Package and,

(ii) provision of Kshs7.3 billion for the Rural Electrification projects under the Rural Electrification Authority.”

Hon. Speaker, these amendments do not in any manner interfere with the vertical distribution of resources between the two governments; that is the county and the national Government. Let me just explain further some of these amendments. If you look at (f)(i) on the provision towards revamping youth polytechnics, you will agree with me that if you walked into your local polytechnic you will be shocked by the deplorable state of that polytechnic. It is in view of that fact that this Committee has decided that this money must be ring-fenced. It must be a conditional transfer to the county governments so that the money goes towards refurbishment and equipping those polytechnics. This is because most of those polytechnics are ill equipped. The money can also go towards providing additional capacity so that we can be able to have more courses introduced in the polytechnics. So, it is important that, that money is conditionally used for improving our polytechnics.

If you look at the second provision, you will find Level 5 hospitals, what previously used to be called “District Hospitals”. If you look at these hospitals, you will find that there is a very negative picture painted about them out there. This is because of the inefficiencies and poor service delivery associated with these hospitals. Most of the workers in these hospitals are overworked because of poor staffing. There are very few employees and there is less bed capacity in some of the hospitals. Therefore, we are saying that this money goes to the county governments because this is a devolved function but they must use this money to improve the conditions and bring about efficiency that is needed so that we can begin to get better services for our people.

[Hon. Speaker left the Chair]

*[The Temporary Deputy Speaker
(Hon. Kajwang') took the Chair]*

If we go to the new paragraph that we are introducing, you will find that there is a provision for Kshs5 million per constituency towards completion of centres of excellence. I want to be very categorical and specify that this is for secondary schools. Almost in every constituency, there is one or two centres of excellence. Therefore, this money is meant to go towards completing some of those programmes. Of course, we are aware that the ESP had very many other functions when it was established in 2009. We have construction of schools and some programmes for primary schools. However, we know that that will be taken care of by our CDF which we have also provided for an enhancement. So, this money is specifically for the secondary schools and the centres of excellence that we have within our constituencies.

Finally, if you look at the Kshs7.3 billion for rural electrification, you will find that this is money that will go towards rural electrification. If you look at the past trends, you will realize that power was being taken to areas where people could afford. We must applaud the Government because of the laptop project that will ensure that power is taken to each Government institution and primary school. That will ensure that even the poor people or the low income people will access it because it will be nearer to them. Through that, we shall even be able to retain quality staff in our schools, hospitals and health centres. It is a good idea that we retain the Rural Electrification Authority funds within the national Government to be administered through the constituencies. This will ensure equity as far as development is concerned.

Hon. Temporary Deputy Speaker, as I was contributing to the Motion before we adjourned, I wanted to touch on the issue of the wage bill. One of our concerns in the Budget Policy Paper was the issue of the wage bill. I must say that the debate that is ongoing is very healthy and we look forward to keeping the fire burning so that we can give our views. This will go a long way in helping or in the formulation of the policy that will finally and conclusively address or mitigate the issues of the wage bill.

Hon. Members, I support the Report as presented by our Chair. I have actually moved these amendments and I look forward to your support so that we can have them approved as part of the Motion.

Hon. Temporary Deputy Speaker, thank you.

The Temporary Deputy Speaker (Hon. Kajwang'): Thank you, the Member for Teso South. These amendments require seconding. Do you have somebody to second them?

Hon. (Ms.) Otucho: Hon. Temporary Deputy Speaker, hon. Kinyua was to second the amendments but I do not see him in the House. I welcome any other Member from the Committee seated next to me to second the amendments.

The Temporary Deputy Speaker (Hon. Kajwang'): The Member for Teso South, you should not go on record. This is a very crucial issue in moving amendments to Motions that they must be seconded.

Hon. (Ms.) Otucho: I stand guided, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang'): It is all right. We will live with it because we are all learning. However, next time you are moving an amendment to

a Motion, you have to discuss early with the Member and lobby so that it does not go into the record that anybody around can second the amendment. But so be it. What is your wish?

Hon. (Ms.) Otucho: I stand guided, hon. Temporary Deputy Speaker. Hon. Kinyua will second the amendments. Actually, I had discussed with hon. Kinyua that he will second the amendments. Hon. Kinyua represents Mathira Constituency.

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, the Member for Mathira.

Hon. Kinyua: Hon. Temporary Deputy Speaker, I stand to second the amendment in the Motion as moved by the Chair and as amended by the Vice-Chair of the Budget and Appropriations Committee, which I belong to.

First, I want to commend the good work done by our team of the Budget and Appropriations Committee, which has worked tirelessly, consulting different departments and Ministries of the Government and having to get a delicate balance between the allocations within the Ministries as well as the counties. As we adopt this report, I would urge the parties that will be involved, particularly in the allocation of revenue to county governments, for instance, the Commission on Revenue Allocation, that the formula that they adopt must not necessarily be the formula that they used last time, which was not based on anything.

We want to see equity as opposed to equality. We want to see the counties that carry the biggest burden or that have the biggest number of taxpayers. In this case, I am referring to the counties of Nyeri, Kiambu and Nairobi, which carry the biggest number of taxpayers and, in fact, the counties which drive this economy, we want them to get their equitable share in terms of revenue allocation. We cannot take it that Nyeri, Nairobi or Kiambu, for example, have to stop at a standstill until the other counties catch up with them. We want this to be looked into and the basis for revenue allocation should take into consideration that fact.

I also want to see some bit of rationalization. I support the current Government’s initiative of trying to rationalize, harmonize and look at this country’s wage bill. As a country, we cannot move forward and achieve the Jubilee target of the double digit growth when most of our expenditure is going into Recurrent Budget. As much as we have come up with proposals for the allocations, we would also urge the Ministries and other Government agencies and departments to reduce wastage. One of the things that we have to look into is the fact that Kenyans must get value for their money. We cannot have Government contracts being the most expensive, which are not necessarily following the best practices, and which are not necessarily based on what can be achieved even from the private sector. We want Government Ministries to look into the spending of this country and ensure that the contracts that we award give value for money. For example, it does not make sense in this country to say that we can only tarmack our roads at Kshs80 million per kilometer, whereas if you were to do that in the private sector, probably it will cost as less as between Kshs30 million to Kshs40 million. All these need to be looked into.

I also commend the Committee for coming up with the solution of ring-fencing some money, particularly for the Level 5 hospitals. I will have the opportunity to look into what is happening in the Karatina District Hospital. In the past, we have been

begging for money because we left it to the discretion of the Ministry of Health to provide this revenue. I believe that the Karatina District Hospital will benefit as a Level 5 Hospital. This money will definitely get there without any chances of diversion. We are also in the process of improving what we used to call the village polytechnics. We need to get away from calling them village polytechnics. They are polytechnics where young men and women will get skills which can enable them to earn a living. Again, from what we can achieve from our CDF, we can partner with the county governments and make sure that we improve the polytechnics with an aim of ensuring that our people have the necessary skills to support this economy.

Finally, I want to commend our Chair, hon. Musyimi, for having led us through this process. He ensured that he instilled a sense of being reasonable to most of the Ministries, Government agencies and departments that appeared before the Committee.

With those few remarks, I second the amendment and I support the adoption of this report as amended.

*(Question of the first part of
the amendment, that the words to be left
out be left out, proposed)*

The Temporary Deputy Speaker (Hon. Kajwang’): Members, this is an amendment to the report that is before you. As would be normal, we would want to hear the feeling of the House. So, although I hear the Member for Suba lobbying the Chair to put the Question, I see requests here. Those of you who want to speak to the amendments, please, press your intervention button, so that I am able to see your interventions. Now I can see those of you who want to contribute.

