REPUBLIC OF KENYA



12TH PARLIAMENT

PRESS STATEMENT

BY THE PARLIAMENTARY SERVICE COMMISSION

11th July 2019

<u>REMUNERATION OF MEMBERS OF PARLIAMENT – DEMISTYFING</u> <u>THE FACTS</u>

Following media reports carried in various local dailies on matters relating to the remuneration of Members of Parliament, the Parliamentary Service Commission has observed that the reporting has been inaccurate and misleading to the Public. To this end, the Commission would therefore wish to make the following clarifications relating to the remuneration of the Members of Parliament-

1. Is it true that an MP earns a million and above per month?

It is not true as has been reported in the media that Members of Parliament earn over a million shillings every month. Every Member of Parliament is entitled to a salary of Kshs. 532, 500 which is also taxable.

2. Are MPS Salaries and allowances tax free?

The salaries and allowances earned by Members of Parliament are all taxable as required by the provisions of the Income Tax Act Cap. 470. Members of Parliament therefore pay taxes on every salary or allowance earned and they are **not** exempt from paying taxes.

3. Is there a night-out allowance payable to Members of Parliament?

There is no night-out allowance payable to Members of Parliament. This is a creation of the media.

4. Is there house allowance being paid to Members of Parliament?

There is no house allowance being paid to Members of Parliament. There is a conservatory order issued by the High Court preventing payment of house allowance to Members of Parliament. It is noteworthy that all other state and public officers are receiving house allowance.

5. What facilities and benefits are Members of Parliament entitled to?

Members of Parliament are entitled to a mortgage loan, car loan and medical cover facility similar to other state officers. It is noteworthy that the mortgage and car facilities are **loan** facilities that granted to Members of Parliament on interest and payable within five years being their term of office. The mortgage and car loan facilities are also granted upon application by a Member of

Parliament and the advancement of such loan facilities to a Member is also dependent on the ability of the member to service the loan facility.

6. Are MPs enjoying five Star hotel facilities in Parliament?

There is a modest restaurant within Parliament that has been in existence since independence where Members can access basic catering services while attending Committee or House sittings. This restaurant has been there even in previous Parliaments and it is used to provide basic catering services. It is also notable that the catering services provided by the canteen are not for free. Each Member of Parliament who wishes to enjoy the services of the canteen when the House is on session is required to pay a monthly fee deductible from their salary. The catering services are basic services and not five-star as misreported by the media.

7. Is it true that Members of Parliament have over seventeen allowances?

This is not true at all. Members of Parliament are only entitled to earn one allowance outside the gross remuneration package of Kshs. 532,500/- as determined by Salaries and Remuneration Commission which is a sitting allowance. This is payable to a Member of Parliament when he or she attends a House or Committee sitting. There are no other allowances accorded to Members of Parliament. Further, it noteworthy that a sitting allowance is not an automatic allowance that is a payable to a Member. A Member must have either attended the House sitting or a Committee sitting evidenced by confirmation of attendance through being present at such a sitting. Any Member not present in a House or Committee sitting is not eligible to be paid such an allowance.

8. What about the mileage claims, is it true that all MPs earn mileage allowances?

The Salaries and Remuneration Commission determined the mileages to be claimed by Members of Parliament. Payment of mileage claim is hence based on rates determined by SRC.

9. Should Members of Parliament not be provided with a housing facility because they have mortgage & car loan facility?

The mortgage and car loan facility was established as a revolving fund in 2003 and has been growing as a result of the interest generated from the loans. There is no annual budgetary provision to fund the two facilities. These facilities are made available to all public and state officers whether in the Executive, Judiciary or Legislature. It is not an automatic loan and an officer must apply for the same. The fact that this facility is available does not disentitle a Member of Parliament from provision of a housing facility.

10.Is the National Government Constituency Development Fund (CDF) a facility for Members of Parliament?

The Constituency Development Fund (CDF) is a national fund created for purposes of spurring development at the Constituency level and regulated by the National Government CDF Act, 2015. None of this money is payable to Members of Parliament. Use of the funds is strictly regulated by various committees created at the Constituency level as part of devolution of resources. Members of Parliament are not members of the committees in charge of disbursements of funds. Members of Parliament only play an oversight role over the Fund as peoples' representatives at the Constituency level. It is wrong and misleading to claim that Members of Parliament have CDF at their disposal.

11.Does the Parliamentary Service Bill passed by the National Assembly increase any salary or allowances of Members of Parliament?

The Bill has a total of fifty-eight clauses and not a single clause or sub-clause in the Bill either touch or relate to Members' salaries or allowances. It is therefore not true that the Bill seeks to increase the Members' salaries and allowances.

Conclusion

The Commission is bound by the dictates of the Constitution in dispensing its functions as provided for in Article 127 of the Constitution. The Members of Parliament are servants of the people of Kenya and this remain their greatest obligation in executing their mandates under Article 95 and 96 of the Constitution. The Commission in seeking to ensure that the Members effectively serve the people of Kenya will continue to engage the Salaries and Remuneration Commission in performing its mandate. The media should also engage the Commission to ensure that its reporting is accurate and based on facts. To this end, the Commission is willing to work with the media to ensure accountability and transparency to which we owe to the people of Kenya.

<u>SPEAKER OF THE NATIONAL ASSEMBLY/CHAIPERSON, PARLIAMENTARY</u> <u>SERVICE COMMISSION.</u>

11th July 2019