



**THIRTEENTH PARLIAMENT  
THE SENATE  
OFFICIAL REPORT**



**Fifth Session**

**Wednesday, 18<sup>th</sup> February, 2026 at 9.30 a.m.**

# PARLIAMENT OF KENYA

## THE SENATE

### THE HANSARD

Wednesday, 18<sup>th</sup> February, 2026

*The House met at the Senate Chamber,  
Parliament Buildings at 9.33 a.m.*

*[The Deputy Speaker (Sen. Kathuri) in the Chair]*

#### PRAYER

#### DETERMINATION OF QUORUM AT COMMENCEMENT OF SITTING

**The Deputy Speaker** (Sen. Kathuri): Clerk, do we have quorum?

*(The Clerk-at-the-Table consulted with the Deputy Speaker)*

Serjeant-at-Arms, ring the Quorum Bell for 10 minutes.

*(The Quorum Bell was rung)*

Serjeant-at-Arms, ring the Quorum Bell for a further 10 minutes.

*(The Quorum Bell was rung)*

**The Deputy Speaker** (Sen. Kathuri): If we have quorum now, call out the first Order.

Majority Leader, you have a couple of papers to lay this morning.  
Yes, Deputy Majority Whip, proceed.

#### PAPERS LAID

#### REPORTS OF THE AUDITOR-GENERAL ON FINANCIAL STATEMENTS OF VARIOUS ENTITIES

**Sen. (Dr.) Lelegwe Ltumbesi:** Mr. Deputy Speaker, Sir, I beg to lay the following Papers on the Table of the Senate today, Wednesday, 18<sup>th</sup> February, 2026-

Report of the Auditor-General on financial statements of Kakamega County Revenue Agency Fund for twenty-four (24) months period, for the year ended 30<sup>th</sup> June, 2024.

Report of the Auditor-General on financial statements on Ugunja Municipal Board - County Government of Siaya for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Madiany Sub-County Level 4 Hospital - County Government of Siaya, for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Uyawi Sub-County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Amatsi Water Services Company Limited for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Rwambwa Sub-County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Ambira Sub-County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Ukwala Sub-County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Narok County Bursary Management Fund for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Narok Municipality - County Government of Narok for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Narok County Assembly Car Loans, Grants and Mortgage Scheme Fund for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Municipality of Naivasha - County Government of Nakuru for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Naivasha Water and Sanitation Company Limited for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Mutyambua Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kalawa Level 4 Hospital-County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kyambeke Sub-County Hospital Level 4 - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Mukuyuni Level 4 Hospital-County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Sultan Hamud Sub-County Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Makindu Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Emali Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kilungu Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kibwezi Sub- County Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Matiliku Level 4 Hospital - County Government of Makueni for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Wote Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Zombe Sub-County Hospital-County Government of Kitui for the year 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Nuu Level 4 Hospital-County Government of Kitui for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kitui Empowerment Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kanyangi Level 4 Hospital - County Government of Kitui County for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Mwingi Level 4 Hospital - County Government of Kitui for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Katulani Level 4 Hospital - County Government of Kitui for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statement on Mutitu Sub-County Hospital - County Government of Kitui for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Kitui County Textile Centre for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Ikanga Sub- County Hospital - County Government of Kitui for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Imbirikani Level 4 Hospital - County Government of Kajiado for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Olkejuado Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Chuka County Referral Hospital-County Government of Tharaka-Nithi for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Marimanti Level 4 Hospital - County Government of Tharaka- Nithi for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Meru County Alcoholic Drinks Control Board for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Nakuru County Co-operative Development Revolving Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Narok County Alcoholic Drinks Regulation and Control Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Mpeketoni Subcounty Level 4 Hospital-County Government of Lamu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Witu Sub-county Hospital - County Government of Lamu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Mokowe Subcounty Level 4 Hospital-County Government of Lamu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Lamu County Referral Hospital-County Government of Lamu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Rabai Subcounty Level 4 Hospital-County Government of Kilifi for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Watamu Municipality for the seventeen (17) Months Period-County Government of Kilifi for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Marafa Subcounty Level 4 Hospital-County Government of Kilifi for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kenya Devolution Support Programme II - County Government of Nyamira for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Municipality of Nyamira - County Government of Nyamira for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Nyamusi Sub-county Level 4 Hospital - County Government of Nyamira for the year ended 30<sup>th</sup> June 2025.

Report of the Auditor-General on financial statements on Nyamira County Referral Hospital - County Government of Nyamira for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Bomet Municipality for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Roret Sub- County Level 4 Hospital - County Government of Kericho for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Machakos County Executive Committee and Chief Officers Car Loan and Mortgage Scheme for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Ruiru-Juja Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Kiambu County Education Bursary Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statement on Kiambu County Executive Staff Mortgage Scheme Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kiambu Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Got Agulu Sub- County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Sigomere Sub- County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Bondo Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June, 2025

Report of the Auditor-General on financial statements on Yala Sub- County Level 4 Hospital - County Government of Siaya for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Chulaimbo County Level 4 Hospital - County Government of Kisumu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Kombewa County Hospital - County Government of Kisumu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Ahero County Hospital - County Government of Kisumu for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Vihiga County Referral Hospital - County Government of Vihiga for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Malindi Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Busia County Agricultural Development Fund Limited for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Busia County Alcoholic Drinks Control Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Busia County Trade Development Revolving Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Sio Port Sub-county Hospital, County Government of Busia, for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Bungoma County Disaster and Emergency Management Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Bungoma County Trade Development Loans Fund for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Chwele Sub-county Hospital, County Government of Bungoma, for the year ended 30<sup>th</sup> June, 2025.

Report of the Auditor-General on financial statements on Busia County Education Support Scheme for the year ended 30<sup>th</sup> June, 2025.

*(Sen. (Dr.) Lelegwe Ltumbesi) laid the documents on the Table)*

## MOTION

### ADOPTION OF REPORT ON PETITION ON NON-PAYMENT OF OUTSTANDING TERMINAL BENEFITS AND MAZIWA SACCO DUES TO FORMER EMPLOYEES OF KCC LTD

**The Deputy Speaker** (Sen. Kathuri): Chairperson Standing Committee on Labour and Social Welfare. This business has been on the order for the last couple of days. I request that if there is any Member of that committee here, they move the Motion now.

**Sen. Miraj:** Mr. Deputy Speaker Sir, I beg to move the following Motion:-

THAT, the Senate adopts the Report of the Standing Committee on Labour and Social Welfare on a petition to the Senate by employees of the former Kenya Cooperative Creameries Limited (KCC) concerning non-payment of outstanding terminal benefits and Maziwa *Savings and Credit Cooperative Organizations (SACCOs)* dues to former employees of Kenya Cooperatives Creameries Ltd, laid on the Table of the Senate on Thursday, 27<sup>th</sup> November, 2025.

As the Committee on Labour and Social Protection of this honourable House, we were made aware of the employees who were laid off and the liability of their dues was said not to be part of the New KCC. We then called the relevant department in the

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Ministry of Investments, Trade and Industry and the Attorney-General where it was agreed that a judgment had been obtained, and that these members were to be paid their dues within a certain period.

I call upon Sen. Faki to second this Motion.

**Sen. Faki:** Mheshimiwa Naibu Spika, asante kwa kunipa fursa hii. Sen. Miraj, kwa hakika, ameniita ghafla kuunga mkono ripoti hii. Hata hivyo, nilikuwa mwanakamati wa Leba na Ustawi wa Jamii mpaka mwaka jana nilipohamishwa kupelekwa katika Kamati ya Ardhi, Mazingira na Maliasili.

Masuala ya wafanyakazi wa KCC ni ya kusikitisha kwa sababu walifanya kazi kwa muda wa miaka mingi na shirika hilo. Baadaye shirikia lilifilisika na Serikali ikaanzisha shirika la New KCC ambalo mpaka sasa linaendelea kufanya kazi.

Jambo la kusikitisha pia ni kwamba rasilmali za KCC ndizo zilipelekwa katika shirika la New KCC lakini malimbikizi ya mishahara na pesa walizokuwa wamehifadhi pamoja na malipo ya izeeni hazikupelekwa katika shirika lile jipy.

Wale wafanyakazi wa zamani wa KCC waliachwa nje na wengi wako katika hali ya uchohole hivi sasa. Hata fedha walizokuwa wameweka katika Sacco yao pia ya hazikulipwa. Ni dhahiri shahiri kuwa zile pesa za Sacco zilikuwa za wafanyakazi wale.

Suala lilipelekwa kwa Mwanasheria Mkuu na mahakamani ikaamua kuwa wanastahili kulipwa zile pesa ambazo walikuwa wanadai kama mishahara, pensheni na zile za Sacco.

Hawa wafanyakazi walipokuja mbele ya Kamati ya Leba na Ustawi wa Jamii, Serikali ilipewa fursa kuja kujitetea na hawakutoa mwongozo wowote ila kusema hakukuwa na fedha kama hizo. Hivi sasa, Shirika la New KCC ni katika mashirika ambayo yako mstari wa mbele kubinafsishwa. Serikali haijaona umuhimu wa kulipa wafanyakazi wale mishahara yao waliokuwa wameifanyia kazi kabla ya shirika kufilisika.

