

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 26th February, 2014

The House met at 2.30 p.m.

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

PRAYERS

PAPERS LAID

Hon. Chepkonga: Hon. Speaker, I beg to lay the following Papers on the Table of the House today, Wednesday, 26th February, 2014:-

Report of the Departmental Committee on Justice and Legal Affairs on the County Governments (Amendment) Bill

(Loud consultations)

Hon. Speaker: Hon. Chepkonga, the Members do not appear to hear what you are laying.

Hon. Chepkonga: I think they are consulting loudly. I will be loud. It is just because of my height.

Report of the Departmental Committee on Justice and Legal Affairs on the National Flag, Emblems and Names (Amendment) Bill

Hon. Speaker: The first one is on the County Governments (Amendment) Bill. Is that Senate Bill? So, hon. Chepkonga has laid on the Table two reports, one titled “The National Flag, Emblems and Names (Amendment) Bill (Senate Bill 2013). The other one is “The County Governments (Amendment) Bill (Senate Bill) 2013.

Hon. Were: Hon. Speaker, I beg to lay the following Paper on the Table of the House, today, Wednesday 26th February, 2014.

Report of the Departmental Committee on Labour and Social Welfare on the approval for appointment of Dr. Florence Nyokabi Wachira and Dr. Abdullahi Alawy as members of the National Gender and Equality Commission.

Hon. Speaker: Any other Paper? Next Order!

NOTICES OF MOTIONS

APPOINTMENT OF DR. NYOKABI AND
DR. ALAWY TO NGEK

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

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THAT, this House adopts the report of the Departmental Committee on Labour and Social Welfare on the approval for appointment of Dr. Florence Nyokabi Wachira and Dr. Abdullahi Alawy as members of the National Gender and Equality Commission laid on the Table of the House on Wednesday, 26th February, 2014.

REQUESTS FOR STATEMENTS

Hon. Speaker: The first Statement is from hon. Abdullahi Diriye. Hon. Diriye, you do not appear on the screen or you are mishandling it? Now you appear.

MEASURES TO AVERT NATIONAL EXAMINATION MALPRACTICES

Hon. Mohamed Diriye: 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 Education, Research and Technology regarding national examination malpractices.

The Kenya National Examinations Council (KNEC) is reported to have accused examination officials and teachers in several schools of colluding with students to leak national examination papers. This is despite the stiff penalties introduced by the KNEC Act of 2012. Additionally, in 2012, about 1,700 students had their KCSE results cancelled due to irregularities. Out of this, about 1,600 were from the north eastern region. However, no action appears to have been taken against the teachers and the officers involved.

In the Statement, the Chairperson should inquire into and report on the remedies being developed to deal with examination malpractices and measures put in place to ensure that all parties culpable are justly punished as opposed to only penalising students.

Hon. Speaker: Chairperson, Departmental Committee on Education, Research and Technology. Where is the Chairperson? Hon. Keter, are you the Vice-Chair? I thought it was hon. Melly. Both the Chair and the Vice-Chair are absent.

Hon. E. Keter: Hon. Speaker, I am here on their behalf.

Hon. Speaker: Given the regularity with which you have been responding on behalf of the Committee, you should actually take over, is it not so?

(Laughter)

Hon. Keter, in all fairness, you are offering leadership.
Please, proceed.

Hon. E. Keter: Thank you very much, hon. Speaker. I stand to respond to the hon. Member's request. This is a very sensitive matter. It touches on the lives of many students in this country. This issue should be looked into very carefully and an appropriate response given. Therefore, I undertake to forward this request. I request that we be given two weeks to report back on the same.

Hon. Speaker: Hon. Diriye, is two weeks okay?

Hon. Mohamed Diriye: Hon. Speaker, the exams for 2013 are due in the next one week. Is it possible for the Committee to respond to the request in a week's time, before the exams are over? It will help to inform the 2013 exams.

Hon. E. Keter: Hon. Speaker, the Ministry is very active now, particularly with issues to do with exams. So, I plead with the hon. Member to give us two weeks.

Hon. Speaker: I can see hon. Diriye nodding in acknowledgement.

Hon. Mohamed Diriye: Hon. Speaker, I accept but let it not take more than two weeks.

Hon. Speaker: Hon. Diriye, as you know, even if hon. Keter will have nothing after two weeks, given the procedure that we have adopted, we will only lament because he is not the one in whose position the information is repositied.

Yes, hon. Mutinda.

STATUS REPORT ON NOMINATION OF
TSC COMMISSIONERS/CHAIRPERSON

Hon. Mule: 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 Education, Research and Technology regarding the status of the nomination of the Chairperson and Commissioners of the Teachers Service Commission (TSC).

Hon. Speaker, you remember that during the last Session, I requested for the same Statement from the same Committee, unfortunately, they did not respond to us. In the Statement, the Chairperson should inquire into and report to this House the following:-

(i) the intervention by the Committee in order for the names of the nominees for the position of Chairperson and Commissioners of the TSC to be forwarded to the National Assembly for consideration; and,

(ii) immediate measures put in place to ensure that there will be no interruption in the delivery of crucial services provided by the yet to be appointed officer.

Hon. Speaker, the TSC is a constitutional commission which manages the biggest number of Government employees in this country. We are aware that for a whole year, there has not been a stable commission in place to manage the large number of teachers in the country. Therefore, it is important for the Committee---

Hon. Speaker: Hon. Mule, you are debating the matter. You are no longer seeking a Statement. If I allow you to continue debating the matter, there will be no need for anybody to respond to your request because you will have already finally expressed yourself. The country will have heard you. So, why would you need a response?

Hon. Mule: Hon. Speaker, I stand guided.

Hon. Speaker: Hon. Mutinda Mule, even more importantly, this matter has been before this House. If I were you, I would have directed the Statement request to the Leader of Majority Party because the information you are seeking would be best obtained for you, and for the benefit of the whole House, through the Leader of Majority Party. Since you have directed it to the Committee, would you want the Committee to deal with it? This is a matter of those who are concerned with the nomination of the persons to the TSC. You are asking the Committee to intervene. I doubt if the Committee can do so. This is a matter that was debated here. The other nominees were rejected by this same House. For me, this is the kind of matter in respect of which the Leader of Majority Party would be best placed to intercede and ensure that we get nominees.

Hon. Mule: Hon. Speaker, as the leader of this House, you are guiding us properly. I believe that the Leader of Majority Party should take lead in this matter to make sure that the input in the Committee Report is effected.

Hon. Speaker: I think all the names are supposed to come from the President. So, I want to re-direct this matter to the Leader of Majority Party.

Hon. A.B. Duale: Hon. Speaker, I will bring an answer next week, on Thursday. You are right that this matter concerns the presidency, which is the nominating authority. I will liaise with that office with a view to establishing when they will bring the nominees for TSC Commissioners.

Hon. Mule: Hon. Speaker, the undertaking is quite sufficient.

Thank you.

Hon. Speaker: Therefore, the Clerk's Office shall ensure that a copy of the request is given to the Leader of Majority Party and not the Departmental Committee.

Yes, hon. Ali Wario.

EXCLUSION OF TANA RIVER FROM WATER HARVESTING AND STORAGE PROGRAMME

Hon. Wario: Hon. Speaker, pursuant to Standing Order No.44(2)(c), I hereby request for a Statement from the Chairperson of the Departmental Committee on Environment and Natural Resources concerning the construction of small dams and water pans under the National Water Harvesting and Storage Programme in various counties as published by the Ministry of Devolution and Planning.

There were 45 counties included in the list of those benefiting from this programme, excluding Nairobi and Tana River counties. This is of concern, especially for Tana River County, which is part of the ASAL regions of this country. The county would greatly benefit from a such programme. The Chairperson should inquire into and report on the following:-

(i) reasons for exclusion of Tana River County from the list of the benefiting counties;

(ii) whether any research was done to inform the Ministry's decision to exclude Tana River and Nairobi counties from the programme; and,

(iii) when the Ministry plans to undertake such a programme in Tana River County, which is the only ASAL county that has been left out of this programme.

Thank you, hon. Speaker.

Hon. Speaker: Yes, hon. Amina Abdalla.

Hon. (Ms.) Abdalla: Hon. Speaker, although the dams programme is under the Ministry of Devolution and Planning, I do not oversee that Ministry. I will get him an answer from the Ministry of Environment, Water and Natural Resource in 14 days' time.

Hon. Speaker: I am sorry I cannot hear what you are saying.

Hon. (Ms.) Abdalla: Hon. Speaker, he spoke of dams that are being funded by the Ministry of Devolution and Planning. As you are aware, my Committee does not deal with the Ministry of Devolution and Planning. So, I am not sure whether I am the right person to respond to the request. However, if he wants the answer from the Ministry of Environment, Water and Natural Resource I will be willing to assist him.

Hon. Speaker: Hon. Wario, what is your reaction?

Hon. Wario: Hon. Speaker, firstly, I am seeking your direction and guidance under Standing Order No.1. The dams are being done at the constituency and county levels. This House has no specific Committee which plays oversight role on the Ministry of Devolution and Planning. I have raised this issue with the Chairperson of the Procedure and House Rules Committee, but I have not got a response from him to-date. On this specific matter, water dams fall under the Ministry of Environment, Water and Natural Resource. Even though the programme is being funded by the Ministry of Devolution and Planning, there is no way that Ministry can do dams at the district and county levels without involving the Ministry of Environment, Water and Natural Resource. Therefore, I am seeking your guidance.

Hon. Speaker: Hon. Amina Abdalla, what is your response, in terms of functions?

Hon. (Ms.) Abdalla: Hon. Speaker, I am aware that, that is a function that falls under my Committee. I was trying to get clarification from hon. Wario on whether he wants an answer from the Ministry of Devolution and Planning or from the Ministry responsible for that function. If he wants an answer from the Ministry responsible for that function, I will respond in 14 days' time. However, if he wants an answer from the Ministry of Devolution and Planning, he needs to re-direct the request to the Departmental Committee on Finance, Planning and Trade.

Hon. Speaker: Yes, hon. Wario.

Hon. Wario: Hon. Speaker, what I want are dams. I want an intervention so that my constituency can also benefit from the programme. It does not really matter whether the Ministry that is going to facilitate that is the Ministry of Devolution and Planning or the Ministry of Environment, Water and Natural Resource. What I am really in are dams and water pans. I will be very happy to get the answer, irrespective of whether it will be given by hon. Amina or the Chairperson of the Committee that oversees the Ministry of Devolution and Planning. My concern is why Tana River County has been excluded from the programme.

Hon. Speaker: Hon. Amina Abdalla, the issue that hon. Wario is asking is about dams and the exclusion of Tana River County from the programme. Would it be asking for too much of you to inquire from both Ministries?

Hon. (Ms.) Abdalla: Hon. Speaker, I commit to give him the answer in 14 days' time, so that he can have the dams.

Hon. Speaker: Hon. Wario, that should settle the matter. Is that okay?

Hon. Wario: Hon. Speaker, now that my sister is committed to giving the answer 14 days' time, I am happy but I have one request, maybe, outside this matter; because I am already confused. I believe that devolution is two way. Devolution is supposed to be at the national level and at the county level. This House needs a Committee. How can the Government have the Ministry of Devolution and Planning at the national level and we do not have a committee to oversee its operations, as the National Assembly? I am making a humble request to you to invoke Standing Order No.1, so that we can have a committee to specifically oversee the operations of the Ministry of Devolution and Planning.

Hon. Speaker: Hon. Wario, you will appreciate that the Ministry is responsible for planning and devolution. It is for that reason that it finds anchor in the Departmental Committee on Finance, Planning and Trade.

Hon. Wario: Hon. Speaker, I stand guided. Thank you.

Hon. Speaker: Hon. David Ochieng. Is hon. Kabando wa Kabando present?

Hon. Kabando wa Kabando and hon. David Ochieng being absent, not desiring to be present today, at this time, their Statement requests are dropped not to be raised in the House for the next one month. Clerk's Office, please, enforce this direction. I am sure that there are several other hon. Members whose Statement requests have been left out, so that these ones could be included in the Order Paper today. Those particular hon. Members cannot benefit. Therefore, it should be noted that those requests must not come up for the next one month, so that other Members can also have a chance. So, note that one month from the date of today, these requests by hon. Ochieng and hon. Kabando wa Kabando will not see the light of day.

Next Order!

MOTION

APPROVAL OF ASSEMBLY CALENDAR FOR SECOND SESSION

Hon. A.B. Duale: Hon. Speaker, I beg to move the following Motion:-

THAT, pursuant to Standing Order No.28, this House approves the Calendar of the House (Regular Sessions) for the Second Session of the Assembly as contained in the Schedule attached to the Order Paper.

Hon. Speaker, there are four major reasons for the proposed structure of this calendar. The first reason is the budgeting process, including the review of the Budget Policy Statement, discussion of the Budget Estimates, the Division of Revenue Bill and the County Allocation of Revenue Bill; which must be done by this House latest by 30th April, 2014. The second reason is the presentation of the Budget highlights and the passage of finance-related Bills. The third reason is the passage of the constitutional Bills by 27th August. The Eleventh Parliament has eight Bills that must be passed by 27th August, 2014, being the fourth year after the promulgation of the Constitution of Kenya, 2010. The fourth and most important reason is the need for hon. Members to interact with their families and constituents.

Hon. Members will observe that the sittings of this Session are divided into three parts, each of which is interspaced with recess periods. The dates stipulated therein have been structured along various activities in the current calendar year of the National Assembly. There are some short recess periods of about 10 days in each of the Session that are intended to allow hon. Members, especially those with young families like me – I have a four-year old baby – to spend time with their families, and especially their children during the school holidays. I am sure that hon. Chris Wamalwa joins me in this respect. Hon. Members will also be able to spend time with their constituencies during the recess periods.

The long recess periods, comprising of 25 days or more, will enable hon. Members to spend more time with the various Committees so that they can scrutinise Bills or financial documents in order for them to adhere to both the Constitution and statutory deadlines. For instance, during the long break of 1st May to 2nd June 2014, hon. Members, through their respective Departmental Committees will be able to exhaustively scrutinise the Budget Estimates for the coming financial year. The Estimates will be laid on the Table of the House by 30th April, 2014. The House will resume in early June to allow the Cabinet Secretary for National Treasury to present the Budget highlights to the Assembly. This will ensure adequate time for this document to be tabled and presented in conjunction with the Ministers of Finance in other East African countries, a process that will occur between 10th and 15th June, 2014.

The second part of this Session, according to the calendar, will involve the passage of the Appropriation Bill or the Vote on Account by 26th June, 2014. During this period also we expect to pass the eight Constitutional Bills, which have a deadline of 27th August, 2014. Finally, the most important is the Finance Bill, by 27th September, 2014. The breaks in between will allow the committees to thoroughly review the Bills before debate and conclusion of the same.

At this juncture, I request the Chairperson of the Constitutional Implementation Oversight Committee (CIOC) to engage early enough with the Commission for the Implementation of the Constitution (CIC) to ensure that these Constitutional Bills are received by the House, latest by May, 2014. This will save us the rush that has been experienced in the past during review and passage of these Bills.

The third and final part of the Session will be dedicated to finalizing the remainder of the Bills, presented throughout the year, giving priority to those that began in the First Session pursuant to Standing Order No.141(2). According to Standing Order No.27(1) the last day of this Session is scheduled to be the first Thursday of December as shown in the calendar. This is already shaping up to be busier and given the heavy workload ahead of us, we are scheduled to have a total of 131 days in this Session as compared to 108 sitting days in the First Session. So we are sitting some extra 20 plus days.

Finally, I wish to thank Members for their contribution so far to the Business of the House and encourage them to participate more in the debates on the Floor and in various committees in fulfillment of our constitutional mandate. This is our calendar; it is a rule as per the new Constitution. I hope and pray that a judge somewhere will not sit and give an order to stop the sittings of this House. I am sure the Judiciary is watching what we are doing this afternoon. This House is discussing its own calendar as per the Constitution and the Standing Orders.

If we pass this calendar, then it will be gazetted for public consumption and I am sure many copies will be delivered to the Judiciary, so that in their many unconstitutional orders, which they issue, they will have a copy of the calendar, and not do it from a position of ignorance. They should read our calendar and tell litigants that this Parliament has its road map and calendar which is based on the Standing Orders and the Constitution.

I want to ask the Member for Kilifi North and the Chief Minority Whip to second as a serious Member of the House Business Committee.

Hon. Speaker: Hon. Mungaro, Chief Minority Whip, I believe so.

Hon. Mungaro: Hon. Speaker, it is factual.

Hon. Speaker: There is no doubt the records held in my office show that hon. Gideon Mungaro is the Minority Whip. That is correct.

(Applause)

Hon. Mungaro: I know hon. Mbadi was in the team that wanted to take over the seat. So, we forgive him for now.