(Hon. (Ms.) Odhiambo-Mabona stood up in her place)

Order, Member for Suba! One day you will occupy this seat and then you will do what you want to do now. For the time being, allow us to go this direction. Member for Bumula, you have the Floor.

Hon. Otsiula: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity. I want to support the Report with all the amendments.

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Bumula, remember that you are speaking to the Motion to amend, and not the Report at all.

Hon. Otsiula: Hon. Temporary Deputy Speaker, I support the Motion.

The Temporary Deputy Speaker (Hon. Kajwang’): No, no, no! Is it the Motion of the amendment?

Hon. Otsiula: Of course, yes, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): Very well. Proceed.

Hon. Otsiula: Hon. Speaker, youth polytechnics play a crucial role in this country, particularly with a view to attaining Vision 2030. They play an important role in that most of the youths who are not able to make it to tertiary colleges and universities can be absorbed for middle-level college courses.

Secondly, looking at the way youth polytechnics are being managed currently it is terrible. Some of the instructors work for over a year without any pay yet the majority of them earn a monthly stipend of Kshs1,700. That is the life of these people. If we want to ensure that youths all over the country are able to turn around our economy, we must ensure that youth polytechnics are self-supporting and self-sustaining. It is, therefore, very important that we give them sufficient financial support to enable them move forward.

In terms of giving Kshs5 million to the constituencies for purposes of completing the centres of excellence, I am one of the most affected Members of Parliament. The Kshs30 million that was given to Bumula Constituency could only raise the building up to the wall plate level. There are no windows or anything else. Therefore, this is good news for my people. We have made requests to the Ministry of Education to look into the matter and see how best they can facilitate in completing the institutions. Neither the projects for the primary schools nor for secondary schools that benefited from the Fund have been completed.

Therefore, I support hon. Emaase for bringing the amendment, through the Committee.

Thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, Member for Samburu East.

Hon. Letimalo: Thank you, hon. Temporary Deputy Speaker, for giving me the opportunity. I support the amendment.

Talking of the provision towards revamping our youth polytechnics, one of the major challenges that we are facing as elected leaders is the transition rate of students from primary to secondary education and from secondary education to university and other middle-level colleges. Many students are left out just because of the system that they are using.

The most unfortunate thing in Kenya is that our education system is exam-oriented to the extent that anybody who will not be able to perform well at a given level of education – May it be primary education or secondary education – the chances of such a child advancing in education are minimal. So, once our polytechnics become functional, our children will get vocational skills and get jobs for themselves. Therefore, I would like to thank the Committee very much for coming up with this amendment.

Hon. Temporary Deputy Speaker, I also support the provision of Kshs7.3 billion that has been earmarked for Level 5 hospitals. I am, however, equally concerned because some communities in this country have really been left behind. You only find dispensaries or health centres in such areas. You may also find health facilities that are sponsored by private organisations like the churches. In my constituency, we have Wamba Catholic Mission Hospital. The hospital is so big that it deserves to be a referral hospital. It covers the entire of Samburu County, the neighbouring county of Isiolo and Marsabit County. However, since the hospital depends on funds from sponsors, it does not benefit from such kinds of Government grants.

Therefore, I want to appeal to the Budget and Appropriations Committee, even though this has been dedicated to the county governments, which we will be able to pursue with the governors, given that these facilities are giving services to local

communities, the Government considers giving financial assistance to such mission hospitals, which are doing a very good job.

Hon. Temporary Deputy Speaker, on the Kshs5 million that has been allocated to constituencies towards the Economic Stimulus Package, one thing that we applauded the current President for when he was the Minister for Finance, was this provision. It was the only one that was acceptable across the board because all the constituencies benefit from the ESPs. Our concern is that even though the projects were started, they were not completed.

I remember that even in the last Parliament, there was a provision of Kshs17 million conditional grant given to the Constituencies Development Fund (CDF) but the institutions that were started under the ESPs never benefitted. When we took this proposal to the CDF Board, it was cancelled. It is now important that this has now been considered by the Committee. Some of the projects have stalled, and there was no budgetary provision for their completion. It is, therefore, important that the Committee has considered the projects, so that they can be completed.

Hon. Temporary Deputy Speaker, I also applaud the allocation of Kshs7.3 billion to the Rural Electrification Authority (REA). For those of us from marginalised areas, the pastoral communities in particular, if you look at the performance of students in national examinations, they are wanting because there are so many factors that have not been considered. I know that shortage of teachers is not unique to only one area. It is a countrywide problem. There are also other provisions that are meant to boost educational programmes, and specifically when it comes to electrification.

When the Jubilee Government came up with the Laptop Project, we knew that it was one way of ensuring that electricity was provided to all public schools because there is no way they would undertake the project without providing electricity to schools. We have seen that the performance, in national examinations, by schools that have got electricity is different because the students have extra time for preps. So, we know that with an infusion of Kshs7.3 billion in REA, and seeing the kind of work that is being done by REA, it is certainly going to boost education. So, I really support the initiative.

Hon. Temporary Deputy Speaker, another area on which I really want to speak is the livestock sector, which is covered in the general Report.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Letimalo, that one will come, but not in this segment.

Hon. Letimalo: Thank you, hon. Temporary Deputy Speaker. I support.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Members, so that we catch up with time, I want to entertain a voice that is of a contrary view. Could those hon. Members who are in opposition to the amendment push your intervention buttons, so that I can see you? Since there is none, let us hear the Chairperson of the relevant Committee for just a few minutes. We are on the amendment. We want to go back to the substantive debate.

Hon. Musyimi: Thank you very much, hon. Temporary Deputy Speaker. I get the sense that the House supports these amendments, but let me say that for the avoidance of doubt, we are aware that the money is taken to the counties. The Kshs1.4 billion that is to be shared equally, there may be instances where there would be polytechnics to revamp. The word used here is “revamp”. I think the Committee was aware of this and we want to

say for the avoidance of doubt, the money can actually be used to establish new polytechnics.

With those few remarks, I beg to thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): Are you suggesting a further amendment to change the word from “revamp” to “establishment”?

Hon. Musyimi: Not really, it was just for the avoidance of doubt. What I am trying to say is that the Committee discussed this matter at length. Take for example, a county like Samburu may get Kshs30 million and then the money gets to Samburu County and there is no youth polytechnic at all to revamp. So, what does the county government do with that money? Therefore, as a Committee, we were saying that if there is no polytechnic to revamp, that money can actually be used to establish new polytechnics. That is just for the avoidance of doubt.

Thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Mbui, are you on a point of order?

Hon. Mbui: Thank you, hon. Temporary Deputy Speaker. Actually, there was a time you had mentioned that we press the intervention button if we have any issue contrary to what is in this Report.

The Temporary Deputy Speaker (Hon. Kajwang’): Do you rise to oppose the amendment?

Hon. Mbui: Not quite, but there is an issue that I would like to raise.

The Temporary Deputy Speaker (Hon. Kajwang’): Put it very clearly. You have one minute to do that.

Hon. Mbui: Thank you, hon. Temporary Deputy Speaker. I just want to point out the issue on the provision of Kshs5 million per constituency towards completion of centres of excellence under the Economic Stimulus Programme (ESP). When the ESP was being undertaken in this country, we had only 210 constituencies. Now we have 290 constituencies and, therefore, there are 80 constituencies that do not have a centre of excellence. Maybe, the Chair could also propose that we can come up with new centres with the Kshs5 million.

The Temporary Deputy Speaker (Hon. Kajwang’): More interventions are coming. Hon. Murgor, are you rising to oppose the Report?

