

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

### SPECIAL SITTING

Wednesday, 3<sup>rd</sup> June, 2015

The House met at 2.30 p.m.

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

### PRAYERS

### BILLS

#### *First Readings*

THE INSOLVENCY BILL

THE COMPANIES BILL

*(Orders for the First Readings read- Read the First Time and ordered to be referred to the relevant Departmental Committees)*

**Hon. Speaker:** As had been observed, I believe that most Members will recall that these two Bills were withdrawn to go for further consultations. In fairness, when the Departmental Committee on Justice and Legal Affairs considers them, for purposes of sequencing, it may be better that the Companies Bill be reported on first before the Insolvency Bill. Even though the Insolvency Bill is given as No.15 of 2015 and the Companies Bill as No.22 of 2015, that they would flow better.

### MOTION

#### CONSIDERATION OF THE MEDIATED VERSION OF THE DIVISION OF REVENUE BILL

THAT, pursuant to the provisions of Article 113(2) of the Constitution and Standing Order 150(3) this House approves the Report of the Mediation Committee on the Division of Revenue Bill, (National Assembly Bill No.11 of 2015), laid on the Table of the House on Wednesday, 27 May, 2015.

*(Hon. Mutava on 3.6.2015)*

*(Resumption of Debate interrupted on 3.6.2015)*

**Hon. Speaker:** It is my hope that every Member has a copy of the Supplementary Order Paper. This Order Paper should be there. I had directed that it be prepared because we could not complete debate on this particular Motion. Still, a number of Members had indicated willingness to contribute. At this point, it is fair to appreciate the views expressed by many of you who contributed earlier. This debate will actually cascade, or flow very well if we further consider the business appearing as Order No.11. Perhaps depending on what Members feel we could try to conclude debate on this Motion and then proceed to the business under No.11. However, I am not in any way directing that if any Member wishes to contribute they be barred from doing so. I can see hon. Manson Nyamweya, whom I know was around No.7 by the time the House rose. In fairness, why not give hon. Manson Nyamweya, the first shot.

**Hon. Nyamweya:** Thank you, hon. Speaker, for giving me the chance to contribute to this Motion. First and foremost, I want to say I support it, but you know this House participated in forming a Mediation Committee. To me the Mediation Committee is normally formed for an ordinary Bill. It does not talk about the Finance Bill or the Money Bill. Therefore, in the first place, it was not right for us to agree to form a Mediation Committee, because the Constitution of the Republic of Kenya is very clear. It has given the National Assembly the mandate and that we should not share with anybody. We are not trying to do a favour to the Senate. We were complaining about the Senators and their contributions; it is our responsibility. The input they brought to the National Assembly, we should have ignored it and not accepted to go ahead to form a Mediation Committee, because it is not their role; their functions are clearly defined. So, hon. Speaker and Members, let us be aware that we have a new Constitution and we have been given a very clear role when it comes to the Finance Bill, which we did last time when we passed the Budget. Therefore, it is not fair for us to be debating an issue, which is very clear and a mandate is given to the Members of the National Assembly. The way forward to me is that in future, when we are discussing our Budget it is our responsibility and it should end there.

Another issue that I want to raise is that I support to give more money to the county governments and the Level 5 hospitals. For sure, when you are on the ground, you will see how patients suffer. There are no medicines and doctors in the hospitals; the big issue here is not corruption. Yes, I know corruption is there, but let us not use it as an excuse not to give them funds.

Therefore, I support more allocation of funds to go to the county governments, because the issue of corruption is an institutional issue, which will be sorted out in time. This is because as we move on, more governors are going to be in trouble and jailed, and with that I expect these funds will reach where they are supposed to go. So, I support more allocation for the governors, but the way the Senators brought it in was not right; it is not for us as National Assembly to agree to be blackmailed by the Senate.

This is because they have no mandate and the Constitution is very clear. The way forward is, do not be nice to your fellow Speaker, because you are trying to be nice to

him. We are in a very difficult situation and the Constitution is very clear that it is our role and they should respect it. Any role they are supposed to play, let us give them a chance play. Nevertheless, for the sake of this country, it is good as National Assembly we accept the mediation process.

Hon. Speaker, you know you can do Form Four examinations and pass and then you think you are very bright and repeat. You know you will compete with everybody else and you must accept the grade you will get. As the National Assembly, we have put ourselves in this situation; so, let us pass this mediated Bill because it has been agreed upon by our group. Unfortunately, if you form a mediation group they come up with a decision, which we must live with, as the National Assembly.

So, I support that more funds go to the counties because that is good for us and the hospitals. I come from Kisii County, and if you go to hospitals, you will see how people are suffering there, as there is no medicine in dispensaries and sub-county hospitals. It is an issue of management, which will be sorted out as time goes by.

With those few remarks, I support this Motion. Members, let us support it for the sake of the country governments, not that we are against the Senators or anybody else, we are the champions of devolution. The last Parliament passed the new Constitution and we did not have the Senate then.

With those few remarks, I support and thank you for giving me a chance.

**Hon. Chanzu:** Thank you, hon. Speaker for the opportunity to contribute to the mediated version of the Division of Revenue Bill.

The most important thing is that all of us Kenyans passed the new Constitution because we believed in devolution. This arose from the fact that we had seen some of the experiences we had when we came up with the Constituencies Development Fund (CDF). We have seen what 2.5 of the national revenue can do, or has done in the constituencies compared to what we had achieved with the national Government funds since Independence. We had also passed laws here to deal with the Constituency Roads Committees. We were able to see how much this has done. Because of that, it was necessary that we come up with devolution, so that we have more funds going to the counties. This is what has been done by the new Constitution.

The only problem, as you may remember, when we were passing laws in the Tenth Parliament was whether we were also going to devolve corruption. That is what I see as a major problem. We have had the experience of devolution from the time when we passed the Constitution in 2010. The effective time when we have been able to see how much we are achieving through devolution was from the last general election when we got county governments in place.

You can see in counties some of the incidents we get through the print media. The kind of information we get is sometimes very contradictory. You will find a situation where a county is not able to spend money on development. A county like Vihiga was not even able to spend 12 per cent on development, but when it came to opinion polls, they were rated very highly as having performed at number three nationally. You wonder why there is a contradiction, yet the figures we get from the Treasury are supposed to be figures which have been authenticated to show that not much money has been spent. You can see physically on the ground, just as my colleagues were contributing here in the morning, there is not much that is going on in terms of development. It is like we are

devolving money to go and pay a few people's salaries. As we allow more money to the counties, there must be a way in which we can have checks and balances on how money is being spent.

There is an issue that had been raised by the county governments, particularly the governors. Some of them, including the Governor of Vihiga, raised concern that we are interfering with the work of the county governments. If you look at the Constitution, Article 95(4)(c) you will see that it talks about the role of the National Assembly, which is exercising oversight over State organs. That does not exclude the money that we send to the county governments. Our role as the National Assembly must be to oversee the money that is spent by the national Government and the way money is spent when it goes down to the counties.

The most important thing as we allow money to go out to the county governments is that we must have measures in place to ensure that money is spent correctly. The institutions that are charged with making sure that this is done should do their work. The Controller's Office and the Auditor-General's Office should be prompt in checking what is going on, otherwise money will go to waste. Even if you run after people and get them now, the way I can see some of the Cabinet Secretaries being pursued, and you are not able to recover the money, Kenyans will have lost. The most important thing is for us to have prompt action.

There are reports that have been made to the Ethics and Anti-Corruption Commission (EACC). We appreciate what they have done so far. They need to do much more. In many counties people are putting up projects all over that they could not undertake in the past. We were not devolving funds so that money can go to individual's pockets. We were devolving them, so that the poor *mwanaanchi* in Kenya can come up. We want there to be fairness, so that as a country, we can achieve the level of growth we envisaged under Vision 2030.

The competition we are having about where money should go should not be the responsibility of a few individuals. It should be for every Kenyan since it is for the benefit of every Kenyan. Article 6 of the Constitution talks very well about the two levels of government, the national Government and the county governments being distinct, but interdependent. There must be mutual consultation at all levels, so that everything is done for the benefit of all Kenyans.

With those few remarks, I support the Bill.

**Hon. Maanzo:** Thank you, hon. Speaker for giving me an opportunity to contribute to the Division of Revenue Bill, 2015. Without repeating what my colleagues have said, I would like to state that part of the problem with money going to the counties is corruption. Corruption can be sorted out if we devolve the services of the EACC to the counties, so that the EACC has sufficient capacity to deal with matters relating to finances at the county level, where normal processes of government procurement and executing projects take place. At times these processes are tied up by the law.

*(Loud consultations)*

**Hon. Speaker:** Order Members! Those consulting, please, do so in lower tones.

**Hon. Maanzo:** We can deal with the issues of corruption at the counties. I support devolution and the money going to the counties. In counties where the governors have worked well, we have seen the effects of devolution and that it is a good thing.

One of the worrying things about this Bill in the schedule is the Equalisation Fund, which has been allocated Kshs6 billion that has not been utilised at all since the inauguration of the new Constitution. Now we have to look for almost Kshs4 billion to take care of the new agreement between the Senate and the National Assembly. I will not be hesitant to suggest to Hon. Mutava Musyimi that, probably, we could get some money out of this Equalisation Fund, which has not been used before.

There have been suggestions about dealing with the Judiciary. It is an independent entity, which is very special. There are reasons why we had advanced some money to the Senate, though there may be a need to review it. Utilisation of the Equalisation Fund is said to have delayed for lack of administrative mechanisms

*(Loud consultations)*

**Hon. Speaker:** Order Members! I cannot hear what the Hon. Member is saying.

**Hon. Maanzo:** It would be fair that the Equalisation Fund is utilized, so that people who are suffering in some parts of the country, because there has not been equity since Independence, can be served and be like other Kenya.

Finally, money allocated to Level 5 hospitals is justified. We need to improve on them so that services can be properly devolved. There should be, at least, one such hospital in every county to deal with new challenges such as cancer treatment. Currently, we are having a lot of challenges in Kenya and we are losing many lives to diseases.

I beg to support the Bill.

**Hon. Speaker:** Hon. Amina Abdalla.

**Hon. (Ms.) Abdalla:** Thank you, hon. Speaker. I beg to support the mediated version of the Division of Revenue Bill. I want to register my support for Hon. Mutava. He has not been receiving very good views from some of us. However, we have to appreciate that some of the balancing acts he has been doing have gone beyond the call of duty. Some of them need to be appreciated. We also need to appreciate the Budget and Appropriations Committee in general for the good work they normally do.

Some of the recommendations I have heard since morning are opening too many war fronts. Whereas I totally support the fact that to give counties this extra Kshs3.3 billion we need to cut the funding that we promised the Senate--- I called it what it was but many Members rose on points of order to correct me, so that I do not call it a bribe.

I would like to congratulate the Members for seeing the light that we do not need to bribe the Senate mainly because, together with the Judiciary, they are the source of the problem we are in regarding the Constituencies Development Fund (CDF). You do not bribe your enemy and expect them to change their views about you.

Whereas I truly support the reduction of the allocation to the Senate, I would request my colleagues to appreciate that the rulings the Judiciary has been making on matters pertaining to the National Assembly's war with the Senate appear to have been written by some of the Senior Counsel in the Senate; we must appreciate that the Judiciary or the Supreme Court that gave the opinion, is not Justice Mutunga. It is those

small courts that are in your constituencies. For example, I saw the courtrooms that members of the public have to visit in my friend Hon. Naomi Shaban's county. That is where the money for the Judiciary is going to improve services to *wananchi*, and not to these people we do not like, who serve in a street near City Hall. I want to urge my colleagues to appreciate that whereas we might disagree with the Judiciary, cutting over Kshs1.2 billion from their budget--- We have already cut Kshs502 million from their Estimates; this will not be appreciating the need to have a Judiciary that we all have confidence in.

I want to give ideas to the Budget and Appropriations Committee on where it can get money from. The Member for Tetu is coughing because he is worried that I am going to mention his area. Where there is too much money, usually there are a lot of loopholes for corruption. So, we can start with the sectors that are managed by the Member for Tetu's Committee. That is the National Intelligence Service (NIS) and the military. There is too much money there. We just need about Kshs1.3 billion. I am saying this with a lot of seriousness. It is not only for the sectors that are covered by the Member for Tetu's Committee.

When we reviewed the budget of the Executive, there were serious loopholes relating to the Appropriation-in-Aid (A-in-A). People are not reporting A-in-A. As an example, my Committee has made one parastatal to report Kshs3 billion. So, can you imagine how much more A-in-A is not being reported and we are not following this up? So, the place to get this Kshs2 billion from is the Executive. Unless they convince us otherwise, that is where the bulk of the money is. Relax my friend Member for Tetu. We might not take everything from you, but money is in the Executive.

I want to urge my colleagues that we support Hon. Mutava. He has done a good job. However, on this one of the Judiciary, let us not take money from where we really need to generate confidence.

I normally do not talk. I only talked because I felt that we are going to hit an institution so hard not for a crime of their own. It is just for being friends with those Senior Counsel and elders in the Senate. Let us isolate the fact that they are closer to the elderly persons and appreciate that they still need our support as a House.

With those very many remarks, I beg to support this Report.

**Hon. Speaker:** Hon. Members, let me give some guidance. Listening to the contribution by Hon. Amina Abdalla, I would have been inclined to think that she is debating Order No. 11, because that is where the issues that she has talked about are. They are contained in the proposed amendment Motion by Hon. Mutava Musyimi.

Hon. Members, is it the mood of the House that we put the Question on this, so that we move to Order No. 11? That is where all these issues, including where you want money removed from, are hidden. They should be discussed under Order No. 11.

**Hon. Members:** Yes.

**Hon. Speaker:** I am hoping that no money is going to be hidden though. So, do I get the concurrence that I put the Question that the Mover be now called upon to reply?

**Hon. Members:** Yes.

*(Hon. Midiwo stood in the gangway)*

**Hon. Speaker:** Order, Hon. Jakoyo Midiwo.

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

**Hon. Speaker:** Hon. Mutava Musyimi.

**Hon. Musyimi:** Hon. Speaker, I do not have very much to say except to express my appreciation to this hon. House. They have not disappointed. They have understood that the fundamental issue is about the role of the Senate in the budget-making process.

*(Hon. Gethenji consulted with Hon. (Ms.) Abdalla)*

I can hardly hear myself, hon. Speaker, due to consultations in front of me.

Thank you, hon. Speaker. I want to thank this hon. House for understanding the issue. I am deeply impressed by their grasp of the law and what the expectations of our people were when they gave themselves a new Constitution.

Going forward, proposals have been put on the table in the short term. I want to take this opportunity to again plead that we take all possible opportunities to invest in the yet-to-be-concluded socio-economic audit of our Constitution. I look forward to that programme getting more funding in the forthcoming Supplementary Estimates, so that they can carry on with their work. I want to believe that, that will not just be a process to bash the Senate; that seems to be the understanding on the other side, but it is an audit of both the national and county governments.

I am also very pleased for you, hon. Speaker, because I know you have borne the brunt of vilification by the advisory opinion. Your mind is clear, as a senior judicial officer before you came here, as to what the law says on this matter of the Division of Revenue Bill. We have seen you agonise. I am very glad myself that we have had the opportunity to tell you as Members of this House that we totally agree with your interpretation of the law on that matter.

We have met as a Committee and I will be giving the recommendations soon hereafter. For now, let me again thank the hon. Members. I am very pleased with the bipartisan understanding of the issue. It is always a joy for me when I see us closing ranks on an issue of national importance, and talk about Kenya and not about CORD or Jubilee.

For those of us who participated in the mediation, the Hon. T.J. Kajwang' and the Hon. Mary Emaase, allow me to give them my appreciation. We are also grateful to the Senators who participated, Sen. Mutahi, Sen. Boni Khalwale and Sen. Beatrice.

With those not-so-many remarks, I beg to reply.

**Hon. Speaker:** Hon. Members, could you, please, take your seats? Those who are making their way in, please come in and take your seats. You do not have to walk that long. There are seats there. They are not harmful. There is no seat in this House which is harmful.