I want to take this opportunity to commend the House Business Committee for coming up with a road map and plan for the House. It is very important for us to have a schedule, because we have realized that many Members have not been able to plan their time properly. I hope this will help, especially the first timers. Many marriages are breaking up because half of their time, Members pretend they are in the constituency but they are doing something else. So, I encourage Members to check the schedule properly and make sure that when they are not with their constituents, at least they spend time with their family.

I would like to urge the Leader of Majority Party to make sure that this calendar is circulated to various Ministries of Government. This will enable Members work within it and avoid working at midnight or at 2 O'clock in the morning. Dates for Budget reading in the East African countries have been synchronized.

I do not want to take much time on this issue, but I take this opportunity to second the Motion. Thank you, hon. Speaker.

(Question proposed)

Hon. Ichung'wah: Thank you, hon. Speaker. I rise to support the Motion on the calendar noting particularly what the Leader of Majority Party has said, that indeed, many of the Members of Parliament in this Eleventh Parliament are young parents. I am particularly excited because this calendar incidentally coincides with school holidays. I can see hon. Mungaro is also quite happy. This is because we have truly been struggling to balance between our national duties and responsibilities to our constituents and our families. It is very positive that this House and its leadership have considered those of us who are young parents and need time off our busy schedules to be with our families during school holidays. I have also noted that there is a long break in May, when we will be doing most of the committee work. Therefore, we will be able to spend time with our little ones and help them with their homework. This is something I am very proud of. I try at least twice or thrice in a week to sit with the children and do homework. I am happy now that I will be able to pick them up from school during these breaks. Therefore, I strongly support that calendar as it is.

Hon. Speaker: There was a point made by the Minority Whip that even as much as we approve this Motion by necessity and by the dictate of our Standing Orders and the Constitution, we must publish this calendar in the *Kenya Gazette*. More importantly, Government Ministries and departments ought to know; including bodies like the Kenya Law Reform Commission and the CIC. They should know how Parliament proposes its

calendar of events to be. This will avoid situations of pushing Bills here at the last minute. I think it is absolutely important that the Leader of Majority Party takes as many copies as possible to these institutions so that they know when Parliament decides to do its functions.

Hon. Wakhungu: Thank you, hon. Speaker. I rise to support this Motion. There is a respected scholar from Harvard Business School who said that failing to plan is planning to fail. Indeed, what the House Business Committee (HBC) has done is actually showing a framework; a plan that we will follow. Therefore, it prepares hon. Members, all the Key stakeholders to know what they are supposed to do at particular times.

Hon. Speaker, there are some Constitutional Bills, for instance, the Division of Revenue Bill, which involve people and institutions like the Senate. It will be nice to harmonize the calendars so that when that time comes for the Division of Revenue Bill, it should not be like last time when we had a lot of conflicts. When we had *Kamukunji*, we cooperated very well. It will be nice to encourage co-operation with the Senate so that Bills like the Division of Revenue Bill and others that are supposed to come here and then go to the Senate are done in harmony to avoid the conflicts we had last time. Let it not be that they just come to us when they have a problem. We should work as a team because Article 94 is clear that Parliament establishes two Houses and we should respect each other.

Another issue I want to touch on is the problems we had last time on Private Members' Business. It is my humble request that we stick to this calendar and the specific days that are meant for Private Members' Business be respected. This can only work if the Executive is also going to pay attention. My humble request is also to the Leader of Majority Party, if it works and since it will be gazetted, let attention be drawn to respective Cabinet Secretaries so that they know, in times of planning, what time their business should come on the Floor of this House.

Thank you, hon. Speaker, I support the Motion.

Hon. Speaker: Some hon. Members had indicated about families. Let us hear from the other family member, hon. Kinoti Gatobu.

Hon. Kinoti: Thank you, hon. Speaker. I rise on a point order pursuant to Standing Order 172. As much as we are discussing the calendar of the House, Standing Order 172 states as follows: "The Committee on Selection shall be appointed within ten days on assembly of a new House".

Hon. Speaker, I believe this will help us during this Session to solve some committee issues that we have had and have been longstanding for the last one year. Therefore, I request your guidance on Standing Order 172.

Thank you.

Hon. Speaker: Hon. Kinoti Gatobu, are you sure you are reading Standing Order 172?

Hon. Kinoti: Yes, hon. Speaker.

Hon. Speaker: If you are, make reference to the – obviously the numbering is not correct, you cannot have number one, three and four. But read what is written as four. Just loudly for your benefit and for posterity. Hon. Kinoti, just read it loudly.

Hon. Kinoti: Thank you hon. Speaker. Standing Order 172 (4) reads as follows:

“The Committee on Selection shall be appointed within ten days on assembly of a new House.”

Hon. Speaker: Is this a new House?

Hon. Kinoti: Thank you, hon. Speaker. I stand guided.

Hon. Speaker: So, you are terribly out of order. But we will allow you to learn and you have learnt.

Hon. Members, I know we have a lot of heavy business. Therefore, let us dispose of this matter.

(Question put and agreed to)

MOTION

ADOPTION OF REPORT ON SUPPLEMENTARY ESTIMATES 2013/2014

Hon. Musyimi: On behalf of hon. Members of the Budget and Appropriations Committee and as required under Article 221(5) of our Constitution as well as Standing Order 243, which gives direction on how the estimates of revenue and expenditure will be dispensed with by this House, I hereby present to this august House the Committee’s Report on the First Supplementary Budget for 2013/2014.

Hon. Speaker, allow me by way of acknowledgment, to first of all thank you and your office, the Office of the Clerk of the National Assembly, my honourable colleagues and Members of this Committee. They have worked with indefatigable commitment and resilience; members of the Parliamentary Budget Office, heads of department from the Government, who have appeared before us in different ways, and independent commissions. Allow me to thank you, hon. Speaker, for the support you gave us.

Hon. Speaker, as hon. Members will remember, the Printed Estimates were presented and approved on programme basis with respective outputs and targets for each programme presented. The Committee on that occasion noted with concern that outputs of various programmes were neither concrete nor measureable. The Committee, in reviewing the Supplementary Budget, noted that the Supplementary Budget is presented at itemized level and programmes without outputs. It is, therefore, difficult for Parliament to understand which outputs are being affected by the changes that have been proposed in the Supplementary Estimates.

This is just one of the concerns that we are raising with regard to the need to adhere to prevailing legislation. According to Section 44(3) of the Public Finance Management Act, 2012, as well as Standing Order Nos. 240 and 243(3), the Supplementary Estimates must be accompanied by explanations of how the additional expenditure being requested relate to the fiscal responsibility principles and financial objectives. This was not presented and it was, therefore, very difficult to understand why there were increases on reductions in most of the votes. My committee, therefore, recommends that any future supplementary budget should include such details.

Hon. Speaker, there were also significant deviations from the 2013/2014 Budget and I wish to mention but a few. In spite of the public debate - I am now referring to the wage bill – and concerns raised by this House, on the increasing public wage bill and its

contribution to the overall Recurrent Expenditure, the Supplementary Budget proposes to increase funding for salary-related items to several spending agencies. Although recruitment is required in some key areas such as security, this august House must demand a stay on any increase in the wage bill until a concrete policy position on the comprehensive way forward is arrived at.

Hon. Speaker, the Supplementary Estimates further propose to reduce funds for some strategic interventions, planned and approved in the 2013/2014 Budget as priority projects. This creates uncertainty on the commitment to adherence to the annual Budget. This is precipitated by the unrealistic projection of revenues to meet expenditure at the beginning of a financial year which when unrealized, results in cuts in Development Expenditure and further into pending bills. This has led to critical projects such as irrigation schemes as well as construction of water pans and small dams which were allocated significant resources in the annual estimates but are now proposed for reduction to zero in the Supplementary Estimates.

Hon. Speaker, the Supplementary Budget further proposes to provide for resources omitted during the Printed Estimates for several institutions. These include resources for Kenya Urban Roads Authority (KURA), Kenya Rural Roads Authority (KERRA) and Rural Electrification Authority (REA) as well as other projects not provided for in the Printed Estimates.

The resources for the National Land Commission which were previously budgeted under the Ministry of Lands, Housing and Urban Development have been proposed for demarcation in line with Article 249(3) of our Constitution which requires that commissions should have a separate vote. The Committee further noted the proposed increase of resources available to the Kenya Wildlife Service (KWS) to recruit rangers to curb poaching and conserve our national heritage as well as increment to CDF, Salaries and Remuneration Commission (SRC) and the Parliamentary Service Commission.

The Supplementary Budget further proposes to increase the allocation to the national food security under the Ministry of Agriculture, Livestock and Fisheries for acquisition of strategic food stocks to meet the deficit in the areas experiencing food shortage as a result of drought and inadequate food supply recently experienced in quite a number of areas of our country.

Hon. Speaker, the Committee further noted that the resources for social security within the Ministry of Labour, Social Security and Services have been proposed for reallocation to targeted services such cash transfers to all the persons, cash transfers to persons with severe disability, orphans and urban children for urban subsidies.

My Committee further noted that the Supplementary Budget proposes to transfer some projects across Ministries that include:

1. Disaster Management and Western Flood Mitigation Project from the Ministry of Interior and Co-ordination of National Government to the Ministry of Devolution and Planning.
2. External Trade and Promotion Services and Foreign Trade from the Ministry of East African Affairs, Commerce and Tourism to the Ministry of Foreign Affairs.
3. Youth Polytechnics and Training Services from the Ministry of Devolution and Planning to the Ministry of Education, Science and Technology.

4. The Kenya South Sudan Liaison Office from the Ministry of East African Affairs, Commerce and Tourism to the Presidency.

I wish to also indicate that my Committee invited the Cabinet Secretary, National Treasury to clarify some of the above areas as well as other salient matters that came to the attention of my Committee and discussed accordingly. We, therefore, wish to make the following recommendations:

With regard to policy prescriptions, my Committee noted several critical issues that need redress. These are either inhibiting in effective service provision, restraining socio-economic growth of our economy or are inconsistent with the current legislation. In this regard, the Committee, therefore, proposes the following policy measures:

i. That all future expenditure estimates be programme-based with specific measureable outputs, indicators and timeline outlined for each and every programme;

ii. That future Supplementary Budgets include explanations on how the outputs of any programme are affected by any reductions proposed to it;

iii. That increments to any programmes in future Supplementary Estimates detail the additional output expected from it;

iv. That revision of budgets before the end of the financial year be discouraged except where absolutely necessary and even then such revision be restricted to increments on programmes that have insufficient allocations to meet their respective targets as opposed to reallocations to entrench predictable budgeting which is a basic principle of finance management;

v. That all effort be made to clear the pending bills in many sectors to guard against unnecessary expenditure on litigation. This should also extend to completion of all outstanding projects before embarking on new ones.

With regard to adjustments and reallocations in the Budget, allow me to say the following: That my Committee received presentations by Chairs of the various Departmental Committees on proposed recommendations and reallocations in the 2013/2014 Supplementary Budget. In line with its mandate of evaluating economic and budgetary policies and programmes with direct budgetary outlays, my Committee undertook to make several recommendations. In doing this, we paid keen attention and took great care to ensure that any impact on service provision on the nation as whole is positive.

I wish, therefore, on behalf of my Committee to make the following proposed reductions with regard to expenditure:

1. My Committee proposes to reduce allocation to Salaries and Remuneration Commission (SRC) meant for a public sector wage conference by Kshs50 million. That will give to them a total of Kshs120 million and we feel that money is adequate for them to conduct this very important process, indeed.

2. We wish to propose reduction of allocation to the Judiciary meant for construction of buildings by Kshs.500 million. This reduction was proposed by the Departmental Committee on Justice and Legal Affairs and we accepted it without amendment.

3. We propose to reduce allocation to the National Gender and Equality Commission meant for refurbishment of buildings by Kshs40 million. This

recommendation was brought to us by the Departmental Committee on Labour and Social Welfare and we bring it to the Floor without amendment.

4. We propose to reduce allocation to the Ministry of Devolution and Planning meant for Civil Service Reform Secretariat by Kshs293 million. This recommendation was brought to us by the Departmental Committee on Finance, Planning and Trade. We forward it to this honourable House without amendment.

5. We propose that this House reduces allocations to the Ministry of Devolution and Planning meant for Human Resource Management Service by Kshs49 million. Again, this was forwarded to us by the Departmental Committee on Finance, Planning and Trade and we bring it before this honourable House without amendment.

6. We propose to reduce allocations to the National Treasury meant for wages for temporary employees by Kshs126 million. Again, this is a proposal brought to us by the Departmental Committee on Finance, Planning and Trade. We bring it here to you without amendment.

7. We propose to reduce allocations to the National Treasury meant for budget reserves amounting to Kshs5.3 billion which ought to be reflected in the appropriate item in the budget as it is a fund meant for specific purposes within the Development Budget. In simple language, this is the right amount in the wrong place.

With regard to expenditure increments, the expenditure cuts, as I have announced, are targeted to curb non-priority use of public resources and expenditure increments are informed by core needs identified through the concrete effort by my Committee, as well as submissions from the Departmental Committees. I take this opportunity to thank these Committees and their respective chairpersons.

With regard to increase in expenditure, I wish to mention the areas where expenditure increases and reallocations should be made.

i. An additional allocation of Kshs100 million be made to the Ministry of Transport and Infrastructure for the construction of Gotu “Killer” Bridge – it is called the killer bridge in Isiolo. These funds were allocated in the Printed Estimates following a resolution of the House, but were eventually left out. I was privileged to lead a team from my Committee to Isiolo last year and we resolved to support funding of this bridge. We now wish to see this process of getting this bridge done start.

ii. We wish to propose an additional allocation of Kshs5 billion to be made to the Parliamentary Service Commission to cater for the mortgage and car loan funds gazetted by the SRC. These are loans and will be repaid with our money within the current term of Parliament.

iii. We wish to propose an additional allocation of Kshs167 million to be made to the Ministry of East African Affairs, Commerce and Tourism for operations and maintenance.

iv. We wish to propose an additional allocation of Kshs500 million to be made to the Ministry of East African Affairs, Commerce and Tourism for Ronald Ngala Utalii College project for payment of pending bills. These are proposals made by the relevant Departmental Committees and we have basically just supported their proposal.

v. With regard to the Departmental Committee on Justice and Legal Affairs, there is a proposal to add an additional allocation of Kshs300 million to the Director of Public Prosecutions for employment of additional prosecutors.

vi. The same Committee proposes an additional Kshs200 million to be made to the Office of the Attorney-General and the Department of Justice for State Law Office.

Hon. Speaker, most of us may not know but you would know this as a lawyer of many years' standing that the salaries that are paid to lawyers in the Office of the Director of Public Prosecutions and in the State Law Office are significantly lower than salaries paid to their equivalent professionals in the Judiciary. This is what the Committee is proposing we begin to address and we support their proposal.

vii. Hon. Speaker, there is an increment proposed by my Committee and we are proposing an additional allocation of Kshs80 million to be made to the Parliamentary Service Commission (PSC) as pass-through money to the National Assembly for a socio-economic audit of the Kenya Constitution, 2010. In this regard, I wish to state that the proposed terms of reference for that are in this Report and if you allow me I will read these out just now.

“The Social Economic Audit of the Kenya Constitution, 2010

1. Overview

The Constitution of Kenya 2010 introduced fundamental changes to this nation's governance system that have significantly altered the Kenya's political and socio-economic landscape. In particular, the Constitution of Kenya 2010 established a bicameral parliament, an extensive Bill of Rights, a devolved system of Government and independent offices and commissions. This new set of institutional arrangement has taken full effect during the last four years that the Constitution has been under implementation.

There has not been any comprehensive analysis or audit of the impact of the Constitution on the country's well being. Undertaking such a socio-economic audit is now timely in light of the expansion of institutions and services and also taking stock of the experience gained in working with the current document during this period of transition.

2. Establishment of a Constitution Working Group

My Committee at its meeting on 21st February, 2014 supported the proposal to establish a task-and-finish working group to audit the Constitution of Kenya, 2010. The working group shall be established under the Kenya National Audit Office (KENAO) under the Auditor-General and shall report to the National Assembly through my Committee.

3. Purpose

The purpose of the audit is to provide the National Assembly with the necessary information and analysis to aid the execution of the Assembly's oversight mandate. (I have a feeling other platforms of leadership will also benefit from this report).

4. Scope of Work

The Constitution working group is set up as a short life working group to make socio-economic assessment of the Constitution and the devolved structures and review the Constitution in light of nearly four years' experience.

5. Membership

The membership will consist of seven persons with experience in public finance, law and public administration.