Ninaunga mkono Ripoti hii. Serikali katika mapendekezo, ipewe muda maalumu wa kuwalipa hawa malimbikizi ya mishahara yao na malipo mengine. Hakuna faida kwamba sasa shirika la New KCC linafanya kazi, Serikali imewekeza fedha nyngi, imenunua mitambo ya kisasa ya kuhifadhi maziwa. Vile vile wametoa pesa nyngi za kulipa wafugaji ili maziwa yawewe kupelekwa kwa wingi pale lakini kulipa wafanyakazi wa zamani limekuwa donda sugu kwa Serikali. Serikali iwalipe kwa haraka hawa wafanyakazi wa zamani wa KCC.

Kiwanda kimoja cha New KCC kiko katika Kaunti ya Mombasa eneo la Miritini karibu na stesheni ya Standard Gauge Railway (SGR). Ni masikitiko kwamba wale wafanyakazi wa zamani wengi tunawaona kule wakiishi katika hali ya uchohole wakati Serikali inaendelea kuweka pesa katika shirika la New KCC lakini hawako tayari kulipa wafanyakazi wale.

Ninaunga mkono.

*(Question proposed)*

**The Deputy Speaker** (Sen. Kathuri): Sen. Mundigi Alexander, please proceed.

**Sen. Munyi Mundigi:** Asante, Bw. Naibu Spika, kwa kunipa nafasi niweze kuchangia huu mjadala kuhusu wafanyakazi wa KCC. Nashukuru wanakamati wa Kamati

ya Leba na Ustawi wa Jamii, ambayo mimi ni mmoja wao, kwa kazi wanayoendelea kufanya.

Hawa wazee wana miaka mingi. Walipoteseka kwa miaka mingi waliona ni vizuri kuja kuangalia watakavyofaidika kuptitia kamati ya Seneti. Walipokuja, tuliona ni wazee na wengine hata hawaoni vizuri. Kuna wengine ambao walishaaga dunia na watoto wao hawana chochote. Tunajua wakati mtu amefutwa kazi akiwa anapata mshahara familia yake haiishi vizuri.

Bw. Naibu Spika, pesa hizi hazikuwa nyingi lakini wakati KCC iliuziwa New KCC, hawa wazee hawakulipwa. Ni huzuni sana kwa sababu waliteseka, wakakimbia mahakamani na kona zote, lakini hawakuweza kupata pesa hizo.

Bw. Naibu Spika, kama Kamati ya Leba na Ustawi wa Jamii tuliona ni vizuri tukae chini na wizara zote kama vile Mwanasheria Mkuu, Wizara ya Leba na Ulinzi wa Jamii, Wizara ya Fedha na Wizara ya Ushirika na Maendeleo ya Biashara Ndogo. Sote tulikaa chini tukasikia maoni. Tuliangalia na kuona kuna watu wengi, sio wa KCC peke yao wameteseka. Hawa wazee wameteseka na familia zao zimeisha na hata wengine wameaga dunia. Tulisema tutawatetea na kuona vile hawa wazee watapata pesa zao.

Tumepitisha kuwa waweze kulipwa pesa zao. Hata kama hakukuwa na pesa mtu akiwa na deni hata kama ni nyumbani ama ni kwa kampuni, unaweza kukata shamba au ikiwa una bidhaa zinaweza kuuzwa. Walakini tuliona kuwa hatutakuwa tumewasaidia. Ni vizuri kuwa baadaye tulipitisha kukaa na Hazina ya Kitaifa na wizara zote husika na tukaona wanafaa wafanye mazungumzo ili hawa wazee wapate pesa zao. Vile vile, hii inafaa iwe funzo kwa wizara zingine ambazo zimekula pesa za wafanyikazi. Kwa hivyo, tumepitisha kuwa hawa watu wakae chini na Hazina ya Kitaifa na Mwanasheria Mkuu ili waweze kulipwa pesa zao.

Bw. Naibu Spika, si pesa mingi. Tumeona Serikali ikipeana pesa na hata ikisaidia. Kwa hivyo, tunaomba vile hii kamati imepitisha, Wizara ya Fedha isaidie hawa watu ndiposa wapate pesa zao kabla hawajaondoka dunia hii.

Vile vile, wale ambao wameshaaga, familia zao zipate haki kwa sababu wengine wamefilisika na kupata shida. KCC iko katika kaunti kadhaa na ina watu wengi. Kwa hivyo, kwa sababu hawa wazee wanajulikana, naunga mkono walipwe pesa zao. Pia, itakuwa ni funzo kwa watu wengine, pamoja na SACCOs na kampuni. Wanafaa waangalie hesabu vizuri ili wasiende na pesa ya wafanyi kazi.

Naunga mkono.

**The Deputy Speaker** (Sen. Kathuri): Sen. Maanzo Daniel, please proceed.

**Sen. Maanzo:** Thank you, Mr. Speaker, Sir. I rise to support this Motion. I had the benefit of working as a Cooperative Secretary in the Republic of Kenya, in the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSME) Development. The KCC, New KCC and Maziwa SACCO, fall under the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSME) Development, which has a very small budget every year.

This is a clear matter. When the KCC was sold, the New KCC did not take its liabilities. However, their liabilities were obvious and were stated before the sale. Therefore, just like many other institutions in the Republic, there is a clear law on this. Although the matter had been to the courts, it is clear that finally the courts ruled in the favour of the claimants. Once that decision has been made, the Ministry of Co-operatives

and Micro, Small and Medium Enterprises (MSME) Development should propose a budget to pay these people, not only the living ones, but also the estates of the ones who are deceased because that is part of property of a deceased person.

Therefore, it is important either the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSME) Development or this House, during the budget proposals, proposes this particular budget, especially from the Senate Standing Committee on Labour and Social Welfare, so that it is a clear indication that this is something which should be budgeted for.

The Attorney-General was part of this and therefore the Solicitor General should be executing this, so that the rights of these people are taken care of. This is not the only corporation which has been served. Right now, the Kenya Pipeline Company Limited (KPC) is on sale. KPC has liabilities. It has employees.

The moment there will be new KPC, are you going to tell us the same fate will befall the current employees of KPC, and any other claimants like the people of Thange River who were poisoned by oil spillage in 2015? Are we going to fall in the same model of refusing to compensate even when the courts have given final judgements on a matter? It has now taken close to 30 years yet these people have not been compensated.

We should bring a stop to this, so that Government institutions can take responsibility. The moment the courts have ruled against them and the Parliament has pronounced itself, let the matter go for budgeting and the monies paid to the claimants. It is a rightful claim. It is one of the labour rights of these people and it is work that they have done and money that they have worked for. Therefore, they should be compensated, so that we can live in a just nation.

We want a nation of equal opportunities, where every citizen is treated with fairness and feels that the country takes care of their needs and that, the law and authority is observed. The Government should not use its muscle against the poor people, stamp on them and deny them their dues. There is no need to do the Nyota Programme when you have young people languishing in poverty. There is no need to pay the old people, when you have young people to be compensated. That is a contradiction. You should just compensate them before you compensate the old people.

Therefore, allocate a budget for these monies to be paid. Otherwise, there is no need to run this programme while sitting on the rights of other people. Let all Kenyans be equal. It is a way of making sure that wealth is shared.

Mr. Deputy Speaker, Sir, I am done.

**The Deputy Speaker** (Sen. Kathuri): Sen. Maanzo, there is a point of order from Sen. Munyi Mundigi.

**Sen. Munyi Mundigi:** Bw. Naibu Spika---

**Sen. Faki:** On a point of clarification, Mr. Deputy Speaker, Sir.

**The Deputy Speaker** (Sen. Kathuri): Sen. Mundigi, amemaliza. Maybe you are on a point of clarification. What do you want? You cannot prosecute a point of order now, unless it is a point of clarification or something else.

**Sen. Munyi Mundigi:** Bw. Naibu Spika, naomba nimuelezee kidogo.

**The Deputy Speaker** (Sen. Kathuri): Lakini hayuko kwa sakafu.

**Sen. Munyi Mundigi:** Bw. Naibu Spika, ukinipatia ruhusa hakuwa ameketi chini. Naomba nimfafanulie.

**The Deputy Speaker** (Sen. Kathuri): Utaratibu hauruhusu ufungue hilo jambo tena.

Next is Sen. Karungo Thangw'a Paul. Yes, Senator. Just a minute, Sen. Karungo Thang'wa.

**Sen. Faki:** Mheshimiwa Naibu Spika, namuuliza Sen. Maanzo, je ni sawa kuwa na nyota bila ya mwezi?

**The Deputy Speaker** (Sen. Kathuri): Unamwuliza nini?

**Sen. Faki:** Amezungumzia mambo ya nyota, je, unaweza kuzungumzia nyota bila mwezi?

**The Deputy Speaker** (Sen. Kathuri): Sen. Maanzo.

**Sen. Maanzo:** Mr. Deputy Speaker, Sir, in the creation theory in the Quran and also the Bible, the stars existed even before the moon and the sun were created. All that I am saying is, the Constitution of the Republic of Kenya must be followed. The country must be run in a fair way. The Government must compensate these people. That is why they have come to the Standing Committee on Labour and Social Welfare. This committee must order the Ministry of Labour and Social Protection to budget and pay these people. Otherwise, there is no need to debate here if these people will never be compensated.

I thank you.