*(Question put and agreed to)*

Hon. Members, before we move to the next business, I wish to give the following Communication.

### COMMUNICATION FROM THE CHAIR

#### SPEAKER'S ROUNDTABLE

**Hon. Speaker:** Hon. Members, this Communication relates to the Speaker's Roundtable slated for 5<sup>th</sup> to 6<sup>th</sup> June, 2015 in Mombasa.

I wish to inform you that the National Assembly, in conjunction with the Kenya Private Sector Alliance (KEPSA), has organised the National Assembly Speaker's Roundtable to be held from 5<sup>th</sup> to 6<sup>th</sup> June 2015 at the Whitesands Hotel in Mombasa.

Hon. Members, the purpose of this meeting is to provide a forum for legislators and the private sector to review their engagement and progress made in the last one year. If you recall, Members, the last such roundtable was held in February 2014 at the Leisure Lodge Resort in Diani. In this regard, I extend an invitation to the House leadership, all Committee Chairpersons, Vice-Chairpersons and other Members to join me in this important event. Arrivals in Mombasa will be on Thursday, 4<sup>th</sup> June 2015 and departures on Saturday, 6<sup>th</sup> June 2015. You are advised to contact the Office of the Clerk on matters related to this activity.

Hon. Members, next is Message No.015 of 2015 from the Senate.

### MESSAGES

**Hon. Speaker:** Hon. Members, I wish to convey that I have received two Messages from the Senate regarding the passage of the following two Bills:-

1. The Potato Produce and Marketing Bill (Senate Bill No. 22 of 2014)

*(Hon. Speaker Laughed)*

Hon. Members, let me repeat. I know that we are in the budget-making cycle, but this is what is done there.

2. The Public Fundraising Appeals Bill (Senate Bill No. 28 of 2014).

*(Laughter)*

Hon. Members, the first Message states thus: "That, the Potato Produce and Marketing Bill (Senate Bill No. 22 of 2014) was published in the *Kenya Gazette* Supplement No. 80 of 30<sup>th</sup> May, 2014, as a Bill originating in the Senate and was passed by the Senate on Tuesday 12<sup>th</sup> May, 2015, with amendments."

The second Message states: "That, the Public Fundraising Appeals Bill (Senate Bill No. 28 of 2014) was published in the *Kenya Gazette* Supplement No. 99 of 27<sup>th</sup> June, 2014, as a Bill originating in the Senate and was passed by the Senate on Tuesday 12<sup>th</sup> May, 2015, with amendments. The Senate now seeks the concurrence of the National Assembly on the said Bills.



Hon. Members, I am aware that the Clerk has since circulated copies of the Bills. Before the two Bills are read the First Time, I hereby refer them to the Budget and Appropriations Committee for their recommendation pursuant to Article 114 of the Constitution. Upon receipt of the recommendation from the Committee, I will give further directions regarding their introduction by way of First Reading at a later date. I thank you.

## MOTION

### ADOPTION OF REPORT ON BUDGET ESTIMATES (2015/2016)

THAT, this House adopts the Report of the Budget and Appropriations Committee on the Budget Estimates for the National Government, Judiciary and Parliament for the Financial Year 2015/2016, laid on the Table of the House on Tuesday, 26<sup>th</sup> May, 2015 and pursuant to the provisions of Section 39 of the Public Finance Management Act, 2012 and Standing Order Nos. 235 and 239, this House approves the issuance of a sum of Kshs1,508,517,181,340 from the Consolidated Fund to meet the expenditure during the year ending 30<sup>th</sup> June, 2016 in respect of the votes as indicated in the schedule.

*(Hon. Musyimi on 27.5 2015)*

*(Resumption of debate interrupted on 27.5.2015)*

**Hon. Speaker:** Hon. Mutava Musyimi, since you know that this had started, I think you should be moving it with the proposed amendments.

**Hon. Musyimi:** I stand guided hon. Speaker.

Hon. Speaker, I wish to move the amendments as circulated. The document circulated is proposing three amendments. One of them is that the total figure of Kshs1,508,517,181,340 has changed. It will be less by the figure of Kshs3.3025 billion and the new figure is Kshs1,505,492,181,340.

My second amendment has to do with the recommendations contained in the document now circulated. I wish to replace the old recommendations with the new ones after consultations were held among my Committee, the Committee Chairman and also Treasury as you directed. The product of those consultations is now contained in the new recommendations.

Thirdly, I wish to propose a new Schedule in the circulated format. It replaces the old Schedule.

Allow me to take the hon. Members to Page 3 of the document just now circulated, so that we can go together. I will just go through the proposed re-allocations then I will go to reductions. Thereafter, I will finish with additions and ask Hon. Isaac Mwaura to second this Motion.

The re-allocations are as follows:-

We propose to re-allocate Kshs100 million for Recurrent Expenditure under the Presidency from use of goods and services of the Cabinet Affairs programme to the Power of Mercy Board.

We recommend re-allocation of Ksh120 million for Recurrent Expenditure under the State Department for Interior from the National Cohesion Department to the National Cohesion and Integration Commission (NCIC), the one that is chaired by your predecessor, Hon. Speaker, Kaparo.

We recommend to reallocate Kshs600 million for development expenditure under the State Department for Planning from the allocation to Uwezo Fund to the following: Youth Enterprise Fund Kshs200 million, the Women Enterprise Fund Kshs350 million, and the Anti FGM Board, Kshs50 million.

We reallocate Kshs1billion for capital expenditure under the State Department for Devolution from civil contingency reserves to resettlement of IDPs.

We reallocate Kshs200 million for capital expenditure under the State Department for Water and Regional Authorities from Mechanical and Electrical Division to Northern Water Service Board.

We reallocate Kshs70 million under the Ministry of Labour, Social Security and Services for Recurrent Expenditure for the “social assistance to vulnerable groups” to “audit of registers for cash transfers” within the same Ministry.

We reallocate Kshs52 million for Recurrent Expenditure under the State Department for Livestock as follows: Kshs30 million from use of goods and services for the development planning services to the Dairy Board and Kshs22 million from rangelands ecosystem development services to development of a 3<sup>rd</sup> stock route in Samburu and Turkana.

We reallocate Kshs10 million for Recurrent Expenditure under the Ministry of Industrialization and Enterprise Development from Sacco Societies Regulatory Authority (SASRA) to the governance and accountability for legal and policy development.

We reallocate Kshs500 million for capital expenditure under the State Department of Commerce and Tourism from the Tourism Recovery to Ronald Ngala Utalii College.

We reallocate Kshs500 million under the Ministry of Industrialization and Enterprise Development for capital expenditure for Export Processing Zones Authority (EPZA) to capital expenditure for RIVATEX.

We reallocate Kshs100 million for Recurrent Expenditure under the Office of the Attorney-General and Department of Justice from the Judges and Magistrates Vetting Board to fund the pupillage programme (Kshs56 million) and to the Council of Legal Education, (Kshs44 million).

We reallocate Kshs20 million for Recurrent Expenditure under the Office of the Auditor-General from use of Goods and Services to the finalisation of the Socio-Economic Audit.

We reallocate Kshs300 million for capital expenditure under the Ministry of Transport from Air Transport Programme for construction and civil works to National Transport and Safety Authority (NTSA) under the State Department of Transport for upgrading the motor vehicle inspection centers and purchase of safety enforcement vehicles.

We reallocate Kshs376 million for Recurrent Expenditure under the Department of Science and Technology from Jomo Kenyatta University of Agriculture and Technology (Kshs220 million), Garissa University College (Kshs39 million), Kirinyaga University College (Kshs39 million), Co-operative University College (Kshs39 million) and Embu University College (Kshs39 million) to the following universities: Chuka University (Kshs150 million), Kisii University (Kshs100 million), Jaramogi Oginga Odinga University of Science and Technology (Kshs76 million) and South Eastern Kenya University (Kshs50 million).

We reallocate Kshs142 million for capital expenditure under the State Department for Science and Technology from Garissa University College (Kshs88 million) and Kenyatta University (Kshs54 million) and Kshs54 million from Kenyatta University to Maseno University (Kshs71 million) and Egerton University (Kshs71 million).

With regard to reductions, allow me to recommend that:-

We reduce the recurrent allocations for use of goods and services for the Cabinet Affairs Programme of the Presidency by Kshs100 million. Where there is a debit, there is a credit and where there is a credit, there is a debit. So, we are balancing books.

*(Hon. Kang'ata and Hon. J. N. Chege  
consulted loudly)*

**Hon. Speaker:** Hon Member for Kiharu and the Hon. Member for Kasarani, something seems to be exciting the two of you. Please, if you must be excited, you know there is a place out there, where you can get excited and come back and listen. This is very serious; it is not about potatoes! This is very serious business. That was with a light touch; but please, consult in low tones.

That is all I am trying to say to you.

*(Laughter)*

**Hon. Musyimi:** I recommend that we reduce the recurrent allocations for use of goods and services under the policing services programme and the National Cohesion Department of the State Department for Interior by Kshs71 million and Kshs80 million, respectively.

I recommend that we reduce the capital allocations for construction of buildings under the policing services programme of the State Department of Interior by Kshs50 million.

I recommend that we reduce the recurrent allocations for the Huduma Center under the State Department for Planning by Kshs173.2 million.

I recommend that we reduce the recurrent allocations for use of goods and services under the General Administration, Planning and Support Services Programme for the State Department for Education by Kshs300 million.

I recommend that we reduce the allocation for revitalization of youth polytechnics under the State Department for Science and Technology amounting to Kshs507.7 million: Kshs76.71 million in recurrent and Kshs430.97 million in development.

I recommend that we reduce the recurrent allocation for use of goods and services under the General Administration, Planning and Support Services programme for the State Department for Science and Technology by Kshs200 million.

I recommend that we reduce the recurrent allocation for the Human Resource Reforms (Temporary Employees) under the National Treasury by Kshs700 million.

I recommend that we reduce the recurrent allocation to Kenya Wildlife Service (KWS) under the State Department for Environment and natural Resources by Kshs1.5 billion.

I recommend that we reduce the capital allocations to the Greening Programme of the Directorate of Environment under the State Department for Environment and natural Resources by Kshs100 million.

I recommend that we reduce the capital allocations to the tourism recovery under the State Department for Commerce and Tourism by Kshs300 million.

I recommend that we reduce the capital allocations to the Judiciary by Kshs502 million.

Hon. Speaker, with respect to the next reductions, this has everything to do with the discussions in the mediation. You will recall that you allowed us, as the Budget and Appropriations Committee, to have a session today for which we are grateful, so that we may seek to raise the Kshs3.3025 billion, which can then go to the counties. It was our view that this money must come from the national Government. Therefore, the following figures, which I will read, have to do with the reallocation within the national Government to satisfy the requirement of the mediation process, so that this money can then be taken to the counties for human resource needs and also Level 5 hospitals.

We recommend that we reduce the recurrent allocations for the Senate Affairs programme under the Parliamentary Service Commission by Kshs1 billion.

*(Applause)*

Hon. Speaker, I might add that until yesterday, this money was set aside and hosted by the Parliament Service Commission, awaiting the enactment of an enabling framework to enable the Senate use it for the purposes for which we had given it to them. All that has changed this morning and we are asking that, that Kshs1 billion be taken away to the counties.

*(Applause)*

The next item is that we reduce the capital allocations for the Judiciary by an additional Kshs800 million. It is not a billion. Yes, Kshs800 million and if you have any views on this, and I have heard Hon. Amina Abdalla and my Vice-Chairperson, you may wish to come back and debate it, but that is the recommendation of my Budget and Appropriations Committee with respect to that matter.

Hon. Speaker, we recommend the reduction of the recurrent allocations for the Salaries and Remuneration Commission (SRC) by Kshs200 million.

Further, my Committee recommends the reduction of the recurrent allocations for the Human Resource Reforms (Temporary Employees) under the National Treasury by Kshs500 million.

Further, we recommend the reduction of the recurrent allocations for the Defined Contributory Scheme under the National Treasury by Kshs500 million.

Finally, hon. Speaker, we recommend the reduction of the capital allocations for the Integrated Financial Management Information System (IFMIS) re-engineering under the National Treasury by Kshs325 million.

If you put those figures together, as I said earlier, they will amount to Kshs3.325 billion and that should balance the books.

I come back with more normal narrative and deal with the matters of additions as I close.

I recommend an increase of the capital allocations to the State Department for Planning by Kshs100 million for construction of a building at Embu Government Training Institute (GTI).

I further recommend an increase of the recurrent allocations to the State Department for Science and Technology by Kshs500 million for University of Nairobi Collective Bargaining Agreement and by Kshs507.7 million for the University of Nairobi for Operations and maintenance.

Further, I recommend an increase of the recurrent allocations to the State Department for Environment and Natural Resources by Kshs500 million to the following expenditure units: The National Environment Management Authority (NEMA) for salaries (Kshs120 million), Kenya Forest Service (KFS) for salaries (Kshs50 million), and the Kenya Wildlife Service (KWS) for compensation claims by Kshs330 million.

I further recommend an increase in the capital allocations to the State Department for Water and Regional Authorities by Kshs1.1 billion for the following expenditure unit: The National Water Conservation and Pipeline Company (NWCP) (Kshs160 million), Tana Water Services Board (TWSB) (Kshs160 million), Rift Valley Water Service Board (RVWSB) (Kshs160 million), Lake Victoria South Water Services Board (LVSWSB) (Kshs240 million), Tana Athi Water Services Board (TAWSB) (Kshs40 million), Coast Water Services Board (CWSB) (Kshs160 million), Lake Victoria North Water Services Board (LVNWSB) Kshs80 million - we are persuaded that this is a Board that we need to give further attention in future, Ewaso Nyiro South Tannery (ENST), based in Narok County, (Kshs100 million).

I further recommend an increase of the capital allocations to the Ministry of Industrialisation by Kshs1 billion for the following expenditure units: The Kenya Industrial Training Institute (KITI) (Kshs120 million), New Kenya Cooperative Creameries (NKCC) (Kshs400 million), Kenya Industrial Property Institute (KIPI) (Kshs300 million), and Kenya Industrial Research and Development (KIRDI) (Kshs638 million).

I further recommend an increase of the capital allocation to the Independent Electoral and Boundaries Commission (IEBC) by Kshs30 million for purchase of system

for mapping and collection of Global Positioning Systems (GPS) co-ordinates for results transmission and logistics.

I further recommend an increase of the recurrent allocation to the National Police Service Commission (NPSC) by Kshs121 million for the following expenditure units: Kshs5 million for development of a scheme of service for police officers, Kshs71 million for recruitment of police officers, Kshs45 million for police vetting programme.

Further, I recommend an increase of the recurrent allocations to the Controller of Budget by Kshs15.4 million for personnel emoluments.

Further recommendations concern increase in the recurrent allocations to the Independent Police Oversight Authority (IPOA) by Kshs80 million for operations.

Hon. Speaker, I further recommend an increase of the recurrent allocations to the Public Service Commission (PSC) by Kshs100 million for implementation of the Enterprise Resource Planning (ERP) for the Commission, document management, business intelligence and audit system.

Further, I recommend an increase to the recurrent allocations to the Office of the Director of Public Prosecutions (DPP) by Kshs178 million for the following expenditure units: Witness and Victims expenses (Kshs50 million), training of new prosecutors (Kshs50 million), and medical insurance for new prosecutors (Kshs78 million).

I further recommend an increase of recurrent allocations to the Kenya National Human Rights Commission (KNHRC) by Kshs100 million.

I further recommend an increase of the recurrent allocations to the National Cohesion and Integration Commission (NCIC) under the State Department for Interior by Kshs58 million.

I recommend an increase of the allocations to the Commission on Administrative Justice (CAJ) by Kshs36 million for personnel emoluments.

I further recommend an increase to the recurrent allocations to the Commission for Implementation of the Constitution (CIC) by Kshs100 million for completion of mandated programmes and winding up.

I further recommend an increase in the recurrent allocations to the Independent Electoral and Boundaries Commission (IEBC) by half a billion (Kshs500 million) for voter registration.