6. Term of Reference

The terms of reference of the working group will be as follows:

i To assess the impact of the implementation of the Constitution of Kenya, 2010 to the nation's economy and in particular its public finances;

ii. To make a rapid assessment of the impact of the implementation of the Constitution of Kenya, 2010 on public institutions;

iii. To evaluate the social impact resulting from the implementation of our Constitution, 2010;

iv. To make recommendations to the National Assembly on potential measures that could better enhance prudent management of the public resources; and,

v. To investigate, determine and advise on any matter related to, relevant, consequential or incidental to the foregoing.

vi. To consult as necessary with the National Assembly through the Budget and Appropriations Committee.

7. Reporting

The working group will present a progress report to the Budget and Appropriations Committee 90 days after signing of contract. It will submit the final report to the Committee 90 days thereafter for tabling in the National Assembly.

The life of the working group will be deemed to expire upon receipt and tabling of the report.”

Hon. Speaker, as I come to close, with regard to expenditure reallocations, allow me to say that the following proposal is made for reallocations in the expenditure:-

i. Reallocation of funds within the Ministry of Information, Communication and Technology of Kshs100 million from the allocations to Konza Techno-polis Authority to support the Ministry's operations in development

ii. Reallocation of funds within the Ministry of Energy and Petroleum of Kshs150 million from Kenya Power and Lighting Company (KPLC) to Kenya Nuclear Energy Board.

Hon. Speaker, we are supporting basically the recommendations that were made to us by the Departmental Committee on Energy, Communication and Information.

Hon. Speaker, I now propose to this honourable House that it adopts this report and resolves that the proposed amendments to the Supplementary Budget in this report be reflected in the Supplementary Estimates and that this House approves the terms of reference for the socio-economic audit of the Kenya Constitution, 2010.

Hon. Speaker, I beg to move and allow me to request hon. Dr. J.W. Nyikal, Member of Parliament for Seme to second the Motion. Thank you.

Hon. Speaker: He does not appear on the screen. He is frequently on the screen but today he appears to have chosen not to.

Hon. (Prof.) Nyikal: Thank you, hon. Speaker and let me start by appreciating the hard work that this Committee has done particularly our Chairman who sometimes I may refer to as a slave driver in jest because of how much he has pushed us to get the work done. Also, let the Committee appreciate the sentiments that you expressed the other time on getting reports late from Treasury. The Committee has had to work extremely hard at odd times to get the work done in time.

Hon. Speaker, I think the able Chairman has raised many of the issues and as I support this Committee Report I think some of them are important for us Members not to see as necessary for just passing this Supplementary Budget but as major national issues

that we should think of now and in the near future and one of them is the wage bill. This is a major problem in the country. I have stated this before that with devolution we really need to work out clear structures so that we have the wage bill reduced. You know we had the national Government, the local authorities that had staff and now we have the county governments. As a country, we must put all these in context so that we have a say in the wage bill as has been proposed.

Hon. Speaker, it is important to start relating this looking towards the Division of Revenue Bill that there is some link between what is happening at the national level and what is happening at the county level. The issue of Kenya Urban Roads Authority (KURA) and Kenya Rural Roads Authority (KERRA) will remind Members that some funds actually went to the county governments and then KURA and KERRA were not really financed. However, it is good that right now it has been possible to get finances for them.

I think again when we are financing food security in the Supplementary Budget, as a country we need to be thinking of long term projects to avoid the issue of last minute buying of food to avoid catastrophes. We have recognized the cash transfers. This is an extremely important aspect of this country being able to look after its vulnerable people. I must say for me, particularly having initiated this and this being a very important manifesto in the CORD Coalition, this is something that we are happy to go on with and we must look into the future.

Hon. Speaker, Sir, I am happy that where we have made reductions, in many cases they were for buildings and refurbishment. Those are things that can wait for the main Budget. There is no need to push them in this Budget. I know that there are some areas where we would have liked particularly the area of health regarding human resource, particularly for a group of health workers referred to as interns. We could not handle it here but I am sure we will have opportunity to handle it later.

My last comment is on the issue of the audit of the Constitution. This is a good idea that the Committee has brought and I would ask this House to look at it. Nothing will be greater in this history than the new Constitution and in particular the issue of devolution. But as we are aware, it is complex and as many issues have arisen, we have gone through four years and I think it is time not only to audit it in terms of funding but also in terms of its systems; how they are working. I know yesterday we had a very lively *Kamukunji* here. I did not get a chance to say anything but hon. Speaker said we can get another opportunity and I am taking chance of this opportunity. The issue that we did not address yesterday is that we have not as yet developed proper structures for the devolved governments and devolution. Therefore, the people we put there regardless of who they are, without structures; financial or audit, are likely to go a bit rogue in terms of expenditure. So I think we should not look at this audit as just for funding which is also important. Devolution is so important that regardless of how much money it needs, we must go on. We must know how much money that is.

Under structures, we must put them in place and this audit must tell us exactly where it is that we need to put the structures. Personally, I believe that the problem we are having is one element, when important structures were put in place and did not work, we have not even made an attempt, as a country, to make it work. That is the Transition Authority (TA). Every time we get into this, people start asking who should do this; why

it was not done but if you go and look at that transition to devolve the Government, you find that all were put in place. So, this audit will tell us which institutions we put in place that have not worked, which institutions we need to put in place and what legal framework we need to put in place. If we do that, this beautiful thing we have discovered that should move Kenya faster towards our Vision 2030 dream than any other strategy will be able to move efficiently and smoothly without all the noise. Anyway, sometimes I am happy that when you put many sons in the house, they jest as to which one is probably stronger than the others. So I am getting amused; the arms are jesting and finding out which is strong. Let us go on like that but we must remember that we must keep intact and the country must run.

With those few remarks, I beg to second.

(Several hon. Members walked in the Chamber)

Hon. Speaker: Hon. Members if you are paying attention to the contribution, when the Seconder finishes, obviously the Speaker has to propose the Question. The Speaker does not propose the Question when he is seated. So, please pay attention to the contributions so that when it is that you can move around, go bend, kneel and such like positions.

(Hon. Abongotum stood up in his place)

Hon. Abongotum, I want to propose the Question, unless you will be frozen and I do not want you to freeze---

(Question proposed)

I hope hon. Members appreciate the Motion you passed recently about speaking time.

Hon. Gikaria: Hon. Speaker, I wanted to talk earlier but I have just been given this report.

Hon. Speaker: On other things?

Hon. Gikaria: Yes!

Hon. Speaker: That was not really business; talking about recess; children, holidays and the rest. Now speak to this one. This is extremely important; the Supplementary Budget.

Hon. Ng'ongo: Hon. Speaker, I rise to support the Motion and the adoption of the report of the Budget and Appropriations Committee. I am a member of the Committee as I am sure many of us know but I have been asking myself sometimes when I read Article 223, which allows this country and this House to have Supplementary Appropriations and a Supplementary Budget whether we need to do it the way we are doing it currently. This is the way we were doing it previously but if you read the provisions of this Constitution clearly, I tend to think that we need to start thinking of changing the way we do our Supplementary Budget. If you do not mind, I will read Article 223 (1): "Subject to

clauses (2) to (4), the national government may spend money that has not been appropriated if-

(a) the amount appropriated for any purpose under the Appropriation Act is insufficient or a need has arisen for expenditure for a purpose for which no amount has been appropriated by that Act; or

(b) money has been withdrawn from the Contingencies Fund.

2) The approval of Parliament for any spending under this Article shall be sought within two months after the first withdrawal of the money, subject to clause (3).

(3) If Parliament is not sitting during the time contemplated in clause (2), or is sitting but adjourns before the approval has been sought, the approval shall be sought within two weeks after it next sits.”

What I am trying to raise is that the Supplementary Budget is only necessary if the national Government realizes that they have overspent on a particular budget line. It is not just a matter of routine. It is not a matter of tradition. It is a matter that needs to be done with caution because now this Constitution contemplates that Parliament is a Budget making body and the Treasury is just preparing the estimates. Once Parliament does the Budget, it should be respected; it should be honoured for consistency and also for economic stability. Therefore, I am sure that much of what we have been asked to approve are amounts that have not been spent. But what does the law say? The law says that the Supplementary Appropriations only become necessary if the money has actually been spent. But what we are going to do as a House is to approve money to spend; some of which will be spent in April, May and June. That is something to look into in future. For the time being, I believe that we can proceed the way we are proceeding currently.

One thing I have noticed in our budgeting process is that the Treasury has not adopted the programme- based budget and I think my Chair spoke to this. If we did that, then we would not have instances where we have so many Ministries asking for budget adjustments because then before we approve the Budget, we know exactly what we expect from the amounts we are allocating. What I have a feeling of is that what we are doing is incremental budget. We need to stop this as a country. I know that the Budget Committee is going to strive to actualize that but I think it is high time that the Treasury is advised to start thinking of programme-based budget where we link the budget to deliverables and specific output targets.

Another thing that I notice when you look at this Supplementary Budget requests is that we have a problem with absorbing donor funds. This has been there previously; it has continued and probably will continue in the future. If we are going to come up with a Budget factoring donor funds and then we do not actualize it, then we are hurting economic growth because the economy will not be--- The word is disappearing from my head!

Hon. Speaker, we are supposed to engineer economic growth so that the country can move forward. All the economic projections, the revenue projections, the projections of ordinary revenue are all dependent on full absorption of the budgetary amount and, therefore, if we are not going to absorb the donor funds, then you are hurting the economy in a big way. If the problem is the way we account for donor funds and that is why we cannot get the money in good time, I think we need to give capacity to that

department that deals with accounting for donor funds at the Treasury. I think this is something that Treasury needs to take up and give capacity to that department.

Hon. Speaker, there is something that has also come out with regard to costing of functions. I think we have talked about county governments. County governments should not be given money arbitrarily. We need to cost the functions to county governments, so that every Kenyan knows very well what the amount that is sent to the county is supposed to do. The reason why we have to budget again for Rural Electrification Authority (REA), Kenya Urban Roads Authority (KURA) and Kenya Rural Roads Authority (KERRA) is because the budget was not un-bundled to show exactly what the Kshs210 billion that we sent to the counties was supposed to do. That is the reason why, today, we have about Kshs60 billion in our County Revenue Fund Account. That will have a negative economic effect because the amounts were meant to stimulate economic growth. But we are not going to stimulate economic growth by having large sums of money lying at the Central Bank and yet, they are supposed to be used in the counties to spur economic growth in this country, so that we can realize the ordinary revenue projections of over Kshs900 billion that we intend to achieve. That is why you find that every time revenue is reported, there is always under-collection of revenue. It is because some amounts that we have budgeted to spur economic growth are not spent in developing the economy and, hence, the shortfall.

Hon. Speaker, there is a proposal in the Supplementary Budget that I am so passionate about - and hon. (Prof.) Nyikal has talked about it - that is the cash transfer to the elderly. In the Tenth Parliament, in 2011, I moved a Motion where I was asking this country to think seriously and implement Article 57 of the Constitution; to think seriously and give cash transfers to the elderly. Those are people who cannot produce in this country but, when they had the energy and the strength, they were able to contribute to the economic development of this country. In this country, when we did a Census in 2009, we had 1,332,272 Kenyans who were 65 years and above. I did my simple calculation and realized that 888,000 of those people probably fall in the bracket of those elderly Kenyans who need to be given cash assistance. Some, I assumed, could be getting pensions elsewhere. That number, if you multiply by Kshs2,000 per month for 12 months, you will have about Kshs21 billion. We need to think seriously, as a country: How do we contribute; how do we help the elderly to live in dignity and respect as contemplated under Article 57 (3) of the Constitution?

Hon. Speaker, the Constitution puts responsibility on the State to ensure that the elderly also participate in economic affairs of this country. It gives the responsibility to the State to ensure that we help the elderly. The State should help the elderly to pursue their personal development. That is guaranteed in the Constitution. Finally, the provision of care and assistance is the responsibility of the families and the State. They share that responsibility. Giving more money to the Ministry that is responsible to give cash transfers to the elderly is timely, but it is not sufficient. Right now, constituencies that have pilot programmes like mine, have one location. I have nine locations and only one---

Hon. Speaker, my time is up, but I want to say my last point. Sometimes, we need to be very open about the Budget. We need to be open - and those are the words I am

saying - even if we are giving more money to the Head of State and the Deputy Head of State. We need to be clear on what---

I support.

Hon. Speaker: Leader of Majority Party.

Hon. A.B. Duale: Thank you, hon. Speaker. Before I go to the Report of the Chair, I think I need to highlight what the Supplementary Budget that came from the National Treasury was before, because the Chair has just given the views of the various Committees and the recommendation, which I support. This House approved the national Budget in July 2013 - a Budget of Kshs1.65 trillion. That amount included Recurrent, Development, Consolidated, Contingency, County Allocation and Civil Servants Contributory Pension Fund. That total was coming to Kshs1.65 trillion.

Hon. Speaker, on the cumulative basis, the revenue performance as of December 2013 from the National Treasury was below target by about Kshs28.6 billion, and that comprised of Kshs18.2 billion which was a shortfall on the Appropriations-in-Aid (A-in-A) and Kshs10.4 billion, which was a short fall in the ordinary revenue. That performance however, represents an overall growth of 20.8 per cent, when compared to the previous financial year cumulative collection for the same period. Why am I doing this? The National Treasury prepares the Supplementary and national Budget based on certain fiscal framework and Parliament, based on the Constitution; the powers that it derives from the Constitution, through the Budget and Appropriations Committee of Parliament as a whole, will look at it. That Committee has the powers to re-allocate and look at the Budget in totality. That is why I am giving the background before I come to what the Chair has raised.

Hon. Speaker, I have thought about the cumulative basis in terms of revenue performance and in terms of the cumulative expenditure during the same period. It was also below target by about Kshs112.8 billion. This was mainly due to the slow start of development projects and programmes during that financial year. But because of the serious rationalization of Government Ministries and departments under the new administration, there was slow cumulative expenditure. Both domestic and externally funded development programmes were below target by about Kshs13.7 billion and Kshs90.3 billion, respectively - for both domestic and external funding.

Hon. Speaker, during the half-year implementation of this Budget, the National Treasury experienced pressure from Ministries, departments, other agencies and county governments and by the time the National Treasury was finalizing the Supplementary Budget Estimate I, the request for additional funding by all those Ministries, departments, agencies and county governments was totaling to about Kshs356.8 billion, which comprised of kshs149.7 billion for Recurrent Expenditure and about Kshs207.2 for Development Expenditure. That was the situation when the Supplementary Estimates were being prepared.

Hon. Speaker, considering the resource constraint and the need to control borrowing to sustain both levels in order to maintain a stable macro-economy - that is the intention of the National Treasury and the custodians of our economy - only those requests which were of high priority were considered by the National Treasury. There were many requests that came from Government Ministries, department and agencies. The gross national figure, after looking at high priority and important requests, was in

excess of Kshs121.8 billion. That is what is reflected in the Supplementary books that are before this House. That is both Recurrent and Development Expenditure. The salary-related expenditure was Kshs16 billion, while the operational and maintenance expenditure was Kshs12.7 billion. The on-going and new projects expenditure was Kshs93.1 billion.

Hon. Speaker, this House must know some of the expenditures which the National Treasury says are of high priority. That report was presented before the Budget and Appropriations Committee.

First, there was Kshs4.6 billion which was to cater for outstanding allowances for the police and Prisons Service. There was Kshs16.8 billion for arrears in salaries of teachers that were carried over from the last Financial Year, 2012/2013, and the harmonization of, of course, commuter allowance. That is the famous tussle between the Teachers Service Commission (TSC) and KNUT. There was also Kshs1.8 billion to cater for the shortfall of the second phase of the implementation of the 2010/2013 agreement between the university unions. There was Kshs2 billion to cater for court awards for health workers at the Kenyatta National Hospital (KNH) and Moi Teaching and Referral Hospital. These expenditures are very many. I do not want to go into all of them.

There was Kshs2.5 billion for seed and fertilizer fund, Kshs1.4 billion for Strategic Grain Reserve and Kshs16 billion for donor-funded projects.

Hon. Temporary Deputy Speaker, up to there, our able Chair and the Committee, because the Constitution gives them powers to look and re-look--- The Committee Chairs who oversee particular sectors talked to the National Treasury and agreed on a number of reallocations and slashing, which we all support. I want to come to the Chairman's report.

Within last year, the Supplementary Estimates should have been moved, seconded and then the Chair comes with a detailed report and a Motion for Parliament to adopt. That is because ultimately, it is the report of the Chair that we will adopt.

Hon. Temporary Deputy Speaker, a number of amendments have been done by the Chair of the Budget and Appropriations Committee. I want to thank the Committee for doing that. It is a large Committee. It is a Committee that, in my opinion, the Parliament Service Commission (PSC) must fund. That is because its core business is so serious to this Parliament, to the people of Kenya and to the Government.