**The Deputy Speaker** (Sen. Kathuri): Sen. Mundigi, what is it? What clarification are you seeking?

**Sen. Munyi Mundigi:** Bw. Naibu Spika, umeruhusu Sen. Maanzo ajieleze. Naomba kumjibu kidogo tu. Kuna tofauti ya Nyota na mambo ya KCC. Watu walifanya kazi mbaya kwa kampuni ya KCC. Raisi wa Kenya ameona asaidie vijana wetu katika kaunti 47. Watu waliokuwa KCC walikuwa wezi. Huwezi kulinganisha KCC na mambo ya Nyota ya Serikali ya Kenya Kwanza.

**The Deputy Speaker** (Sen. Kathuri): Wewe ni mmoja wa wanachama wa Kamati ya Leba na Ustawi wa Jamii sio? Ripoti imeeleza kuwa hawa wafanyakazi walikuwa wezi ama umetoa ripoti hiyo wapi?

**Sen. Munyi Mundigi:** Bw. Naibu Spika, nilikuwa namjibu Sen. Maanzo kwa sababu alilinganisha KCC na Nyota. Hakuna mahali zinafanana kwa sababu zile pesa ziliporwa.

**The Deputy Speaker** (Sen. Kathuri): Sawa. Hapo ameelewa vizuri. Sen. Karungo, proceed.

**Sen. Thang'wa:** Thank you very much, Mr. Deputy Speaker, Sir. As I rise to support the Motion and the Report by the Standing Committee on Labour and Social Welfare, even before I give my contribution, today is Ash Wednesday. I am a Catholic and today marks the beginning of the Lent period. For the first time in the history of Christianity and Islam, our Lent period has coincided with Ramadhan. You can imagine that both Christians and Muslims are fasting at the same time in this month of Ramadhan and Lent. This is the time that this country will receive many blessings because together we are doing one thing at the same time.

It is very sad for the ex-employees of KCC to fight for their dues, which are legally embedded in their job description. The Employment Act and the Transfer of Businesses Act have been speaking about their dues amounting to Kshs204 million. That

is Kshs109 million as terminal benefits and Kshs92 million as outstanding Savings and Credit Co-operatives (SACCO) dues. These people are asking for what is rightfully theirs. They were paid by KCC then contributed that amount to a SACCO called Maziwa SACCO. They never got their dues. They have lost what they had earned and are also losing their terminal benefits.

This is an easy exercise, but you can see it is going round and round. I believe the amount of money used to litigate and look for a solution is more than what these people are claiming. They have gone to court. The Employment and Labour Relations Courts (ELRC) ruled in their favour and said they should be paid. The New KCC went back to the Court of Appeal, which overruled the previous ruling by the ELRC. However, the Court of Appeal said they should be compensated. They even told the Attorney-General (AG) to come up with a process to ensure those owed by KCC are be paid.

This issue involves many ministries: the Ministry of Labour and Social Protection, the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development, the National Treasury, the New KCC, the Attorney-General and now we are at the Senate speaking about the same issue. The recommendation by the Committee says that the Ministry of Labour and Social Protection should invoke the processes of inter-ministerial meetings, so that these people are paid. It also recommends that the Ethics and Anti-Corruption Commission (EACC) should investigate the former directors of KCC. They should explain how they used the loan of about Kshs400 million.

This is a reminder to every Kenyan, especially those being nominated by the President at the moment that you might think you are on the President's side, but when the time catches up with you, the law will come after you. The committee has already said those directors should be investigated. Some are old and while others died long ago. Imagine having worked as a director at KCC, then 20, 30 or 40 years later, the Government comes after you.

This is a wake-up call that anybody working for any Government parastatal will one day have to stand and answer questions. It does not matter whether the President or the current Government is your friend; one day you will stand and explain what you did when serving in a certain position.

Mr. Deputy Speaker, Sir, as we support this Motion, I want this House to think of it this way, imagine waking up, getting a job and working for many years in a Government parastatal. After you retire, restructuring or the parastatal you worked for is merged or dissolved, you go home without anything, not with your benefits nor the money you contributed to a SACCO. It is only in Kenya where workers and employees retire from work, but their pension or dues refuse to retire.

Mr. Deputy Speaker, Sir, this is an issue that has been discussed by ministries, the courts and by the Senate, and it is still alive. Most of those employees asking the Senate for help through their Petition died. Their children suffered and maybe, they never went to good schools and here we are. However, as we ask for them to be paid and get their dues, we should also look into not losing public funds.

At times, some people might say they worked for KCC, but they probably never worked there or others might want to make money from this issue. Owing to the fact that I know how this Government works, these dues are legitimate because if there is anything for the Government to eat, they could have paid them. If the Government was making

money from these people, they could have paid them, but because the Government, or those who are in the Government or in this regime are unable to milk anything from these dues, they may be delaying it. They should pay them today.

Mr. Deputy Speaker, Sir, I concur with Sen. Maanzo that the National Treasury should come up with a one-time remittance fund, so that they can pay them. We should not wait. We should be given timelines when they are supposed to pay them. This is very sad and a wake-up call to this House as a recommendation by the committee, that we should look into the Transfer of Businesses Act because before you transfer a business, former employees should be given their dues. Before you transfer anything, employees should be given their dues. You cannot say that we are the New KCC and we do not know about the old KCC. That will not be justice to those people who worked at the old KCC. We need to verify their claims to protect those funds and we need to ring-fence the one-time settlement fund.

Finally, Mr. Deputy Speaker, Sir, workers should not suffer because of restructuring. We should always make sure that workers benefit. The parastatals that the President is saying that he will sell like Kenya Pipeline Company (KPC) and others, we should make sure that their employees get their benefits before any restructuring or merger is done.

I call upon the people at Safaricom - if the Government is going to do what it has been promising - selling Safaricom, we will have the same issue here again. Therefore, before any restructuring or sale is done, they must make sure that workers are given priority and their benefits are paid.

I also believe that the next thing you are going to see here are employees of the National Health Insurance Fund (NHIF) because when the Social Health Authority (SHA) came, there was restructuring. They are also complaining behind closed doors. Very soon, they will come here.

Mr. Deputy Speaker, Sir, it is good for us, as a Senate, to look into the Employment Act and the Transfer of Business Act. I support the Motion.

**Mr. Deputy Speaker** (Sen. Kathuri): Next is Sen. Wambua Enock, Deputy Minority Leader.

**Sen. Wambua:** Thank you, Mr. Deputy Speaker, Sir, for this opportunity to make my comments regarding the Motion before us. I will begin by wishing our Catholic brothers and sisters and the Catholic faithful, a happy Ash Wednesday at the beginning of the month of Lent. To the Catholics in Kitui County led by our Bishop Joseph Mwongela and the Catholics in the country, I wish them a happy Ash Wednesday and prosperity in the month of Lent. At the same time, I also wish our brothers and sisters, the Muslim community, a happy Ramadan.

Having said that, I will say a few things about the Motion before us. I have had the opportunity to look at the reports of the committee. We must all be taken aback that 20 years down the line, we have former employees of an institution known by law and running legally that have been denied access to their benefits and dues. Some of these things can only happen in Kenya, honestly. Where people put in their labour, people are deducted money from their salaries for their final benefits, including deductions to their SACCO and someone just wakes up and says; we do not know who you are and we cannot pay you.

Mr. Deputy Speaker, Sir, it is a contradiction that we are all thinking and working very hard to move this nation to a middle-income economy. I will not talk about where we have been told we are going. However, how do we get to middle-income level when we cannot even do the basics of respecting people's rights and paying people what is due to them?

When you look at those terminal benefits, the Maziwa SACCO dues and the amounts due to the Provident Fund, it is not a lot of money. It is not money that cannot be paid. As Sen. Thang'wa has said; the terminal benefits are just Kshs109 million, Maziwa SACCO dues are at Kshs92 million and money owed to the Provident Fund is Kshs2 million. Surely, if there was goodwill on the part of the Government and the New KCC, these are dues that are payable.

Mr. Deputy Speaker, Sir, I cannot imagine what these former employees of KCC are going through, 20 years of waiting for monies that are genuinely and legitimately due to them and money not coming. These are people who have children, even grandchildren to take to school. They have bills to clear, they have to put a meal on the table and they are not asking for anything that is not legitimately due to them.

Let me speak about the recommendations I have seen made by the committee. I respect the committee and all Members of this House, but I would have wanted to see stronger recommendations by the committee, especially on matters relating to the prayer by the petitioners. This is because the committee has been sucked into generalities and made recommendations about the future; what needs to happen in the future to prevent a situation where an occurrence like this one happens.

I have seen that the committee has recommended certain changes or amendments to two specific laws; the Employment Act and the Transfer of Businesses Act. That is okay and good for the future. I have seen the committee is making recommendations on what advisories the Attorney-General should give to the Government and Government institutions when confronted by similar situations in the future. That is okay. However, if you change this law in six months or two years and we know how much time it takes to push legislation in the Kenyan Parliament, how will that help the prayer of the petitioners?

Mr. Deputy Speaker, Sir, the ruling by the Court of Appeal is very interesting. I am very happy that my leader, Justice Rt., Sen. Stewart Madzayo, is in the House. Maybe he will explain to this country how justice is dispensed in our courts. The ruling, first of all, nullifies the decision of the lower court and says, that these employees should not be paid their terminal benefits and their SACCO dues. In the same ruling, the judges say they are urging the Attorney-General to issue an advisory to the Government to pay these employees because the Government had committed to pay and these people have suffered for a long time.