I want to be thankful for the very strong plea made by the Chairman of the Departmental Committee on Justice and Legal Affairs when we sat in this Chamber during the consultations on the afternoon of Friday; we can start the very crucial process of voter registration.

The next item is also an appeal. It is an increase of capital allocations to the Technical and Vocational Education and Training Institutes (TVET) under the Ministry of Education, Science and Technology by Kshs500 million.

My Committee further recommends that this House resolves to:-

(a) Approve the Report of the Budget and Appropriations Committee on the Budget Estimates for the National Government, the Judiciary and Parliament for the Financial Year 2015/2016.

(b) This House resolves to approve a total expenditure of Kshs1,505,492,181,340 of which a sum of Kshs399,392,081,926 will be raised through regular Appropriations in Aid (A-in-A) and a sum of Kshs1,106,100,099,414 will be withdrawn from the

Consolidated Fund to meet expenditure during the year 2015/2016 in respect of votes as attached in Schedule.

Hon. Speaker, before I seek your permission to hand over the microphone to Hon. Isaack Mwaura, who is a member of the Budget and Appropriations Committee, to do the seconding, let me again take this opportunity to thank this Hon. House for the very vibrant and robust discussions we had here last week on Wednesday. I took it positively. That is the way democracy moves forward; that happens when questions are raised, particularly by people who represent our citizens.

Going forward, and this is a matter that I have raised with the relevant authorities even at the top level, I am of the considered opinion that we must give more latitude to committees of the House in our budgetary estimates and allocations. Secondly, we must give latitude to the Budget and Appropriations Committee because it has the mandate to review reports that come to it. When we use the powers given to us, we use them as responsibly as we can. That is the law as you pointed out.

When a report finally ends up on the Floor of the House, this House must have latitude. We have raised this matter with all powers, so that a percentage will be set aside to offer that latitude next year. That will be so that the involvement of the elected Members of Parliament has capacity. There is no point of discussing numbers that are more or less finalized, where the movement that is allowed to us is so limited. It makes our participation almost futile.

Secondly, I want to thank my colleagues, the Committee Chairpersons and all the Members of the Committees for all the consultations that have taken place. We have taken it well. I am also very grateful because on Friday the Executive was able to join us and we were here for the better part of that afternoon.

Before I sit down, I want to give you a sense of what we go through in the Budget and Appropriations Committee. Yesterday, in the presence of the Treasury, we had one of the Ministries come before us. Under that Ministry there is a Semi-Autonomous Government Agency (SAGA). A recommendation had been made that we move Kshs1.6 billion from this Ministry to a programme created by law, or to a SAGA that exists at the behest of Executive fiat. It is still law, but in terms of hierarchy of importance, an institution created by statute enjoys a certain measure of seniority over an institution created by Executive fiat.

That notwithstanding, we then had a debate. We allowed the two institutions to engage each other in our presence and in the presence of the Treasury. The Members of my Committee were part of that debate. It went on for about an hour. Do you move Kshs1.6 billion, which is already committed as counterpart funding because we expect money from World Bank to help 353,000 families in the country over the next one year, and give it to a SAGA?

Eventually, a decision was made that we will not re-allocate those funds. What I am trying to say is this: With all the best intentions, sometimes the Budget and Appropriations Committee finds itself in very awkward situations, where there are turf wars between Government institutions. For instance, when we invited the Ministry of Lands, it had understanding of the law that was completely contrary to that of the National Land Commission. We need to spend money to buy equipment. Where do you host that money? Do you give it to the mother Ministry or to the National Land

Commission? These are some of the challenges we have. We kept going back and forth until finally a decision was made.

I am not looking for sympathy, but I am happy to take the flak for responsibilities that are mine. Our job is not easy. When I say we do a fair amount of gate keeping, I actually mean it. We seek to do it with the best intention and with all the information available for the good of our people. I want to thank the hon. Members for the opportunity to serve in this capacity.

Let me finish by saying that we have done the best we can; this Report is not perfect. We still want to ask for more time. We really must give the budget-making process more time. We cannot be working with brutal timelines or pressure cooker conditions, as I call them, that make it impossible to reflect responsibly on information that has come to us. We are forced to make decisions within four hours on a Budget of over 1.5 trillion.

I am also glad that you have been very flexible because some of your people make it very difficult for us to access Treasury. We have to do letters which then take time. Decisions have to be made within 24 hours. By the time the letter is signed by the Clerk--- For example, we spent four hours in a meeting yesterday with the Treasury, the Controller of Budget and the Solicitor-General. We wanted their view on the Mediation Report in writing. They came back to me and said, "We need that request from the Clerk." That information was coming to us at 5.00 p.m., yet we were prosecuting this matter today at 10.00 a.m. I would really plead that when it comes to budget-making, let us realize that Government is Budget among other things. There really has to be strategic flexibility for us to do our work. The Solicitor-General told me that he could not write the letter unless the request is made to him formally, which I understood. I would really plead again that some consideration needs to be given, so that we are able to perform our job the best we can.

With those very many remarks, I want to thank you personally for your support and thank all of us here. I look forward now to the debate in respect of these Estimates. I am so very glad that we have put to rest the issue of mediation, so that at least, as we said earlier on, the crisis that would have fallen upon our people after today, has now been avoided. We are not going to be out there in high seas without a compass. A decision has been made by the representatives of the people in the Kenya National Assembly with respect to the mediation Bill.

I thank you and wish to invite the hon. Isaack Mwaura to second the Motion.

**Hon. Mwaura:** Thank you, hon. Speaker. I rise to second my Chairman on the submissions made with regard to the various amendments---

**Hon. Speaker:** Hon. Mwaura, sorry there is a point of order from the hon. Pukose.

**Hon. (Dr.) Pukose:** Thank you, hon. Speaker. I was just going through the document and there is conflicting information. Number 8 talks of reduced recurrent allocation for the Human Resource Reforms, (Temporary Employees) under the National Treasury by Kshs700 million.

**Hon. Speaker:** What page is that?

**Hon. (Dr.) Pukose:** On Page 5. When you go to Page 6, No. 16 states thus: "Reduce the recurrent allocations for the Human Resource Reforms (Temporary



Employees) under the National Treasury by Kshs 500 million.” Another one is No.12 which states: “Reduce the capital allocations to the Judiciary by Kshs502 million.” When you go to No. 14, on Page 6, it states: “Reduce the capital allocations for the Judiciary by an additional Kshs800 million.” He needs to come out clearly.

**Hon. Speaker:** The other one is additional.

**Hon. Pukose:** Yes, additional. What about the other two?

**Hon. Speaker:** Hon. Mwaura, did you get what he said?

**Hon. Mwaura:** Yes, but allow the Chairperson to respond to that one before I second the Motion.

**Hon. Speaker:** Since we had already given you the opportunity to second, hon. Pukose can walk across where the Chairperson of the Budget and Appropriation Committee is and discuss the matter. After you finish your seconding, we could then ask hon. Mutava Musyimi to respond.

Hon. Mwaura, proceed.

**Hon. Mwaura:** Hon. Speaker, I stand guided.

I rise to second this amended Motion on the Report. If you look at these appropriations, even with the noted issues, this House has actually risen to the occasion through the Committee by ensuring that we have actually got money from other allocations for the deficit that would have, otherwise, arisen due to what had been demanded for the counties. This is very important, especially when we look at the Kshs1billion that was supposed to go to the Senate. We actually have been treated to some charade between those who are nominated and those who are elected in terms of how that money was going to be shared. They have no proper use of that kind of money, I think it is very important that this money goes to where actual need is.

Looking at the way we have also got money to cater for that deficit, it can be said that it is upon the various organs of Government to consult exhaustively in order to ensure we do not end up with the stalemate that we have found ourselves in; people should know that if we do not agree, it means that they can also have their money cut to finance a deficit that arises.

While seconding this Motion, I stand to offer my opinion that if you look at the history of the Division of Revenue Bill you will realise that the first year we got it right. We properly appropriated funds and the President went ahead and assented to the Bill and it became law. The situation obtaining currently is one that encourages the Senate to ask for more money in future with the anticipation that there will be mediation thereafter. This must be discouraged at all costs. I do not think that the framers of the Constitution were wrong when they provided in Article 95 that we are the ones who are going to do the Division of Revenue Bill. I stand to wonder whether, even if we have resolved this crisis, we have not created another precedent, more so looking at how, for example, the Division of Revenue Bill was introduced to the Senate in the last financial year.

If you also look at the macro-economic situation that is obtaining, this country around February of this year increased its debt. The result has been that the Kenyan shilling has depreciated very markedly. That is because we do not seem to have enough reserves either in gold or foreign exchange to cushion our shilling. The only recourse is for us to increase our own productivity. If you look at the things that give us foreign currency, you will see that we get a lot of money from remittances, but these monies are

not enough to cushion our shilling. In fact going forward, we are likely to see sky rocketing prices of commodities such as food from mid this year.

So, this Budget, if you look at the increases that have been made going forward, seems to speak to such reality. You can see, for example, that there is allocation of funds that will go to the industrial development for training. There are funds that have been allocated to institutions such as (TVET). This is if you look at the allocations that have been made with regard to encouragement of production and training of our youth. If you have a country which has 10 to 12 million youth who are unemployed, the question that we will ask ourselves is whether, indeed, we are using them to increase the productivity of our country in order to service the debts that we have found ourselves in.

There is one important thing. The debate that has been between Parliament and the Executive has been to what extent we can scrutinise our Budget. The Executive seems to hold the view that by the time they bring the Estimates to Parliament, they are already a *fait accompli*. I beg to differ because we interrogate this Budget because we want to appropriate funds based on the priorities of Kenyans. We want to interrogate these figures to ensure, for example, that we have a programme-based budgeting; but when you look at the current scenario, the Treasury seems to say that: “By the time we come to you, we have already done our public consultations.” We want to clearly say that Parliament is not a rubber stamp of the Executive. When you look at the way appropriations are done and the way budgets are generated, sometimes they do not have directness that would speak to the issues that affect the common *mwanaanchi*.

I want to point out that looking at the kind of intricacies that we have seen here, you will find that the allocation to some of the most deprived sectors of the economy have been increased. For me, the issue of increasing money to the Kenya Forest Service (KFS) and the Kenya Wildlife Service (KWS) for the sake of giving compensation to those who have been injured by the human and wildlife conflict it can only be welcome. For a very long time because of lack of such kind of proper allocation of funds, we have ended up in a situation where people have not been properly compensated when they are maimed.

Another increase that speaks to the issue of increasing our Kenyan productivity is the allocation to the construction of water pipelines. It is a contradiction, as we speak, today that most Kenyans end up having a lot of water because of the flash floods, yet they do not have water in their taps. Therefore, the allocation to increase the construction of a national pipeline will assist in this area.

There is also a very curious increase here with regard to the Independent Electoral and Boundaries Commission (IEBC) for the transmission of results. In the 2007 the then chairman of the defunct Electoral Commission of Kenya (ECK) said that some people had actually switched off their phones, and so they could not relay election results; this should not be entertained in this 21<sup>st</sup> Century. The allocation is to ensure that there is proper mapping by IEBC, so that results will not be intercepted. We should not have a situation where we do not know exactly who is a winner, and where time is lost in between voting and release of results.

Having said that, I clearly note that allocations to target groups and special interests that some of us represent in this House also need to be clearly defined. I have in point the fact that, for example, we have allocated about Kshs 500 million to TVET.

However, there are some special TVET institutions that have not been able to be properly funded. Currently this country has about 12 TVET institutions for persons with disabilities that are under the Ministry of Labour and Social Security and Services instead of them being under the Ministry of Education; their allocation per a whole year is about Kshs 60 million.

If you look at the curriculum of TVET institutions, they tend to train our persons with disabilities to do some jobs that are no longer marketable such as being a cobbler or tailor. Therefore, allocation to TVET must also benefit marginalised groups of people, so that they can also feel they are part and parcel of a more robust and tuned curriculum; they should have skills that can help them in the mainstream economy.

Another commendable increase of allocation is of Kshs100 million to the Kenya National Commission on Human Rights. This is an institution that has played a critical role in ensuring that Kenyans know their rights and demand them. This has led to great accountability when it comes to the issue of social audit of budgeting.

**Hon. Speaker:** Order Members! Please take your seats. Hon. Members, before I propose the Question, it is fair to remind the House that the Motion is the one that was interrupted on Wednesday, 27<sup>th</sup> May in the afternoon sitting. Therefore, the amendment proposals by Hon. Mutava Musyimi on behalf of his Committee are merely to amend the original Motion. Therefore, I do not propose to read---

*(Loud consultations)*

Hon. Naomi Shaban, please consult Hon. Limo quietly.

I do not propose to read the entire recommendations of the Committee. This is because all of you, I believe, attentively listened to Hon. Musyimi move this amendment. It will be too long. Therefore, I will propose the Question that the Motion be amended as proposed in the circulated Order Paper and as read out by Hon. Musyimi when moving.

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

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

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

**Hon. Speaker:** Hon. Members, debate now continues on the basis of the amendments. We are debating the amendments. So it will get to a point when we will vote on the amendments.

Hon. (Dr.) Pukose, you had raised an issue. Has it been explained? Have you got explanation on that issue you had raised of the billion? It was corrected by the Mover when moving. Hon. Musyimi corrected the Kshs800 billion while moving. He said that it is an additional Kshs800 million. He made that correction while moving. Are you satisfied?

**Hon. (Dr.) Pukose:** Yes, I am satisfied, hon. Speaker. Could I contribute to the Motion?

*(Laughter)*

**Hon. Speaker:** Hon. Members, I want those who are contributing to contribute to the proposed amendment until it gets to the point when we put the Question of the amendment to vote. If the proposed amendment is carried, then the Motion will be debated as amended. Are we clear of that?

**Hon. Members:** Yes, hon. Speaker.

**Hon. Speaker:** I assume everybody listened to Hon. Musyimi. Yes, hon. (Dr.) Pukose.

**Hon. (Dr.) Pukose:** Thank you, hon. Speaker. I want to support the Motion as amended by hon. Musyimi. I want to thank the Budget and Appropriations Committee for the work well done. They did their best. We also want to appreciate the effort of the Mediation Committee for going through all this to provide funds, especially to Level 5 hospitals. I hope this money will be ring-fenced. This is because last year, my Committee visited several hospitals including the Coast Provincial General Hospital, Kakamega Hospital and Jaramogi Oginga Odinga Hospital and found that the monies that were given as conditional grants had not been given to these institutions. I hope that the money should be channeled directly to the accounts of these institutions so that they are able to provide the various services.

I want to support this Motion on the basis that the Senate and the National Assembly should stick to their constitutional mandates. The Constitution clearly gives the Senate mandate over allocation of funds to the various counties while the National Assembly deals with the Division of Revenue. If that had been followed we would not be in the quagmire we are in today.

Hon. Speaker, we also know that we have challenges especially when it comes to fighting corruption in this country. Apparently, it seems as if when we devolved, we also devolved corruption. When the President made his Address to the National Assembly and the Senate, he gave a list but unfortunately, it seems to have become a cash cow for the Ethics and Anti-Corruption Commission (EACC). This is because from where some of us stand, we are aware that the EACC has been asking money from various people mentioned in that list so that they do away with their files. I think this is a position that the Government needs to rethink.

**Hon. Nyamweya:** On a point of order, hon. Speaker.

**Hon. Speaker:** What is your point of order, hon. Nyamweya?

**Hon. Nyamweya:** On a point of order, hon. Speaker. I need your guidance on this. Is hon. (Dr.) Pukose in order to say that the EACC has been asking Members for bribes? Can he name them because this is a serious issue we are discussing? As a Member of Parliament, he cannot come to the National Assembly and say that an institution is collecting bribes and yet he does name them. It is a serious allegation.

**Hon. (Dr.) Pukose:** Hon. Speaker, that is an area I am ready to provide evidence on. I am aware that in some of our counties, the officers who have been mentioned in that

list have been taken round and even called to hotels and asked for bribes. This is true. It is happening and we are ready to provide that evidence if need be.