Hon. Murgor: Thank you, hon. Temporary Deputy Speaker. I just want a clarification on an issue here, particularly on the area of Level 5 hospitals. This is because most district hospitals are Level 4. Are they going to leave out the other district hospitals which are at Level 4 category?

The Temporary Deputy Speaker (Hon. Kajwang’): All right.

Hon. (Ms.) A.W. Ng’ang’a: On a point of information, hon. Temporary Deputy Speaker. I want to respond to my colleague who said that we now have 290 constituencies while previously we had 210 constituencies. When we set aside this money, it was for completing all the centres of excellence that had stalled in the 210 constituencies. As a Committee, we felt it is good we first complete them then in future if another project is rolled out, then it can cover all the 290 constituencies. This is not a matter of competition, but a matter of urgency.

Those centres of excellence need to be completed so that they can be used. A lot of money was used on them. Therefore, there is need to complete them urgently.

Thank you, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): That is unsolicited information, but it is very relevant because the hon. Member is a member of the Committee. Therefore, stay informed.

*Question of the first part of
the amendment, that the words to be left
out be left out, put and agreed to)*

*(Question of the second part of the
amendment, that the words to be
inserted in place thereof be inserted, proposed)*

*(Question of the second part of the amendment,
that the words to be inserted in place thereof
be inserted, put and agreed to)*

(Question of the Motion as amended proposed)

Hon. Members, we will now consider the Motion as amended. It has been circulated in the form in which it has been amended. Let me for purposes of clarity so that the HANSARD is clear, read the Motion as amended. It now reads:-

“THAT, pursuant to the provisions of Section 25 (7) of the Public Finance Management Act (Cap 412 C) and Standing Order 232 (7), this House adopts the Report of the Budget and Appropriations Committee on the Budget Policy Statement 2014, laid on the Table of the House on Thursday, March 06, 2014, subject to deletion of recommendation (f) on page 22 of the Report and substituting thereof with the following new paragraph:-

(f) That the following provisions be transferred as conditional grants to the county governments:-

(i) provision towards revamping youth polytechnics amounting to Kshs1.4 billion to be shared equally among all counties; and

(ii) provision for supporting service delivery in Level 5 hospitals amounting to Kshs3.74 billion.

Insertion of the following new paragraph (g):-

(g) That the following provisions be ring-fenced and be included in the share of national Government:-

(i) provision of Kshs5 million per constituency towards completion of centres of excellence under the Economic Stimulus Package; and

(ii) provision of Kshs7.3 billion for the rural electrification projects under the Rural Electrification Authority (REA).”

Hon. Members, we are now going to debate the Motion as amended in the text that has been read out.

Hon. Lati: Thank you, hon. Temporary Deputy Speaker. I want to add my voice in support of this Motion.

This is a very important Report for our country because it sets broader objectives, policy goals and strategic priorities for our budget and for general macro-economic framework. I think it is very important that we have this policy statement because it helps us understand how we are heading, both in our budget level and in the medium term.

Hon. Temporary Deputy Speaker, if you look at this Report, there are obviously both weaknesses and strengths within our macro-economic sector; if you look at our economy today, which is a very important thing in contribution of our budget. If you look at the general economic growth framework, we are doing not so badly but not so well. This is because we are growing at the level of some other sub-Saharan African countries. If you look at our ranking in the world today, we are ranking number 82 in terms of economic growth. This is where we really need to push our buttons so that we can generate and move our country to a middle income level.

Hon. Temporary Deputy Speaker, if you look at our inflationary pressure, it is something that is disturbing our economy. We stand at about 5.8 per cent inflationary pressure today and that ranks us way down; about number 164 in the world, according to CIA factor. With the inflation of that magnitude, our resources or assets lose value and we end up buying less with the kind of money we have.

I am just hoping that the people concerned with our monetary policy within the Central Bank of Kenya are looking into this because it does not matter how much we are growing our economy, if the inflationary pressure is really huge as it is today, we can do very little to help our country.

We have heard a lot of noise about our GDP to debt ratio. If we look at it, that is probably one area that we are not doing as bad. I am glad that the World Bank just came with a report that indicates a positive censure on our GDP debt ratio. We have about 52 per cent and that one ranks us about number 60 in the world. If you look at all the big economies in the world, the USA and all those economies, they are behind us.

I have to give an example of Japan which is about 200 per cent debt to GDP ratio. Therefore, we are not doing well in terms of debts; but our country is doing well.

Hon. Temporary Deputy Speaker, there is so much talk about wage bill and it is a serious problem to our macro-economy today because unemployment is something that eats into our economic growth and affects us all. I want to say that our biggest problem now is to try and bring people to work in our economy. At 40 per cent, we are one of the worst economies in terms of unemployment. I am sure there are things that are being proposed by Members of this House including taking away those nominated seats. It is something that I tend to agree with, particularly on the Senate side. Forty two per cent of the Members of our Senate are nominated whereas in senates around the world, there are no nominations. There is a reason why we have the Senate and if we borrowed from the United States of America Senate, we should also borrow from its history.

The US Senate was established to represent regions and states and the reasons why there are no nominations there is because there is no affirmative action that you can build into regions. You cannot have a female or a male county in Kenya. You cannot

have a disabled county. So, those things of affirmative action cannot be carried on into states.

Hon. Temporary Deputy Speaker, there are obvious strengths also within our economy. If you look at the CBR which is an equivalent of the Federal Funding Streams and this is the overnight borrowing by banks, it is coming down. At the moment, the Central Bank of Kenya (CBK) is charging less money on interbank overnight banking that builds into the rate at which our people borrow and I think it is a very important rate. In fact, in America it is the most important rate in all of its economy because once banks can borrow easily at lower rates, then people and the general public can also do so and that builds into our investment framework. If we can borrow at a lower rate, then investments for our country is something that we can build on.

This is because if you look at our export import parity, it is at negative 19. The only way we can build on to that is if we can have a lower borrowing rate so that our people can invest and the investment will build into our economy. That way, we will substitute for the negative in the export import parity.

The other thing that I looked at in this Report that brings in a very positive way is that there is decreasing interest rate parity also in terms of deposits and lending and I think that is also good for our economy. However, I think the most important thing that we need to look at, and I am glad this Committee mentioned it, are the opportunities that we have as a country. One of the opportunities that is glaring at us and has gone through this House is the sovereign borrowing for our nation. If you look today, we have passed a budget that encompasses a sovereign bond that should have been floated to help our Budget. I want to say that, that is a good opportunity that we should support as a House and as a country because if that were to happen in our country, there are obvious benefits if we start floating sovereign bonds outside this country.

Hon. Temporary Deputy Speaker, the first one is an obvious economic concept. You know there is the crowding effect that we have currently in our country. We have seen our country getting into syndicated loans and that crowds out the market in terms of the Government competing to borrow with the public and that has pushed our interest rates very high. If we could float something like a sovereign bond, the Government borrowing would move out and the people can borrow more easily.

Hon. Temporary Deputy Speaker, the other reason that is also really impacting our macro-economic sector is the huge interest rates that the Government is paying. In fact, reports indicate very clearly that one of the interest rates payments would probably be the second biggest Recurrent Expenditure within our Budget. However, if we were to float a sovereign bond which would get the benefit of lower interest rates, that would help us bring that Recurrent Expenditure in terms of interest rates a little lower so that we pay less in terms of Government debts.

Hon. Temporary Deputy Speaker, there is also another obvious benefit to this opportunity that we have in terms of going out and borrowing through a sovereign bond. You know the sentiment factor benefit is a very important factor for any economy. The reputation that we get by being a country that can float a sovereign bond within a public trading market outside this country is important in terms of the sentiment that is built within those investors who want to put money in our country. We will get reputational benefit and by the way at that point anybody who cares to watch the markets in the world

will see that Kenya is a country that is able to pay and service its debts and is able to play in the league of those nations that are playing in the world market. I think that is something very important in our country.