If the judges made a decision that these people have suffered for a long time and that they should be paid, why not just issue a ruling and say, uphold the decision of the lower courts and get these people to be paid their money? There is nobody who is saying that these people never worked for KCC or did not contribute to the SACCO.

The reason for not paying is that the new KCC says they did not get this company - they did not inherit these employees from KCC. They had an agreement with the Kenya

Commercial Bank (KCB), which was a receiver of KCC. Surely, where will these people get justice? Should they now go to the receiver and ask for their money?

I want to challenge the Senate Standing Committee on Labour and Social Welfare to seriously reconsider those recommendations because this is a live matter. There are human beings here who are suffering. There are recommendations that this committee should have made and even as they make these recommendations about what needs to happen, I see they have unleashed the Ethics and Anti-Corruption Commission (EACC) on KCC. The EACC has not been unleashed to go and look into the prayers of the petitioners.

You have asked EACC to go and look into the corruption that was prevalent at KCC and you have told them to go and look into the Kshs400 million loan that led to the collapse of the original KCC. That does not help the prayer of the petitioners. What will help the prayer of the petitioners is to get somebody to pay what is due to these former employees of KCC. It is wrong.

As I conclude, it is wrong for a public entity, as I said, known to the law and operating legitimately, to be taken over by a new administration, and the new administration says, 'We do not know your former employees.' If we allow this to happen with the KCC, which morphed into the new KCC, what will happen tomorrow when the Kenya Pipeline Corporation (KPC) is taken over by another entity? Somebody will wake up and say, we do not know the former employees of KPC. What will happen if tomorrow the KCC is taken up by another team of managers or another company? Somebody will wake up and say, I do not know the former employees of KCC.

So, I urge the Standing Committee on Labour and Social Welfare, you, Mr. Chairman and your Members, not to create that loophole by failing to make strict recommendations on what needs to happen to the former employees of KCC. Make demands to the relevant institutions to ensure that these people get their dues.

Mr. Deputy Speaker, Sir, you and I are being engaged on the matter of the compensation of former councillors. It is very unfortunate that when our former colleague, the Cabinet Secretary for the National Treasury was a Member of the National Assembly, he made at least two attempts to push for the compensation of former councillors. When he was elevated to the level of Cabinet Secretary for the National Treasury, you and I were very happy.

I remember we were having tea at the lounge and we were very happy. We were saying, now our councillors will finally be paid because the man that we were fighting with to ensure that these former councillors are paid is now the man in charge. The man who was making prayers to the National Treasury to pay the former councillors is now the man who has the final say on their payment.

To our dismay, that man has completely refused to pay former councillors and yet, there is a resolution of this House that says they should be given an honorarium and supported for their medical schemes. In this country, we must begin to operate like human beings who care about other people. It cannot just be about us. It must also be about other people.

With those remarks, I support the Motion, but I would ask the Standing Committee on Labour and Social Welfare to really look at those recommendations and make sure that these people get justice.

I thank you, Mr. Deputy Speaker, Sir.

**The Deputy Speaker** (Sen. Kathuri): The Chairperson of the Standing Committee on Labour and Social Welfare is in the House. I hope you are following up on the debate from the Senators and also taking notes.

Next is Sen. Methu John.

**Sen. Methu:** Thank you very much, Mr. Deputy Speaker, Sir, for this opportunity to rise and support this particular report and Motion by the Senate Standing Committee on Labour and Social Welfare. Please allow me to join my colleagues in wishing the Catholics a happy Ash Wednesday as they start their Lent season. I am not so sure, but I think Ramadan is also starting at the same time, so I also wish our brothers a happy Ramadan.

Mr. Deputy Speaker, Sir, just like Sen. Wambua, I am half-hearted of what to say about the recommendations in this particular Petition that had been sought by the former KCC employees. First, this is an extremely sad case and situation. I want to correct Sen. Wambua, who actually said that it was a 20-year wait. It is actually not a 20-year wait. This is the 22<sup>nd</sup> year since the assets of KCC were transferred to the New KCC.

Looking at the recommendations that have been made by the Standing Committee on Labour and Social Welfare, with tremendous respect to the Chairperson, the committee Members and every Senator who is in this House, I actually feel that the prayers that have been sought by the petitioners have honestly not been addressed by the recommendations that have been made by the committee.

They have made four recommendations and the only one which actually attempts to resolve and answer the prayer is recommendation A, and I will read-

“The Cabinet Secretary in the Ministry of Cooperative and Micro-, Small and Medium Enterprises (MSME) Development fast-tracks the workings of the inter-ministerial committee to validate the claims and develop a concrete, time-bound settlement plan for the former KCC employees and provide mandatory reports to the committee until the matter is resolved.”

This looks like the recommendations that were made by the Court of Appeal when they were overturning the decision of the lower court and the Committee on Labour and Social Welfare, which had actually granted the prayers of the petitioners, to pay the dues that were owed to the former employees of the KCC.

In the recommendations that were made by the Court of Appeal was that the Attorney-General should---

*(Loud consultations)*

Mr. Deputy Speaker, Sir, the consultations here are quite loud.

**The Deputy Speaker** (Sen. Kathuri): Majority Whip, you are intercepting the thinking of the hon. Senator for Nyandarua. His flow of thoughts is not commensurate to what he is trying to execute on the Floor.

**Sen. Methu:** Mr. Deputy Speaker, Sir, Sen. Lelegwe is my neighbour and leader. I always tell him that if I close the road to Ol Kalou, Sen. Lelegwe cannot get to Samburu because he has got only one route. Therefore, he must align---

He also does not like flying. Therefore, he has no other route to Samburu if I close the road through Ol Kalou.

Mr. Deputy Speaker, Sir, like I was saying, the recommendations of the Court of Appeal were that the---

**The Deputy Speaker** (Sen. Kathuri): Hold on, Sen. Methu.

I request the three Senators who are between me and the person contributing to take their seats. Sen. Lelegwe kindly; the Clerks will sort your issue.

I can see that Director Ruge is also almost out of order. Sen. Lelegwe, please, have your seat.

*(Sen. (Dr.) Lelegwe Ltumbesi sat at his place)*

Proceed, Sen. Methu.

**Sen. Methu:** Mr. Deputy Speaker, Sir, I do not know whether it is correct. Okay, let me say it as a point of information. He does not like being referred to minus his title. He is Sen. (Dr.) Lelegwe. He keeps reminding me to always refer to him as Sen. (Dr.) Lelegwe.

Mr. Deputy Speaker, Sir, the recommendations of the Court of Appeal--- I am looking for them in this report because they have been referred to here. The recommendations were that the Attorney-General ought to advise the Government to honour its word and pay former employees who have suffered for a long time.

I am surprised that a three-Judge bench observed that these workers have suffered for a long time but they went ahead to make a recommendation which is not binding. I understand where Sen. Murgor and his committee were getting a handicap because you are overturning this decision without offering a solution.

The decision of the Court of Appeal was actually arrived at in 2018. To this date, that is a total of eight years but nothing has happened. Had those people been paid as the recommendation stated---

You know people go to court to get a determination. When we get these kinds of recommendations, they are ambiguous because they cannot be effected.

We are staring at an extremely precarious situation by the mere fact that since this particular regime came into power, the issue of privatization is a live matter. I am not sure if it is a privatization committee or commission but I think there is one. The Privatization Commission is supposed to look at Government parastatals that can be privatised.

Therefore, we are staring at a situation where workers have served, deductions have been made on their salaries and they have made contributions to their Savings and Credit Cooperative Organizations (SACCOs). For example, assume that the Kenya International Convention Centre (KICC) is privatised so that it is under a new proprietor; the new proprietor will take all the other obligations apart from dues that are owed to workers and their personal contributions.

When the New Kenya Co-operative Creameries Limited (New KCC) was formed following the receivership under KCB, they paid farmers and all the monies that were owed to the banks and the suppliers. The only people who were not paid were former employees, which is an extremely sad situation because they had to wait for 22 years.

As I wind up, let me also mention this. This is something I have been thinking about. Sen. Murgor and your committee, the fourth recommendation states that the Ethics and Anti-Corruption Commission (EACC) and the Directorate of Criminal Investigations (DCI), within six months of tabling of this report, should investigate mismanagement and fund misappropriation by former KCC directors, particularly the Kshs400 million loan that caused the company's collapse.

On the face of it, that recommendation looks flowery but I am wondering how it can be implemented. I do not even know because 2004 is not the other day. In 2004, I must have been in class five. That is 22 years after the crime we are asking the EACC to investigate. Are those people who were directors of KCC in 2004 alive so that we investigate them? Can this recommendation be effected?

A crime was committed 22 years ago. Not even the Employment and Labour Relations Court where the former employees first went to in 2013 and the Court of Appeal made this recommendation. Today is 18<sup>th</sup>. This recommendation is being made by the Senate on 18<sup>th</sup> February, 2026. That is 22 years later when we are recommending that directors of KCC be investigated by the EACC. I am surprised because I am wondering whether those directors are still alive. If they are dead, I do not think they can be investigated.

However, since we must try and cure this challenge because it is a major one, I want to agree with the recommendations that have been made by the committee, especially the recommendation on amendment of transfer of the Business Registration Service Act. This is something we must consider because we are the people who have been tasked with the responsibility of ensuring that we make our laws better. That is our work. Every day we come here to make the lives of the people of Kenya better.