On the issue of people who are mentioned in corruption, we expect that they should have fair hearing, the normal judicial process followed and the issues tackled.

**Hon. Kiptanui:** On a point of order, hon. Speaker. I have heard what the hon. Member has said. I thought it would be in order for you, as the Speaker, to give some directions on this issue. When he says that he can provide information, can he be given some timelines to provide information regarding what he has said or substantiate?

**Hon. Speaker:** You are being asked to substantiate, hon. (Dr.) Pukose. That is the procedure and it not the responsibility of the Speaker to do that. You have been challenged by hon. Kiptanui to substantiate

**Hon. (Dr.) Pukose:** I will substantiate once I bring the evidence before this House. Or, do you want me to name them?

**Hon. Speaker:** Our rules do not allow that kind of procedure because you will look like somebody who is in the wilderness fishing.

**Hon. (Dr.) Pukose:** I am not fishing, hon. Speaker.

**Hon. Speaker:** Then our rules do not allow you to be herding. If you do not have the answer or you cannot provide it, for instance, within a day or so, then you will have to withdraw your remarks.

**Hon. (Dr.) Pukose:** Within a day or so, I will be able to provide the evidence, hon. Speaker.

**Hon. Speaker:** Hon. (Dr.) Pukose, you will provide the evidence?

**Hon. (Dr.) Pukose:** Hon. Speaker, I will.

**Hon. Speaker:** We will give you until Tuesday because you know for a fact we are not sitting tomorrow to produce the evidence.

**Hon. (Dr.) Pukose:** I will, hon. Speaker.

I think the amendment which has been brought hampers the oversight role of the Senate. We had provided them with Kshs1billion and they were ready to play the oversight role. Despite the fact that the money has been withdrawn, I hope that they will still play the oversight roles against the county assemblies and the county executives. I hope that they will not have an excuse and say that since the money was withdrawn, they will not be able to play this role.

Hon. Speaker, with those few remarks, I support the amendment.

**Hon. Speaker:** Hon. Members, can we dispose of with the amendment?

**Hon. Members:** Yes.

**Hon. Speaker:** Can I dispose of with the amendment so that we debate the Motion as amended. Is that okay?

**Hon. Members:** Yes.

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

*(Question of the Motion as amended proposed)*

**Hon. Speaker:** So, the debate now is on the Motion as amended by hon. Mutava Musyimi. Those of you who listened to hon. Mutava Musyimi moving the amendment can now debate this. You can say those things that you wanted to say in the morning. I want to give this chance to a Member who wanted to contribute in the morning. He spent the whole morning here. He is hon. Makali Mulu.

**Hon. Mulu:** Thank you, hon. Speaker. I need your guidance. I had contributed to the Motion before it was amended. I do not know whether it is procedural to speak on this one.

**An hon. Member:** You can!

**Hon. Mulu:** Hon. Speaker, I want to contribute to the amended Motion. I want to thank you for giving me the chance to contribute to this Motion. I also want to support the amended Motion. The reason is that there was---

**Hon. Speaker:** Sorry, hon. Makali Mulu. The record shows that you have contributed to the Motion.

**Hon. Mulu:** Yes, hon. Speaker. That is why I was consulting whether I could contribute on the amended Motion.

**Hon. Speaker:** It is still the same Motion.

**Hon. Mulu:** Okay. I am guided, hon. Speaker.

**Hon. Speaker:** You could have contributed to the amendment and not the amended Motion.

**Hon. Mulu:** Before you directed that we go out to meet the---

**Hon. Speaker:** Our rules are that once you have contributed to the Motion, it does not matter whether it is amended or not. It is the same Motion.

**Hon. Mulu:** I remain guided, hon. Speaker. Thank you.

**Hon. Speaker:** Hon. Members, for avoidance of doubt, let me read out the Members who have so far contributed to the Motion so that you know. They are hon. Mutava Musyimi, hon. Mary Emaase, hon. Chris Wamalwa, hon. Joseph Limo, hon. Makali Mulu, hon. Lati Lelelit, hon. Tiyah Galgalo and hon. (Eng.) Nicolas Gumbo. Therefore, I will give this chance to hon. Rose Nyamunga.

**Hon. (Ms.) Nyamunga:** Thank you, hon. Speaker, for giving me this opportunity to make some contribution to the Motion as amended.

First of all, in my view, it is very important that any time we are involved in making a Budget for the nation, our focus should not only be on the Budget itself.

In my view, it is also very important that we put a lot of emphasis on the oversight role. That is the oversight role of the National Assembly, the Senate and the county assemblies. If you make a budget and do not follow it, it means that sometimes it may not even serve the intended purpose.

I would like to support the allocation of Kshs500 million to the Independent Electoral and Boundaries Commission (IEBC) on voter registration. Voter registration, as we all know, is something which should be ongoing. In some areas, there is a lot of negligence. I believe that with the addition of Kshs500 million, every part of the country will be covered. The registration should be made accessible to many people so that we can register as many people as possible.

I remember when we were in school, we left Form Four or Form Six with IDs in our hands. That should also be taken care of so that as students leave high school, they

should be issued with IDs and voter registration cards. This will save them the agony of going round looking for voter registration cards. This should be done together. I believe that the Kshs500 million put into that kitty will go a long way in making sure that most people are registered.

Another area that I would like to support is the issue of the Senate. I am not very sure, other than bickering a bit and witch-hunting, about the mandate of the Senate. There is no need to reallocate and allocate more money to the Senate when there is a lot of misappropriation of resources at the county level. All of us know that as much as most of them have never been brought to book, there are people who have been named. We have never known the truth about those governors or counties.

The Senators should be at the forefront in over-sighting county governments. They should not wait until the issue has been raised. They should be whistleblowers so that everybody is informed before any county loses any money. That is the work of the Senate other than the competition between the Senate and the National Assembly. The idea here should be taking care of the resources and everybody fulfilling his or her mandate: The National Assembly should perform its mandate while the Senate should perform its mandate of over-sighting county assemblies.

Hon. Speaker, I have seen that a lot of money has been reduced from the Uwezo Fund, the Women Enterprise Development Fund and the Youth Enterprise Development Fund. It is known to all of us that the three Funds have done a lot to the youth and the women at the local level. However, I have a small problem with that because any funds that are given to the public without an elected leader over-sighting it do not work very well.

In my view and in future, it is very important that the money is consolidated. We should consolidate most of these resources. The Women Enterprise Development Fund, the Uwezo Fund and the Youth Enterprise Development Fund should be consolidated and put under some elected leadership. In this case, they should be put under a Women Representative.

The Women Representatives can do a very good job over-sighting this money. You can see the Uwezo Fund is doing very well because most people have started refunding the money even before the due date. I believe that if this money is consolidated and put under proper leadership elected by the people, the Fund will expand and serve the purpose for which it is intended.

Another issue I want to touch on is that of the Internally Displaced Persons (IDPs). I am in support of the Kshs1 billion reduction on the settlement of the IDPs. This is because the issue of IDPs has not been handled properly. You will realise that when it comes to resettlement of IDPs, some people have been well taken care of while those from some areas have been neglected.

I can tell you for sure that if you visit Nyanza and some parts of Western Province, you will find that there was no compensation and yet there were very many IDPs there. Up to now, they are saying that people from Nyanza integrated amongst their relatives and as a result they cannot be taken care of. So, reducing that money is important to me. We can put that money in another area where it can be used properly because the IDP issue has never been addressed properly. Many people who are IDPs in some parts of this country are still suffering.

Lastly, I would like to talk about the Kshs70 million allocation to the auditing of the social disbursement. That is the money that is being disbursed to the elderly and vulnerable people. It is very important that there is proper auditing of these resources because on the ground, the story is very different. From what we know on the ground and what is happening at the national level, it is important that proper auditing is done.

There are many people who died and were buried but they are still receiving the money. There are also people who should be receiving this money but are not. If you here the recorded stories from the ground, you will find that there is a lot of mistrust when it comes to social disbursement to elderly people. It is my view that this must be audited. Some money should be allocated towards that end so that the right people benefit from it.

With that, I support the amendments to the Motion.

Thank you very much.

**Hon. Losiakou:** Thank you, hon. Speaker, for giving me this opportunity to make my contribution and specifically support the Motion as amended.

Today, the country will know that the National Assembly is for them. It is also today, in my opinion, that the counties will know that we are for them. As we support this Motion, I would like to seek some clarification a bit from the Budget and Appropriations Committee. They have done a great job but we would like them to make some clarifications. That is particularly on page 3 of the report and on the amendment. They are saying that they are removing Kshs600 million from the Uwezo Fund. This is the case and yet it came the other day and our people are still expecting it. So, when you remove that money, we need some clarification on whether we still have more money.

Secondly, if you look at page 5 of the Report, you will find that there are some money for youth polytechnics being reduced. We would like to clarify that this does not affect our Technical Training Institutes (TTIs) that were just established the other day. The TTIs are very important particularly for rural areas. I wanted to make a contribution in the morning but this is the right time. There was a very big problem today that we have solved. I would like to make suggestions on how we should move forward, particularly on the issue of mediation.

Last year, we had mediation, this year we have mediation and next year we will have mediation. We have made a resolution which should be carried forward; that whoever contributes to the problem that will bring us to mediation will carry the burden.

Today, we have made our brothers in the Senate carry the day. If Kenya wanted to know who the big brother is then we have made a big statement today that this is the big brother and the other one is a small brother.

We were wondering, and that is why we were supporting the removal of Kshs1 billion from Senate; that if the Senate wants to do oversight, the National Assembly is also doing oversight. What was that money going to do if we are doing oversight? Does that mean that, next year, the National Assembly will also want Kshs1 billion to oversight the National Government?

The country is very much aware that Senators were going to use the Kshs1 billion for campaign to become Governors. We know some of them have declared interest for governorship. An example is Nairobi. These guys were going to use this money to go round and do campaigns. This is the best thing we have done to this country. I am sure wherever they are, Governors are clapping for us and they are saying that we have



wisdom. How can they give us a burden of Kshs3.3 billion and decide to go for recess? Who was supposed to solve this problem? Who are they leaving this problem for? Therefore, we have reduced their budget and we will support that.

Next year, we will not agree to give people money to do campaigns. Oversight is not done individually. I am a member of the Departmental Committee on Defence and Foreign Relations. I cannot wake up one morning as hon. Pkosing, the Member for Pokot South, and call the Cabinet Secretary for Defence. I will not do that. This means that we are not doing oversight as individuals, as Senators wanted to do. We are doing it as institutions. We are doing it as a National Assembly and as a Committee.

I suggest this for next year, particularly on the mediation. First, let us review the membership of the Mediation Committee. How on earth can we have three Members from the National Assembly and three Members from the Senate and yet we know very well that resolutions in politics is about voting? The Senate is not equivalent in terms of numbers with the National Assembly. We are 349 and they are about 60.

Next year, we should have the Members of the Mediation Committee to correspond to the percentage membership of the Houses. For example, if we have three Senators in the Mediation Committee, then we have six National Assembly Members so that when we go to the mediation, we represent the views of the House.

Secondly, let us also have Intergovernmental Budget and Economic Council (IBEC). How can the Senate forget that there was IBEC? If they had opinions they should have passed there. In fact, they shot themselves on their feet. How could they pass the Budget Policy Statement (BPS) and later refuse when it comes to appropriation? I suggest that in the next financial year we have one member from the National Assembly, particularly the Chairman of the Budget and Appropriation Committee. Also a similar Member from the Senate should join the IBEC so that we can avoid this problem. If we do not do that, then we should come up with vetoing powers. Let us veto to finish this issue of mediation. The originating House of a Bill should have the vetoing power so that if the other House refuses our version, then it comes back to us as the National Assembly and we will veto it because we are the ones who originated the Bill and we know the reason.

People were laughing and clapping when somebody was introducing a Bill from the Senate on Potatoes. People were very happy and laughing. In fact, Members were asking you to put the Question. If that is theirs then we give them so that we can move this country forward. We cannot be irresponsible by providing resolutions without knowing where the money is coming from. This is the best lesson this country has ever learnt today. Anybody who causes a problem must be able to carry that problem or provide solutions, including the National Treasury.

Therefore, I support this Motion and urge the House to move as fast as possible so that our country can have resources.

I thank you, hon. Speaker.

**Hon. Speaker:** Yes, hon. (Dr.) Kibunguchy.

**Hon. (Dr.) Kibunguchy:** Thank you, hon. Speaker. Let me also add my voice on the debate. I will quickly look through the reallocations we have done and comment on one or two areas.

First, it is a good thing that the IEBC has been allocated some money for voter registration. This is because previously, they were not given any money and yet this exercise is ongoing in most places where we come from.

Secondly, I am also glad that the TVET institutes have been added some money. These are the new Technical Training Institutes that are being built in all the constituencies, especially in constituencies where they are non-existent.

Thirdly, I want to note that the New Kenya Cooperative Creameries (KCC) has been added Kshs400 million. I do not see the Chairman of the Budget and Appropriations Committee. I wanted him to clarify whether some of this money will go to the former employees of KCC because we know that when it was finally privatised, there were employees who lost their jobs and up to now most of them from various parts of this country have not been paid.

Hon. Speaker, let me comment on what is going on right now. I was ready in the morning to support that Kshs3.2 billion be sent to the counties. It is good that we have passed that but I want to say one or two things about counties.

One, we are losing the game in the way we are going with devolution in this country. In my view, devolution is turning out to be just another bigger version of the Constituency Development Fund (CDF). This is because all counties are looking at the Central Government. My question is: Aren't they collecting any local revenue? We never hear about local revenue. The whole concept of devolution in this country was meant to help counties to exploit their natural resources wherever they are so that they can create jobs and wealth in their respective areas.

The way we are and the way we are going, in the long run, we are going to lose the whole concept of devolution because all the counties are looking at what is appropriated from the Central Government.

Secondly, I would like to offer a solution. I hope the Senate can pick it up because this is in their domain. Year in year out, the counties are talking about additional revenue from the Central Government. Now, they are coming up with a referendum. I come from this side of the divide and unless the counties can account for whatever they have received so far, I want to be on record that I will not support the referendum for *Pesa Mashinani*. For devolution to work, we must find a mechanism where we are not creating other small centres in this country.

For example, Kakamega County receives about Kshs9 billion from the national Government.

First, I do not know how much revenue they collect locally. Nobody knows. I do not know whether there is anybody who has these figures.

Secondly, once all these money gets to the county headquarters, it gets concentrated there. Very little of it trickles to the sub-counties and the wards. Most of the planning, budgeting, implementation and procurement of services and goods is done at the county headquarters. If it goes on like this, the question I keep asking myself is - if we thought that all these things should move away from Nairobi - why are they being concentrated in the county headquarters?

I want to propose this, and I hope the Senate can pick this up, if we are going to release 45 per cent of revenue to the counties. When that money gets to the counties, they should

use the same formula that, 45 per cent of that money that go to counties must trickle down to the sub-counties and the wards for it to make sense so that we can feel it.

When they say *pesa mashinani*, that *mashinani* is a village. *Mashinani* is not Kakamega Town, Nakuru Town or Thika Town. “*Mashinani*” is “village”. If money must reach the village, we must by law, make it mandatory that once a certain percentage of money gets to the counties, it moves further down to the sub-counties, the wards and finally the villages. We are going to form villages by law.

Level Five Hospitals are starved of money. I am glad that we have added them more money. This money must move away from the Office of the Governor and go to the facility. If the Level Five Hospitals, for example, Machakos Provincial General Hospital or Kakamega Provincial General Hospital--- Once that money leaves the Treasury it must go to the facility and not to the Office of the Governor.

Most of the governors have become extravagant and arrogant. They do not care what *wananchi* says. They drive huge limousines and convoys of cars. My governor, for example, has a brand new double cabin pick-up. The job of that pick-up is to carry his seat and carpet.

(Laughter)

Come to Kakamega and you will see. Hon. Speaker, you will be going there on the 13<sup>th</sup>. You will see him coming with his seat on a brand new double cabin pick-up. That is not what devolution was meant to be. Devolution was meant to take this money right down to the ground and not for the governor to enjoy the trappings of those things, and for this money to be concentrated at the county headquarters. Devolution was meant to ensure that the money must trickle down to the wards and the villages so that people can feel and enjoy the warmth of devolution.