Regarding the reductions that have been done by the Chair; the Kshs40 million for the National Gender and Equality Commission, it is to cater for the outstanding bill. According to the National Treasury, this is already reflected in the Supplementary Budget. This is to enable them pay the bill and they will not be asking for additional money from the Exchequer. So, this must come out very clearly.

The Kshs50 million for the Salaries and Remuneration Commission (SRC) is to cater for the national debate on the wage bill and the development of a wage policy. Hon. Members will agree with me that we need a home-grown solution. We do not want to re-invent the wheel. We do not want Sarah Serem to go and say that she needs Kshs200 million to do a national wage bill dialogue conference. The reduction of the wage bill must be home-grown. It must start with all sectors. That is from the counties to the National Assembly, to the governors in charge of our counties and to the performance of our civil servants. How many civil servants do we need per Ministry? Do we need more doctors than---

Hon. Speaker: Hon. A.B. Duale---

Hon. A.B. Duale: Hon. Speaker, if you allow me, I will finish in one minute.

Hon. Speaker: The Leader of Majority Party has 15 minutes and not 10 minutes.

Hon. A.B. Duale: Thank you, hon. Speaker. In future, and I have shared this with both the Chair of the Committee and the National Treasury--- The Supplementary Budget that came from the National Treasury was balanced. So, we expect the Committee, through Parliament's Budget Office, with all these reallocations, to give the House a balanced budget. We do not want to disable the fiscal framework. So, I have shared that with the Chair. However, I beg to support this Motion and inform my colleagues that we now have Kshs5 billion. We have no problem with CDF today.

In my life in Parliament, the Supplementary Budget used to have one key issue; the CDF money. Now we have the money for the loans and mortgages. So, let us bring the Appropriation Bill very fast so that, as we give money to the Government, PSC also gets Kshs5 billion. We should make sure we buy decent and secure houses.

Hon. Nyamweya: Thank you, hon. Speaker for giving me the chance to contribute to this very important Motion. First and foremost, I want to thank the Committee. The Committee spent a lot of time and I thank them for what they have come up with.

Secondly, the Supplementary Estimates have come early enough. In the past, we used to debate these Estimates in April and yet, the financial year was coming to an end in June. That led to a lot of abuse in using the funds.

I agree with what hon. Mbadi has said about the Supplementary Estimates. We are here today when we are well aware that the National Treasury is holding many billions, which have not been used in the counties. This is hurting the economy in the sense that nothing is happening. There is no development that is taking place at the county level. All the money is at the Central Bank of Kenya (CBK). It is like somebody who has money in the account and he or she is not using it. He or she cannot pay school fees for the children. So, as we do the Budget, it is a big challenge. We have to look at the money that is given to the county governments and find out whether they should be given more money, when there is idle money lying at the National Treasury. The purpose of the Supplementary Budget is to give money to those people who need it.

Hon. Speaker, we will be in March by next week. So far, there are no signs to show that the funds that have been allocated to the county governments are being used properly. I see every week in the newspapers reports showing how each county has used its money. Money for development in the counties has not been spent, and that is why we are poor. People are saying that the economy is not growing. That is because there is no expenditure at the county level. There is no money circulating in the rural areas. I urge my colleagues to support this Motion. But let us look at the purpose of the Budget. What is the absorption rate?

Hon. Speaker, we have also talked about donor-funding and the figures look very nice. The National Treasury brings the figures here but, at the end of the year, donor money is not used. I hope the people who are concerned with the management and procurement of donor funds will come up with realistic programmes so that we do not do a budget for the sake of doing it.

Hon. Speaker, I also want to thank the Committee for giving the Ministry of Energy and Petroleum some money. That is rare. The Kenya Rural Roads Authority (KERRA) has also been given some money. However, I am saddened that not enough funds have been given to Kenya Power. As we sit here today, there are people who have paid deposits for their houses to be connected with power. They should come up with a good policy of subsidizing power. You pay Kshs34,000 for you to be connected to power supply. People from my area have paid deposits but they have not been connected to power supply due to lack of funds. While I support this Budget, let us prioritize needy areas like Rural Electrification Authority (REA), Kenya Urban Roads Authority (KURA) and KERRA. We need to have money for development. We have a challenge because the governors are sitting on some of the money that they have. We should reallocate that money to help people.

I would like to talk about food security. I am happy that, at this early stage, funds have been allocated. I hope we will not experience what we have been experiencing in the past. Every time there is food insecurity and we procure maize, there is always a scandal. I hope there is enough time and the people who are concerned are going to plan early enough to make sure that food is available for Kenyans in May and June. They should do logistical arrangement to ensure that food is available to the people who need it at the right time. I hope it will not be business for some people who normally wait for this situation to make a kill.

I am a strong believer of borderless East African Community. I am happy that the Treasury has been allocated money. They need more money so that they can participate in building a relationship among the East African partner States so that the markets can be accessible to citizens. I believe our future, as we move on as a nation, is inter-trade among East African countries. If that is promoted and we allow labour and commodities to move freely, we will strengthen our economic growth and develop many industries which we need to create employment. If it is food, for example, we will get maize from Uganda into Kenya very easily. We will get wheat. We will get *wimbi* from Tanzania very easily. So, it is critical for us. I am happy that the Ministry has been given more money so that it can work tirelessly to promote trade among the East African countries.

There is something that the Chair put here, and did not talk about it – the sovereign bonds. You mentioned it, but you did not say what it is. It is here on the record and I normally like referring to what is here. When I look through it, you say you had a meeting with the Principal Secretary. You call it an informal meeting where you were discussing about issuance of bonds. The Committee decided to meet him for an informal sitting on the same day at 3.45 p.m. You have not stated what funds have been allocated for this and what is there. So, it is an area which I will ask the Chair to explain. I support the Budget, but this is a grey area if it is left like that. I have not checked the Budget thoroughly and I have not scrutinized to know whether Anglo-Leasing projects are going to be paid. That is the concern. Let us look even at our borrowing. Where do we borrow from as a nation? Where do we have dependence on?

Therefore, I ask hon. Members to scrutinize this Budget as we pass it. I have a lot of trust for the Chair, but we need to know whether he has put money to pay the Anglo-Leasing projects. It is a point of concern for me. The Chair can inform me if there is money for Anglo-Leasing or not.

Hon. Musyimi: On a point of information, hon. Speaker.

Hon. Speaker: Hon. Mutava Musyimi, you want to inform hon. Manson Nyamweya?

Hon. Musyimi: Hon. Speaker, I wish to thank you. I wish, with great respect, to correct my colleague that the matter of sovereign bond was, indeed, discussed. It was discussed by a Joint Committee of Finance, Planning and Trade and Budget and Appropriations. I cannot presume to speak to a matter that involves another Committee on the Floor of the House, unless that matter has been appropriately and fully disposed of. That has not happened. What I have brought before you today is a report of my Committee and in no way does it suggest discussions that involved a joint Committee on the matter that the Member has raised.

Hon. Nyamweya: Hon. Speaker, we are talking about the Budget and allocation of funds. I am asking a simple straightforward question whether money has been provided for in this Budget to pay for Anglo-Leasing projects. That is all. If none has been provided, that is good for the country because we will discourage these issues of---

Hon. Musyimi: Hon. Speaker, allow me to repeat myself. I said that in this Supplementary Budget, my answer to my colleague is an emphatic no.

Hon. Speaker: Hon. Members, I want to encourage you to thoroughly understand your Standing Orders. We do not want to encourage a “question and answer” session between Members contributing to a Report. Hon. Nyamweya seems to be asking hon. Musyimi questions. Please, desist from that. You have only ten minutes and I think you could be preparing to wind up.

Hon. Nyamweya: Hon. Speaker, it is good that, that is cleared and we all know. Another issue here is that people are looking at it and the story is going around. So, he has cleared the air and everybody will be happy at the end of the day.

It is true that through revenue, we get money to spend. As we move on, let me hope that the tax collection method is not going to be harsh to discourage investments by the business community.

Hon. Speaker: Hon. Members, like I have always encouraged you, also pay attention to the lights here, so that you are not left hanging because you never paid attention. There is nothing that the Chair will do. We will just go by the technology. So, as you contribute, pay attention to the lights here. They give you a warning as to whether you have one or two minutes.

Hon. Shill: Thank you, hon. Speaker. I hope my ten minutes start from now. I would like to also support the appropriations in the Supplementary Budget. Any human being, including us in our houses with our loved ones, always intends them to be secure. We put good doors and windows. Likewise, this country has spent a lot of money on development and other issues, but we are not spending money on our defence and security matters. I have no business owning big cars and good houses and yet, I am not secure.

As we know, Kenya has never gone to war. It is the first time that our troops are in Somalia. This is just because we have a security threat from the *Al-Shabaab*. If you want to know its seriousness, you must have known by this time after what has happened at the Westgate and other places. If you look at the Supplementary Budget, very little money is being spent on our defence and security sector. The amount of money that is

always given, almost 60 per cent is on salaries. There is nothing on operations and maintenance.

As we speak, we have 4,000 troops in Somalia trying to keep *Al Shabaab* at bay under AMISOM. AMISOM does not pay for our Airforce and Navy. We bomb *Al Shabaab* areas at our own expense and yet, the money that we pay them is so little. It is peanuts. Just imagine those 4,000 troops staying in a very rough area in Somalia and after they come back home, they have no houses. They have no place to call home. We are not even modernizing our weapons. If you look around the region, our troops are outnumbered, and Kenya is not recruiting more.

We are not trying to keep ourselves very secure and yet, there is heightened security threat. You will remember even recently, our international airport was bombed. I am sorry one of us said it was a bulb when actually, it was an *Al Shabaab* infiltration. If you really want to know how real *Al Shabaab* is, they recently attacked and almost captured the President of Somalia in his own State House. We also have to fund our National Intelligence Service more. If you do not know how wonderful they are for keeping *Al Shabaab* at bay, even in this Parliament when they wanted to attack--- Our own existence is at risk. We really need---

Hon. Speaker: Sorry! Who is raising a point of order? You have walked in right now and you start raising a point of order. Hon. James Rege, what is your point of order? I go by the screen.

Hon. (Eng.) Rege: On a point of order, hon. Speaker. This was on the previous speaker.

Hon. Shill: Hon. Speaker, my time is being wasted. I have only 10 minutes. Can I continue?

Hon. Speaker: Do not just shout, even if you look very officious. You know the Chair is never intimidated by looks. Just relax hon. Okoth. I can see you are relaxed.

Hon. Okoth: On a point of order, hon. Speaker. I am a Member of the Departmental Committee on Defence and Foreign Relations and the Vice-Chair is presenting a very important and critical point and someone is consulting you. Is that in order? That is because you need to listen. As you have seen, the Supplementary Budget did not consider that department and we had a lot of issues? Is somebody in order to consult you when a very important point is being presented?

Hon. Speaker: Hon Shill, those are matters which your committee Members can discuss in the Committee, so that you can spare the plenary those issues. You can proceed.

Hon. Shill: You will kindly give me more time because I have been interrupted. What I am bringing up is that we really need to invest in our security sector. What happens is that we put our proposals and the National Treasury also puts theirs. What goes through is what the National Treasury recommends. The Ministry of Foreign Affairs has been wrongfully placed under the Public Administration sector. We always say diplomacy is the first line of defence.

We need to make sure that the National Treasury places the Ministry of Foreign Affairs under the security sector. They have been in this sector but when money matters come up, they are placed in the Public Administration sector. We really need to put a lot of money here because we have elements of radicalization, especially of our youth.

People have been thinking that when we talk about *Al Shabaab*, there are names like Mohamed Ali. These days things are different. You see the Kamaus, Otienos and other different Kenyan names who are leaders of *Al Shabaab*. That organization has now been devolved and going into dangerous places. Just by buying police cars does not mean that, that is the end of it. We need to put a lot of money to make sure that their capabilities are really taken care of. How do you want somebody to secure you and yet, he has no place to call home? Look at the way our disciplined forces are living in a very desperate manner.

When you go to various police stations in Kenya, they are dilapidated. In fact, they were built during the colonial era. When you go to their houses, they are terrible and yet, you want them to stop corruption. How can one be a police officer and he is suffering at home? They have daughters and sons like us and yet, we want them to secure us and not get a loaf of bread. We must handle this matter seriously, instead of putting money elsewhere in order to eat it. We better put money in our security sector.

Thank you.

Hon. Speaker: Yes, hon. (Maj.-Gen.) Joseph Nkaisery.

Hon. (Maj-Gen.) Nkaisery: Thank you, very much hon. Speaker. I also stand to support this Report and Motion. I would like to thank the Committee for bringing this report early enough so that the Appropriation Bill can be enacted and certain developments and security issues can be taken care of.

I want to echo the position of my colleague, hon. Shill. Without security, there is no development. Therefore, the security sector has been given a raw deal. You remember the Chairman of the Budget and Appropriations Committee came before this House and demanded that Committees must submit recommendations with regard to the Ministries that they oversee. Our Committee did that. The security sector is so important in this country; that if we do not match resources with threats, then this country is going to be in problems.

National security entails protection and safeguarding of citizens and their property. The four Ministries; which are, Ministry of Interior and Coordination of National Government, Ministry of Defence, National Security Intelligence Service and Ministry of Foreign Affairs are on duty 24 hours and they consume a lot of resources. In these Supplementary Estimates, the Chairman of the Budget and Appropriations Committee should have, at least, brought the Report of the Committee on Defence and Foreign Relations.

When you look at the Ministry of Defence, they are using their budget, which was meant for operation and maintenance, because they are operating in Somalia. They are now operating in South Sudan. You remember when the problem of Sudan came up; we had to mobilize the Kenya Defence Forces to repatriate our people. That budget for that mobilization was an unforeseen contingency. Therefore a situation like that, when we come to Supplementary Estimates, should be given priority.

Hon. Speaker, on the issue of National Intelligence Service, they are the ears and eyes of this Republic. We are facing the threat of espionage, subversion, sabotage and terrorism. That needs to be the concern of everyone for this country to be secure. They have requested for some funds so that they can execute their mandate. It is something that I have not seen in this Report. I think it is very important that this Parliament, which is

the representative of the people and the security of the people, must come out and say: “We need this money so that these Ministries can perform.”

Hon. Speaker, when you look at the Ministry of Interior and Coordination of National Government, there are issues of mobility and communication within the Police Force. You will hear that something is happening and you cannot move. We are being told, surprisingly enough, that there is money sitting in the banks - Kshs82 billion, which the governors are not able to plunder. That money should be brought and be given to very needy areas. We need to give that money to KURA, KERRA and REA. That money should be distributed to the constituencies, so that development can reach people.

Hon. Speaker, this House must send a very a powerful message to the people who are supposed to be receiving resources for the benefit of our people. We are the representatives of the people and if that money cannot get to our people, then we must demand why?

With regard to the Ministry of Education, Science and Technology, we have so many poor children who are not able to go to school. We have so many schools without teachers. We should have been told so much money has been given to the Ministry of Education, Science and Technology so that many teachers can be employed.

Hon. Speaker, I could have continued contributing, but because we want to be specific, the Supplementary Estimates should have come out very clearly in areas which are in need before 30th June, 2014.

With those very few remarks, I want to appeal to the Budget and Appropriations Committee, in the Appropriation Bill, to adjust the security vote.

Hon. A.B. Duale: On a point of order, hon. Speaker. The Supplementary Budget, both for Recurrent and Development Expenditure, which of course, has been laid on the Table of this House, is very clear. An amount of Kshs4.6 billion is in this Supplementary Budget to cater for outstanding allowances of the police and the Prisons Service. Another amount of Kshs3.4 billion is for security operations and evacuation of Kenyans in South Sudan.

Hon. Speaker, we have money earmarked for the Department of Defence and National Intelligence Service (NIS). If you look at the books, you will see the figures. Therefore, I want my good friend, Maj.-Gen. Nkaisery to look and see what was projected in the 2013/2014 Budget. There is some extra money for the Department of Defense (DOD) and NIS, and for the evacuation of Kenyans and security operations in South Sudan. There is also some extra money for the police. These are very well documented and, therefore, the books are very clear.

Hon. Speaker: Hon. (Maj.-Gen.) Nkaisery, use the term in the Constitution which is “National Intelligence Service (NIS)”. We may have forgotten that the National Security Intelligence Service is no longer there.

Hon. (Maj.-Gen.) Nkaisery: I said National Intelligence Service (NIS). I am actually the founder member, if you want to know. This is a fact.

Hon. Speaker, I wish the Leader of Majority Party could understand what an operation is. I am talking about what the department in this Ministry presented to our Committee. These are things which were given. What we are saying is what they told us. As it stands now, they cannot move. For example, we did get the Chairmanship of the

East African Community. The President is travelling and he is using the Defence money and that of Foreign Affairs. That money has not been budgeted for.