We must move an amendment that as you transfer all the other financial obligations to a new business, one key component that must be considered are contributions of employees. The second one is their pension. For those who qualify for---That word has evaporated. I am talking about the one that is given to employees on contract but I am going to remember.

For contributions that you have been making every month, it cannot be that you served an institution for 10 or 15 years, then they are transferred to a new person. The new person could say they do not know where you have been contributing and therefore they cannot pay you pension or other dues. That is extremely sad. It is something that must be looked into.

Finally, is on receivership regulations. The challenge we are facing of New KCC workers was birthed out of the receivership that KCC underwent through KCB because it is KCB that sold the assets of KCC to New KCC. When they were selling the assets, all the other issues of financial obligations that KCC had carried were not transferred to New KCC. They only transferred debts of farmers and debts owed to the bank and all other suppliers but the contributions by the employees is something that got lost along the transfer.

I know I will run at a risk from the people on my right. In my opinion, that is not a lot of money. I know most of my colleagues have spoken about it. An amount of Kshs109 million that is terminal dues owed to employees is not a lot of money.

Look at how our Government is spending money. Looking at how the Government dishes and gives money, forget about the money in the mainstream budget. Look at the activities at the State House and the kind of money that is spent there every day. If you look at the activities that are happening in State House every day and the kind of money that is spent there and how the budgets of State House and the office of the President is growing, Kshs109 million is very little money. This is the amount of money the President can give in a day. If he can give Kshs50 million to a church in a day, how much would it cost him to give this money to people who have served this country so diligently and have waited for 22 years after serving this nation?

We cannot just be supporting mediocrity and when critical expenditures come, we have to take people through the employment and Labor Relations Court, to the Court of Appeal and are now here in the Senate. Looking at the recommendations, there is no clear, concrete resolution we have made that indicates they can get this money next week or next year.

Mr. Deputy Speaker, Sir, the kind of thing that has been recommended here, if you have read it, is that an inter-ministerial report will be presented to us until we get a concrete resolution in the next six months. That is what has been recommended here. So, it is another forum of waiting. They will have to keep waiting a little longer. I do not know how old those people are, but assuming they were sacked at 40 years, they are now 62 years. So, in the next 10 years, they will be 70. They will be almost exiting.

I support the report.

**The Deputy Speaker** (Sen. Kathuri): Hon. Senators, you know, I have listened keenly to Members contributing to this Motion. It appears like Members are not happy with the recommendations. This Motion is a property of the Senate. Instead of lamenting and being so unhelpful to yourself and to these KCC workers, you can make recommendations. The committee will agree to the recommendations as long as they sit well with the deliberations. Give further recommendations because that is why we are here. Do not lament, cry or weep, but give solutions to Kenyans. The chairman is here recording your recommendations. You can provide further recommendations acceptable to the House.

Next is Sen. Gicheru Eddie.

**Sen. Oketch Gicheru:** Mr. Deputy Speaker, Sir, thank you for this opportunity. It is very important that today the Muslim faith is starting their Ramadhan. Therefore, it makes it a holy month for the majority of our people in the country. It is also the month of Lent for the Catholic faithful. Therefore, you get that most of our people in the country are in a very religious and spiritual mood this month. This is a month when you would expect good things to happen to good people, but they also happen to bad people, because God is a God of everyone. I wish the Christians of the Catholic faith the very best this month. I also wish my brothers in the Islamic faith the very best, as they say, Ramadhan Kareem.

Mr. Deputy Speaker, Sir, in that spirit, it is extremely sad that employees of the former KCC that worked up to 1997, have not been paid their dues up to date. Between 1997, when KCC became defunct, and then we had this new KCC, many things have happened in this country. In 1997, we had a general election and had a different president at that time, God rest his soul in peace; he has since died. In 2002, we had another

president, His Excellency, Hon. Kibaki, who served this country. God rest his soul in peace; he has since died. In 2007, we had Kibaki and then President Uhuru Kenyatta, who has served and left. Now we have President Ruto.

In all those regimes, no one ever thought about addressing this issue. Between that time and now, the former KCC worked under a different constitution, a colonial constitution that did not care about the dignity of the people in our country yet, between now and that time, we have had a new Constitution. This new Constitution was built on the dignity of the people. Look at Article 159, on what we call judicial authority. I say this because when I read the report, three Government officials appeared before this committee. The first one to appear before this committee was the Attorney-General.

The Attorney-General was asked why for the last 29 years, these people have not gotten their terminal dues, benefits --- (Technical hitch). They have not gotten contributions made to the scheme by sheer sweat in their labor at that time up to date. What did the Attorney-General say? He referred to a court ruling that brought what we call judicial technicality. I am disappointed in the Cabinet Secretary of the Treasury and National Administration because I am from the Orange Democratic Movement (ODM) and we donated him to the Kenya Kwanza Government as an expert.

What is the response that this report shows us? That the Cabinet Secretary Mbadi had the audacity to say they cannot pay this money or even plan for it because of a legal technicality. Then the Cabinet Secretary for Cooperatives and MSMEs, again an expert from our side, appeared before this committee and dared to tell this committee that there is a judicial technicality. What does this new Constitution say about the judicial authority that we are given? If you read Article 159(2)(d), it says that justice shall be administered without undue regard to procedural technicalities. By the time these petitions were coming to us as a House, they had explored every possible avenue of judicial authority. They had explored a lower court that ruled in their favor and then the second court of appeal ruled against them. Therefore, they reached this House as their last resort. Then what do I see happening in this House? Senators lamenting that there is nothing they can do.

I respect the committees of this House, but for people who worked in 1997 in KCC and gave birth when KCC was dissolved, their children have children right now. The children of the people who worked in KCC in 1997 are approaching 30 years old. This means their children also got children. This also means for these people to educate their children, they have gone through a lot of problems, such as serious loans and other kinds of dubious work that they have had to do for meager earnings for the last 30 years. Surely, this House must be the House of recourse to them.

The money in question is Kshs205 million, if you round it off. There is the Kshs100 millions, a few coins on terminal dues, but these people were contributing to the SACCO. I have dealt with a number of issues in CPISFC, where people contribute to SACCOS and are also deducted their statutory deductions that are never remitted to the respective institutions.

While the petition No.1299 of 2013 was a civil petition, I agree with what Justice Wasilwa pronounced in this labour court, saying that these people must be paid on the Petition that was put together by John Mbadi.

*[The Deputy Speaker Sen. Kathuri left the Chair]*

*[The Temporary Speaker (Sen. Abdul Haji) in the Chair]*

It is a whooping five years between 2013 and 2018 since the Civil Appeal 191 in the Court of Appeal squashed the ruling of Justice Wasilwa yet the New KCC has not acted on the recommendation of the courts. What is that in law? It is criminal; it is court contempt.

I was first expecting the committee to interrogate what happened in those years. Why did the New KCC not act on the court's decision by Justice Wasilwa? What were they hiding? The administrators of this institution at that time must appear before this House and explain why, for five years, they did not act on a court ruling that was clear about paying the people owed.

Mr. Temporary Speaker, Sir, secondly, if I am a member of a Sacco) and contribute money to it. I know I am entitled to a number of things. I am a member of the Parliamentarians Sacco Ltd (Pacoso); I contribute religiously to it and I know, that I might not withdraw all my monies. However, if this Sacco should come and tell me that they are closing down because there is no money, then the administrators in the Sacco must tell me where that money has gone to. If it has been stolen, then I must be told. That again in, my view, is a criminal offence and must be treated as such.

This House must invite those people on a criminal matter. They took the money of these employees in Maziwa Sacco because there were contributions.

Thirdly---

**The Temporary Speaker** (Sen. Abdul Haji): Sen. Eddy, do you wish to be informed by the Senator for Kitui?

**Sen. Oketch Gicheru:** The Senator for Kitui County can always inform me because he is my leader in the House and I still respect him for that. The only thing I am not so sure of is whether he was working for New KCC. He should inform us whether he was around at that time.

*(Laughter)*

**Sen. Wambua:** Mr. Temporary Speaker, Sir, I am not sure whether the Senator for Migori County wants to be informed by a former employee of New KCC or his leader; I am informing him as a colleague.

Even if the money that the employees contributed to the Sacco was stolen, that money should have been insured. There is no question of any loss or any deductions by any employee. There can never be an escape route for the people that collected this money. No escape route at all, at all.

I thank you.

**Sen. Oketch Gicheru:** Mr. Temporary Speaker, Sir, this is why I am telling you that I like it when my leaders inform me because their wisdom surpasses some of us who just came to this House recently. He is a ranking Member who is going to be a governor in Kitui County and so, that information is in order. There should have been all possible

measures put in place to ensure that those contributions are safe. I think that is the point that my senior is sharing.

I think that information is in order because if you read the labour relations in Article 41 of the Constitution of Kenya 2010, it says that every person has the right to fair labour practises. Among those, it says that every worker has the right to fair remuneration and a right to reasonable working conditions. If you go all the way down to four, it says that they have a right to join any trade organisations. Any employer has the right to also engage them in a collective bargaining agreement, as well as determine its own administration, programmes and activities, and to organise, form and join any federation.