Hon. Temporary Deputy Speaker, another thing that this Report highlights very much and I am impressed, is that it puts in very clear perspective the issue of the Equalisation Fund. I have seen very good lawyers in this country. These are people who claim to have gone to law schools saying that the Equalisation Fund is part of the County Fund. This Report puts it clearly as the Constitution does that the Equalisation Fund is actually a national fund and it remains so until some of our Bills go through to take it to another level.

I am glad that the Rural Electrification Authority (REA) has also been mentioned here because I remember last time somebody misplaced it into the counties and yet it belongs to the national Government and through constituencies that we have across our country.

The 1.4 billion youth polytechnics fund is a wonderful thing because I estimate that each county will get about Kshs300 million and to build a good technical institute one will need about Kshs150 million. That means every county will get at least two technical schools. Those are important things.

The Kshs.5 million Constituency Economic Stimulus Package is another important highlight of this Report and I think we are heading the right way by finishing the projects and promises of the last Government without caring who is the President or who took over Government. I think it sets a very good precedent for our country that it does not matter what the other Government has done. At the expiry of Parliament and the Government, the Government that has come in will take care of the projects that were left and this happens across our country.

Hon. Temporary Deputy Speaker, I want to thank you and I am in support of this Report.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you very much. Member for Suba.

Hon. Ng’ongo: Thank you, hon. Temporary Deputy Speaker. I want to support the Report of my Committee and first I want to start by saying that Section 25 of the Public Finance Management (PFM) Act requires the National Treasury to prepare and submit to Parliament the Budget Policy Statement (BPS) by the 15th in each year. This Statement, as has been said before, needs to give an assessment of the current state of the economy and the financial outlook over the medium term. Secondly, it is to give financial outlook with respect to Government revenues, expenditure and borrowing for both the next financial year and over the medium term.

So, hon. Temporary Deputy Speaker, by just merely looking at the BPS you are able to know for the coming financial year and two subsequent years how much the Government anticipates to collect in terms of revenue, how much the Government intends to spend in terms of expenditure and how much the Government intends to borrow both externally and domestically.

Hon. Temporary Deputy Speaker, the third aspect that needs to be addressed in this Statement is the proposed expenditure limits for the national Government including Parliament and the Judiciary because we have three levels of Government and indicative

transfers also to the county governments. If you look at our BPS, there is indicative transfer and I would plead with this House. I know this was a decision that was taken by my Committee but I think what the governors and the county governments have been asking for; Kshs238 billion, I think is something that we may need to consider when we are doing the Division of Revenue Bill so that we do not starve our counties of resources because the counties need to cost their functions.

Hon. Temporary Deputy Speaker, the other aspect that needs to be addressed is the fiscal responsibility principles and financial objectives over the medium term including limits on total annual debt which I think has been of serious concern to this country.

Hon. Temporary Deputy Speaker, looking through the BPS of 2014 which is the one that we are considering to date, the areas mentioned above have actually been captured, however there was no or limited public participation as is required by the Constitution. This is a constitutional requirement as per Article 12 and I would urge the Treasury to ensure that in future all those bodies that are required to be consulted including the public as spelt out in Section 25 of the PFM Act are actually consulted.

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Suba, do you have the Report of the Committee with you?

Hon. Ng’ongo: Well, I do not have it here but I have the BPS.

The Temporary Deputy Speaker (Hon. Kajwang’): This is because when you make the suggestion that there was little consultation, is it based on facts on that Report or not?

Hon. Ng’ongo: Hon. Temporary Deputy Speaker, it is actually based on facts. Actually, we got a report from the Parliament Budget Office. The level of consultation was one out of five which means it is 20 per cent. That is very low. So, if you look at the analysis which I have from our Parliament Budget Office, that is an area that has been faulted.

The Temporary Deputy Speaker (Hon. Kajwang’): Fair enough! I just wanted to establish what report you are speaking from and not from a source outside the report.

Hon. Ngong’o: Hon. Temporary Deputy Speaker, I can also critique the Report. The focus of the Government is on allocation of resources to individual programmes. This is an area that is also deficient in this particular Budget Policy Statement. I am addressing the BPS because the Report of Parliament is not the only thing we are debating. We are debating the Report together with the BPS. If we see new projects being introduced yet there is no clear feedback as to what happened to the programmes of the previous year and whether the targets and outputs were actually achieved--- One would have expected that we are told that the programmes we have in the 2013/2014, this is the level of implementation because we are moving towards programme-based budgets. The theme of the BPS 2014 is “Achieving Economic Transformation for a Shared Prosperity”. That is the Government’s objective. That is what the Government is focusing on and it is hinged on six pillars. One is to create conducive business environment for employment. This is to be done according to the BPS through ensuring macro-economic stability by pursuing prudent fiscal and monetary policies which would support accelerated growth and development by maintaining a strong revenue effort and

containing growth of total expenditure through good governance, PFM oversight, expenditure management and tax and revenue reforms.

That is spelt out in the BPS as one of the key pillars or objectives to be achieved. Then one would have expected that when you look at the BPS, you get deliberate and systematic efforts towards ensuring that, that pillar is realized. But even though this is very attractive, in my view it comes out clearly that this is just mere academic exercise with no serious effort to actualize it, as I will demonstrate shortly.

You will allow me to say at that point because I wanted to make this point that there has been talk about the heavy public wage bill but for the figures that the Government has been talking about, you do not see them in the BPS. That is a major source of worry and concern. If the reports coming from the Treasury are not reliable, then what would be reliable? I was looking at the projects recurrent expenditure of Kshs909 billion. Out of it, interest payment is Kshs118 billion; wages and benefits is only Kshs325 billion contrary to what the public has been made to believe that this country spends about over Kshs500 billion. Other expenditure constitutes Kshs324 billion; that is other recurrent expenditure. If you look at the pension payable, it is Kshs45 billion. Therefore, I would like to ask the Treasury, if they are listening to me, to come out and tell the people of this country the breakdown of this figure that they have been talking about, which they have even misled the President and the Deputy President to believe that this country spends over Kshs500 billion. It is not backed by figures that they have given us. These are not from anywhere else, they are from the Treasury.

Hon. Temporary Deputy Speaker, the BPS talks about ensuring efficiency, effectiveness and accountability in the---

The Temporary Deputy Speaker (Hon. Kajwang'): Do I understand you to be saying that the wage bill has been exaggerated?

Hon. Ngong'o: That is exactly what I am saying, Hon. Temporary Deputy Speaker. Unless the Treasury can tell us where they are getting the figures they have been quoting, what they have given us in the BPS is not matching what is there in the public domain. I think this figure was given to the SRC with a view to stop the SRC from reviewing the public service salaries upwards. I think that is very dishonest if that is what the Treasury did. It is very dishonest but they need to answer to the people of Kenya where they got the figure of Kshs500 billion because it is not there in the BPS.

I wish I could have more minutes but let me just say that the BPS talks about ensuring efficiency, effectiveness and accountability in the PFM by giving more capacity to PFM institutions such as the National Treasury, the Auditor-General but it is not backed by resources. How can you say you will give capacity to the Auditor-General and you do not give them the money? So, the Government needs to be serious about giving capacity to these institutions.

Secondly is agricultural transformation, the Government intends to prioritize investments in agriculture by undertaking agricultural reforms. This is commendable. However, the Government over the years, actually from 2000/2001 to 2010/2011, has been spending 3 to 4 per cent on agriculture. Even with such a reasonable allocation for the agricultural sector, the productivity has been very low. Why? This is because of weak public expenditure and reporting controls. This results into wastage and increased financial risks. The Government should have demonstrated in the BPS on how it intends

to address the key governance challenges that this sector is facing at the moment. Otherwise it will remain an intention without any effort.