Hon. Speaker, the Leader of Majority Party, as the face of the Government on the Floor of the House, really needs not cut or gag the requests by the Committee as presented by the Ministries.

With those very few remarks, while I respect my colleague, the Leader of Majority Party. I hope he will send this message to the Government as proposed.

I support this Motion. Thank you.

Hon. Speaker: I want to encourage the requests coming to also – I do not know how we will do it to ensure that it also reflects both genders. When it comes to budget matters, it seems like there is a particular gender that does not like discussing this. Please, I need to see it on the screen.

Hon. Members: As per the requests.

Hon. Speaker: As per the requests. Okay, we will proceed. Hon. M’uthari, the Floor is yours.

Hon. M’uthari: Thank you, hon. Speaker. I rise to support this Budget on Supplementary Estimates. As I support it, there are certain areas in this Budget that we need to look at keenly so that they can be considered thereafter.

We should look at different sectors, like food and security, which are very important. There are some situations that can be predicted in this Republic. It is important, in my opinion, that the Government speeds up the process of implementing high impact projects, like the already proposed irrigation projects. Even where there are no rivers, there could be constructed dams so that we can have irrigation and become food secure. These Estimates are full of Recurrent Expenditure. Every year, we put money aside to invest in those projects, but it is during the time of drought - like we have now - where people take advantage of poor people.

In the Supplementary Budget, it is important that there is clarity as was proposed by the Chairman. What is proposed should be itemized. With the itemized budget, we can know exactly what is being funded. When things are not clear, it is a recipe for disaster. But we appreciate the fact that, within this Government, there has been allocation for things like the cash transfer programme for the disabled, the old and the vulnerable. It is important that the society and leaders take care of our people who are in need, or who need to be supported. It is for this reason that we should also safeguard the disabled and the weak among ourselves. That is the way we are able to respect our people.

Therefore, as we look at this Supplementary Budget and even the Appropriation Bill, we should look into areas where we can invest. If we invest in sectors that have high impact, we can foresee some of the problems that we will encounter thereafter.

There has been this talk about – and many hon. Members have said it – how we put a lot of money in the last Budget for the county governments when they were not prepared. Although they are asking for more money, there is a lot of money that has not been spent. When you look at their expenditure and the various reports that have been received from the Auditor-General and Controller of Budget, most of the money is being spent on Recurrent Expenditure, travel, allowances and things like that. While the sectors that we need to invest in have not been factored in the Budget, it is for that reason that the Supplementary Budget should set aside money to fund KERRA, KURA and REA,

instead of that money lying idle. In the process, we will end up stifling the environment and the growth of our economy because we have funds that are not being utilized.

[Hon. Speaker left the Chair]

*[Hon. Deputy Speaker (Dr. Laboso)
took the Chair]*

Hon. Deputy Speaker, with those few remarks I support the Supplementary Budget.

Hon. Njagagua: Thank you, hon. Deputy Speaker for giving me this chance to contribute to this Motion. First of all, I wish to thank the Chairman for his able leadership. He has taken us through the meetings which have been long and tedious, but I believe they have all been for a worthwhile course.

Hon. Deputy Speaker, I have been sitting here and, at some point, I was a bit confused. I thought somebody was insinuating that what we were doing was not right. I want to say it was insinuation because he never came straight to that point. We looked at the ceilings that had been provided by Treasury. We tried to fit within those ceilings. We met all the Chairpersons of Departmental Committees and all sector groups. It is on the basis of those meetings that we were able to allocate money where that money was actually required. It is, again, on that basis that we were able to deny – if I may use that word – some sectors money, which they did not actually deserve.

I would like to reiterate that the Budget and Appropriations Committee is not a rubber-stamp for anybody. We shall give out money depending on those sectors that come to us, after we summon them. They have to come before us to defend the amount of money that they are allocated. It is worth noting that, as much as we need money to go to the governors in the counties, much of that money is lying idle at the Central Bank of Kenya. We are talking about money in excess of Kshs60 billion. It is unfortunate that we cannot recall that money. To the best of my recollection, funds that have been given to the counties are kind of ring-fenced because we cannot recall such money. If we were able to do that, we could easily recall it and give it to more deserving sectors.

Hon. Deputy Speaker, on the issue of cash transfers and the safety nets for the aged and the vulnerable groups, it is unfortunate that we could not do more than we did. The reason is that what was before us was too little. However, we tried to allocate as much as we could, given the circumstances. For many of us, when we were seeking votes, we were all challenged by the issue of the vulnerable and the aged who need money all over this country. In as much as I support this Report, it is my wish that when we go to the Budget-making proper for the year 2014/2015, Treasury, in its wisdom, must allocate more money for the aged and the vulnerable groups.

Hon. Deputy Speaker let me speak on the issue of the wage bill. We know that about 72 per cent of our national estimates go to settling the wage bill. There is no country in the world that can develop if a substantial amount of the money is being used on Recurrent Expenditure. As much as we are spending too much money, the Government must find ways and means of cutting down on the wage bill. I do not know how we are going to face it because I do not want to say that we need to retrench some

people so that we cut down on the wage bill. However, it is necessary that the Government comes up with prudent ways and means of checking the wage bill.

Hon. Deputy Speaker, in as much as we are giving money to the Government for expenditure in this Supplementary Budget, we must also appreciate that it is on record by none other than the Cabinet Secretary for Treasury that a substantial part of our budget – about 30 per cent - goes to waste. I call on the Treasury and the Government to come up with ways of sealing the loopholes where money is being lost. It is unfortunate that in this country, when you hear of issues like procurement, that is where corruption lies. We have heard of the laptop issues. They are causing a lot of heat. When the year began, there was the issue of the railway line. Just the other minute, a Member has been talking about “Anglo-Fleecing” or was it Anglo-Leasing?

On a daily basis we are confronted with issues to do with procurement, be it at the CDF level or the county level. We all know what transpired the other day when a governor was being impeached. You appreciate that what formed the basis of that impeachment was procurement. So, in as much as we are giving this money, I must call upon all and sundry, and especially those who are concerned with matters of procurement, to be prudent. They should not siphon the money for their own use.

We must also appreciate that functions have been devolved. We have separation of powers. Let each and every arm of the Government carry out its work independently, without encroaching onto each other’s mandates. This will reduce the friction between the Legislature, Judiciary and Executive.

We have the constitutional mandate to make laws and even amend them. We also have the powers to appropriate money and budget for it. Why am I saying so? Just a few minutes ago, a Member was talking about Anglo-Leasing and wondering why the Committee has set aside money to pay those contracts. I believe that, as Parliament, it is incumbent upon us to see what is good for this country. I know we have a report which is out there in the world; that this country is spending huge sums of money to settle legal fees and yet, in all those matters, we are losing. The Kenya Government is losing all the cases that have been filed by Anglo-Leasing companies. It is high time that, as a country, we bite the bullet and face the facts. We should say that since we are losing in all the matters that are being filed in the international courts – we even lose when we go for arbitration – we must pay those contracts and move forward. This will redeem our credibility and credit worthiness in the international community.

Hon. Deputy Speaker, I must say without mincing words that time has come for us to settle those debts and we must do it. However, it is unfortunate because contracts were entered into and cases filed. The end result is that we are losing out as a country. So, hon. Deputy Speaker, I stand here to support this Report and also call upon the Auditor-General to do his work without fear or favour. If anybody is culpable, let the Director of Public Prosecutions (DPP) drag them to court.

Thank you, hon. Deputy Speaker.

Hon. Deputy Speaker: Hon. Dr. Shaban, are you on a point of order?

Hon. (Dr.) Shaban: Not really, hon. Deputy Speaker. I might have pressed the wrong button. I wanted to actually contribute.

Hon. Deputy Speaker: I am not hearing you hon. Shaban.

Hon. (Dr.) Shaban: I want to contribute. Can I contribute?

Hon. Deputy Speaker: Yes.

Hon. (Dr.) Shaban: Thank you, Deputy Speaker. Very quickly, I just want to point out certain things that need to be worked on. By the Budget and Appropriations Committee looking at the national Budget and the Supplementary Budget is so that we can allocate funds and make sure that they go where they are really needed very seriously.

The Departmental Committee on Health is facing a very big problem. We have 350 intern doctors who have been working and from September, they have not been paid. Somehow, people look at medical personnel like they are supposed to be charitable; that they are not supposed to be doing a very important service in this country. We know very well that over the years, health personnel have been going on strike day in, day out simply because they have not been treated properly. As much as there is the Abuja Declaration that 15 per cent of the national budgetary allocations should go towards the Health Ministry, that has not been possible. In the last financial year, we were at about 5.8 per cent and now it is going lower from what we are seeing.

Hon. Speaker, those 350 interns have been working. Apart from them, there are others who voluntarily decided to come in while they wait to be put on the payroll this April. The Ministry of Health had only asked for Kshs1.3.billion and yet, not even a shilling has been set aside to pay those interns. Everybody is asking us to wait until the next financial year. Meanwhile, those doctors – because for all intents and purpose they are doctors as they have graduated--- They are in are in transition. They are being supervised by other medical officers before they settle down to work on their own.

Hon. Deputy Speaker, if you go to Kenyatta National Hospital (KNH) and all the general hospitals – like what were being referred to as district hospitals in big towns - you will find those interns working. They are the ones who work day and night. They are the backbones of those institutions. It is a very sad day that nobody wants to listen to this. Everybody is talking about health services having been devolved. However, we are not going to devolve such an important issue like internship. It is something that has to be done before those doctors can actually be taken on board after their internship.

Hon. Deputy Speaker, our Committee involved the Health Principal Secretary and Cabinet Secretary. We sat down and discussed with them. We sat down with their budget officers. We discussed all that, but nobody has taken it seriously. We even sat with the Chairman of the Budget and Appropriations Committee who felt that health is a devolved service. However, we need to ask ourselves: Is the internship programme in this country also devolved? That is the question we need to ask.

Hon. Deputy Speaker, even as I sit down, I want to encourage the Cabinet Secretary in charge of Health to engage the Cabinet Secretary in charge of Treasury, so that they can come up with those funds. It should be, at least, some amount of money that can be used to pay those intern doctors, so that they can continue with what they are doing. They are offering a very important service.

Thank you, hon. Deputy Speaker.

Hon. Deputy Speaker: Thank you. I am informed that hon. Gladys Wanga Nyasuna has an amendment. Do you have one?

Hon. (Ms.) Nyasuna: Thank you, hon. Deputy Speaker. Yes I do have an amendment. I would like to move:-

THAT, the Motion be amended by deleting the full stop after the figure 2014 and adding at the end thereon the words: “subject to allocation of Kshs40 million to the National Gender and Equality Commission for outstanding pending bills and a reduction of an equivalent amount from the recommended allocation for the social economic audit of the Kenya Constitution, 2010.”

Hon. Deputy Speaker, I rise to move this amendment because of the seriousness of the matter of the Kshs40 million for the National Gender and Equality Commission. The Kshs40 million for the National Gender and Equality Commission is actually not a new amount that is being added, or a new request for funds. This is an amount that was allocated to them in the Financial Year 2012/2013 for the purposes of partitioning their offices. The money was received by them, though on 2nd July, 2013. Therefore, they were not able to pay in good time for the partitioning of the offices. Therefore, the Kshs40 million was carried forward to this new financial year. But when they went back to the National Treasury, they were advised that they should reflect this amount in the Supplementary Budget. I would like to really say that the Budget and Appropriations Committee was not advised on this matter. It is not really a matter that it is at fault. It was reviewed by the Departmental Committee on Labour and Social Welfare where we sit but we were also not privy to the fact that, that money was actually already allocated to them and, therefore, it was not additional.

Hon. Deputy Speaker, it is a pending bill. It is money that they have already incurred. They want to use it to pay their debtors. The Commission should be given the money to pay that debt.

Hon. Deputy Speaker, the reason why I request this money to be removed from the social economic audit of the Constitution of Kenya is because, when we read the Budget and Appropriations Committee Report on page 10, point 17(ii), we see that an allocation of Kshs80 million has been made for that social economic audit. When we go again to the annex which has been referred to there, and which is the details of the social economic report, we see the working group that is going to do the social economic audit. If you read page 14 number seven, it says:-

“The working group will present a progress report to the Budget and Appropriations Committee 90 days after the signing of the contract.”

Therefore, it does mean that the progress report will only happen, maybe, when they are midway their work. So, in 90 days, they are going to be half through and, therefore, probably, if we need to pay for it, it will only be Kshs40 million. A sum of Kshs40 million will be needed for now and then, another Kshs40 million can then be appropriated within the Appropriations Act that we will be dealing with.

Hon. Deputy Speaker, therefore, I feel that it is only fair that we give the National Gender and Equality Commission Kshs40 million to pay up their debts and then, for this amount that we do not immediately need, we can actually pay half of it and then pay the other half in the remainder of the term. As we speak, we do not even know the cost of that social economic report. We will need to advertise it. We will need to see how much exactly it will cost and then, as we appropriate, we will be able to give the exact amount that is required.

Hon. Temporary Deputy Speaker, I beg to move this amendment and call upon the Chair of the Departmental Committee on Labour and Social Welfare, hon. David Were, to second this amendment.

Hon. Were: Hon. Deputy Speaker, I stand to second the amendment that has been moved by hon. Gladys Wanga. The explanations that she has given are quite clear that when this matter was being considered by the Committee, the details that she has were not privy to the Committee. This information has come late to us. I want to believe that we are still within the process of completing the Supplementary Budget. I do not think we are at the end of it. So, I would like to propose that as suggested by hon. Gladys Wanga. The amount that we are requesting for is Kshs40 million. It had actually been provided in the Supplementary Estimates that were tabled in the House. The amount was given to National Gender and Equality Commission to pay an accrued debt. That amount was in their budget for 2012/2013 but, unfortunately, when the 2013/2014 Budget was being prepared, that amount was not factored in. That is why that amount was factored in the Supplementary Budget. So, what we are only requesting for is the amount to be provided for as it appeared in the Supplementary Report.

Hon. Deputy Speaker, with those few remarks, I beg to second.

(Question, that the words to be added be added, proposed)

Hon. Musyimi: Hon. Deputy Speaker, thank you. I am very sympathetic to the amendment proposed by hon. (Ms.) Wanga. I only wish that the Chairs and the Committees they chair did their work with more diligence. That is because if they had invited the National Gender and Equality Commission, they would have discussed this matter internally. The issues that are now coming to the Floor of the House; letters that are coming at the 11th hour--- These are issues that could have been canvassed at the Committee Stage. I have chaired a Committee before and I know the importance of committees. Ministries and spending agencies actually report to the Committees. It is absolutely crucial that the Committees do their homework. We cannot do the work for them. That is why you have noticed that whatever recommendation that has come to the Budget and Appropriations committee from the Committees, I have respected them fully on the assumption that the Committees did their work. You cannot fail to do your work and then come here and ask us to work for you. That is wrong! I think it is an act of bad manners to ask the Budget and Appropriations Committee to cough out that money.

(Laughter)

Who will you go to tomorrow when you need our support? So, I am told reliably that my good friend, the very generous Chair of Justice and Justice and Legal Committee, hon. Chepkong'a - and I stand to be corrected if I am wrong - is prepared to make some consideration to this very needy Committee. I stand to oppose!

Certainly, I support the idea but what I oppose is that the money be taken from the Budget and Appropriations Committee. That is what I am opposing and I am pleading with the Committees do their work. I am also, as I sit down, saying that from what I have seen, the implementation of this Constitution--- Allow me because I am not bragging. I

have been a bit involved in the reform process of this country since the mid 1980s and so when I speak, I know what I am saying. It has been a long struggle. We finally have a Constitution that we said was 80 per cent good and 20 per cent bad. We sat here yesterday in a *Kamukunji* and every institution of State is fighting another institution of State. Right now, we cannot afford the wage bill. How do you oppose? How do you take money from a Committee that will audit the implementation of the Constitution? So, when we discuss this matter across both sides of the isle, we do not just bring emotional debates here. We speak guided by a report from professionals as to what we need to work on and what we need to improve on. It is important to be professionals even as we sit in this Chamber.

So, hon. Deputy Speaker, I support that they get the money but certainly, not from the Budget and Appropriations Committee and, least of all, from that audit.

Hon. Deputy Speaker: Hon. Members, remember that we are debating the amendment. We have not gone back to the original Motion. Hon. Neto, I know your name was there for the original Motion, but we must dispense of this amendment first. Are you going to speak on this amendment?