The employers at that time had all the powers to ensure that those contributions were protected through an insurance scheme. That said, there is even a bigger question of if since 1997 to today that money has not been given to these people, then we are assuming that they are still sitting somewhere. Even though they are not insured, then it goes without saying that they are accruing interest. Even if it is in the best interest of the company or the employees, these monies must be availed.

Mr. Temporary Speaker, Sir, I respect court orders despite the fact that sometimes, the courts rule depending on the filing done. However, there is a very silent issue here. For instance, the Court of Appeal took Petition No. 199 of 2018, as a civil matter and yet, I see a lot of criminality here. I wish the committee handles it as such and makes criminal recommendations.

I know there is one recommendation done by the committee that perhaps, the DCI or EACC should take up the matter and investigate further. However, as you go and investigate this further, the affected people are still suffering.

If for 30 years they have not got a recourse even in court, how do we, as a House, wash our hands and say to let the DCI or EACC further interrogate this matter? We have all the instruments of law to bring this issue to conclusion and compel those responsible to actually pay these people. If you look at Section 35(1)(C) the Employment Act, on termination of contracts, it, first of all, talks about notices that must be given within 28 days. When those notices are given to people, that section says that they must get their immediate wages and benefits that are due to them at the time of termination.

Mr. Temporary Speaker, Sir, where am I going with this? The claim of the courts is that there was a new organisation called the New KCC that came in and took over the former KCC. What happens in corporate practise is that when an organisation of corporate nature takes over, merges or acquires another organisation, it goes without saying that the ruling element of transaction is the balance sheet of that company. What is in the balance sheet? It is liabilities and assets of that company.

You cannot say that you have bought a company, you are restructuring it and you are only taking the assets which you are going to benefit on while the liabilities do not concern me. If this termination happened legally, which it did in 1997 and that Institution did not have money as it was ruled in the Court of Appeal that it was under receivership, then it was under receivership because this appeared as a liability in its balance sheet.

If you took over the liabilities and assets of that company and you are existing now, what argument do you have of not being able to pay these people? You must pay

them because, it is part of the liabilities in your books. Even as you continue to build your cash flow and your business now, they must be paid.

Mr. Temporary Speaker, Sir, I request that this committee further finishes on this particular recommendation; that, those people running the institution now must appear before this House. We are not going to throw away the baby with the bathwater and say that this thing should go to another institution for further investigation while the former employees of KCC keep on suffering. Let them appear before this House and those people who have issues of criminal nature; those who ate the money of Maziwa SACCO should appear before this House and be annulled.

Let us do a proper recommendation to the Office of the Director of Public Prosecutions (DPP) to rein in on some people who actually took the money of these people. While I support this Report of the Committee of Labour and Social Welfare, I request the Chair to make it concrete to the extent that justice can be served by this House, because, it seems that those employees cannot get recourse in courts. They have gone to two courts where one agrees with them while the other one recommends that the Ministry takes action and yet, the Ministry is lying on a technicality of law.

By the way, I remind you, Chair, that we as a House, in such matters in accordance with Article 125 of the Constitution, also sit as a court so you can make a judicial decision. However quasi it might look like, it is a judicial decision.

So, let us bank on Article 159, remove technicalities in the pursuit of justice because these people came to this House to get justice. We must be able to serve them justice. Let us avoid technicalities. Let us invite these people in a Committee of the whole and deal with it. Where criminal matter appears to be, we say it as such and ask the DPP to take action.

Mr. Temporary Speaker, Sir, I thank you. I support this and I hope that we will make this report more concrete. Let those people get justice that they deserve for such a long time.

**Sen. Cherarkey:** Mr. Temporary Speaker, Sir, from the onset, as I support the Motion, allow me, with tremendous respect, to wish our brothers of Muslim faith all the best as they begin Ramadhan. This is a holy season. Coincidentally, today is Ash Wednesday for the Catholic faithful and the beginning of lent season. As a country, we are honoured to have a wonderful cohesive population living together as one nation; one people with different religious background. That interfaith cohesiveness is what makes Kenya unique and strong. I hope as we reflect on this season and many other things, we shall remain one.

We are normally told that almost 100 percent of Kenyans are religious. They are either Christian, Muslim or Hindu but there are many things that still face this country including corruption. This should be a session of reflection that will ensure all of us live according to our dictates of the religion. So, Ramadhan Kareem to all our Muslim brothers and sisters and also wonderful lent season to the Catholic faithful.

I have read the committee report. I thank the Chairperson of the Committee on Labour and Social Welfare, the distinguished Senator for West Pokot County on the issue of this payment to both Kenya Cooperative Creameries (KCC) and New KCC Limited. When this matter was filed between the Labour Court and the Court of Appeal, there was interlude of five years. We would have expected that the New KCC management and

even the receivership should have been subjected to proceedings of the court because they clearly violated the court order that demanded that employees should and must be paid their terminal dues by the SACCO.

It is unfortunate that the violation of Article 41 of the Constitution of Kenya 2010 on the labour rights has been meted on these Kenyans. At some point during the hearing, I had an opportunity to attend some of the hearings by the Committee on Labour and Social Welfare, you could see that these are old men and women who have served this country with distinction. They were all tired and sickly. They were just looking for their justice. They say, injustice anywhere is injustice everywhere.

This is a travesty of justice. From the year 2004 to now is a long time. In 2004, I was in Form Two at the Kapsabet Boys High School. This school has produced two Presidents; President Moi and the distinguished Fifth President, Dr. William Ruto and maybe the Seventh because that is our tradition as a school. We are always at the top.

Therefore, from 2004, is a long time. Somebody who was born then has cleared an undergraduate degree. It is very unfortunate that we are discussing this. We should give directions. Recommendations have been made. There is Kshs400 million that the EACC should investigate the people who are concerned. The people who manage these accounts must be investigated. I challenge the EACC. It is an independent body under Chapter 15 on Independent Commissions but its performance is below par. I am surprised.

We should have recommended that the DCI investigate these individuals and prosecute them through the office of the Director of Public Prosecutions (DPP). The biggest problems we face in this country is because of EACC's inaction. We are protectors of devolution under Article 96 but the biggest threat to devolution today is corruption yet EACC is doing absolutely nothing. I do not know whether they are in cahoots with the offenders.

We remember that one of the biggest campaign strategies of President Kibaki in 2002 was zero tolerance on corruption. In fact, Parliament then, after the 2002 General Election, enacted the Anti-Corruption and Economic Crimes Act of 2003. However, today, the biggest threat to development, functionality of devolution and even success of this case is inaction of EACC. Coincidentally, EACC has normally been led by religious leaders. So, I do not understand this because the Kshs400 million should be in the recovery proceedings.

In the fight against corruption such as this, we need, one, these people be arrested and the office of the DPP begins recovery proceedings. The only way to finish corruption in this country is to jail people, do recovery proceedings and ensure interest is paid on the money that is stolen. If this Kshs400 million was stolen 25 years ago, these people should pay close to Kshs1 billion to Kenyans. This will ensure that corruption is punished and banished in this Republic.

Therefore, I challenge the EACC to do their job. If they need more resources, Parliament can always allocate and appropriate enough resources to them. In future, the EACC and DCI should work together because sometimes white-collar crimes are not easy to fight in this country. This is because of money laundering. It is becoming a problem in the fight against corruption.

On the issue of workers, the issue of statutory deductions and terminal dues, the Employment and Labour Relations Act is very clear that terminal dues must be paid. This is long overdue. There is also the matter of statutory deductions and contributions to Maziwa SACCO. There is a problem with SACCOs in this country. Most of SACCOs collapse with the people's money. That is why we passed the SACCO Societies Act.

The SACCO Societies Regulatory Authority (SASRA) must be called to order. It is their duty to ensure the SACCOs are properly regulated. The fact that Maziwa SACCO took money that belong to the people is a very unfortunate. They should have paid because the provident fund was Kshs204, 471, 555.20 plus interest.

We have a problem with SACCOs in this country. We need SASRA to be on the lookout to ensure SACCOs that do not comply with the regulations that are provided by the law should and must be provided for. It brings me to the point of statutory deductions. Many counties, and by the way this is how people are stealing money - because we were asking the Controller of Budget - I know that the distinguished Senator of Narok knows this. When you request money from the CoB, you do not request in net, you request in gross.

Counties do statutory deductions and they do not remit to the relevant statutory bodies including Kenya Revenue Authority (KRA), Social Health Authority (SHA) and National Social Security Fund (NSSF). I am happy the President has done something about NSSF. For the first time, the pension has grown by more thousand plus growth unlike for the last 60 years.

Mr. Temporary Speaker, Sir, on this issue of statutory deductions, I request the EACC and DCI, or people who deal with Economic Crimes Act to deal with the offence. For counties to deduct the money and fail to remit, is an offence and corruption. How do they take the employees' money and do not remit? It means it has been stolen. That Kshs204 million plus was stolen and should be recovered with the interest to the employees.

Maziwa Sacco and all the directors, because there was what we call culpability, dereliction of duty by the directors of Maziwa Sacco, must be brought to order. I appeal to SASRA to be on the lookout and ensure that their regulatory authority is in place.

Curiously in the morning, I was following the Senator of Makueni, and he made a very strange statement that I have never heard in my life. He said it is better to pay these employees than to give Nyota fund to young people and to give Inua Jamii funds to our old men and women in the villages. That is the worst statement I have ever heard from a leader, with all tremendous respect. Does it mean our old men and women do not have right to get Inua Jamii?