**Hon. (Ms.) Kanyua:** Thank you, Hon. Speaker. I wish to support the Motion as amended. I also wish to support the Chairperson of the Budget and Appropriations Committee and the work that the Committee has been able to do in terms of moving this debate forward. I also wish to support the mood of the House in passing the Kshs3.3 billion that has been agreed upon by the Mediation Committee.

The country has been apprehensive that if this particular Bill was lost, then it would have been a legal quagmire of a nature not hitherto seen in this country. We would have had to scrap the barrel and go up and down looking for what to do. This House has sorted those fears by agreeing to pass what the Mediation Committee has arrived at.

Even as we pass what the Senate recommended and what the Mediation Committee has come up with, we cannot fail to express our discontent at the Senate approach in this matter. The Senate was represented in the IBEC through the Parliamentary Service Commission. It is that representation that they should have used to make known their intentions, proposals and recommendations. Some of the things that the Senate has recommended are acceptable.

Everybody would like counties to have emergency funds. Those emergency funds need to come early along the channel of the budget process. The Senate has been very unfair to everybody else including the IBEC and all the various institutions that have spent a lot of time putting together the figure of Kshs283 billion.

On days like today, the House has to take the lesser evil. The lesser evil is to agree with what the Mediation Committee has arrived at. In future, we hope that the Senate will use its time wisely and bring their recommendations early before the IBEC figure is agreed upon.

I agree with the Leader of the Majority Party that the Chairperson of the Senate Committee on Finance, Commerce and Budget is similar to the National Assembly Budget and Appropriations Committee. The Chairperson should sit in the IBEC discussions so that the views of the Senate are taken in early.

As we proceed on this debate, the National Assembly has a big duty. Henceforth, it should create a fall-back position in our laws. There are various options that the Committee has discussed and deliberated on. One is the 50 per cent clause.

In the year when the Division of Revenue Bill is not passed, as it almost happened this year, there needs to be a 50 per cent clause that allows the drawing of money up to 50 per cent between the county government and the national Government as the country waits to pass the Division of Revenue Bill.

The other proposal that has come forward is the reversionary clause. In the year where the Division of Revenue Bill suffers, like this particular year, there needs to be a reversionary clause that the country would go back to the previous Division of Revenue Act. In this case, this year, the country would have gone back to the 2014/2015 Division of Revenue Act that had a figure of Kshs236 billion. If we did not agree on the Kshs287 billion, we need to have a fall-back position on last year's figure of Kshs236 billion.

At the very worst is to allow a carry-over clause in our laws similar to what landlords and tenants have. If a tenancy agreement runs out and there is no tenancy agreement continuing, the tenant pays the last rent he or she had paid while under the tenancy agreement. That fall-back position is something that I hope the Budget and Appropriations Committee will lead the entire House in coming up with.

The country cannot continue to exist without a fall-back position on the matter of the Division of Revenue Bill. We have seen the risk that in a bad year, the Division of Revenue Bill may even be lost. If that should happen, and God forbid, we want to have a fall-back position in our laws that guides the country on what can be done. Either go with the 50 per cent clause, the reversionary clause, the carry-over clause or have the Division of Revenue Act that is existing remain in force until it is repealed.

Like everybody else on the matter of Level Five Hospitals, we are asking our governors to make sure that this money goes to those hospitals. Even as we ask the governors to put the money in hospitals, right from when we pass this Motion, the funds should directly go to the hospitals and the Chief Executive Officers in those hospitals be made to administer the Level Five Hospitals' funding.

In the case of the Nyeri Provincial General Hospital, as we used to call it before, we see cases where despite our concerted efforts to increase the funding to the Level Five Hospitals, our patients continue to share beds and suffer in the hospitals. The answer can only be that the funding for Level Five Hospitals is given directly to the hospitals and the county governments are only left to oversee or to undertake policy measures that guide the provision of healthcare. The funding from the national Government, as a conditional grant, should go directly to the hospitals so that they can realise improved services as the National Assembly is doing in passing the money.

On the question of the role of the Senate, it is time our Senate agreed to assist the country in monitoring the implementation of the Kshs287 billion. We have seen Senators fighting with the National Assembly for functions that belong to the National Assembly and yet there is no one to perform the functions that belong to the Senate.

The Senate must, once and for all, agree that we have a unique Senate only known to Kenya. It is a Senate that has reduced powers. It is a Senate that is supposed to oversee funding that goes to counties. Challenging that authority of the Senate is not helping anybody. What the Senators need to do is come up with a plan on how they will oversight the counties. They cannot call the Governors at random. Calling the Kiambu, Bomet or Machakos Governors without any concrete plan is not helpful. We want to see the Senate come up with a clear roadmap on how to oversight all our 47 counties.

There was Kshs210 billion given in the first year, Kshs236 billion given in the second year, Kshs287 billion given in this third year and nobody can see any change in the counties.

In my county, everybody continues to be as gloomy as they were before we moved to devolution. There is a problem. There should be a change in our 47 counties after sending Kshs600 billion. The House which should make sure that there is a change in the counties is the Senate. We ask the Senate to just get down to business of overseeing the Kshs287 billion that is going to the counties. It will be regrettable that next year we will pass another figure to the counties and no change of life, service delivery or development standards are seen.

We expect some of our counties to be doing double-digit development. With the Kshs287 billion, it is possible for a county to put 50 per cent of its money on recurrent expenditure and 50 per cent on development expenditure. If that happens, we should begin to see positive development indicators in our counties with malaria taken care of. It has been very sad to look at Kakamega and see that malaria in this day and age is still killing children. That should not be happening as we move forward.

I have seen the proposed amendments. I have been part of the discussions in the Budget and Appropriations Committee. We regret very much the Kshs800 million that has been removed from the Judiciary. It is truly regrettable. What we are asking this House is to be ready for a Supplementary Appropriation Bill. The Judiciary has shared with the Departmental Committee on Justice and Legal Affairs that they have set up a project implementation unit. We are asking for a country that respects the rule of law. The Judiciary is a critical partner and actor in that system. If they set up the project implementation unit, it will enhance the absorption of their funds.

So, we are telling the Judiciary and everybody else not to panic. Difficult decisions had to be taken today because of where the country finds itself. However, at a point where the Judiciary needs supplementary funding, the National Assembly will rise to the occasion and avail the funds that it will need to continue dispensing justice, improving courts and build a High Court station in every one of our counties. Every single county in Kenya must have a High Court station.

The Kshs502 million that the Departmental Committee on Justice and Legal Affairs had removed from the Judiciary Vote was to assist the Office of the Director of Public Prosecutions (ODPP). Again, the role of prosecution in the legal justice system

cannot be overstated. It was also to give more funding to the Attorney-General's Office to---

**Hon. Speaker:** Yes, hon. George Ogalo.

**Hon. Ogalo:** Thank you very much, Hon. Speaker. I rise to---

**Hon. Speaker:** Hon. Members, be checking the lights here.

**Hon. (Ms.) Kanyua:** *(Inaudible)*

**Hon. Ogalo:** I rise to support the Motion as amended. Hon. Nyokabi will get another chance when we start debating another Motion. I note the work that has been done by The Budget and Appropriations Committee. From the outset, I want to start with the process the National Assembly is going through in handling the Budget. Article 221 of the Constitution is very clear that the National Treasury will submit Estimates to this House and this House will consider those Estimates through The Budget and Appropriations Committee and the Departmental Committees.

The Constitution says "the Estimates." The Constitution does not say Estimates segmented into sectors where you cannot move resources between segments. The Constitution does not say ceilings that the National Assembly has no control over. Either we agree that the current Constitution gives the power of budgeting to Parliament or it does not. If it gives, then this House must have leeway and capacity to redirect how those sectors are created, what ceilings are given to those sectors and the overall outlook of that Budget. That is when the National Assembly is doing budgeting. However, the charade we are taken through--- I call it "charade" because we are given this Budget for a very short while, probably intentionally, and we have to rush through it, with segments and ceilings already created elsewhere. All we do is move little monies here and there within those segments. Somebody has taken Parliament and divided it into groups and put them in boxes to look at small amounts of money in those boxes and move funds within them. We are being told: "You cannot cross to this other sector. You do not change the ceilings." I do not know where these ceilings are set. Progressively, this House must begin to take care of its mandate as a budgeting House.

*(Applause)*

Having said that, I would like to thank the The Budget and Appropriations Committee for the job they have done, especially on the amendments which Members have now agreed to. However, taking a whole Kshs1.3 billion from the Vote of one arm of Government out of a possible Kshs16 billion is not fair.

*(Applause)*

As Hon. Amina said, I can also help The Budget and Appropriations Committee by pointing out where they can get money from. For example, the National Treasury is given Kshs49 billion for development.

In the Financial Year 2011/2012 they were given Kshs42 billion, in the 2012/2013 Financial Year they were given Kshs43 billion and now they have been given Kshs49 billion. In those two financial years, they only spent 70 per cent. Why do we keep giving them this money when they can only spend 70 per cent and there are sectors

looking for as small as Kshs1 billion? Why should we look for the Kshs1.2 billion from the Judiciary, which is less than 2 per cent of the Development allocation to the Treasury when we can easily get it from the Treasury?

*(Applause)*

The Treasury are the people in charge of implementation of the Budget. They know they can propose a Supplementary Budget any time while the Judiciary cannot. So, why hurt the Judiciary when we can get the money very easily from the National Treasury? I honestly oppose that. If we want Kenyans to access justice, we must enable the courts to operate to offer that justice. We cannot have justice when the courts are underfunded. It cannot work that way. This money should come from traditional sources of Government allocations like the National Treasury or the State Department for Planning and Vision 2030. There is a lot of money there. Those monies cannot be safeguarded while the one for the Judiciary is easily picked.

Having spoken on that, I want to briefly touch on the money for the Kenya Wildlife Service (KWS). I sit in the Committee and I recommended that the money for KWS be reduced by Kshs1.5 billion. Last year, we allocated KWS Kshs4.1 billion combined. The Kshs1.8 billion was for security of wildlife and Kshs2.35 billion for branding of national parks. When they appeared before Parliament, they said they did not have any money for branding and they did not do any branding. They forgot that they had set the targets and had requested money for those targets. Either the Executive should bring targets and proposal for funding those targets when they believe in them or they avoid bringing those targets altogether. So, this year they decided to lump together security and this branding, but now at Kshs6.9 billion. We said that we will not give them Kshs6.9 billion. We, therefore, reduced the allocation by Kshs1.5 billion to make them know that when they set targets, they must work towards those targets.

I have an issue I want to raise about the KCC. It has been allocated Kshs400 million. If KCC is producing milk and selling it, what is the business of the national Government giving it money? It is an enterprise which has already been restructured and it is able to operate. They buy milk from farmers, process it and sell it. Why would you allocate them Kshs400 million? You allocate them money to do what? These are some of the challenges we are faced with.

I am being reminded by my friend here that even Kenya Power Company has been given money from the Exchequer. They buy power from the people and sell it very expensively to consumers. Why do you still allocate them money? You allocate them money to do what? This is a company that has a balance sheet to run and it can programme itself. I have looked at the Budget and I am wondering from my point of view as a Member of Parliament for Rangwe ---I can see very big development budgets indicated here.

The Higher Education Loans Board (HELB) has been allocated Kshs30 billion. I am wondering where these big hospitals are being built because what I see in the constituencies are the CDF dispensaries. That is the investment that helps. Where are these many big development budgets that I am seeing here? I am seeing Kshs30 billion for HELB and Kshs104 billion for development of roads.

Most importantly, in this day and age, why can't we work smart as a country? There are very many investors who can invest in capital projects. We are spending Kshs146 billion which is 10 per cent of our Budget on rail transport. In this day and age, can these things not be done under Private Public Partnership (PPP)? Can we not release more of this money for purposes of social services, healthcare and education, hiring of teachers and the police? These are things which we cannot do under the PPP. Even transport? Surely!

If the Standard Gauge Railway will cost Kshs327 billion, will we pay for it in two or three years? Why can we not work smart and achieve more results from the limited resources that we have? These are some of the things that we need to review. If Parliament was given more time to look at these things, we would inject much more strategy in budgeting and that would allow this country to achieve much more within every financial year from the little resources that we have.

I am wondering whether the Kshs104 billion also allocated to roads as Development Budget has factored in the annuity programme that we have been hearing. Will we do them with our resources the way it has been budgeted here? Those are some of the things we need to relook at.

Some of us are seeing these proposals here and so, we do not have the capacity to look at the whole Budget. We only look at the summaries. I can see my time is up. With those few remarks, I support.

**Hon. Speaker:** Hon. Members, when the yellow light comes on, it means that you have one more minute. When it goes red, you know that you are living on borrowed time. Since they say ignorance of the law is no defence, I cannot help hon. Oner.

**Hon.(Ms.) R.K. Nyamai:** Thank you, hon. Speaker, for giving me this opportunity. I would like, from the onset, to support this Motion as amended. I would like to appreciate the work that has been done by the Budget and Appropriations Committee under the leadership of hon. Mutava Musyimi. My Committee engaged the Budget and Appropriations Committee. I hope that we will have a further engagement where we will be able to pass across some very important matters that we felt that were not considered.

Towards the end, I will mention some of them. I would like to congratulate the House for the decision that has been made this afternoon with regard to the mediation issue. I would like to congratulate the Members who participated and also the decision that the House has made which is very bold. So, I am happy to be associated with the House which has made this bold decision this afternoon.

I feel that the move to appropriate funds to the IEBC is very important. This is because they require funding given the kind of constituencies that most of us are coming from and the kind of terrain that the IEBC officers cover. I feel that this is a move in the right direction.

The support towards TVET is also a move in the right direction considering that the technical training institutes that have been constructed or are being constructed within our constituencies will support our youths.

I would like to digress and talk about the health budget. I would like to thank the Executive for allocating more funding to the Ministry of Health as a whole. At the national level, we are talking about 3 per cent of our Budget going to health. Most countries that have signed the Abuja Declaration are now moving towards 7 per cent, 8



per cent and 10 per cent. So, by allocating Kshs59 billion is, indeed, a move in the right direction. However, I would also like to caution ourselves against the fact that we are sending lots of funds to the health sector and other departments in our counties.

Focussing on the health aspect, I want to state that these funds have not been ring-fenced. We are losing gains that have been achieved for a very long time. This can be handled properly by the Senate if there was a way that they can ring-fence funds that are meant for health. As we sit here, we should be able to say that we have 3 per cent being reserved at the national level for health and a certain percentage going to the counties for health issues. It is very difficult to tell how much money is taken to the counties for purposes of funding the health sector.

I would like to point out that there are some areas that are within the budget of health that the Departmental Committee on Health worked towards and it is important that I raise this matter to the House and showcase some of the very important areas that have not been funded. We have a very serious equipment project which my Committee supports. However, if we look at the institutions that support the equipment project, we will realise that funding is very low or even unavailable.

The Kenya Medical Training College (KMTTC) has been allocated Kshs133 million to operate on. This is something that we need to be aware as a House. As a Committee, we have been emphasising on the support of the semi-autonomous institutions that are under the Ministry of Health. This is one of the areas that I think there could be a push and pull between the Executive and the Legislature because we would like to see funding towards semi-autonomous institutions bearing in mind that health has been devolved.

From the budget, we see that Kshs34 billion is remaining at the Ministry and yet very little money is going to institutions like Kenyatta National Hospital, Kenya Medical Training College, Moi Teaching and Referral Hospital, the Spinal Injury Centre and the Blood Transfusion Centre.

Hon. Speaker, as a Committee, we get concerned because these are institutions that need to be supported by the Ministry. Therefore, this matter should have been raised here and an explanation given. The Departmental Committee on Health is happy to see Kshs4.5 billion for leasing of medical equipment which is now referred to as the Medical Equipment Services (MES)

According to the information we received and the reports we got from the Ministry, there is a budget of Kshs5.6 billion. I stand with my Committee that anything in excess of the Kshs4.5 is within the diagnostic budget line which might have been pushed by the saga that are desperately crying for funds.