Hon. Oyugi: Hon. Deputy Speaker, thank you for the chance to speak to the amendment. I support the amendment that money be given to the National Gender and Equality Commission. Of course, I also agree with hon. Musyimi that we should not take money away from the audit of the Constitution. I am the person who presented a petition on behalf of some Kenyans who made a request in terms of the National Assembly giving a proper audit in terms of how the Constitution is being implemented, and the best ways in terms of cutting costs. We talked with the Chair yesterday before this issue came up and I was pretty happy that he, in his wisdom, found the money to do an audit of the Constitution. So, yes, I support that the National Gender and Equality Commission needs to be given money, but I am of the same view as hon. Musyimi.

I think that the Commission ought and needs to be given money. The Budget and Appropriations Committee needs to find money for them from somewhere. That is because anything else that supports the women of this country needs to be advanced I think it is within the province and purview of the Justice and Legal Affairs Committee to find them some money.

I beg to support.

Hon. Deputy Speaker: Anybody who wishes to speak on the main Motion, please, indicate so that you do not speak twice. Even if you are going to speak twice, you will have to go to the end of the list. I have 27 hon. Members wishing to speak.

Hon. Gichigi: Hon. Deputy Speaker, I had wanted to speak on the main Motion, but I am forced to also comment on what has come in; that is, the amendment. I am one of the people who are experiencing difficulties because I am in both Committees. I am in the Budget and Appropriations Committee and also in the Departmental Committee on Labour and Social Welfare. Having considered the issue, I wish to support the amendment as much as I support the position that has been adopted by my able Chair of the Budget and Appropriations Committee. The position is this: When you look at the Public Finance Management (PFM) Act and the Constitution, this Parliament has been given certain duties to oversee the preparation of the Budget. It is very unfortunate that the Treasury has the habit of bringing requisite statutory documents, not on the 11th hour,

but on the 12th hour. In this case, the Estimates were brought on the very last day, I think 15th February, 2014. When the Cabinet Secretary for National Treasury appeared before the Budget and Appropriations Committee, I remember that I personally asked him: “Must you bring these documents on the very last day?” His answer was: “You have time to deal with these issues. We have brought it because it is necessary to do one, two, three things.” What happened is that the Departmental Committee on Labour and Social Welfare was not able to meet all the agencies that are in its ambit and talk to them on the proposed variations in their budgets.

Indeed, the Treasury also made a mistake of stating in the Estimates that, that money was for the refurbishment of the offices of the Commission. So, when we looked at that particular provision, we thought that if it was just for renovating their premises, they could wait until next year. But when it came out later that the money had been spent, it became a debt. There have been complaints by suppliers and contractors to the Government that payments are not made on time. I think it was a mistake and, perhaps, it was a wake-up call to all the committees as well as this particular Committee; the Labour and Social Welfare Committee, that we should do our work well, so that we do not destabilize the good work of the Budget and Appropriations Committee. Members, please, let us give a little money to that Committee, so that it is not faced with difficulties. I wish to tell the Committee that, under the new constitutional dispensation, it is important that Members deal with their mandate. Let us not leave the Treasury to do the job and just rubber-stamp the same. There has been very serious—

(Loud consultations)

Hon. Deputy Speaker: Order Members! Consultations are too high.

Hon. Gichigi: Hon. Deputy Speaker, I have looked at the Estimates that were brought to us. I suspect that the reason why they are being brought late is so that we are not able to scrutinize and amend them. They think we will just take things the way they are. I hope that, as we move to the real Budget--- I am aware that, next week, we will be dealing with the Budget Policy Statement (BPS). Let us look at that, put our feet down and make the necessary changes, so that the Budget can reflect the needs of this country and the wishes of the people that we represent.

(Loud consultations)

Hon. Deputy Speaker, despite your exaltation to Members, they are still consulting loudly, led by the Leader of Majority Party

Hon. Deputy Speaker: Hon. Duale, you are the one to provide direction and guidance. So, do not be the one who is committing the offence.

Hon. Gichigi: Hon. Deputy Speaker, as I conclude. I hope that in future, money that has been allocated to development will be spent on development. It is very bad that, at the Supplementary Budget stage, we are removing money from development and allocating it to Recurrent Expenditure and, therefore, undermining the economic development of this country.

With those remarks, I support the proposed amendment.

Hon. Deputy Speaker: Hon. Chris Wamalwa Wakhungu, remember this is on the amendment and I am only giving another two Members a chance, so that we can dispose of it. It is on the amendment and not on the main Motion.

Hon. Wakhungu: Thank you, hon. Deputy Speaker. Of course, I know it is on the amendment. I have ears and I have heard that. I rise to oppose the amendment. The idea is good. But the idea of saying that we are going to get the money that is going to be used for the audit, I do not support it. In terms of planning, for any plan to succeed, we must have monitoring and evaluation. The audit money is going to tell us whether this Constitution is on course or not on course. In case of any deviation, we are going to know what recommendations we are going to put in place. I wish the Committee could have gone to get the money elsewhere. I am happy to hear that the Chair of the Committee of Justice and Legal Affairs, hon. Chepkong'a, has provided some direction on the legal aspect. But to go and remove this amount of money from the money that is going to be used for the audit, we cannot support that. I had given a request and I have waited for so many hours to have a response to this; unfortunately, I do not know whether my name was skipped or whatever the case. I am assuming that objectivity has been followed as far as that selection is concerned. I stand to agree with my Chair. Choices have consequences. It was made very clear in this House and I remember the Chair of the Committee on Budget---

(Loud consultations)

Hon. Deputy Speaker: Order Members, the consultations are too high!

Hon. Wakhungu: The Chair of the Budget and Appropriations Committee said this: "The respective Chairs of the Committees should do their work properly". If a committee is sleeping on its job and comes at the last minute to interfere with the whole process, we are not going to accept that.

We have even urgent matters; not even the aspect of the National Gender and Equality Commission. We know very well that the doctors are soon going on strike. This is an issue which is also very urgent, *Mhe* Naomi Shaaban has spoken about it. We have heard about the issue of teachers in this country. Those are also matters of urgency and as per the Budget cycle, we are only about three to four months away. Why can that Commission not wait? When you do a cost-benefit-analysis, if we are going to accept this amendment, the demerits are more than the merits. So, I urge hon. Members to oppose this. These issues of activism should not be entertained on the Floor of the House. If people have not done their job very well, we are not going to accept it.

I oppose.

Hon. Deputy Speaker: Hon. (Ms.) Sabina Chege, is that a point of order?

Hon. (Ms.) S.W. Chege: On a point of order, hon. Deputy Speaker. I rise on a point of order. Hon. Wakhungu has said that the Committee is sleeping on its job. I am not sure whether he is a Member of that Committee. Secondly, we know the timelines that we have been given. We know the Committee has been working very hard. I would like to say that, maybe, the Committee looked for the amount of money in the wrong docket. I would say that I support but with amendment. If you look at the amount of money that has been given---

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

Hon. Deputy Speaker: Order, Members! Please allow the hon. Member to make her contribution and be heard.

(Loud consultations)

An hon. Member: She was on a point of order!

Hon. Deputy Speaker: Are you on a point of order?

Hon. (Ms.) S.W. Chege: Yes, hon. Deputy Speaker!

Hon. Deputy Speaker: What is out of order hon. (Ms) S.W. Chege?

Hon. (Ms.) S.W. Chege: Hon. Deputy Speaker, what is out of order is that hon. Wakhungu said that the Committee has been sleeping on its job. If you are a Member of that committee, then you can tell us that. But I am very sure that we did not have enough time and every Committee, including my Committee was struggling to meet the deadline. I, therefore, urge that the Committee be given a chance. If there is somewhere else where we can get the money, it is important that we support the Committee.

Hon. Deputy Speaker: Thank you. You have made your contribution.

Hon. (Ms.) Odhiambo-Mabona.

Hon. (Ms.) Odhiambo-Mabona: Hon. Deputy Speaker, actually I want to speak to---

Hon. Deputy Speaker: I know you want to speak on the main Motion. Do you want to forego making any comment on this amendment to the Motion, so that we can dispense with it and you can speak during the---

Hon. (Ms.) Odhiambo-Mabona: Hon. Deputy Speaker, I do not want to go to the bottom. Otherwise, I support what hon. (Ms) Nyasuna is doing.

Hon. Deputy Speaker: Okay.

Hon. (Ms.) Odhiambo-Mabona: Let me wait and speak to the substantive Motion.

(Laughter)

Hon. Deputy Speaker: Leader of the Majority Party, do you have some way forward in this matter?

Hon. A.B. Duale: Hon. Deputy Speaker, I want to contribute to the amendment.

On the outset, I want to support it and even make it clearer. The Kshs40 million for the National Gender and Equality Commission was money that was allocated in the last financial year, but was unspent. It is a pending bill. That item has already been completed. It is a bill to be paid to a Kenyan service provider. Where are we getting that from? I am sure the National Treasury will agree with me. If we have allocated 80 million to the Parliamentary Service Commission, it is prudent to say: Let us give them even Kshs40 million and, by the time they come and tell us what they want to do and their terms of reference, their other Kshs40 million will be available. That is the only thing and I do not want us to juggle. What the Chair of the Committee; hon. (Ms) Nyasuna is saying is: "We are not denying PSC Kshs80 million. We are giving them

Kshs40 million and when the 90 days are over, they will have told us what they will want to do. Then that Kshs40 million will be there.”

So, I support with this justification.

Hon. Ng’ongo: Thank you, hon. Deputy Speaker. I support gender issues very much, but we have to be procedural. When it comes to money, bills and anything that affects money matters, you cannot amend it on the Floor of the House. This is something that needs to go to the Budget and Appropriations Committee. Actually, I even attempted to amend the VAT Bill on the Floor of this House and it was rejected. Much as we would want to support gender issues, we have to do things procedurally. There is a reason why the Constitution and our Standing Orders speak of money Bills, and how they are supposed to be transacted. That is because if you do it on the Floor of the House, what will stop us, again in the future, from applying the same benchmark? I know it was moved by my friend hon. (Ms) Nyasuna, but I am sorry that, that cannot happen. It is completely unprocedural.

Hon. Deputy Speaker: Hon. Makali Mulu, you have an interjection.

Hon. Mulu: Thank you, hon. Deputy Speaker. In addition to what hon. Mbadi has said, you need to consult the Cabinet Secretary, the National Treasury, on anything to do with a money Bill. That is a requirement and I do not know how this matter will be handled. However, you need to give guidance.

Thank you.

(Loud consultations)

Hon. Deputy Speaker: Order, hon. Members! I want to give a few minutes for consultations between the relevant committee and the Clerks-at-the-Table on what you have asserted; we cannot amend any money Bill on the Floor, and without consulting the Cabinet Secretary, National Treasury. Is that factual? You are not adding or reducing but it is just balancing the amounts. Those are the issues that we need to get guidance on.

Hon. Makali, if you want to join in the discussion, I am giving just three minutes for Members to come to an agreement on this.

Hon. Mulu: Hon. Deputy Speaker, even as they consult, what the Chair of the Budget and Appropriation Committee said makes a lot of sense. We have discussed this Budget in detail for the last two weeks. We have also denied some very important departments money which they wanted. I do not see any emergency with what we are discussing. As we speak now, we are doing the Budget for the next financial year and we can easily capture this money.

To make things worse---

Hon. Deputy Speaker: It is better to do this than to give quick responses. All of us are here. The Chair of the Budget and Appropriations Committee and all the Committees concerned are here.

(Hon. Members consulted with the Clerks-at-the-Table)

Thank you for bringing some wisdom into this debate. We have to dispense with the amendment before we contribute to the main one.

(Loud consultations)

Hon. Kimaru: On a point of order, hon. Deputy Speaker. In concurring with hon. Mbadi, if we allow this, we will be setting a very bad precedent, because this amendment has serious money implication. I rise to oppose this because we even have more urgent issues like security and education. So, we should reject this. This is activism brought on the Floor of the House!

Hon. Deputy Speaker: Hon. Members, since I am not seeing the real direction of the consultations, I want to now put the Question.

*(Question, that the words to be added
be added, put and negatived)*

(Debate on the original Motion resumed)

Hon. Members, we are now back on the original Motion.

Yes, hon. Sakwa Bunyasi from Nambale.

Hon. Bunyasi: Thank you, hon. Deputy Speaker. I rise to contribute to this Motion.

(Loud consultations)

Hon. Deputy Speaker: Order, hon. Members! Can the Member be heard?

Hon. Bunyasi: Thank you, hon. Deputy Speaker. I will start by saying that I was deeply disappointed with the way the figures were presented during the Supplementary Budget; they were itemized and we were not in any position to map them back to the programmes. I agree with the Chairman's comment that this will be---

Hon. Chepkong'a: On a point of order, hon. Deputy Speaker. As you have noticed, there is overwhelming support for this Supplementary Budget. We have contributed sufficiently and no one, including myself is in opposition. I would have wished to contribute but because of the support that hon. Members have given this Supplementary Budget, I will not. Would I be in order to request that the Mover be now called upon to reply, so that we fast-track the implementation of the Supplementary Budget?

Thank you, hon. Deputy Speaker.

Hon. Members: No! No!

Hon. Deputy Speaker: Order, hon. Members! I think we will allow a few more. I have 25 requests on my list but I do not think that we can go through the full list of 25 requests, unless you want it to be the only business for today. Maybe, what is helpful is that we agree to reduce the time for each Member contributing.

Hon. Members: Let it be one minute!

Hon. Bunyasi: Thank you, hon. Deputy Speaker. I presume that the ruling will apply after I have finished. We have talked about managing the wage bill.

Hon. Deputy Speaker: Hon. Members, are we in agreement that we reduce the debating time?

Hon. Members: To five minutes!

Hon. Deputy Speaker: To five minutes or to five Members to contribute?

Hon. Members: To five minutes!

(Question, that speaking time be reduced, put and agreed to)

Hon. Bunyasi: Thank you, hon. Deputy Speaker. I am not sure how much time I have now.

(Loud consultations)

Hon. Deputy Speaker: Order, hon. Members! The consultations are too high. Hon. (Maj-Gen.) NKaissery and hon. Mbadi, could we please consult quietly so that we hear the Member who is contributing?

Hon. Bunyasi: Thank you, hon. Deputy Speaker for the protection. I will go straight to the points that I think are critical. I think that if we have programme-budgeting, we should stay with it, so that our comments over time and whenever the Budgets come up are consistent. We should think of whether by reducing or increasing a Budget it will contribute to the programme goals that we agreed on. That did not happen and I hope that it will not continue in future.

Secondly, we talked about reducing the wage bill. But there is a cost of reducing the wage bill. You can reduce the size of the staff. If hon. Mbadi sits down, he will, at least, allow me to prosecute this discussion.

You can reduce the size and the rate. I know that the word “retrenchment” is not a popular word, but whatever the case, if you are intending to begin to reduce the wage bill, then we must put down an installment of actions necessary to effect the reduction of the wage bill. I would have liked to see a greater consideration for social protection. We talked about payment to the elderly. We can also talk about retraining of staff, so that people can go into self-employment. The *Uwezo* type of goals, even if not just the Uwezo Fund itself, would provide funds that would ultimately cushion the people who will come out of the Civil Service payroll into self-employment. We have to think about what is going to be necessary to cushion the implications of reducing the wage bill. It is much more than conferences by the Salary Review Commission and others who plan to do the same.

Thirdly, I support the idea of eliminating pending bills. I am in the Finance, Planning and Trade Committee; if you look at the amount of money being used in defending litigation and fines, it is much bigger than the Kshs40 million you are talking about. Perhaps, if we paid our pending bills, we would save some money. Back to the issue of programme budgeting, one thing that is missing, in my view, we must bring the justice system closer to the people. So, supporting the DPP, the police and the Judiciary is a good idea, so that the judicial presence is not just in the county capitals, but is much nearer to the people than it is now.

Lastly, the intention of the study is good, but towns will have to be developed. What is in the attachment is a thematic indication. There is a lot more work to be done and I am sure this can be done. It looks clearly that it is an assessment of the impact of

the Constitution. The social side is not coming out clearly, because if it had been the social side, we would have been interested in the input of, for example, the Labour and Social Welfare Committee. There is also the governance side that is important. We should be interested in the impact of governance, not just the fiscal impact, but on national cohesion, patriotism and many other elements that may have come out of the Constitution. This review is focusing just on fiscal management and impact and it should be expanded along those lines of fiscal impacts to see if that is what we want to have a look at. In any case, the realistic cost of this would only be known after we have done the terms of reference. While I might support an assessment of the fiscal impact of the new Constitution, if you call it social it will broaden beyond what is in the terms of references.

With those few remarks, I beg to support.

Hon. (Ms.) Oticho: Hon. Deputy Speaker, I would like to support the report as tabled by our Chairman. Before I contribute to the substantive Motion, I must register my disappointment with the manner in which the “Noes” had it with respect to the amendment which has just been defeated.

When we look at the Budget, and that takes me to the question which I was going to ask, what gender specific allocations, or affirmative action programmes have we included in our Budget? I want to say that the Supplementary Budget, basically looks at the re-allocations and re-alignments within sectors and ceilings that were set.