The third pillar and they have six pillars; I do not know whether the time I have left will be able to--- You also kept on taking my time by asking me questions so you will---

The Temporary Deputy Speaker (Hon. Kajwang’): Because you are wasting the time you have by-- -

Hon. Ngong’o: The transport logistics---

The Temporary Deputy Speaker (Hon. Kajwang’): Can you have the microphone for a minute to finish your train of thought?

Hon. Ngong’o: Hon. Temporary Deputy Speaker, I really do not know what I would do in two minutes but let me wind up by saying---

The Temporary Deputy Speaker (Hon. Kajwang’): I did not say two minutes, I said one minute!

Hon. Ngong’o: One minute is not sufficient. Let me put it this way as I conclude: If you look at the Kibaki Government of 2003-2007 and the Grand Coalition or the Kibaki/Raila Government of 2008-2012, the strategy was clearly to improve infrastructure. If you look at this Jubilee Administration, it seems - I do not want to say they are losing steam because to me there has been no steam at all - the Jubilee Administration is not telling us where their priority is. Is it infrastructure as the Grand Coalition Government? Is it education? What is it about? The Jubilee Administration appears like an institution without direction. So the Jubilee Government needs to come out clearly on whether you want to improve infrastructure or you have diverted your priority to another sector so that Kenyans may know how to evaluate this Government.

Thank you, I support.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you very much.

Hon. Mulu: Thank you, Temporary Deputy Speaker, for giving me the opportunity to contribute to this Motion. I also support the adoption of this Report as amended. I think when you read through the Report, it has very important issues to do with Budget making in this country. As we are all aware, a budget to an individual or to a country is a very important document because it sends very clear signals as to what are your intentions and at the same time what resources have been set aside so that the intentions are achieved. When you read this BPS, that is what you want to see from the word go; that where is this Government intending to go and what resources have they set aside to make sure they go where they want to go? And as we sat as the Budget and Appropriations Committee, that is what we were looking for. I think the Budget and Appropriations Committee has done quite well in terms of analyzing the BPS which was presented to us from the Treasury bearing in mind the timeframes which we had.

Hon. Temporary Deputy Speaker, one of the things we must, as a House, take time and think about is how much time is allowed to Parliament in terms of budget-making process and how much time the Executive has on the same. This is because if you look at the process, you will find that the Executive seems to have relatively more time compared to the Legislature. I think since the new Constitution has given Parliament more powers in the budget-making process, this is an area as we move forward, if we

have to do justice to this important document, Parliament has no choice but to be allowed more time to discuss it.

I want to support my Chair and the Members who have said that we need to seriously look at the Public Financial Management Act and see what amendments are necessary so that we allow this House more time. This will enable us to seriously discuss these documents and do justice---

The Temporary Deputy Speaker (Hon. Kajwang’): Do I understand that the Constitution sets a time table for the submission of these things?

Hon. Mulu: Hon. Temporary Deputy Speaker, it does but most of the tight timelines are in the Public Financial Management Act.

The Temporary Deputy Speaker (Hon. Kajwang’): For example, is it not true that the Cabinet Secretary complied with the 15th February timeline?

Hon. Mulu: He did, but what I am saying hon. Temporary Deputy Speaker, is that the budget-making process kicks off around 30th August. That is the time the Treasury circulars for making budgets are sent to the Ministries. They have all the time up to around February when they send these documents to us and we have only three or four weeks when these documents are brought before the Budget and Appropriations Committee.

The Temporary Deputy Speaker (Hon. Kajwang’): So, it is fair to criticize the National Assembly and not the Cabinet Secretary because it appears that he was within the law that you created.

Hon. Mulu: Yes, but I am saying that this is an area, as a House, if this Committee has to do justice to this document, we need to do something.

The Temporary Deputy Speaker (Hon. Kajwang’): I understand.

Hon. Mulu: Hon. Temporary Deputy Speaker, the other thing which we need to discuss is---

Hon. Ng’ongo: On a point of information, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): The Member for Suba, you are on a point of information. Is the Member for Kitui Central looking for information?

Hon. Mulu: Hon. Temporary Deputy Speaker, I can continue because I do not have much time and I think hon. Members want to contribute to this debate.

The Temporary Deputy Speaker (Hon. Kajwang’): What information are you giving?

Hon. Ng’ongo: Hon. Temporary Deputy Speaker, actually---

The Temporary Deputy Speaker (Hon. Kajwang’): But you have to ask the Member for Kitui Central if he wants that information.

Hon. Mulu: Hon. Temporary Deputy Speaker, let me be allowed to make my contribution. I think that is important.

The other thing I want to say is that, as a country, Kenya has decided to go for what we call programme-budgeting which is very important to this country. This is because through programme-budgeting, you are able to identify very clearly the expected output from all the resources which will be used. At the same time, you are also in a position to identify the expected results.

Hon. Temporary Deputy Speaker, you must have heard about this statement made by Government officers, that is results for Kenya. We will not talk about results for

Kenya, as a country, if we do not tailor our budget-making process to programme-budgeting where we are clearly on issues of output and results. I think this was a serious omission in terms of this Budget Policy Statement. We are saying that this was not presented to the Committee. As we move forward, we must demand, as a Committee, that any future presentation from the Executive is tailored to make sure that we get programme-budgeting.

Hon. Temporary Deputy Speaker, the other issue which is very important even as we move forward, and which I think the Executive must take very seriously is what we call “monitoring and evaluation”. As we discussed this budget, I asked myself where the position of monitoring and evaluation of this budget is. What am I saying? I am saying that every year this House provides resources to the Executive to use. However, as we get the Budget for next year, we hardly spend one or two minutes or we are hardly given information on what has been achieved by the resources we allocated the Government. This is where we have challenges.

For example, if you read this Budget Policy Statement Paper, you will find that one of the challenges the Executive is facing is low absorption rates in terms of utilization of resources. This is not the first time we are getting this Statement because it comes every year. However, the Executive is not able to use the resources which are allocated by this House for the intended projects. I think we need to start saying that if we give a Ministry money and it is unable to use it, we have no business giving more money to that Ministry come next year. I am saying that even as we do budgeting and planning, I think we need to take the issue of monitoring and evaluation very seriously. This will ensure at the end of the day that if we gave you Kshs10 billion, but you only managed to use Kshs1 billion then this year we will give you Kshs1.5 billion. In that case, we will have more resources than we require.

The other thing we also need to consider is the issue of costing of functions. When we met last with all the accounting officers as the Budget Committee we said this year – that was last year’s Budget – for us to allocate resources to Ministries and counties, we will need to see a clear costing of functions. If you read this Statement, you will find that, that issue still comes up. Even as we discuss this Budget, the issue of costing of functions has not been properly done. On what basis are we allocating resources? Is it on guess work? I think we need to be serious. We are saying that in future, as a House, we need to say that if functions are not given a cost then this House will not go ahead and allocate resources.

Hon. Temporary Deputy Speaker, my last point is what I will call gender-based budgeting. The Constitution is very clear on affirmative action. We cannot be talking about affirmative action if resources are not channeled to that area. We are saying that we need proper gender-based budgeting so that when we talk about affirmative action, it is closely tied to resources. If that does not happen then this Government is not doing justice to Kenyans in terms of gender-related issues.