With emergency matters that are coming up today, many disasters including bomb blasts are being seen. All the victims of these disasters end up at Kenyatta National Hospital or Moi Teaching and Referral Hospital. So, we would like to see serious funding to these institutions.

Cancer patients line up at the Kenyatta National Hospital with no information when such hospital will get funding cancer equipment. When such an institution is not being given priority it deserves, we have to raise our voices as a Committee so that we are heard. The Chair of the Budget and Appropriations Committee should expect the Departmental

Committee on Health, together with the Ministry, to come forward because these institutions need support.

I would also like to talk about funding at the county level and the fact that our counties need to be given proper oversight by the Senate. That is when we reflect on what is happening in our counties today and the kind of projects being implemented. If you visit most of our counties today, you will find that most of the projects that can be identified were funded by CDF. I feel that more needs to be done to ensure that corruption is seriously dealt with at the county level. This can be handled very well by the Senate and it is a matter that cannot be wished away.

Another matter which has been raised by the Departmental Committee on Health is the upgrading of the slums, a very popular project. As a Committee, we feel that this project has two approaches. It has the Ministry of Health approach and the devolution approach. If we look at the initial Budget of Kshs300 million that was appropriated in the 2014/2015 Financial Year, we find that the Ministry was able to do nine clinics. On the current requisition of Kshs1 billion, I would like to be bold and support my Committee that that amount was in excess and it needs to be reallocated.

I would also like to digress a bit and touch on the donor funded projects. We are over relying on donor funds for very important projects like the HIV/AIDS. Today, we are still waiting for the Total War against Aids (TOWAA) funds since they were stopped by donors.

**Hon. Onyonka:** Thank you, Hon, Speaker. I would like to tender my apologies, because I forgot my card at home though I had excused myself earlier.

First, I would like to give credit to the Chairman of the Budget and Appropriations Committee, hon. Mutava Musyimi. He has done an excellent job. Indeed, if we were in the old dispensation, we would have given him credit as our Minister for Finance. He has done a sterling job even with the complications and challenges.

The second important issue is that, for the first time, this House is clawing back its capacity and capability. Legally, the mandate rests squarely on this House to look at the Appropriations and the Budget Policy Statements, discuss and evaluate the issues. For the first time, we have come through on this one. I hope that the other House will look at it and understand that we have actually done what was expected of us. I believe that all of us in this House are aware that devolution must be supported. This Budget makes sure that we support devolution and we are not turning back. It is good for the country and it is something we are proud of as legislators in Kenya.

Hon. Speaker, we should stand by the reallocations which have been made because they are good reallocations. I would like to state that, as far as I am concerned, our conscious is very clear. If there are any outstanding issues, they can be discussed at a later date and there should be no mix up.

I heard one or two hon. Members say that if we do not allocate money this way then there is a possibility that the CDF might not even be allocated money. We believe that CDF will continue and if the other arm of the Government decides that the CDF will not continue, we shall find means and ways on how it will continue.

The current Constitution has a few errors. One of the errors is that devolution should have been carried out at four levels. There should be the national Government, the county Government, the sub-county Government and the Wards. According to us, those

who are talking about bringing a referendum, if they do not bring out the forth level of government, we will oppose it. We have no apologies about it. We believe Kenya is a country that has to move forward and we are not going to be taken back.

Hon. Speaker, money has been allocated for the social welfare funding from this Budget. This is a brilliant idea because we are taking care of our elderly. I do not know whether hon. Members are aware that, for the first time, this money is actually being allocated according to the constituency. As a result of that, many of our elderly people are now receiving some social recourse because many of them are not able to work at their age. The little money they are getting has also been increased.

I would like to thank the Chairman of the Budget and Appropriations Committee for having brought up that issue. We hope that in the next Budget money for the elderly will be increased so that we can take care of them.

The national Government should introduce the Biometric Registration for such an exercise. This is because we need to have proper registration and identities of the people receiving public money for accountability purposes. Even when the Ministry of Education receives a whopping close to Kshs100 billion for free education; that is for primary and secondary schools there are always gray areas about that allocation and implementation of the project. We are not sure whether this money is being used well.

I hope the Auditor-General will put mechanisms in place to make sure that this money is utilized well. He should also ensure that it achieves the targets it was meant to achieve.

I would also like to raise an issue on the amount of money that was allocated to universities. I want to say that the Chairman of the Budget and Appropriations Committee did well by reallocating money to some of the universities, like Kisii University Campus, which has more than 5,000 students.

From the Budget you notice that they did not have any development money before the reallocation and I squarely put this blame on the Departmental Committee on Education, Research and Technology. Some of the universities that have less than 5,000 students were receiving close to Kshs1 billion whereas some of the universities that have 1,000 students and more were not getting more than Kshs100 million.

I would like to urge the Departmental Committee on Education, Research and Technology and the Departmental Committee on Health to make sure that there is equity and fairness when they allocate money for such sectors so that we can support them when they bring their figures to this House. This time, we will let the Motion pass because Kisii University Campus, at least, got Kshs100 million after the reallocation. The undone projects which they have are worth about Kshs1.6 billion. All these are projects that have been half-done. It is, therefore, harming and affecting the students who are going to school.

Hon. Speaker, I would also like to mention that the security sector has been allocated money. We are happy about that because of the challenges that the Ministry and the President are having on matters of security. However, I would like the governors to stop talking about devolving security. It is not possible for this country. We have not reached a stage whereby you can take arms and hand them to governors and be sure that security is improved. The governors should be involved and they should work hand in hand with the Presidency and the national Government so that we can tackle insecurity.

About a month ago, a friend of mine told me that there was display of arms in Israel. When their team went there, they found about four or five governors attending and they were busy trying to buy bazookas and armoured cars. You would think they are coming to Kenya to start a war. The national Government should be left with the responsibility of buying and keeping the armouries. It should make sure that it is the Kenya Defence Forces (KDF) that handles insecurity matters. The county governments should only handle development matters, and only participate as partners in sorting out the issue of insecurity in the country.

Hon. Speaker, I am in the Departmental Committee on Defence and Foreign Relations. I am happy that we have finally solved the problem of which and what amounts of money should be allocated to the Ministry. However, I think this House needs to consider that the Ministry of Foreign Affairs is the face of Kenya and it needs to be allocated enough money. Our embassies abroad are dilapidated. We are in embassies which have been rented for the last 40 years and some of them are leaking. We need to develop, change and improve on how we present the face of Kenya. We should make sure that when our Kenyan brothers work either as ambassadors or officers, they are in a position and in an environment in which they are proud to be Kenyans. Finally, this Budget is a representation of the wishes of the House. I believe that is what the Budget and Appropriations Committee and all the other Departmental Committees of this House envisioned. Immediately the money is disbursed and development projects are being implemented, it is important for the Committee Members and especially Members of this House to visit some of them. This will enable us to say when we come back that we sent money to health centres and they are either being well developed or not and there are medicines or not. I hope that in due course, Kenya should become a better country for all of us and we will be proud of it.

With those very many remarks, I support. I hope that within the next one or two years when we come back, Kenya will be a better place for all of us.

Thank you.

**Hon. Speaker:** Yes, hon. David Kangogo.

**Hon. Bowen:** Thank you, Hon. Speaker. I stand to support the Budget. At this point, I want to congratulate the hon. Chairman for the good work they have done especially in unlocking the mediation process. This is a point we need to look at as a House so that in future, we know what happens if a mediation process fails. This is because if a mediation process like this fails, it plunges the country into a very serious crisis. We need to have a fall-back plan so that we do not have such problems in future.

Hon. Speaker, I have gone through the Budget and I have found that the security docket in this country has taken a huge chunk. I would like to say that Kshs102 billion has been set aside for the Ministry of Interior and Coordination of National Government. Their budget, especially in the Police Department has been increasing over the years.

Last year, it was about Kshs90 billion plus and now it is hitting Kshs100 billion. This huge amount of money allocated to this Ministry should do work. It is not that the police or the equipment they have is not enough to fight insecurity in this country. There are some measures which we need to put in place to reduce or end insecurity in this country. If you visit places like Turkana, Pokot, Marakwet and Kerio Valley, you will find that remoteness is contributing to insecurity. If you can open up the areas by building

roads and boarding schools for the pastoralists' children out of this Kshs102 billion so that they appreciate schools than guns, it will go a long way in improving security in this country. If we can have water, drill boreholes in these areas and come up with irrigation projects in Kerio Valley, Turkana, Pokot, Kajiado - as I am told by Hon. Sakuda - and all the northern parts of the country, we will engage the young people of this country in income generating projects and going to school rather than idling. It is because they are very idle and have nothing to do that they engage in insecurity.

The Kshs92 billion allocated to the Ministry of Defence or our defence forces which are the Kenya Army, the Kenya Navy and the Kenya Air Force is a lot of money. It is huge money and we have not seen security improving along our borders despite this huge allocation. I know that we are going to allocate the same amount of money to them. We have seen the porous borders with *Al-Shabaab* killing our people with this huge budget. I propose that it is good to use half of this money from the Ministry of Defence and use it in creating a buffer zone between Kenya and Somalia in the next Budget. We should use it to relocate our people at the border and create about a 50-kilometre buffer zone where the military and police will be shooting and training with their guns far from our people.

The National Intelligence Service (NIS) has been allocated about Kshs20 billion. This is an area which has also failed. We have seen NIS officers recruited from universities as graduates who once they get into the Service and are paid huge salaries want to go for their Masters Degrees and Doctorates (PhD) in Business Management rather than Security Management. We have seen that to pass intelligence information, you do not need to be a graduate. Even a Standard Seven drop-out can give intelligence information.

During the Nyayo era the intelligence of this country was very effective. This time round, we have Members of Parliament and those elite people in the society who have taken their sons to the NIS. These are people who were born and brought up in Nairobi. They do not want to go and shine shoes in Korogocho or Kerio Valley where there is cattle rustling and behave like those people in order to get intelligence information. I think they need to change the way they are training the police officers. There is need also to re-evaluate the work of NIS and the people in that department.

I am also saddened that in this Budget there is a very minimal amount set aside for the purchase of maize from the farmers. I am surprised that hon. Benjamin Langat who is the Chairperson of Finance, Planning and Trade is a farmer from Rift Valley. As we speak, our farmers have a lot of maize which is rotting in their farms. I believe the Chairperson of the Departmental Committee in charge of agriculture, whom I am going to bring a censure Motion against, has really failed the farmers of Rift Valley. How can you pass a budget that is devoid of money required to buy maize? It is very sad that we say Rift Valley is the basket of this country when farmers are crying that their maize is going to waste. I even want to take this opportunity to tell farmers in Rift Valley to pull out all their maize plantations in their farms. They would be better off doing dairy farming. This is because they are incurring losses; they are not making any profit from their produce.

**Hon. Langat:** On a point of order!

**Hon. Bowen:** There is nothing out of order, Benja. Just keep quiet. As much as I support this Budget, there is no money which has been allocated for buying maize from farmers.

**Hon. Speaker:** What is your point of order, hon. Benjamin? Take your seat, hon. Bowen.

**Hon. Langat:** The hon. Member for Marakwet East has been making serious allegations which, in my view, are not substantiated. One, he has said many of the Members of this House have taken their sons and daughters to the NIS. He has not named any Members who have taken their sons or daughters to NIS. Two, he has made an accusation that I have failed to allocate money for purchase of maize. Is he in order to personalize the budget process? I am the Chairperson of Finance, Planning and Trade Committee and not the Chairperson of the Departmental Committee on Agriculture, Livestock and Cooperatives. So, is he in order to personalize this matter and mention my name in a very negative light that I have not allocated money to purchase maize? He either withdraws or we throw him out.

*(Laughter)*

**Hon. Speaker:** Hon. Kangogo!

**Hon. Bowen:** Hon. Speaker, I said that many elites of this country, including some Members of Parliament have taken their children to NIS and these are people with different qualifications. They are not actually related to security.

**Hon. Speaker:** Which ones? Which Members?

**Hon. Bowen:** I was not specific about any Member. I withdraw and apologize, hon. Speaker.

*(Laughter)*

**Hon. Speaker:** Hon. Bowen, proceed!

**Hon. Bowen:** Hon. Speaker, you will add me two minutes because hon. Benjamin wasted my time.

*(Laughter)*

**Hon. Speaker:** Hon. Kajwang’.

**Hon. Kajwang’:** Hon. Speaker, did you hear this Member call another Member, “Benja”?

*(Laughter)*

**Hon. Speaker:** The Member for Ainamoi? Hon. Kajwang’ there is no Member by that name in this House. But since your time is over, let us now get the chance to hear the Leader of the Minority Party, hon. Francis Nyenze.

**Hon. Nyenze:** Thank you, hon. Speaker for giving me this opportunity.

I want to support this Motion in the amended form. I want to take this opportunity to thank hon. Mutava Musyimi and his Committee for doing a good job. They listened to us and brought these amendments which are supported by Members.

I just want to say that now this looks like a very balanced Budget. However, there are some issues that I wanted to raise on the allocation of Kshs120 billion to the Ministry of Interior and Co-ordination of National Government. This is a lot of money for security. After Madaraka Day, very many people were asked questions on the street. They were asked what their concerns are. They were asked to state what they would do if they were made President of this country. Most of them said they would tackle security, corruption, negative ethnicity and youth unemployment in order to reduce youth radicalization. The money that has been allocated to the interior Ministry should be used properly because it is a lot of money.

The solution to insecurity in pastoral areas in North Eastern Province where *Al Shabaab* has been doing a lot of posturing and scaring people is to apply a localized approach. The Members who come from those areas know those areas better than even our security system. We have interacted with Members from northern Kenya, Pokot, Marakwet and Turkana. They tell us that if we want to end insecurity in those areas then we need to take development to them. Let us have soldiers recruited from amongst the people of those regions if we want to triumph over *Al Shabaab*. So, this money allocated to the Ministry of Interior and Co-ordination of National Government should first and foremost be used to recruit and assign officers from those regions to tackle the problems emanating from there. We should not take people who do not understand their culture there. They cannot be told the secrets! The local people will know everything. They know who is harbouring and is sympathetic to *Al Shabaab*. The guys from upcountry may not know.

On the same issue of this big Budget, corruption has to be tackled. Last night, *Citizen Television* showed the Administration Police officers who did parade in Nyayo Stadium and were duped by their officers. Instead of being paid Kshs12,500 they were paid Kshs2,500 while the police were given Kshs12,500. So, they lost Kshs2.1 million to some senior staff. If we have to tackle corruption we have to start with these State organs. If these officers go to parade for a whole month and their colleagues are given their rightful share--- With regard to the Administration Police, those people who were involved should be sent home.

**Hon. Speaker:** Leader of the Minority Party, I am not cutting you short. Your time is still there. Hon. Members, debate on this Motion will go up to 5.45 p.m. At that time the Mover will have to be called upon to reply. It does not matter because that is the time. Just read the rules and understand. Some of these processes are time bound. There is nothing that we can do. I am saying that so that those contributing can also take little time so that others can get a chance to say something.

Hon. Speaker, the power and energy sectors through these amendments have been allocated Kshs 55 billion and a lot of money has been allocated to geothermal power generation. No money has been allocated to hydropower generation. For this country to grow we have to generate so much power and make it cheap so that we attract direct foreign investments. People will come to Kenya to manufacture because power is cheap. So it is good for the Budget and Appropriations Committee to allocate so much money to

this sector to generate cheap power. However, there have been allegations of corruption in geothermal power generation which should be checked. There is a lot of good quality coal in Kitui called lignite coal. It produces so much power per tonne. Most of this money should go to the generation of power through that coal from Kitui. It will create employment and this country will move forward.

On the transport sector, we know that the Government wants the economy to grow by double digits because it promised that. Allocating Kshs. 132 billion to the transport sector for the Standard Gauge Railway (SGR), the Lamu Port and South Sudan Ethiopia Transport (LAPSSET) corridor project, the Greenfield Terminal Project and all the other big infrastructure programmes is very good.