There are a few more observations which I have to make. An example is the issue of absorption, which was mentioned by hon. Mbadi; you will notice that most of the reductions were informed by low absorptions by some of the Ministries. For instance, we had an issue with the Ministry of Education, Science and Technology where Kshs200 million had been allocated for the procurement of sanitary towels and by the time the Supplementary Budget was being prepared, no procurement had been done for sanitary towels. That money was almost re-allocated, but our Committee said that, that money cannot be re-allocated, and it has to remain with the Ministry of Education, Science and Technology. We want sanitary towels procured and distributed to schools

I also want to make another observation on the issue of the programme-based budget. We are aware that this nation has moved away from itemized budget to programme-based Budget. Again, what is lacking is the output. We want to see clearly intended outputs so that we are able to follow up as the Budget and Appropriations Committee, and all the oversight bodies are able to follow up, so that come the next Budget, we will be able to justify allocations to the Ministries. So, the issue of outcome has to be looked into. Going forward, we want to see clear output into every programme, so that we can fairly judge the value of the money that we are allocating to the Ministries.

Having said that, I support. I want to say that we need to consider, interrogate budgets and ensure that there are allocations towards gender programmes and gender sensitive activities. We should have given the Committee on Labour and Social Welfare some benefit of the doubt, given the short period of time that they had to interrogate the Budget.

Hon. Waiganjo: Thank you, hon. Deputy Speaker. I wish to support the Report of the Committee and congratulate the Members for putting a lot of hours into it. I also support very much the SRC allocation for public sector wage bill conference. The SRC should lead by example during these austerity measures.

I also support the reduction of the allocation to the Ministry of Devolution and Planning; the Kshs293 million that was meant for the Civil Service reform. It is a good move to have proposed this cut as a lot of civil servants, of course, we know have already moved to the counties. They have been devolved and a lot of payrolls are now with the counties. I very much support that reduction. I am, however, sad to see that there has been a reduction to the Judiciary for the construction of buildings. The reduction has been done of about Kshs500 million. I am very afraid because the consumers of justice in this country are increasing. Of course, we have devolved high courts to all the 47 counties with a view to also devolving further the Judiciary to all sub-counties and wards. So, this was not a very wise move. I also know that the Judiciary had a very ambitious programme of constructing buildings for the judges, magistrates, clerks, and holding cells of suspects. So, I am sad about that reduction.

However, I am elated by the allocation increment to the Parliamentary Service Commission for socio-economic audit of Kshs80 million. Indeed, Kenyans have been asking whether this Constitution has led us in the right way and some of them are already clamouring for a constitutional change. So, this task to finish working is long overdue; there has already been serious questions about the Constitution and how well it has served us.

I am also happy about the additional Kshs300 million to the DPP. This is very wise. Those of us who are criminal defence lawyers know that our courts are clogged with a lot of criminal matters. We have also seen police prosecutors sending innocent people to jail. We have also seen mishandling of evidence by the prosecution. Most of them are police officers with very narrow and shallow understanding of the law. So, it is time the office of the DPP was revamped and even given a bigger budget, so that the criminal justice system in this country is never the same again. This was very good. It will reduce convictions of innocent suspects. It will also reduce acquittal of criminals.

I also like very much the addition of Kshs200 million to the Office of the Attorney-General and the State Law Office. We all know that State Counsel are the most poorly paid lawyers in this country; of course, there are qualified legal officers who are paid much more. State Counsel are paid peanuts. Their colleagues in the private sector are making a lot of money. That is why there is a great exodus from the State Law Office of the Attorney-General to private sector. Also, those who are working within the State Law Office are so demoralized that they hardly give the best to this country. Therefore, I very much like the addition of Kshs200 million. I am elated and must register my joy about the amendment that was just about to be sneaked in on the plenary of this House and I congratulate them.

Thank you.

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Deputy Speaker, for giving me this opportunity. First of all, I want to thank the Budget and Appropriations Committee for a good job. I just want to urge that the proposals and recommendations they have given be taken seriously, especially on the issue of realistic projections, because we are not actually doing the substantive budgeting. On the issue of output that is realistic and concrete---

Hon. Deputy Speaker, I want to comment on the issue of food security and I support the increase in allocation for national food security to the Ministry of Agriculture,

Livestock and Fisheries. I would want to urge that whenever we talk about food insecure areas, we forget areas like Mbita, especially when we are going through this period of closure of the fishing period because our areas rely mainly on fishing. So, I would want to urge the Ministry of Agriculture, Livestock and Fisheries to remember that.

While I also support the increment of allocation to the vulnerable groups like orphans and vulnerable children, persons with disability, the elderly and the urban subsidies, I would also want to say that when we talk about urban areas, we should remember that there are also rural areas that have urban areas. Therefore, the urban subsidy should also benefit those areas. I know for instance, in my constituency, every time I go around, the elderly tell me that they should be considered. This is because they are very few elderly persons who are receiving that subsidy.

Hon. Deputy Speaker, of course, I have spoken on the issue of the National Gender and Equality Commission. I would want to say that we reconsider it. Not everything that comes in is bad because gender is both male and female. But whenever men just hear the word “gender”, there is some ill spirit that gets into them and possesses them. My good friend, hon. Ng’ongo, is usually very supportive of hon. Nyasuna; they come from the same county, but today when he hears about gender, he becomes very fidgety. Please give the gender commission a budget, so that they can pay the money for the refurbishment they have already done.

I would also want to contribute to the issue of socio-economic audit of the Constitution. That is a very good thing. However, I would want to encourage the team that is doing this audit to remember that devolution started only yesterday. There is a lot of bashing of governors, but I do not support the misuse of public funds. The Transitional Authority we put in place is not properly equipped to deal with the counties. The ideal situation should have been secondment of Principal Secretaries (PSs), the technocrats who have worked in Government, to help them set up systems before we start crucifying governors. Before you kill a dog, you give it a bad name. I am seeing a trend where we want to kill the dog called “devolution” by giving it a bad name. Let us give devolution a chance.

Finally, I know that our Judiciary is not good, and we want to reform it. But the trend we are following as Parliament is very wrong. We cannot encourage defiance of court orders. I have disagreed with our courts many times, including in their ruling on the elections, but I respect their rulings even where I disagree with them. If Parliament, as a supreme organ, in this country can welcome a practice where we tell people to disobey court orders, we are setting a dangerous trend of anarchy in this country.

Therefore, I would want to say that I am very unhappy that we seem to be reducing the allocation to the Judiciary as a punitive measure. If we are reducing it because it is not urgent, I would understand, but if we want to punish the Judiciary merely because we disagree with it, it is a dangerous trend.

Lastly, I would also want to say that I am very happy that we have increased allocation to State Law Office and the prosecution office, because we want to--- I worked at the State Law Office as a State Counsel. There was a very high staff turnover because of poor salaries. The first time I ever met the Attorney-General - even though I was a junior officer then – was when I agitated for the increase of salaries.

With those few remarks, I support.

Hon. Ng'ongo: On a point of order, hon. Deputy Speaker.

Hon. Deputy Speaker: Order! Order, hon. Ng'ongo! I know you must respond to everything that is said, but we all heard what hon. Odhiambo-Mabona said. Let us just allow it to pass.

Hon. Washiali: Thank you, hon. Deputy Speaker for giving me this opportunity to contribute on this Motion.

I want to support this Motion with a very heavy heart, because I belong to the Committee on Agriculture, Livestock and Fisheries. We had a bit of input into this Budget, but unfortunately, whatever we proposed has not been included in this Budget. I think it is high time the Chairman and the Budget and Appropriations Committee assisted us, hon. Members, to make sure that we address issues that will help this country.

I think it is also high time we separated Ministries because we have Ministries which are purely geared towards producing and we have Ministries that are purely---

(Loud consultations)

Hon. Deputy Speaker: Order! Order, hon. Ng'ongo and hon. Nyasuna! Can we have order in the House, please?

Hon. Washiali: Thank you, hon. Deputy Speaker.

I was making a very important point. I was saying that as a country, and as Parliament, it is high time we separated these Ministries and placed them where they belong. The production Ministries have to produce, so that the other Ministries that are geared towards giving service have the necessary funding that enables them to operate. For example, I regard the Ministry of Agriculture, Livestock and Fisheries as a ministry that is for production. If we cannot fund the Ministry of Agriculture, Livestock and Fisheries we shall forever buy food. This is why the Budget and Appropriations Committee has chosen to deal with the problem, instead of preventing it. We had said that we wanted the Galana Scheme, which was launched by the His Excellency the President the other day, in the month of January--- We had proposed that the Kshs3 billion that had been removed from the National Irrigation Board be returned, so that programmes that the Jubilee Government has put in place should be realized.

Hon. Deputy Speaker, the Budget and Appropriations Committee chose to give money to buy food from outside. I want to assume that the food that has been budgeted for--- The acquisition of strategic food stocks has money that is going to import more food. How do we reason? I would have imagined that more money should have been put into producing food as opposed to money being given to import more food to take care of this strategic grain reserve.

Hon. Deputy Speaker, I do not know what we are going to do. What do we do with the driers? We have driers that are under construction, and that have not been completed. We had set aside some money to address that, but no cent has been given. We have an on-going project of slaughter houses in most of the ASALs, and no money has been provided for them in the Budget.

We have the Kenya Meat Commission, which is actually collapsing. I do not know whether it collapsed out of corruption or not. However, the Cabinet Secretary had told us about the programme he had put in place, so that we could revive the KMC once and for

all. The KMC is supposed to escalate the income for our livestock farmers; however, no cent has been allocated to the KMC. I know that the Treasury---

Hon. Deputy Speaker: Your time is up! Hon. Stephen Mule, I have not heard your voice since we began.

Hon. Mule: Thank you, hon. Deputy Speaker for giving me this opportunity to contribute to the Supplementary Budget. First and foremost, I want to thank the Budget and Appropriations Committee for work well done. I would like to touch on very few issues, so that I give a chance to other Members.

Hon. Deputy Speaker, you realize that KURA, KERRA and REA did not get substantial amounts of money. However, I want to confirm and confess in this House that what REA has done in my constituency for the last eight months is tremendous. We were able to connect more than 25 primary schools to power and did wiring in one class. This means that if REA is given more money in this Supplementary Budget, we are going to grow our IT sector. Once a school has been given electricity, you can be sure that the village in which the school is has also got electricity.

Second is the issue of food security. I come from the lower eastern part of the country. I can assure you that the rains have failed and there is no food. I thank the Chairman of this Committee for looking forward to have food security for our people, who will soon be looking for more food.

Third is the issue of the cash transfer to the elderly. For a while, as leaders, we have been challenged by communities where cash transfer was not being done because it was on a pilot basis. Now we realize that every Member in this House will manage the cash transfers to the elderly, poor and the vulnerable groups.

Last but not least is the issue of the socio-economic audit of the Constitution. I want this House to realize the importance of this programme. Right now we are sitting here as a Parliament looking for monies to give to departments while Kshs80 million is lying at the Central Bank of Kenya; it has not been absorbed by the county governments. This matter will be sorted out by the audit team. As much as we would wish to support Madam Wangari, it is important that we follow procedures that we have laid down in this House. I sit in the Departmental Committee on Health. There is a looming strike by doctors in this country. We are supposed to look for at least Kshs1.3 billion to pay interns who have been working in hospitals since August, yet they have not been paid to date. We have not provided any money in this Supplementary Budget. I want to urge the Cabinet Secretary for Health and the Cabinet Secretary for the National Treasury to do whatever they can do and withdraw Kshs1.8 billion from the money lying at the Central Bank of Kenya and pay doctors who have been working since August up to today without pay. This House must ensure that whatever is important for this country is given first priority.

I support.

Hon. Gikaria: Thank you, hon. Deputy Speaker for giving me this opportunity. I want to thank the Chairman of the Budget and Appropriations Committee for the good work they have done. Within a short period of time, they have been able to come up with these proposed amendments.

I want to agree with the Committee in their recommendation where they are advising that we check on our Recurrent Expenditure if we really want to have enough

money to develop our country. That is the direction this country needs to take. Given the current high wage bill, if it is not checked, it is going to be an issue in this country in the near future. What we require most is not only money for our Recurrent Expenditure, but also development. The Committee has suggested that Parliament checks on Recurrent Expenditure. Money has been given to the three authorities, that is KERRA, KURA and REA. We have seen what these authorities have done in our constituencies. I want to thank the Committee for thinking about these three authorities and allocating them money for the purpose of improving infrastructure. With regard to the issue of laptops, I am sure by the time they are available, we will have enough electricity in the rural areas.

The Committee has proposed as indicated under Article 249(3) of the Constitution that in the coming Budget we set aside money for the National Land Commission. We know about the problems in the Ministry of Lands. Once the National Land Commission gets its own money then we will be adhering to the Constitution, and this will help settle the many land cases and other tough tasks bestowed upon that Commission.

With regard to giving money to KWS for recruitment, recently, this House passed a resolution that we get more recruits in the KWS. The money that has been allocated for that recruitment exercise is something that should be encouraged. We only plead with the KWS that when they do their recruitment, they need to consider the areas where their facilities are.

On food security, it is important that we become self-sufficient in terms of food security. We need to have enough food reserves. The Jubilee Government has made it clear that our country needs to achieve food sustainability status in order for our economy to grow.

There is the issue of cash transfer. It has been talked about and I would like to support it. The Committee has proposed to the National Treasury that expenditures, in future, should be specific, measurable and have specific timelines. This is important because we have so many unpaid bills. We need to pay off the outstanding bills. Look at the road sector; there are so many unpaid bills, yet so many contractors have done their work.

Hon. Deputy Speaker: Your time is up, hon. Gikaria.

What is your point of order, hon. (Eng.) Gumbo?

Hon. (Eng.) Gumbo: Hon. Deputy Speaker, there is so much repetition, which is really against our Standing Orders. Would I be in order to ask that the Chair calls upon the Mover to reply?

Hon. Deputy Speaker: Hon. Members, this is the second request that is being made because of the repetitions that are coming from Members; there can be very interesting debate in the House if you obey your Standing Orders. Of course the Budget is the most important thing. This is not the final debate that you are going to be having on the Budget. So, I would like to put the Question.

(Question, that the Mover be now called upon to reply, put and agreed to)

Hon. Deputy Speaker: Hon. Members, so that we can make progress, let us call upon the Mover to respond. Are you generous or magnanimous? Do you feel like donating a minute?

Hon. Musyimi: Hon. Deputy Speaker, you know I have spent a lot of time bringing up people and it has been wonderful.

Hon. Deputy Speaker: Members, you will have enough time to really debate the Budget. You will all have enough time but I see Bishop there really pleading with you. I do not know what you think of that.

Hon. Musyimi: I am trying to look this way to see those who would like to speak. I am happy to donate two minutes each to Alice, Chepkong'a, Kazungu and Elmi. So, they are four.

Hon. Deputy Speaker: Okay. So, that is a total of five minutes. Five minutes, hon. Alice Ng'ang'a.

Hon. (Ms.) Ng'ang'a: Thank you very much, hon. Deputy Speaker. I have sat here for many hours waiting. So, let me take this opportunity by talking for two minutes. I support and I thank my very able Chair for compiling this report; I would like to talk about food security. Food security in this country right now is in dire need and we need to do something about it, especially now that it is raining. We need to harvest rain water, so that we can irrigate one million acres as the Jubilee Government pledged in its manifesto. It is high time we started it now and did it across the country, so that we can sustain ourselves. We do not want the situation we have been seeing in Turkana and north eastern, where people are dying from hunger, yet the country can irrigate as many acres as possible, if only given a chance to do so. It is good that the Supplementary Budget has proposed to increase the allocation to the national food security.

Hon. Deputy Speaker, we have seen that the rainy season has started and our roads have become impassable; we need this money as quickly as possible, so that our roads can be fixed and maintained properly.

Hon. Deputy Speaker, we also know that the Jubilee Government is very digital and we need to make sure that many households have electricity to transact their business. We now have the Uwezo Fund. However, without electricity in the rural areas our youth there cannot utilise this Uwezo Fund. If electricity is provided in rural areas, young men and women will be able to carry out their businesses like welding or run ladies' salons. They can do all these if electricity is provided.

Hon. Deputy Speaker, I also would like to recommend that polytechnics and other training institutions be removed from the Ministry of Devolution and Planning to the Ministry of Education. We have been going around our constituencies and people cannot understand why we cannot---

Hon. Deputy Speaker: Your time is up.

Yes, hon. Chepkong'a.

Hon. Chepkong'a: Thank you, hon. Deputy Speaker. First and foremost, I would like to take this opportunity to sincerely thank the Chair of the Budget and Appropriations Committee. He has been doing a wonderful job. He has been coordinating this within a very short time. I remember he called me on Monday when I was in my constituency, seeking clarification on what my Committee was seeking to propose. So, I would like to thank him very much.