Mr. Temporary Speaker, Sir, I am happy I saw you supporting the President when he came to Garissa and you spoke passionately on how Nyota can improve the lives of young people in Garissa County. I thank the President because Nyota program is now accessible to all Kenyans.

The President has gone across the country. For the first time, the northern Kenya, which has been ignored since Independence, is now getting opportunities similar to all Kenyans, including roads, including Nyota programme. The President was in Wajir, Mandera and in your county, Garissa. We must applaud the President.

I heard somebody ask why the President was going to give Nyota funds. That is the work of the President. You wanted the President to babysit or to drink *chai and mandazi* in State House. The President we have wants to go. One of the roles of a leader is to go and see their people and ensure they get what they need. That is what the President is doing.

These formations we have in the country, such as the disunited or united opposition, I think they do not have an agenda. I think they do not have a plan, because we need young people to be busy. I have always insisted, there are different categories of young people. There are young people who did not go to school, but they are looking for opportunities. There are young people who went to school but they want jobs. There are people who want to still go to school.

Mr. Temporary Speaker, Sir, I do not know about your old *wazee* and women in northern Kenya, but I know in my culture--- The Senator for Makueni said that Inua Jamii which benefits old men and women should not be given out. In my culture, if you say that, the old men can curse you. So, I want to request the Senator of Makueni to still come back and apologize to the old women and the youth. If he does not apologize, the old women and youth of Makueni should punish him in 2027 general election. In fact, it is dangerous, because old men can just *tema mate* and you are cursed. So, he needs to be careful. Let us complement as leaders.

I know colleagues are aware of the crisis we saw in Harambee Sacco. SASRA must come out clearly. It is very unfortunate there is another parastatal called Kenya Posts and Telecommunication, POSTA. There has been delay of salaries to the POSTA employees. The management and the Cabinet Secretary for Information Communication Technology (ICT), I do not know--- is it the former governor of Kiambu, must ensure the POSTA employees are paid their dues. It is unfair. Kenyans have school fees, medical bills and personal rent to pay, yet they are not being paid.

There is a law that we passed, the Privatisation Act No. 18 of 2025. The argument has been that there is too much expenses in parastatal and Semi-Autonomous Government Agencies (SAGAS). I heard my colleagues complaining that the Government is privatising. The reason privatisation is being done is to allow some of these parastatals to function, including payment of the employees.

One of the aspects that the Privatisation Act has put into place is to ensure the process of privatization is met per the law. The KCB was the receiver between KCC and New KCC Limited and must be called out. I know KCB is one of the established banks in this country. They must tell us what their role is.

Mr. Temporary Speaker Sir, I am happy you had said we should sit and agree on what the role KCB played in this process of the KCC, New KCC Limited and their process in winding up and ensuring that the receivership was done at that point in time.

I am aware the Government is trying to offload Safaricom shares and doing public participation. Safaricom shares offloading will assist in fundraising for infrastructure support, among other things. You are aware we are doing a road from Wajir through your county to Nairobi. We need enough resources. We cannot depend on World Bank only. So, the sale of Safaricom shares should be supported.

I have seen individuals who want to correct Government, but they do not have an alternative. As we talked, the public debt is approaching way above Kshs11 trillion. In

the Budget Policy Statement, the internal public debt is close to Kshs1 trillion in terms of the interest of domestic borrowing. We must sit as a country and say the sale of Safaricom shares is within the law. We need to raise at least, I am told, it is more than close to Kshs250 billion. That will ensure Mau-summit-Rironi Road is dualled.

I do not have a problem with the people who come from Mount Kenya. I traveled the other day to Murang'a. They only use 30 minutes to be in Kenol because there are roads. For us who come from Western Kenya, and I can see a number of us, we take even two days and sleep on the road to reach our homes because of the pathetic traffic gridlock along Rironi Mau Summit. Therefore, the sale of Safaricom shares should be, and the Government should proceed.

I am happy that public participation has been conducted by the National Assembly. Kenyans should buy the Kenya Pipeline Corporation (KPC) shares through initial public offer. They should own some of these parastatals to ensure these parastatals keep making profit and ensuring that we proceed.

As I conclude, because SACCOs are devolved, counties should play a role and ensure--- Even as Ramadhan begins, our county Government should work very hard. I know Mandera has a problem with generators. We were with you and I heard the President--- Please, the issue of generators should be fixed, leave alone seedlings, we will come to that. Since Ramadhan is beginning, I wish the people of Mandera could get electricity. I am happy that the President noted that the generator---

With curiosity, I was looking at the Auditor-General's report, the neighboring governor, Governor Ahmed Abdullahi, the CoG Chair, used Kshs9 million to repair a generator instead of buying a new one. That is what shocks me. It is in the Auditor-General's report and Nancy Gathungu the Director, has flagged this in Financial Year 2024-2025. We must ensure that these issues are handled once and for all.

My heart also goes to the great people of Sangailu-Kediloni in Ijara Constituency in your county, where they are drinking water that is looking greenish, because the County Government of Garissa has failed to provide clean drinking water.

I heard the Senator of Mombasa talking about seedlings. That is why I was asking the Governor of Mandera why he could buy seedlings in Mandera instead of supplying water to the people because of drought. That is what is happening in Sangailu in Ijara constituency in Garissa. Water should be available.

*(Technical hitch)*

Access to clean and affordable water should be a preserve of every Kenyan. Therefore, even when it is raining, we should ensure that we focus on provision of water, across the country. I am happy the rains are here. We should ensure Kenyans' wellbeing, especially in the coming season. I am saying this because there is drought in the country. Even as we discuss employees' rights, we should ensure that we remain focused. I have heard that there is a diarrhea alert somewhere in Uasin Gishu County, yet we spend a lot of money to access water.

With those many remarks, allow me to support this Motion.

**The Temporary Speaker** (Sen. Abdul Haji): Sen. Olekina, please proceed.

**Sen. Olekina:** Thank you, Mr. Temporary Speaker, Sir. I will try to be as brief as possible as I critique this report.

I have listened to my colleagues' submissions with regards to the direction that the committee took while they were dealing with this petition. Petitions are a right for every Kenyan. However, the question that we never ask is: What happens after the petitioners come to petition Parliament for a matter to be heard? Parliament spends money, invites different bodies, who come here, we go through them and then ultimately the findings of the Petition are handed to the petitioner to pursue. Does that really help?

Mr. Temporary Speaker, Sir, I have listened to my colleagues make their submissions and what I deduce from reading the report and also from my colleagues' sentiments is that there is an over-reliance on the morality, humanitarian aspect of this Petition, forgetting the legal fundamentals of this Petition.

Mr. Temporary Speaker, Sir, we are in a country where one entity is done away with and a new entity is brought into place. KCC was restructured, or it collapsed, depending on how you want to put it, and then New KCC came in. There is a legal process that ought to be followed to ensure that when a new entity is coming in place, the liabilities of the previous entity are observed by the new entity.

Mr. Temporary Speaker, Sir, from the onset, I would like to recommend that this House does not adopt this report. It should recommit it back to the Senate Standing Committee on Labour and Social Welfare for them to analyse the consequences, intended and unintended, of adoption of this report.

Currently, we have staff who used to work with the National Hospital Insurance Fund (NHIF), and now they have moved to SHA. Soon, you will hear people coming up and saying that their terminal dues or SACCO deductions were not remitted or transferred to the new entity. The courts have already pronounced themselves.

Mr. Temporary Speaker, Sir, I want to speak directly to the Petitioner, and tell him, you did a very good job. You did a noble thing, because most of the contributors of those SACCOs are aging. I can empathize on the situation, but the reality is this - I want to be practical on what is going to help you and what is not going to help you.

I have been in this Senate for quite some time and I have gone through Petitions that have been brought to this House. One of them, which was very emotional, is the one of former councilors, where, the National Treasury came here and said, they do not have a legal framework to compensate them. This one will fall in the same category.

That is why it is important that this report be recalled, not adopted, so that you can strike a balance between the legal challenges and the humanitarian morality. You have to strike a balance between the two. My view is, the staff benefits, provident funds and related dues, which are coming up to approximately Kshs204 million, without even calculating the issue of interest, the first thing to do is to go back to the law and say, what did the Court of Appeal say in terms of the legality? There are statutes that dictate on how entities are transferred from being one to another. I drafted them down here. Let me refer back to my notes.

In fact, when you look back at the Court of Appeal 2020 ruling on Civil Appeal number 191 of 2018, which, in its wisdom, the judge absolved new KCC of all KCC liabilities under section 3(i), (ii), and(viii) of the Transfer of Business Act, Cap 99. The

first question that we must ask ourselves is: Are we the ones in this Parliament who hinder people from getting what is rightfully theirs?

Mr. Temporary Speaker Sir, the first thing that Mr. Chairman would have done is to look at that piece of legislation, the Transfer of Business Act, Cap 99, especially section 3(i), and (ii), and himself, why it was drafted there, and what will help these aging former KCC employees who are now languishing in poverty, because what was deducted from them was never remitted to the SACCOs? How can you look at that? Do we need to amend it? Do you need to sue the Attorney-General (AG) directly? If you rely on the AG's recommendation, I dare say you will not be able to get anywhere, because of course the AG will absolve the Government. The Cabinet Secretary of the National Treasury will come and tell you, unless you, Parliament, come up with a Supplementary Budget and allocate those funds specifically to compensate these former KCC employees through a humanitarian angle, there is no way we can help.