However, while we allocate so much money to these mega projects that we believe will turn this country's economy and make it a middle income country in very few years time, we should not forget rural roads in places that have been marginalised since Independence. I am talking about northern Kenya, Maasailand, Nyanza and Coast Province. An affirmative action should be taken so that those areas get priority and not concentrate development in one region. Kericho is overdeveloped but Maasailand is not. Members should understand that Nairobi was part of Maasailand. Most of these areas were part of Maasailand but the Maasai have been pushed to Kajiado and Narok. We should have an affirmative action because Maasais are indigenous people. When we develop this country, Maasailand, North Eastern, Eastern, Ukambani and Coast Province should get roads. Development in these other places should be slowed down because they have benefited. Today there is a lot of flooding at the Coast.

The Coalition for Reforms and Democracy (CORD) has been advocating for more money to the counties and the reason is that we want to develop these areas but this money is too little. In fact though we have been fighting for *Pesa Mashinani* and *Okoa Kenya*, there has to be accountability from the Governors because there is a lot of corruption in those counties. In the county where I come from, the Governor admitted that there is massive corruption and he will sack people. We want heads to roll even in those areas.

The education sector has got Kshs 200 billion under this amended Motion. For this country to develop education is key as it will drive poverty out. When you have a population that is informed and educated, the country develops faster. We have seen in South East Asia and China in particular that most of the economic growth is realised in those regions because they have taken education to be very important. What has baffled me and troubled me --- I want this Budget and Appropriations Committee which is headed by a very balanced, Christian oriented and good man, who refused to be the President but who is a very good man---

(Laughter)

I would want this Committee led by Hon. Mutava Musyimi whom I respect to make sure that there is enough money for all schools. In North Eastern 95 schools have been closed. North Eastern has borne the trauma of insecurity. If you close all these schools, what will prevent the children from being radicalised? The Government should take affirmative action so that most of the budgeted money goes to building education



infrastructure there and you involve local leaders. What Members may not understand here is that in North Eastern especially the Kenyan Somalis bore the brunt of terrorism. You should understand that. Those who look at Somalis with --- They are part of us. They are Kenyans and they are suffering. They want to sort out this problem so that their children can go to school. Look at the marginalisation since Independence. There is no development, livestock has died and there is no opening. What do you expect them to do? Try and put more money in northern Kenya and there will be peace. Money for infrastructure, education and health facilities will bring peace. I have toured the place and those people are in dire need.

Everybody here has been taught in a school by teachers. Must teachers always go to streets to say *haki yetu* to get their rights? Their salaries and allowances are too little and there are few teachers in schools. Must they always fight? Let us change this system and when we appropriate the Budget, let us make sure that there are those line budgets whereby we provide money for teachers' salaries and improve their lives. Before some of us came here we were teachers. I was a teacher.

**An Hon Member:** Of a Bible school.

**Hon. Nyenze:** Not of a Bible school. I was a teacher. My father is the one who was a bishop but I was a secondary school teacher.

*(Laughter)*

I know how we struggled. Most of these hon. Members who are laughing have been teachers. Is that not true? So, teachers should not always beg. Let us make sure that when we appropriate the Budget we do it appropriately so that teachers get their rights without having to go to the streets to fight for their rights.

Lastly, agriculture is the engine of growth. In countries where economic growth has taken place, they have put more than 10 per cent to agriculture. Today we say that the Rift Valley is the bread basket of Kenya but look at the price of maize, we do not put incentives. We do not encourage these farmers. It is easier to import maize than to grow it in Rift Valley. We have to take an affirmative action and put more money where there is production and allocate more money for irrigation in dry areas such as northern Kenya and Ukambani so that we build mega dams after the SGR and generate food from those regions. The Maputo Protocol says every country has to spend over 10 per cent of its budget on agriculture. Here it is 2 per cent. How will this country develop?

**Hon. Speaker:** Let us have Hon. Naomi Shaban.

**Hon. (Dr.) Shaban:** Thank you, hon. Speaker for giving me this opportunity. I also want to add my voice in congratulating the Chairman and his team of the Budget and Appropriations Committee for a job well done. Whereas I know budget-making is not an easy thing, I just want to mention that it is very important for us and I agree with the Chairman that this requires more time for us to have dealt with the issues which are coming up.

Hon. Speaker, it is pretty obvious that money has been allocated to the different departments but I just want to point out a few areas which I think, maybe in future we have to do something about. For example, the National Gender and Equality Commission where only Kshs314 million was allocated, I thought at this time, more so when we are

talking about the two-thirds majority the amount of money for the Commission should have been an enhanced package for them to go out there and talk to Kenyans.

On transport and infrastructure where we have close to Kshs300 billion in that sector, this money deserves to be there and I wish it would be a bit more simply because a country which does not develop its infrastructure and transport system cannot do well economically. We need to look at this and I want to congratulate His Excellency the President and his team for making sure that they are putting in place the annuity programme where more roads and more kilometres are going to be covered in this country.

Hon. Speaker, without saying much on the issue of security because all my colleagues have touched on it, I want to say that we would want to see this Kshs92 billion allocated for defence; Kshs102 billion allocated for Interior and Co-ordination of National Government, and Kshs102 billion allocated for National Intelligence Service (NIS), being utilized properly so that we can mitigate and work on the issues affecting us and more so, get intelligence right on time. We do not want to have a Garissa-like issue happening again.

On leasing of health equipment, I want to agree with everybody and also His Excellency the President for this very noble exercise of ensuring that at least two hospitals in each county are going to be well equipped. Patients undergoing dialysis cannot wait the way they have been waiting. It is high time we had this dialysis done in Voi and everywhere else, in at least one hospital in each county where we are going to have proper treatment carried out as soon as possible and people do not have to queue.

On the money we gave the Senate for monitoring and evaluation, I am very glad to hear that it has been reallocated because they have already started fighting over it. They do not seem to agree and to me, the issue should be pushed to the next financial year or during the Supplementary Budget because they are already quarrelling and are at each other's throats.

The other issue I would want to talk about is the money that we want to reallocate from the Judiciary. I feel that for most of us who come from rural and remote areas where we require development of our courts where justice can be realized fast, we should not have supported the move. The best way should have been to have in place some austerity measures and some amount of money in each Ministry is reduced. I have seen a lot of wastage by several Ministers and their Principal Secretaries where people move around in choppers, each person with their own chopper. That is just wastage. I believe if austerity measures had been put in place, we would have reduced Kshs45 million from each Ministry. So, for the 18 Ministries, we would have realized Kshs800 million which would have gone towards covering the gap that has been created by the Senate. Then we would not be having all these wars with the Judiciary. These austerity measures are not being introduced for the first time. It was done when His Excellency the President was the Minister for Finance. He carried it out so successful. I was a Minister and I know what they did. They did some cost-cutting measures where the Recurrent Expenditure was concerned and they were able to meet the deficit they were looking for. It is doable. I beg my colleagues to look at it from that angle and that way we would be able to give money to the Judiciary so that they can develop the courts that they wanted to develop and implement projects all over the place and for people not to be denied justice in time. I

wish we could have had one extra sitting where we can deal with this but I believe where there is a will, there is always a way and we should be able to deal with that.

Hon. Speaker, with those remarks, I just want to conclude that the National Safety Net, the cash transfer programme for the elderly, the orphans and vulnerable children and disabled people is a well-deserved measure that has been undertaken by this Government. I want to congratulate the President because he is the one who enhanced that package when he was in the Ministry of Finance and I know we are moving in the right direction. At this point, I am sure they are going to cater for over 500,000 households in this country. That will go a long way in assisting the people who really need that assistance.

Hon. Speaker, I beg to support.

**Hon. Speaker:** Hon. Abdikadir.

**Hon. Aden:** Thank you, hon. Speaker for the opportunity. At the outset, I want to say that I was very encouraged to hear your comment earlier that Article 218 of the Constitution needs to be seriously looked at under the review that is currently ongoing because this is a grey area that has caused all this confusion between this House and the Senate and because of time I may not be able to say much on that.

I want to say that I support this particular budgetary proposal and say that indeed, it is very challenging. An amount of Kshs400 million is supposed to come in as Appropriation-in-Aid (AIA) and then the other Kshs1.1 billion is supposed to come from such things as taxation and revenue collected by the Government. Even as we look at some of the proposals given here, there is a lot of money that has been allocated to certain specific Ministries. As I was looking at it I noticed that the Ministry of Interior and Co-ordination of National Government, Defence and NIS combined will take a bigger allocation compared to what the entire 47 counties will take; slightly less than that amount. So, the element of corruption both at the national and the county level is an issue that needs to be looked at. Leakage out of our economy has been the biggest problem and I think we need to allocate more money into areas such as the monitoring and evaluation so that we are able to find out exactly what is going on in terms of the absorption levels by the Ministries and departments.

I was not pleased with the reduction on the Judiciary because I think the Judiciary is a very important institution since Kenyans have started to realize the importance of an efficiently working Judiciary. The reduction we have done is something we should correct in future.

On the area of education and coming from the northern region, the education sector in North Eastern Kenya has grounded to a halt. I have seen two things today, one, the Garissa University College has been denied both Development and Recurrent Expenditure. Both elements have been taken away with the exception of a very small amount left for them. We are already suffering and bleeding and our situation should not be made worse. The funds for Garissa University College need to be put back for that university to continue. It is the only university we have in the entire North Eastern region.

Hon. Speaker, as I end I want to say that on the education sector, the schools which have been closed in the North Eastern region, the monies in the national Ministry should indeed be devolved to these three counties. Under Article 187, these functions for now should temporarily be given to the governors and the funds should be allocated so that we can have teachers and schools reopening because right now our schools---

**Hon. Musyimi:** Thank you, hon. Speaker. I stand indebted to my colleagues for their very educated and helpful interventions and the various comments that they have made in respect of the Estimates. I just want to take this opportunity to say that we will continue to support the programmes of the President because we believe in them. They are not just Jubilee programmes; he is the President of the Republic of Kenya. It is our role and that is why I run the Committee in the best tradition of bipartisanship that I know of so that we can have proper ventilation. At one stage I proposed that in future the Budget and Appropriations Committee can have at least a Member from each county so that we can have a crosspollination of ideas and a proper national perspective when we discuss issues. The concern is there to reduce corruption and we have sought to support the oversight institutions through the Budget reallocations.

We must continue to support infrastructure and all interventions that will help grow the pie. The bigger it is, the better for all of us. We must continue to support interventions to bring down insecurity in the country and we wish those who are in charge of this docket well. We showed today the most bipartisan manner that we are committed to devolution across both sides of the aisle. We must also continue to support the social sector through education and health. We are glad that finally there is a name to consider with respect to the Central Bank of Kenya (CBK). The financial markets were a bit jittery. They have been jittery for quite a long time. The shilling has taken a real knock over the last couple of weeks. We hope that this will arrest the situation.

Talking about the CBK and matters related to the economy, I am very glad that my good friend, Hon. Benjamin Langat, is here. You know that Kenya Airways will be getting a loan of Kshs4.2 billion. I mentioned to Hon. Langat the same thing that the Chairperson for Transport, Public works and Housing Committee should take note of. It will be good to have the CEO, Mr. Mbuvi Ngunze, interrogated by the Committee of this House because Kenya Airways is a national airline and it will be good to get proper interrogation so that we can get a report here on what is ailing the Kenya Airways. What is the problem? Is it the transition from Naikuni to Ngunze or there are deeper problems?

As I close, let me just say that one of the issues that becomes very clear from where I sit, is that the Government has become too big. It is very difficult when you find that you cannot support certain institutions created either by law or Executive, as I said earlier. I hope that there would be boldness to address this matter so that we can have a leaner Government that is more effective and efficient. Again, I take this opportunity to thank you, hon. Speaker and colleagues who have contributed to this debate. I am sure that if there had been opportunity, more would have spoken. It is good to see that we are making progress. They say and I am sure my good friend, Hon. Nyenze would bear me out - he is a son of a pastor and so I refer to him in many ways - that if you listen to a beehive being carved out of a trunk of a tree, you would think that the world is coming to an end. So democracy can get noisy. It can get sometimes almost abrasive but it is democracy being sorted out and finding its place in society. We are glad to be part of a vibrant institution called the National Assembly. I am very glad for the way that we are prosecuting our issues. I stand to believe that over the long haul, the benefits to be handed to the country will be clear.

I beg to move.

**Hon. Speaker:** Hon. Members, I had to confirm that we have the numbers. As you know, this business is extremely important. We would not want somebody to fault what we have done and I am assured now we have the numbers.

*(Question of the Motion as amended put and agreed to)*

*Resolved accordingly:*

THAT, this House adopts the Report of the Budget and Appropriations Committee on the Budget Estimates for the National Government, the Judiciary and Parliament for the Financial Year 2015/2016 laid on the table of the House on Tuesday, 26<sup>th</sup> May, 2015 and pursuant to the provisions of section 39 of the Public Finance Management Act, 2012 and Standing Order Nos.235 and 239, approves a total expenditure of Kshs.1,505,492,181,340 of which a sum of Kshs.399,392,081,926 will be raised through regular Appropriations-in-Aid and a sum of Kshs.1,106,100,099,414 will be withdrawn from the Consolidated Fund to meet the expenditure during the year 2015/2016 in respect of the votes as attached in Schedule and subject to the amendments made in the Schedule and the recommendations contained in the Report of the Committee.

#### APPROVAL OF PROTOCOL ON STANDARD GAUGE RAILWAY

**Hon. (Eng.) Mahamud:** Hon. Speaker, I beg to move the following Motion:-

THAT, this House adopts the Report of the Departmental Committee on Transport, Public Works and Housing on its consideration of the Protocol on Development and Operation of the Standard Gauge Railway within the framework of the Northern Corridor Integration Projects laid on the Table of the House on Tuesday, 26<sup>th</sup> May, 2015 and pursuant to Section 8 of the Treaty Making and Ratification Act, 2012, approves the ratification of the Protocol on Development and Operation of the Standard Gauge Railway within the Framework of the Northern Corridor Integration Projects.

In moving this Motion, I would like to start by saying, as the Members of the House maybe aware, that the Government agreed to build a new modern high capacity Standard Gauge Railway (SGR) within Mombasa and Malaba with a line to Kisumu. This railway line will be extended to Kampala, Uganda and Kigali, Rwanda, as pronounced by the three Heads of State for the Republic of Rwanda, Uganda and Kenya on 28<sup>th</sup> August, 2013 and is in line with the signed Protocol and tripartite agreement.

Hon. Speaker, the Protocol on the development and operation of the Standard Gauge Railway (SGR) within the framework of the Northern Corridor Integration Projects was tabled in this House by the Leader of the Majority Party on Tuesday 17<sup>th</sup>

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March, 2015 and was subsequently committed to the Committee on Transport and Public Works.

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

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

Hon. Deputy Speaker, the overall objective of the SGR is to develop and operate a modern, fast, reliable, efficient and high capacity railway transport system and a seamless single railway operation among the parties with a specific objective of the SGR project as follows:

- (i) To expedite economic growth and development of the parties by reducing the cost of doing business and increase the region's competitiveness.
- (ii) Enhance spatial development along the SGR corridor.
- (iii) Enhance efficient and cost effective movement of freight and passengers in the region to accelerate trade and services.
- (iv) Sustain development of other transport infrastructure and adapt new technologies to enhance economic development.

The purpose of this Protocol is to ensure the harmonisation of the policy, legal and institutional framework for the SGR across the region. The other purpose is for it to adopt a common logical framework for project management and to adapt an agreed common SGR standard so that the standards within the region are the same.

Pursuant to Article 118(1) of the Constitution, Standing Order No.127(3) and section 8 of the Treaty Making and Ratification Act, the Committee placed an advert in the local dailies on 4<sup>th</sup> March, 2015 calling for the public to submit any memoranda or representations they may have on the Protocol. Pursuant to section 8 of the Treaty Making and Ratification Act Number 45 of 2012, which provides for consolidation of treaties by Parliament, the Committee considered the Protocol forthwith. The Committee held three sittings during which the representative of the Ministry of Transport and Infrastructure appeared before it and the consolidations of the Protocol were conducted in accordance with the Treaty Making and Ratification Act Number 45 of 2012.