On the issue of the wage bill, this Statement says that for the next two years the wage bill is expected to go up at the national level. That is the indicator which is given here. However, at the same time, we have devolved most of these functions. Is this not a contradiction? That the wage bill is expected to go up but at the same time---

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Member, you have really researched on your contribution and while you are there, let me engage with you a little. You must be talking about functions that you see in Standing Order No.232 on what the Budget Policy Statement should contain. I hear you to be saying that you should have a programmatic budget and it should indicate outputs and so forth. To the extent that this order is phrased in mandatory terms; “shall”, “shall” and “shall”, as you criticize his Report to be, what happens if it is not done? In your opinion, what should be done? Could you give him the microphone for a minute to engage in that?

Hon. Mulu: Thank you, hon. Speaker. I think your question is very valid. While last year we had all the reasons to say that we could accept what was happening because Parliament came in late in the process, where the word “shall” is used, it simply means that if it is not done, then we should not approve the Budget as a House. That will be my clear interpretation of the process. But there is always the issue of, we represent Kenyans and if we do not approve the Budget, at the end of the day, the same people that we represent and whose interest we are pushing, will suffer. That is why you see a bit of balancing, but we need to be firm as a House. If there is a way, we need to be firm, so that if this is not done, then we can decide.

There is no reason at all for the Executive not to achieve this requirement. When you look at them, they have all the resources they require in terms of manpower, money and logistical resources. They have no excuse. It is just a matter of trying to test whether this House takes the requirement seriously.

With those remarks, I support the adoption of this Report as amended. Thank you for giving me the opportunity.

Hon. G.W. Omondi: Thank you, hon. Speaker. I also want to add my voice to the debate on the Budget Policy Statement (BPS) as presented in this House and also as amended. At the same time, I want to agree with what came from my Chairman. In the speech, he spelt out both positive and negative aspects of the proposal. The subsequent speaker also pointed out some of the shortcomings of the BPS. Obviously, this amounts to the fact that, we, in the Committee, looked at this BPS and we could not include everything in what our Chairman read.

My contribution will touch on two key areas, in which I found the BPS inadequate. The BPS stipulates strategies, policies and measures which spur growth and development. It encompasses the assessment of the economy as a whole. All these put together should translate to job creation. All we know is that unemployment in this country is a major problem. The BPS is very silent on how these policy statement and strategies will generate jobs in our country. We know that youth unemployment is close to 70 per cent. I found it a bit interesting that this is not touched in the Budget Policy Statement. The BPS gives no figure on unemployment nor does it give how jobs will be created if these policies are implemented. We need to be told because any economy is classified as doing good or bad depending on the jobs that its policies create.

The other thing that I found lacking in this Budget Policy Statement is the treatment of the Small and Medium Enterprises (SMEs). We are told that credit has grown. The private sector attracted credit from the banks to the tune of 20 per cent, but it is very silent on what amount of this credit has gone to SMEs. We know that the SMEs are the engine of this economy because if you look at the 2012 statistics, it is estimated

that almost 80 per cent of new jobs came from the SMEs. I would have expected the BPS to give us more information on this particular sector.

While still on the same topic, we are told that the tax base is going to be widened and the major area is going to be the informal sector. One wonders how one is going to tax it in the absence of any data or information on this sector. Maybe we are not being told everything. The absence of information with respect to this important economic growth and development sector could be construed that the authorities do not have any information on this sector. Obviously, that would impeach on any plans for enhancement of revenue collection as we are told in the BPS. In passing, though the BPS talks about low absorption of resources or funds, it does not give any solutions or way forward as to how this should be sorted out or how the bottlenecks that create this low absorption are going to be handled.

Finally, I am a little bit concerned because the BPS is given to us at a time when it is impossible for county governments to include what is in the BPS into their county fiscal strategy paper. It is important that we look at one fiscal policy, but the way it is, it would appear that county governments will run their own fiscal policy, the Central Government will run its own fiscal policy and this is likely to create a lot of fiscal confusion in our country.

With those few remarks, I beg to support.

Hon. Mohamed Abass: Thank you, hon. Temporary Deputy Speaker. I rise to support the Report with amendments. I want to commend the Committee for looking into the key issues. If you may remember, in the past, any time there was Supplementary Budget, there was tendency of abuse of money. There was a lot of rush as we approached April/May, there tended to be a lot of unnecessary purchases and tendering. This has also been used, in most time, to misuse funds. I hope that the Budget and Appropriations Committee will come with stringent measures to ensure that these kind of tendering processes are not done and there is no misuse of funds.

Currently, the counties are doing a lot of tendering processes. They are doing a lot of purchases of goods and services and there is a lot of rush. The Budget Policy should be changed to allow continuity of some of the development funds to the next Budget, so that we avoid any misuse of funds and rush for buying unnecessary services. While I commend the Committee, I know that the Budget process is not easy, especially for the counties which are currently setting up their systems. There is need for the counties to be given time to develop systems, technicalities and technical knowhow, so that we can avoid any abuse or misuse of funds because of rushing it. I also want to thank the Committee for considering the stimulus plan. It is a very good gesture. However, that money is not enough. As you are aware, the goods and services in most of the remote areas are very expensive and the Kshs5 million across the board should not be the case. It would have been fair to consider areas that are far away from Nairobi where goods and services are very expensive to give them sufficient funds.

Hon. Temporary Deputy Speaker, another thing is that in most areas, village polytechnics have collapsed because of poor remuneration of instructors and other staff members, and lack of care. For a long time now, village polytechnics have not been taken care of. Now that there are at least some funds set aside for village polytechnics, I hope

that the counties will be closely monitored. We have very many pupils who have not transited to the next level of education.

Out of the 800,000 pupils that sat for the Kenya Certificate of Primary Education (KCPE) last year, only slightly over 200,000 pupils went to secondary schools. The rest have fallen out, and they need to be trained. Therefore, we need to allocate more money to the village polytechnics, so that those students who did not transit to secondary school can be equipped with skills. We need to upgrade our polytechnics and allocate them more money.

One thing I want to commend the Committee on is allocating money to REA. As part of the Jubilee Government policy, every child in primary school must have a laptop. It is very important that we provide electricity to all the schools, especially in the rural areas, where the national grid is yet to get there. I wish to request the REA to minimise the cost of rural electrification by investing in the national grid, so that they can reach far-placed areas and ensure that we have electricity from the national grid in every corner of this country. As it is now, power from generation sets is very expensive, and is not sustainable.

Hon. Temporary Deputy Speaker, I would like to see every county in this country having a Level 5 hospital. As at now, we have District Hospitals, which have to be upgraded. We also need to look into the welfare of doctors. We are seeing every now and then in the media that there is a heavy influx of doctors from public hospitals, especially from rural areas. Patients are being left in the care of under-trained nurses and only a few doctors, who cannot cover the entire needs of the various counties. It is high time we refocused our budgets to see how we can improve remuneration for doctors and other medical workers.

As it has been said, the wage bill is just too high. Some counties have more Ministries and more departments than even the national Government. We need to have a better policy for the counties to see what is essential for them to have. We do not need very many Ministries and departments in the counties. We must have what is very necessary. I would also like to request the Budget and Appropriations Committee to look into the welfare of teachers, the area of national security and food security.

Hon. Temporary Deputy Speaker, every now and then, we feed people in the rural areas of Turkana and northern Kenya generally. That is going to be a lot of cost for this country. If we intensify efforts of establishing irrigation projects, we will be able to satisfy our people. A country that is not able to feed its own people cannot brag that it is independent. So, food security is very crucial. I can see that the amendments in the Supplementary Budget have not captured food security. It is, therefore, very necessary that we focus on food security and national security.