Hon. Deputy Speaker, secondly, there has been an allegation and propaganda that the Departmental Committee on Justice and Legal Affairs reduced the budget of the Judiciary because it was seeking to punish it. The truth is far from that. In fact, in this Budget we gave them an additional Kshs1 billion, although their absorption rate was too poor, and the Director of Public Prosecutions (DPP) had requested Kshs1 billion. We sought that from the Budget and Appropriations Committee; they only agreed that only Kshs500 million would be given to them. So, we are giving them the shortfall.

Hon. Deputy Speaker, as you know the DPP has been suffering quite a lot because he is using police prosecutors. These police prosecutors are not trained lawyers, and so they have been losing very many cases, yet we have very many lawyers who are being admitted to the Roll of Advocates every year. For instance, this year alone 800 advocates have been admitted into the Roll of Advocates. Last year, a similar number was admitted. So, we need to absorb these lawyers who have come out of school, so that they can assist in prosecuting in a manner that is consistent with the law.

Hon. Deputy Speaker, thirdly, the State Law Office also requires State Counsel, so that they can assist in prosecuting matters. We are talking about devolution, yet we are not talking about the employment of State Counsel to assist judges, so that they can come up with fair judgments in the counties.

Lastly, hon. Deputy Speaker, I am telling the Chairman of the Budget and Appropriations Committee that in this coming year's Budget, we would like to see an increment of the Constituencies Development Fund (CDF). For far too long, the rate to this Fund has been consistent at 2.5 per cent. In fact, I am working on a Bill to increase the CDF from 2.5 per cent to 5 per cent in this coming year. The money that reaches *mwananchi* is from the CDF. All the other money ends up with the purported Ministers or the so called executives at the county level. This is a very serious matter; this House cannot allow constant rate year in, year out. If you look at, for instance, the budget of the Judiciary it has more than quadrupled in the last five years. It was Kshs3 billion and now this year it is Kshs18 billion, yet the CDF allocation has remained constant at Kshs21 billion in the last five years. It is very serious.

We should be talking about Kshs100 billion. If we were given the money that is lying at the Central Bank of Kenya (CBK), we would absorb it very fast. I would like to assure the National Treasury that if this money is allocated to us, all of it will be used. For instance, in my own constituency, I have about five schools which still have *matope* classrooms. If I am given this money, I will be able to eradicate *matope* classrooms from my constituency.

I thank you, hon. Deputy Speaker.

Hon. Muzee: Thank you, hon. Deputy Speaker for this opportunity. First of all, I would like to thank the Chairman of the Budget and Appropriations Committee for this opportunity. If he is listening I would like him to understand that he is a man who used to pay my school fees when I was in high school, but he is not listening; so, I guess that is a topic for another day.

I am here to support the Motion and as I do that, I really want us not to touch anything in the energy sector at all. I am in the Departmental Committee on Energy, Communication and Information, and we have worked through budgets. I think it is very important that we pump a lot of resources into this crucial sector. This is because as you

know we have a very tight programme to ensure that in the next three or four years, the country produces around 5,000 megawatts for our economy to be transformed into a middle-income economy; we only have 40 months to do that. So, we should not touch the budget that we have given to the energy sector. That is KenGen, Kenya Power, Rural Electrification Authority (REA) and Geothermal Development Company (GDC). Institutions need resources to ensure that as a country, we get where we want to be in terms of energy resources.

Tied to that is, of course, the issue of the Information and Communication Technology (ICT). If we want to assist ICT in this country then we need to put money in this crucial sector. It is a pity that we have been talking about Konza City all these years, yet right now we do not have any money allocated to that City. I do not know why we have taken all this time to put money there, yet investors will come in and invest in this crucial sector. We have left the whole land lie fallow; nothing is happening there. I think it is time we took the issue of Konza City seriously. If we see the ICT as the driver of the economy, then we must put resources in it.

On the issue of food security, we have reports that come May/June, this country will not have food. The Committee has done the right thing to put money in this area, so that we are able to have food reserves and ensure that our people get food when that time comes.

I would also like to talk about roads in national game parks. Most of these roads are impassable, yet there have been plans to ensure that we tarmack them. However, all we see is a policy statement and we do not allocate money towards this end. I have in mind roads leading to Amboseli National Park, Lake Nakuru National Park and the road to Tsavo National Park from Malindi. It is important that we ensure that we put money in this crucial sector, so that roads to national parks get tarmacked to enable tourists visit them. We should also ensure that the tourism sector is supported.

Hon. Deputy Speaker, I think---

Hon. Deputy Speaker: Hon. Kazungu, time is up!

Hon. Chair, could you respond? Oh, hon. Elmi was the last one.

Hon. Elmi: Thank you, hon. Deputy Speaker. First and foremost, I would like to thank the Budget and Appropriations Committee and their able Chair for having done an excellent job.

I want to comment on the earlier debate we had about gender. First, that Commission is not about gender but is about gender and equality. We know a whole lot of people are marginalized in this country, and that Commission has a lot of work to do. We hope that in next year's Budget they will be considered favourably. I also support the fact that money for relief food has been factored in this Budget. It is unfortunate in this day and age that we still have to rely on relief food, but that is the reality. As a country, we should not allow people to die. I am happy that the Committee has done that.

Hon. Deputy Speaker, I want to correct an impression created by hon. Millie, who is here; I am reliably informed by a Member of the Budget and Appropriations Committee that the allocation to the Judiciary which was reduced was not punitive because the Budget and Appropriations Committee does not operate that way. That was treated like all other allocations.

I think it is very important as a Parliament that we are seen to do things professionally. I would like to say that we have come a long way. When Members are commenting on individual judges, they have their right to give their opinion; but let us not throw away bath water with the baby. Let us also not rubbish the Judiciary wholesale. People slaughtered each other in this country in 2008 because they refused to go to court, because they did not believe in the courts. At the moment, there is an impression that the Judiciary is rubbish and corrupt. I think that does not argue well for the country. There are mechanisms to deal with those who are not doing well. I believe that the Budget and Appropriations Committee did a good job. Even if it reduced the money, it did it professionally. Therefore, we want the Judiciary to feel that Parliament is there and we want the Judiciary to become stronger but, of course, within its limits.

Finally, I want to say that devolution is critical. We know that a number of governors are not doing well. Again, we should not throw the baby with the bath water. As we go about this, let us use the law to ensure that we seal loopholes. Therefore, it is good that we support the audit that will be done on the implementation of the Constitution.

Hon. Deputy Speaker, with those few remarks, I fully support the work of the Committee.

Hon. Musyimi: I would like to thank you, hon. Deputy Speaker. Through you, I would like to thank all the hon. Members for their very positive and helpful contributions. We have noted what they have said and we are very grateful. I cannot, as you can imagine, respond to all the issues that have been raised, but allow me to say that the Budget and Appropriations Committee is there to serve all the spending agencies created by the new Constitution and the laws that we make. We do so in good faith and without fear or favour.

Let me speak to the point that was made by hon. Samuel Chepkong'a, which has to do with the reallocation of Kshs500 million from the Judiciary to the Director of Public Prosecutions (DPP) and the State Law Office.

This was certainly done in good faith. I do not really want to repeat myself. We have lawyers employed by the Government and the State Law Office is a Government office. The DPP and the Judiciary are also Government offices. You cannot have Government officers earning different salaries while their training is the same and their levels of performance, we believe, are the same. So, there is a problem there and that was what the Departmental Committee on Justice and Legal Affairs was seeking to address and we supported it.

Let me also say that we have adopted all the recommendations that came to us, including that of Kshs40 million that we were talking about here. That was a recommendation of the Committee that we adopted and brought to the Floor of the House.

I take this opportunity to send another plea again - maybe it is just my institutional background - I think we need to have strict discipline in the management of committee work, be more institutional and be committed. When we are appointed to be members of committees or chairs of committees for that matter in the new structure, it is an enormous responsibility and we must put in hours. We must also make sure that we do the work that we need to do. This is because, as the hon. Member for Suba rightly said, a

money Bill cannot be brought to the Floor of the House. We create the time for all what needs us. I really plead that, that opportunity be used as much as possible.

Hon. Deputy Speaker, as I end and with regard to the strong argument put on the need to support defence, agriculture and interns; if you check my report, you will see that the one expression that I repeated over and over again is; “the Supplementary Budget proposes”. So, this is a Budget from the National Treasury and it is not a Budget from the Budget and Appropriations Committee. Once the National Treasury proposes, we give it to the committees to do the necessary reallocation because we are not supposed to exceed the ceiling. That is what we respect and we seek to work with.

I hope that when the Supplementary Budget Bill comes to the Floor of the House, some of the very valid arguments made with regard to defence, agriculture, interns, the CDF and so on will be looked at.

Indulge me, hon. Deputy Speaker, as I close to also take this opportunity to inform the Chairs that we are expecting them tomorrow from 9.00 a.m. to 1.30 p.m. to consider their contribution with regard to the Budget Policy Statement, which we shall bring to the Floor of this House on Tuesday at 2.30 p.m.

With as many grand children and with as many remarks, I beg to reply.

(Question put and agreed to)

(Hon. Midiwo entered the Chamber)

(Applause)

Hon. Deputy Speaker: Order! Order, hon. Members! I do not know why hon. Jakoyo is attracting a lot of applause.

Hon. Chepkong’a: Hon. Deputy Speaker, indeed, we would like to welcome hon. Jakoyo Midiwo, but I do not understand why he has received a standing ovation, knowing that he is not competing with my very good friend, hon. Simba Arati. I think hon. Simba Arati is unopposed in the position that he is seeking in the party.

Next Order!

BILL

Second Reading

THE NATIONAL FLAG, EMBLEMS AND NAMES (AMENDMENT) BILL

Hon. Chepkong’a: Hon. Deputy Speaker, this Bill originates from the Senate. It has already been approved by the Senate and forwarded to the National Assembly.

Hon. Speaker, there are a number of issues that arise out of this Bill. Although we do not want to raise a number of controversial issues, this Bill ought to have originated in this House. Even its title shows that this is a national matter that only resides at the National Assembly. Notwithstanding the fact that it has originated from the Senate, I

hope that any amendments that are going to be brought here as proposed by the Departmental Committee will not have to be subjected to the Senate because this is a matter that resides in the National Assembly.

Hon. Deputy Speaker: Hon. Chepkong'a, hon. Millie Odhiambo-Mabona is on a point of order.

Hon. (Ms.) Odhiambo-Mabona: On a point of order, hon. Deputy Speaker. You have heard the Chairperson of the Committee on Justice and Legal Affairs suggest that this Bill should have originated from this House. If that is the case, then it is a constitutional issue that we cannot just wish away by saying "nevertheless". These are not nevertheless-issues. If it is a matter that should originate in this House, then it must originate in this House. There are no two ways about.

Therefore, if the Chair of the Committee is of the view that the Bill should have originated in this House, then I call on your good Chair to rule that we should not be dealing with it because it is improperly before this House. The Constitution is clear about the originator of a Bill. The Senate can come up with Bills that have to do with the counties. Bills on national issues originate in this House. Therefore, I would want to call on you to rule that this Bill is improperly before the House, and that we should not, therefore, consider it because it should have originated in this House.

Hon. Deputy Speaker, I will appreciate if you could kindly rule before we proceed.

Hon. Deputy Speaker: Hon. Millie Odhiambo-Mabona, I would like the Chairman of the Justice and Legal Committee to say whether that is the position he takes. Is it a matter that you would want ruled on, or is it just an opinion you are not very keen on? You are the Chair of the Committee. You mentioned it, but hon. Millie Odhiambo-Mabona went ahead and elaborated on it.

Hon. Chepkong'a: Hon. Deputy Speaker, I was just alerting the House that hon. Keynan has drafted a similar Bill. I was just wondering whether this Bill was not in conflict with hon. Keynan's Bill. That is just an opinion that I hold. I would like to move the Bill. This is a very simple Bill, with only two amendments. We have sought a deletion in the third amendment.

The Bill seeks to clarify which State officers are expected to fly the national flag. Regulation 3(3) on Flying of the National Flag Regulations, made under this Act, entitles the President, the Vice-President, the Chief Justice, the Speaker of the National Assembly, a Cabinet Secretary or the Attorney-General to fly the national flag on a motor vehicle. Of course, the principal Act was passed long before the new Constitution came into place in 2010. Therefore, the Act did not envisage that governors would be in place.

We now have a new Constitution but the law is silent on flying flags by governors. So, the flying of flags by the governors is not legal. Because the law is silent, you do not assume that you are expected to fly the flag. It is not implicit that the governors are expected to fly the national flag. The proposed new Section 2A of the Bill states very clearly the categories of persons or State officers who are expected to fly the national flags.

The second thing that the Bill seeks to address has already been passed by the Senate. It sets out the order of precedence of State officers, which is to be observed for all

official purposes and in official functions. The order of precedence is set out in the proposed new Section 2A(c).

The Committee on Justice and Legal Affairs proposes to delete this particular sub-clause because it does not make sense. As far as we are concerned---

Hon. Deputy Speaker: Hon. Chepkong'a, there is another point of order from hon. Jakoyo.

Hon. Chepkong'a: Hon. Deputy Speaker, I thought I welcomed him.

Hon. Midiwo: On a point of order, hon. Deputy Speaker. Hon. Millie raised a very fundamental question. This particular Bill is a subject of public debate. It is an issue of a constitutional nature. Even the Mover, in his own speech, is trying to say that the absence of a law means that what the governors are doing is wrong. I want to plead with you that we address the particular issue as to where this Bill should have originated. This will hurt even this House. The Senators are lying that we are helping them to "fight" the governors. They have gone ahead to rank themselves above the National Assembly, yet their work is just to deal with local issues. The Senators are hoodwinking us. It is important that we talk for Kenya. It is not without reason that we created the devolved governments. So, I want to plead with you to give a ruling on that particular issue. Where should this Bill have originated? This is not one of the roles of the Senate.

Hon. Speaker: Hon. Midiwo, you heard me also asking the Mover whether he wanted a ruling on it. He did not seem to want any ruling to be given, but now that it is a concern, you will allow us---

Before you make a comment, Member for Ainabkoi, can we hear hon. Kajwang'?

Hon. Chepkong'a: I would like to say something, hon. Deputy Speaker.

Hon. Deputy Speaker: Hon. Chepkong'a, allow one or two Members to speak and then you will speak last, because you are the owner of the Bill.

Proceed, hon. Kajwang'.

Hon. Kajwang': Hon. Deputy Speaker, although I can see that the time is up and, therefore, we may not be able to ventilate this matter properly, it would have been decent if we allowed the Bill to be proposed and seconded, so that hon. Members can have a chance to debate on whether the Bill is unconstitutional or not. That way, it will give a lot of us an opportunity to reflect on the issues being raised. The Bill falls under Article 109(4) of the Constitution. It is a Bill concerning the county governments, to the extent that it affects what has been happening in the counties relating to the governors.

The Bill affects the counties given the fact that governors have been doing some of the things that this Bill is concerned with. By the way, we are even anticipating the content of the Bill that hon. Chepkong'a is trying to move. So, the Bill concerns the county governments. A Bill may originate in the National Assembly or the Senate. This one originated in the Senate. So, we just need to look at Articles 110 to 113 of the Constitution to know how to pass it. I wish we could refrain from substantive debate until the Bill has been properly moved and seconded, so that all of us can have a chance to reflect on both the Standing Orders and the Constitution.

Thank you, hon. Deputy Speaker.

Hon. Deputy Speaker: Thank you, hon. Kajwang'.

(Loud consultations)

Order! Order, hon. Members! We are finishing this matter. I want to give the last chance now to hon. Chepkong'a.

Hon. Chepkong'a: Hon. Deputy Speaker, I have a lot of deference for my learned friend, hon. Kajwang'. However, these are weighty matters, in my view. This is something that has exercised my mind. I believe that this particular Bill ought to have originated and ended with this House. It is not a matter that touches the counties because what the governors are doing is illegal. It is not provided for anywhere in the law. So, the fact that the law is silent does not give them the right to fly the national flag. This Bill was seeking to outlaw it, or to make it clear that it is not lawful for the governors to fly the national flag, and provides for the categorization, and excludes Cabinet Secretaries. But I think it would be important for the Speaker to rule on this matter. I invite you to rule on this matter because it is important.

Hon. Deputy Speaker: Hon. Members, we will get a ruling on this matter after I consider all the factors. You will get a ruling next week.

ADJOURNMENT

Hon. Members, it is now time to interrupt the business of the House. This House stands adjourned until tomorrow, Thursday, 27th February, 2014, at 2.30 p.m.

The House rose at 6.33 p.m