The SGR Protocol deals with a national function as provided for in the Fourth Schedule of the Constitution. It does not have any implication on matters relating to the counties. Therefore, the duty to ratify the treaty lies with this National Assembly.

The Committee observed that the SGR Protocol does not propose any amendment to the Constitution of Kenya. The Protocol is in line with the principles of the Constitution of Kenya. It recognises the principles for the respect of sovereignty, equality, territorial integrity, political independence, good neighbourliness, interdependence, non-aggression and non-interference in the internal affairs of each contracting party.

The implementation of this Protocol will promote constitutional values and objectives through expediting economic growth and development of the country by reducing the cost of doing business and increasing the country's competitiveness which will result in improved welfare for the people of the Republic of Kenya.

The Committee noted that for the country to develop a seamless railway network as envisaged through the Protocol for the development and operation of SGR, Kenya will be expected to:

- (i) Ensure the harmonisation of the policy, legal and institutional framework for SGR.
- (ii) Cooperate and coordinate a joint mobilisation of financial resources.
- (iii) Ensure sufficient budgetary allocation and funding mechanisms including exploring establishment of a Railway Development Fund.

The Committee, therefore, recommends that pursuant to section 8 of the Treaty Making and Ratification Act Number 45 of 2012, the House approves ratification of the Protocol on the development and operation of the SGR within the framework of the Northern Corridor Integration Projects.

Hon. Deputy Speaker, on behalf of the Committee, may I take this opportunity to thank the Office of the Speaker and the Clerk of the National Assembly for the logistical and technical support accorded to it during its sittings.

Before I conclude, allow me to remind Members that the Government of Kenya entered into an agreement with the governments of Uganda, Rwanda and South Sudan to build a Standard Gauge Railway connecting the port of Mombasa to Malaba with a branch to Kisumu and onward to Kampala, Kigali, with a branch to Kesese and Juba with a branch Pakwach. This will be implemented through the operationalisation of this Protocol hence the purpose of the Protocol. The other states have already ratified the Protocol on the SGR and Kenya has invested substantial resources on the development of SGR but has not ratified the same. The development of the SGR in the other countries has not started yet. It is important for this House to approve the ratification of this Protocol to enable the Ministry of Transport and Infrastructure to deposit the instruments of ratification before the summit of Heads of State that is scheduled to take place on 6<sup>th</sup> June, 2015 in Kampala, Uganda.

With those few remarks, I beg to move and ask hon. Christopher Omulele, MP, to second the Motion.

I thank you.

**Hon. Deputy Speaker:** Hon. Omulele, I do not see your card.

**Hon. Omulele:** Thank you, hon. Deputy Speaker. I rise to second this Motion. As we all know, transport system in any country is the backbone of any serious economy. As a country, we have undertaken to construct the SGR. We have invested immense resources of this nation in this project. In doing this, we have also liaised with the other East African nations, the Great Lakes Region, which is Uganda, Tanzania, Rwanda and Burundi. We hope that through this railway system we are developing, we shall harness the economy of the Great Lakes Region so that it will be of great benefit to our people. This Protocol was established in this respect. The other nations in the Great Lakes Region have already ratified it although Kenya, being the driver and the first one to really invest in this project, we have not done so. This is a good opportunity for us to do so and that is why I stand here to second it.

For the people of Luanda, the constituency which I represent, it is a momentous moment because this SGR is going to eventually reach Kisumu and go beyond and reach Luanda. The people know that when the railway was operational, the economy of the area

was really uplifted. So they are waiting with bated breath so that this railway will also reach them and they will be connected to the greater East Africa region.

It cannot be gainsaid that the benefit from approving this Protocol will be huge for our nation. With those few remarks and taking cognisance of the time, I stand to second.

*(Question proposed)*

**Hon. Deputy Speaker:** Hon. Wanga? She is not here. Eng. John Kiragu.

**Hon. J.K. Chege:** Thank you hon. Deputy Speaker, for giving me this opportunity to support this Motion. We know that the Standard Gauge Railway is a wider gauge railway than the current one that we have, which is a one metre gauge railway. The size of this railway is 1,435 millimetres wide. By adopting this gauge, it becomes possible for this country and the region to procure equipment like rolling stocks, wagons or coaches at a much cheaper cost than procuring for a one metre gauge railway.

We have been particularly serving the Kenya-Uganda region and part of Tanzania with a one meter gauge railway. Some of the rolling stocks that are used on the metre gauge are made of special equipment to serve this region. By adopting this Protocol and including the other States within the region, we are opening ourselves to the standard gauge which is applicable in many parts of the world. It will enable this country to move goods, people and passengers more efficiently at a safer speed and at a cost that is competitive.

We know that we have Phase I that is currently underway. It is the intention of the Government to have Phase II. For complete integration within the East African region, we have to move the Standard Gauge Railway to our neighbours Uganda and Rwanda, so that trans-shipment, particularly when you are trans-shipping goods from one type of railway to the other, which can be very expensive, is cheaper. If we adopt one gauge which moves from one country into the other, the cost of trans-shipment will be cheaper.

It is about time that the East African region, particularly our country and neighbours, adopted a standard gauge railway which will be easy for purposes of operation and becomes an integrated part of the Northern Corridor Transport Protocol.

Challenges will be faced in future, on whether we will operate one truck or we will be required to have two trucks. This is an issue that the East African region will have to discuss. We know that as traffic grows, there will be an issue for us to assess what kind of truck we will require, either a single truck or a double truck. This is the way forward.

With those remarks, I support this Protocol.

**Hon. Nyenze:** Thank you, hon. Deputy Speaker, for giving me this chance to contribute to this Committee Report and support it. The most important development that the Jubilee Government has undertaken is the Standard Gauge Railway. It is a big investment and it has immense advantages. If we support this Protocol and approve it, Kenya will be the biggest beneficiary because of its large economy.

This Committee has carried out its mandate in accordance with Section 8 of the Treaty Making and Ratification Act, 2012. They have done a good job. Integration of East Africa will create a bigger market for the region and Kenya is the biggest possible beneficiary. Kenya is the first country in this region to invest in the Standard Gauge



Railway and the Lamu Port. However, it has been late in approving this Protocol. So, we are doing a catch-up. However, this is a good time.

The East African Community (EAC) is not as old as the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC) or the other associations in Africa. However, one thing that we have done to overtake these other units is the monetary integration. This has put EAC ahead in the region. I am sure through the same Protocol, there is the central integration. We want to be one Government. This will help this region because when you are small states and not united you do not grow. You only grow your region, but in terms of economies of scale you do not have a big market. China has grown because of its big population, one market and a very big middle class. By 2025 Africa will have a bigger population and a bigger middle income group than China.

The reason I support the approval of this Protocol is that eventually the African Union (AU) will unite the whole African continent into one federal state. It will be the United States of Africa, the way there is the United States of America (USA) and so forth. This is the way forward.

The SGR will make transport of goods cheaper, faster and more reliable. More towns will spring up. Once you bring the cost of transport of goods down, the economy improves automatically. So, this is the single most important project that this Government has put in place. The world over people are going to SGR, and not the single gauge that we have been used to, for faster movement of goods so that this economy grows faster. The intention of this Protocol is to spread this railway up to Rwanda. I would urge the East African leaders to even extend it to the other side of the Atlantic Ocean through the Democratic Republic of Congo (DRC) because there are many resources. The EAC will be taken seriously by the world.

Nairobi grew and overtook other towns that were 100 years older than it because of the single line railway that passed through it. When the railway line was active, there was business, transport costs were down and Nairobi grew very fast. All towns where there was a station grew faster than others. So, this is something that this country should take very seriously. We have to approve this Protocol on the SGR and move forward.

There is also a plan to develop the Konza ICT City because the world is going digital. This will create jobs and we will get into new economies that are service-based. The world is moving towards that area in terms of banking and ICT. Those are areas which generate more jobs and income for countries. So, the Government should also allocate more money to Konza City in hundreds of billions so that it becomes a silicon valley of Africa. There are very many advantages of railway transport compared to other means of transport. You can expand the railway line usage by increasing the wagons and then transport as many goods as possible. Railway transport is reliable and timely. It will spur faster economic growth. Bulky exports like coal and iron ore cannot be transported through the pipeline. The railway is the best transport. If you look at cities all over the world which are developed, it is because of either rail transport or the waterways. For example, the Rainy River Waterway that cuts across Europe. All the cities in which the Rainy River passes are now developed. Another example is Cologne City in Germany. Look at the Rotterdam Port, there you will find that transport issues have been adequately

addressed and it is cheap. Those economies with advanced railway transport grow faster and they are able to create employment opportunities. So, let us take advantage of this.

While we approve this Protocol, there is this issue of Rift Valley Railways which will be competing against the Standard Gauge Railway. Competition is healthy, but when it comes to the Port of Mombasa, the Standard Gauge Railway will not reach the Port of Mombasa - It will reach the outskirts. I would urge the Government and the Departmental Committee on Transport, Public Works and Housing to look into this so that there is an extension up to the port itself so that goods will not be transported through trucks to the depot where they will be picked via the Standard Gauge Railway.

**Hon. (Dr.) Shaban:** Ahsante sana, Mheshimiwa Naibu wa Spika. Nasimama kuiunga mkono Hoja hii ya reli. Huu ni mkataba wa Jumuiya ya Afrika Mashariki. Mkataba huu utatuwezesha kujenga reli mpya si hapa Kenya tu, bali katika nchi jirani ambazo ni Uganda, Rwanda na Sudan Kusini. Vilevile baadaye Tanzania itajiunga na mkataba huu.

Kama ilivyotajwa, sisi tumbaki nyuma. Wenzetu wote tayari wameshaukubali mkataba huu. Hivyo basi, sisi kama Wabunge wa Bunge hili la Kumi na Moja hatuna budi kukubaliana na mkataba huu ili serikali zetu zote ziweze kufanya kazi hii ya ujenzi wa reli. Kwa wale ambao tumezuru nchi mbalimbali--- Nafahamu kwamba Wabunge wote wametembelea nchi nyingi duniani. Ni jambo la kusikitisha kuwa Afrika Mashariki bado tuko nyuma. Inasemekana kwamba Uhuru ulipatikana 1963. Mimi naonelea kwamba Uhuru kamili unapatikana sasa hivi. Hii ni kwa sababu tunanua kuendeleza hali ya usafiri katika nchi zetu ili tufikie zile nchi zilizoendelea humu duniani.

Mhe. Naibu Spika, Reli ya SGR itatusaidia kubeba mizigo kwa haraka na kuondoa mizigo mingi ambayo bado inakaa pale bandarini mwetu. Pia itasaidia kuwafikishia mizigo wateja mbalimbali katika nchi mbalimbali kwa njia rahisi.

Vile vile, tukikubaliana katika mkataba huu --- Natumaini hivi leo tutakubaliana nao, ili Rais wetu akiungana na wenzake, ataweza kuzungumza bila wasiwasi kwamba nchi yake imekubaliana na nchi hizo zingine kuwezesha reli hii ijengwe haraka iwezekanavyo.

Itakuwa ni jambo la kufurahisha kwamba kutoka Mombasa mpaka Nairobi mtu atasafiri kwa muda wa masaa manne pekee. Siku hizi katika barabara, inakua shida kwa sababu mara nyingi tunajikuta kwenye msongamano wa magari kwa sababu ya maroli mengi yanayobeba mizigo.

Naunga mkono Hoja hii ili tuweze kusonga mbele haraka iwezekanavyo pamoja na wenzetu.

**Hon. Eric Keter:** Thank you, hon. Deputy Speaker for giving me this opportunity. I stand to support this Motion. The ratification of the Standard Gauge Railway has taken a long time.

In fact, no good reason has been given why we have taken this long to come up with the ratification of this very important transport system in our country. The railway will definitely promote trade among partner states. It will promote the socio-economic aspects of these countries. The faster we approve the better because we stand to be counted with the other partner states in promoting all those trade agreements we have signed.

Therefore, I stand to support in totality and urge all the other Members to support.

Thank you.

**Hon. Lentoimaga:** Thank you, hon. Deputy Speaker for giving me this opportunity.

I stand to support the Motion on the Standard Gauge Railway (SGR) which is a very important means of communication and transport. As Kenyans, successive Governments failed because the railway we have now was developed by the British Government. It is one of the most outdated ones. We have not increased anything since that time. Instead, we have closed so many lines that were connecting our towns. I can for sure say that the railway that was developed by the British was connecting Nairobi to Nyahururu and Samburu. It was used to transport livestock to the market. It also connected to Nanyuki.

All these lines are closed. Another section was going to Rongai in Nakuru. In fact, if you visit there, you will find that the steel which was used to develop that part of the railway in Rongai has been removed and is lying in waste. Therefore, this initiative is very important. I know it will connect us, improve trade and open up new markets and those which had been closed before. It will also enable our people to connect to one another. This is because the movement of people will be very high; it will make it easy for them to move from one area to another. Even movement of goods will be made easy.

At this particular moment in Africa, we are trading lowly. We do not trade so much among African countries. That is within East Africa, West Africa and Central Africa. Even in East Africa, we are not doing very well. But we trade more with Europe and America. A study had shown that trade among Africans is only 2 per cent. The rest is between us and the countries that are almost 8,000 to 10,000 kilometres away from Kenya. If developed well and we appreciate the initiative of the East African Heads of State, this railway line will increase trade in Africa and connect Africans with each other. It will modernise Africa in terms of opening new avenues for trade. It will also guarantee safety. At the moment, travelling is so much insecure because we get a lot of accidents because of the very many vehicles that are using our roads. It is sometimes risky and that is why we sometimes say that it is even safer to go by air than by road. However, a standard railway line can guarantee safety in our country.

Hon. Deputy Speaker, it will also reduce congestion in our cities. We have a lot of congestion at the moment because of the many vehicles and there is a lot of traffic jam. This railway will reduce the number of vehicles on our roads, especially the trucks because by developing the railway line, the heavy trucks which are ten tonnes and above will not exist on our roads. They will be transporting goods along the railway. They will therefore not be around the cities and towns that are within our areas. It will also increase the life of our roads because at the moment, we know it is these heavy trucks which destroy our roads. If a road is developed, hardly can it last for three before you start looking for money to repair it. I am also sure that it will also reduce corruption at the weighbridges. Weighbridges are being used to allow those heavy trucks to destroy the roads. I am sure it will develop our areas, especially northern Kenya. It will develop towns that have been sleeping and have never grown. It will make those towns grow, become bigger and continue creating more trade.

Hon. Deputy Speaker, it will also make us know each other as Kenyans and East Africans. We have diverse cultures but we are not able to connect to each other because

of lack of transportation. This railway line will help us integrate. We are yearning for economic cooperation and this railway line will assist us. More East Africans will come to Kenya using this mode of transport and I am sure it is going to be cheaper than air travel. It will help most Kenyans, East Africans and Africans visit Mombasa or areas that have good scenery because the train will be a less expensive mode of transport.

With those few remarks, I want to support this initiative and hope that it will help us to integrate more. Thank you.

**Hon. Deputy Speaker:** Hon. Mwadime for a minute.

**Hon. Mwadime:** Thank you for this opportunity, hon. Deputy Speaker. At the outset, I am supporting the ratification of the Standard Gauge Railway (SGR). As we know, unity is strength. Connecting all these countries with a digital mode of transport will enhance unity. As it is, ranging from the seas in Mombasa to the highlands, it will enhance tourism, trade and socialisation. The Jubilee Government is now really digital with this SGR project.

However, they should also extend it to our neighbour, Tanzania through Voi to my constituency in Mwatate to Taveta and connect to Arusha.

### ADJOURNMENT

**Hon. Deputy Speaker:** Order! Hon. Members, the time being 6.30 p.m., this House stands adjourned until Tuesday, 9<sup>th</sup> June, 2015 at 2.30 p.m.

The House rose at 6.30 p.m.