Across the country, we have very few security officers who are properly housed. Security officers are poorly paid. They do not even have vehicles with which to take care of people. It is high time that the Budget also focussed on where the necessity is. If we have no security, we do not need to have other budgets for other departments. We need to provide a sufficient budget for security in this country. This country has enough money. It is only that there is a lot of greed for easy accumulation of wealth. Another thing is that there is a lot of duplication of workers. Something that can be done by one person is being done by five or six people.

Reducing the size of the Civil Service is not a remedy to our problem. We have to seal loopholes through which money is wasted. As an hon. Member said, we need to take audit of some of these expenditures. If a Ministry is not able to absorb the funds given to it in the current Budget, I do not see why they should be given other money. They must be able to absorb whatever amount of money they have been given. It is high time we gave priorities to areas where money can be utilised properly.

With those remarks, I beg to support the Motion.

The Temporary Deputy Speaker (Hon. Kajwang'): Yes, Member for Rarieda.

Hon. (Eng.) Gumbo: Hon. Temporary Deputy Speaker, I thank you for giving me the opportunity to contribute to the Motion on the Budget Policy Statement as amended.

I notice that, broadly, this Policy Statement is a strategy for economic transformation, and that it covers areas, as listed, to create conducive business environment in order to encourage innovation; invest in agricultural transformation for food security; first class transport, quality and accessible healthcare, and further entrench devolution.

Hon. Temporary Deputy Speaker, in so far as those broad aims are concerned, this is a good Policy Statement. I want to thank my good friend, the Chairperson of the Committee. As we speak today, the issues that our country is seized of have to do with the cost of living, youth unemployment, insecurity; the ever increasing poverty and the widening rich-poor divide in Kenya. As you are aware, it has been said that today probably the richest person in East Africa lives in Kenya just as the poorest person in East Africa lives in Kenya. We also have issues to do with education, health and corruption and, of course, the very elusive matter of national conviviality, which, in my view, has done more to drag back the promise of Kenya than anything else.

This is a bold statement because we also have to appreciate the fact that this being the first real Budget Policy Statement that the county administration has had to do on their own, I believe that it is a good start. As a medium-term strategy initiative, it is something that, as a country, we should embrace and move forward. There is, of course, the challenge of the high cost of living. I am glad that only recently did we debate the Value Added Tax (Amendment) Bill. It came out very clearly that part of the problem that is bedevilling our country today is that we have become a very expensive society. When we become an expensive society, it means that we cannot attract investment. Even expatriates who would want to come and stay here, including tourists, start to look for alternative places because everybody wants to utilise every penny that they have to its maximum.

Hon. Temporary Deputy Speaker, the Budget Policy Statement that has been presented here seeks to achieve economic transformation and share prosperity. Share prosperity is important because, as we always say, when we all prosper, if not each one of us, the majority of us will have reason to believe that they have stake in the affairs of the country. I believe very strongly that when a time comes when a majority of Kenyans will feel that they have a stake in the affairs of the country; it will be easy for us. It has been said time and time again that the only way to provide everlasting protection for the well-to-do and the privileged in society---

*(Hon. Shukran crossed the Floor
without bowing to the Chair)*

The Temporary Deputy Speaker (Hon. Kajwang’): Order! Order! Who is the Member who is crossing the Floor without complying to our rules? What has happened? You must have come from where we all go for a---

*(Hon. Shukran went to the Bar
and bowed to the Chair)*

Proceed.

Hon. (Eng.) Gumbo: Hon. Temporary Deputy Speaker, like I was saying, it has been said and it is a proven fact that the only way you can provide everlasting security for the well-to-do and the privileged in society; where we must thank God we belong; is to provide for those of us who are less fortunate. This therefore, means that the five pillars as has been outlined in the development strategy of achieving economic transformation; I think they are in the right direction.

Having said that, I am looking at the second pillar which talks about investing in agricultural transformation and food security, including opening up, at least, one million acres; new land under irrigation in order to expand food supply and reduce food prices and to bring down the cost of living; support expansion of crop processing industries and spur export growth and support other sectors such as manufacturing. It has been estimated that if we can irrigate one million acres, then it shall be possible for our country to produce, at least, eight million tonnes of food. That is more than we need.

I have been looking at the geography of our country where we are planning to irrigate one million acres. This is one of the least developed parts of Kenya, currently. I think, as we discuss this strategy paper, we should also be thinking ahead. Suppose it was possible that at some point we receive one million tonnes of food, how do we evacuate it? I would have thought in this policy statement, we should have thought ahead. Suppose we have one million tonnes of food in Tana River, how do we get it to the rest of country? We have had situations where you have a bumper harvest in the Rift Valley and people are dying in Turkana and other remote parts of the country.

Therefore, it would be important that even at this early stage, as we embark on providing adequate food for our country; let us start to think ahead of ourselves. My view is that, if we had a communication line say from Lamu through Kitui to Isiolo and all the way to Thika up to Turkana, Uganda and then to Sudan, that would be a good investment in terms preparing early for evacuating what would be the output of that one million acres scheme.

Hon. Temporary Deputy Speaker, pillar number three talks about investments in first class transport and logistics. We have had serious problems with transportation, particularly in urban areas. Remember last week, Nairobi almost came to a standstill. It is unacceptable that at times we spend as many as six hours on the road as we try to get to and from work. Therefore, it would be very nice if we could think of modern infrastructure, especially on transportation both in the rural areas and in the urban areas so that we improve economic activities.

Hon. Temporary Deputy Speaker, I notice that the fourth pillar is talking about investing in quality health care. This is important. Healthy people produce more; that is given. Therefore, if we can invest in quality health care; for example, the free maternity programmes, if it can go hand-in-hand, it can be fine. We do not want to see where we are trying to make these services available, we still have problems, like we have problems of doctors being on strike. The attitude of our health care workers has not changed.

Hon. Temporary Deputy Speaker, I was listening to a very unfortunate incident where a mother who was about to deliver in hospital in Nyeri, had the foetus drop onto the floor and died because the nurses were busy doing their own things in the next room. These sorts of things where we still have problems with change of attitude are very disturbing. I think these are going to frustrate, otherwise, very noble initiatives by the Government.

Hon. Temporary Deputy Speaker, as I conclude, I notice that the fifth pillar is talking about further entrenchment of devolution for better service delivery and enhanced economic development. I do not belong to the school of thought which believes that devolution is failing. I think we should learn to look at the bright side of devolution. Devolution is the future of this country. There is no doubt about that. We have had a few cases of some governors who, given unlimited room to operate, would resort to very archaic forms of despotism and even kleptocracy – things that are not right. Devolution is the promise for Kenya and I think it would help as a country if we did everything to make sure that devolution works in this country.

These little cases where we see governors doing funny things---

The Temporary Deputy Speaker (Hon. Kajwang’): Can you give him a minute to just wind up the thought process?

Hon. (Eng.) Gumbo: Thank you, hon. Speaker. I think few, and there are very few governors who have the tendency of lapsing to buffoonery and those kinds of things. I think these are the exception and not the rule. Let us be creative. Let us be positive about this. I think within our counties like in my county of Siaya, I do not see why Siaya for example cannot feed the whole of Nyanza.

Hon. Temporary Deputy Speaker, so, I think in so far as these five pillars are concerned, I support them and I urge my colleagues that with those amendments, we are looking at a brighter Kenya and we indeed should support.

I thank you for the opportunity.

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Gem, I see your request here. Would you want to contribute today or tomorrow because when you make your request, you will catch my eye and there are other Members who are also around?

Hon. Midiwo: Hon. Temporary Deputy Speaker, I will let other Members contribute. I can contribute tomorrow.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you for the self sacrifice. Nominated Member, Isaac Mwaura.

Hon. Mwaura: Thank you, hon. Temporary Deputy Speaker. I am in navy blue today. I rise to support this Motion.

The Temporary Deputy Speaker (Hon. Kajwang’): Nominated Member, does that mean that you wear black or something?

Hon. Mwaura: Yes. I very much wear black, it is one of the colours of the flag of the Republic of Kenya.

(Laughter)

Hon. Temporary Deputy Speaker, I rise to support this Motion of my Committee, the Budget and Appropriations Committee, and I want to note with concern the fact that there are so many young people who are leaving primary schools and secondary schools. The dropout rate is so high to the point that we are having an army of Kenyans who have no basic literacy and numeracy skills and who are unskilled or semi-skilled, for that matter and who therefore do not have an opportunity to meaningfully contribute to the economy.

If you look at the number of people who are getting to Class One, in 2005 1.3 million pupils joined Class One but those who finished Form Four are actually less than half of that number. A simple computation will tell you that 5.3 million Kenyans, for those eight years up to Class Eight, did not finish Class Eight. This is an army that is dangerous to everybody including those who are going to get an "A."

So, hon. Temporary Deputy Speaker, the idea of village polytechnics being allocated Kshs1.4 billion is welcome. In fact, they need to be called youth polytechnics because "village" has a way of localizing even the content and paradigm of those who are subject to these polytechnics. This would translate to about Kshs29 million per county and this is good enough money. I would like to propose that we consider this to be an annual allocation so that we can build capacity for these institutions in order to take care of the group that is not able to go up the educational ladder.

I also note that there are allocations for supported service delivery for counties and this is very important because you cannot be saying that you are developing other counties while others seem to be regressing. Therefore, there has been a lot of complaint. The Council of Governors came to see the Committee and the bigger counties are saying that they are spending a lot of money on Recurrent Expenditure with regard to the various professionals or civil servants who were deployed there. There has also been the debate about the workers at the county level and the creation of new positions at that level. I think this House then would also be in order if we can allocate monies for retraining those professionals so that we do not need to keep on hiring new ones.

I also note that if you look at the wage bill of the country, it is manageable, to be honest and this is a smokescreen. I think it is the Jubilee Government which has realized that they have not performed for the past one year and so they have come up with a very good PR gimmick to confuse everybody. The 12 nominated Members of Parliament have always been in this House. It does not mean because Isaac Mwaura is today a nominated MP the wage bill has gone up. These positions have always been there. The representation of the marginalized must be respected. I think it is time to know that we too can be leaders. If you look at the track record of those who have been nominated before including one Uhuru Kenyatta, they have gone ahead even to become presidents.

(Applause)

So to argue that we are the ones increasing the wage bill when the total amount of money that we are paid including the Senate for those who are nominated is less than half a billion, is not true. It is totally out of order. We have just been given statistics today to show that the wage bill of the whole country is actually Kshs3234 billion. If you look at other countries, we are not doing very badly within the East African region. If this Government is interested in lowering the wage bill, you need to look at the issue of corruption. We are losing over Kshs330 billion per year to corruption.

Hon. Gikaria: On a point of order, hon. Temporary Deputy Speaker. Is the hon. Member in order to claim that the Jubilee Government is saying that the high wage bill is due to nominations? I have not heard them say so. These are individuals who are giving their own positions and not the Jubilee Government.

The Temporary Deputy Speaker (Hon. Kajwang’): But in all honesty, Hon. Gikaria, the hon. Member is quite in order. It is within his right to express himself on an issue that he thinks is a fair comment on the Government. Unless your point is that he is out of order on the business on the Chamber, the hon. Member is right to express himself.

Hon. Gikaria: I was just asking whether he is in order to claim that the Jubilee--- The Jubilee Government has not said that the high wage bill is caused by the nominated Members of Parliament. I think it is only a few individuals within the Jubilee Government who said that.

The Temporary Deputy Speaker (Hon. Kajwang’): I understand your frustration but I find nothing very abusive or anything untoward about a fair comment made by a Member on a political issue which is the domain in the country.

Hon. Mwaura, wind up in a few minutes unless you want to take your time to another day because I want to go to something else.

Hon. Mwaura: Thank you, hon. Temporary Deputy Speaker. I think I would like to take this debate tomorrow. However, I also want to be on record as saying that, indeed, this has been the policy of the Jubilee Government. They went to Mt. Kenya for three days and that is the statement they issued officially. They spent---

The Temporary Deputy Speaker (Hon. Kajwang’): Well, you are also getting out of order.

Hon. Members: No!

The Temporary Deputy Speaker (Hon. Kajwang’): Order! Do not speak out of the microphone. Hon. Members, you know that the Member for Garissa County had requested to give a general statement. This is the point at which we want to allow her to do so. This is under Standing Order No.43. Members who are doing the first time, you may want to know that under this Standing Order, any Member has an opportunity to give a general statement sometimes about anything in the world. You say it with minimal or in fact, no interruption at all. No debate is entertained on it.

On that Order, the Member can only speak for three minutes unless with permission of the Speaker. Hon. Members, you should know that, that is available in the Standing Order. Could we have the Member? However, because the Speaker had allowed the Member to speak for five minutes, so five minutes shall be.

Thank you.

GENERAL STATEMENT

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APPOINTMENT OF MEMBERS TO PAP

Hon. (Ms.) Gure: Thank you, hon. Temporary Deputy Speaker. I do not think that the time I have been given is fair and the time of the day---

The Temporary Deputy Speaker (Hon. Kajwang’): No, there is no fairness in this. If you look at your Standing Order, you will find that you have three minutes. So, it is in the discretion of the Speaker to add you another two minutes.

Hon. (Ms.) Gure: Hon. Temporary Deputy Speaker, I wish to rise on Standing Order No.43 to make a General Statement regarding the appointment of Members to the Pan African Parliament (PAP).

I would like to request for a direction with regard to the PAP membership. The National Assembly sometimes last year did replace my name, hon. Shukran Gure, with that of hon. Janet Ong’era as being the other representative to PAP together with hon. Millie Odhiambo of ODM.

The reason the coalition replaced Janet Ong’era’s name was not without cause. First, I represent Wiper Party which is a member of CORD Coalition. Secondly, I represent the young people of this country.

(Applause)

Thirdly, I represent a marginalized community and a Muslim community in this country. The issue of CORD PAP representation has been subject of three CORD Parliamentary Groups (PGs) in diverse dates. In all these meetings, the PG has been in complete agreement that Millie and I represent the coalition. On what basis, therefore, hon. Temporary Deputy Speaker, does the name of Janet Ong’era find its way back to the list?

The Constitution recognizes the office of the Minority and Majority Leaders and Minority and Majority Whips. All the leadership of CORD Coalition agreed on Millie and I to represent the coalition. Therefore, could Janet Ong’era duly replace me without a resolution of the House and yet all the leadership agreed that hon. Millie and I should be the *bona fide* representatives? This is a House of law and regulation but the issue that has been resolved in the House has been overturned outside the House. What has happened is unprocedural and unconstitutional. The action that the Speaker took was not fair. My right has been violated and I even had difficulty getting this chance to speak about what happened to me.

Hon. Temporary Deputy Speaker, I represent the great County of Garissa. Those people trusted me and brought me here. I want to know whether I am not a fit in PAP. I stand for my right. I wrote a letter to the Speaker and the Minority Leader of this House. I need an urgent feedback that I can take to the people of Garissa County.

Thank you, hon. Temporary Deputy Speaker.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you very much, hon. Members. Under the Standing Order, the Member for Gem will tell you that a general statement is just that.

Hon. Members, we have come to the end of today’s sitting. Therefore, the House stands adjourned until Wednesday, 19th March, 2014, at 9.00 a.m.

The House rose at 6.30 p.m.