However, is that not setting a very dangerous precedent to future entities that are transferred from one entity to a new one? Have you taken into consideration the NHIF moving into SHA? Suppose the same case comes up tomorrow, will you go back and say there is already a set precedent, so, Parliament, go back? What about the fiduciary responsibility?

So, Mr. Temporary Speaker, Sir, the Petitioner's case, which no doubt is rooted in verifiable salary deductions and constitutional fair labour practices, under Article 41, deserves swift humanitarian relief. However, we have to look at the legal aspect of it. My view is clear. We have what I have already highlighted in terms of the Transfer of Business Act. You need to look into that. That is why I keep on saying this report should not be adopted by this Parliament. It should go back to your committee.

Secondly, have you been able to verify these claims? Are your findings truly evidence-based? Have you carried out an audit of these claims, and are certain without any doubt that it is true, funds and terminal dues of these former KCC employees, however many they are, were deducted? Is it evidence-based? We also need to look at the Public Finance Management (PFM) Act, Section 43 on this Petition, in terms of if we were to compensate these people, or if we were to commit public funds in terms of compensating these people, how will it be treated by that Act? Will it be legal or illegal?

Mr. Temporary Speaker, Sir, I believe the petitioner has a right to sue the Attorney-General directly. When you hand over the report of the Standing Committee on Labour and Social Welfare, if the petitioner takes it to court and says this is what the Senate found, it will not be based on humanitarian grounds. Yes, I care about you, I worry about your elderly situation, but is that going to put food on your plate? Do you have evidence or legal backing to claim that?

While at it, it is important for us to be clear on how parastatals are being wound up or how they treat their employees. Every single day and I am sure my colleagues have read in the papers that the courts have always found more rights. In fact, employees are protected more than employers. What does that right translate to? Does it translate to them being happy?

Today, if you attend the County Public Investment and Special Funds Committee (CPISFC) or the County Public Accounts Committee (CPAC), most of the findings by the auditors show that our own county governments are deducting statutory deductions

but not remitting them. Is it about time we have a process that ensures deductions or retirement benefits being deducted are ring-fenced. It can be done in a way that the moment you retire, it is only you who will have the key to open that box and get that money, without relying on someone else?

Four months ago, I was even fighting for my own sister in the National Treasury, who retired as a teacher. It took four years for her to get her dues. In fact, most of the money she ended up receiving was used to pay loans she had borrowed to come to Nairobi while following up her dues. She was told to follow up with the National Treasury, then later informed that she has to follow up with the Ministry of Education, then later sent to her local office. Why do we make things so difficult for people? This red tape is what is killing this country. We all talk about advancing to be a modern society. However, when our own welfare is neglected, how are we going to advance to be that first-class community?

People work daily. Civil servants go to work. They work 40 hours a week, sometimes even 80 hours a week. In fact, civil servants are never acknowledged in this country. When politicians are going through their election cycles, they are still working. Our secretariat, whether we are re-elected or not, re-appointed or not, will still be here, but seldom do we recognise them.

Now, when they retire, they come to us asking for help in getting their dues. In fact, there is an older man who calls me daily. He always tells me: "Please, talk to Mr. Kiilu in Lapset? Tell him I need my money. I have done my calculation. I need my money." I went to meet him and found that the old man is around 80 years old. I took him to Lapset to meet Mr. Kiilu and they talked. He was paid some little money and came back with a new calculation. We need a solution to this. When I see him calling me, I get embarrassed because I do not know whether the money we agreed on has been paid or not.

Mr. Temporary Speaker, Sir, in conclusion, we must strike a balance in this House. We must anchor equity to the law. We may need to amend certain pieces of legislation. Every petition gives us an opportunity to see what has gone wrong and how we can stop it for the next generation.

In my view, although I commend the committee led by the Senator for West Pokot, I still believe this House should not adopt this report. This report ought to be recommitted back to the committee to sit down and re-look their recommendations.

One of the recommendations I read, which left me wondering what it will yield, is where you talk about verifying the dues and making sure that the people are given what is rightfully owed to them because of their age. I agree 100 per cent, but is it practical? Are there laws that hinder us? Have we ignored the findings of the courts?

The first question to ask is, when the assets were being transferred from the old KCC to the New KCC, were the liabilities also transferred? If they were not, then you cannot demand that the New KCC pays them. You have to look at the assets. Were the assets transferred? Were the liabilities transferred? Was everything transferred? The answer to that is very simple. If you look at the findings of the Court of Appeal, you will understand there was a lot of negligence. So, who do you sue? In my humble submission, the Attorney-General directly, so that this matter can be resolved once and for all.

This is different from the issue of the councillors since that was on a moral and humanitarian angle. This has to be more on the fundamentals of the legal process that ought to have been followed to ensure that the hard-working Kenyans, who contributed many years to the success of KCC are treated like human beings.

I thank you.

**The Temporary Speaker** (Sen. Abdul Haji): Thank you.

Proceed, Sen. Danson Mungatana.

**Sen. Mungatana, MGH:** Thank you, Mr. Temporary Speaker, Sir, for giving me the opportunity to comment on the Report by the Standing Committee on Labour and Social Welfare. May I start by commending the Chair of this committee, Hon. Murgor, for the good work they have done on this question that was referred to the committee for a solution.

I do not want to repeat what my colleagues have said except to concretise the fact that the KCC workers were not paid their dues. Their contributions were not paid to them. They sued the company and they were awarded their rights. Then, on appeal, they were told that the New KCC cannot bear that responsibility. On legality, I agree with the Court of Appeal judgment that made the final call. They are standing on proper legal principles that you cannot sue what is not liable.

When the Cabinet Secretaries came before the Senate committee, they confirmed these facts. They said that due to technicalities, they were not able to pay what was due to those workers.

Mr. Temporary Speaker, Sir, what the committee ought to have done, and this is where I will focus on--- The committee has power to note all these facts and still make a recommendation that *ex-gratia* payments can be made. *Ex-gratia* is also a legal principle. Insurance companies can make payments on the basis of *ex-gratia*. This is a legal wording from Latin, which means on-the-grace. That means by goodwill, which is morally right and it is justice to do that.

They did not need to accept the recommendations of the Cabinet Secretary for the National Treasury and Economic Planning by saying that the law has said this, the courts have said this, and leave it there. They ought to have gone one-step further and recommend that despite all this, these workers ought to be paid on *ex-gratia* basis.

Mr. Temporary Speaker, Sir, insurance companies make these kinds of payments. Labour courts can make orders for these payments. Even companies can make payments on the basis that we are not accepting legal liability, but on the basis of justice and humanitarian consideration, we will make this payment. We are talking about little money.

The Treasury could have been asked through a recommendation of the committee to make this *ex-gratia* payment. When the old men who worked for KCC came before this committee, they were aware that the Court of Appeal had made a ruling against them, but they came because they believed that this Senate would help them recover their rightful dues.

*[The Temporary Speaker (Sen. Abdul Haji) left the Chair]*

*[The Temporary Speaker (Sen. Mumma) in the Chair]*

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While I congratulate the committee on the facts, laying out, meeting all the people and departments of the Government, I find it difficult to accept that they have thrown their hands in the air and said that there is nothing they can do. The committee ought to find a way to amend the report and allow the payment of these workers on the basis that *ex-gratia* payments can be effected and that the Government needs to make these payments.

Madam Temporary Speaker, Sir, I would have ended there, but I would like to say one more thing before I take my seat. Government agencies, starting with the Attorney-General, budget for their expenditures and salaries in their line budget, but they do not put money to fund contingent legal liabilities. This goes to even the parastatals.

This must change to be fair to people in this Republic. People have litigations against the Attorney-General. Those of us who have practised law know that we have litigation against the Attorney-General and the Government. However, when you secure your victory, it is called a paper victory because, yes, you will get your judgment, but you cannot execute that judgment. We ought to change this.

This approach to budgeting needs to change. We need to say it on the Floor of this House. Parastatals need to budget for legal contingent liabilities that may occur in case the parastatal is sued. They need to put money aside, so that they can satisfy judgments that come against their acts. Same for the Attorney-General. I know if KCC had put aside some money, I am sure that at the time that judgment was obtained during that lapse period - between the time that the appeal was filed and executed – they would have paid if they had this legal contingent fund that is supposed to satisfy liabilities that can arise.

Madam Temporary Speaker, Sir, without wanting to repeat what my colleagues have said, I want to support this report, but I wish the Chair could find a way to tweak the report, so that there is a clear binding recommendation that says; despite all this, this report recommends that the workers be paid on *ex-gratia* basis.

One of the things that have come out here is that the workers were being deducted and payments were being made to Government bodies, but these payments were not reaching those bodies. As Senators, we need to be very alert and worried about this because it is a trend.

In my county, under the current Governor, they deduct workers viciously from their pay slips, but they do not remit these deductions to the Government bodies. Therefore, the workers are denied. This is unjust. It is wrong, but the governors are doing it. I know the Governor of Tana River is doing it. That is shameful what they do to our workers in the counties.

Madam Temporary Speaker, Sir, some of these governors employ people to carry their chairs to functions. There are people doing personal service like drivers. However, we are not remitting those deductions and yet we laugh with them. You spend all your days with them. It is a shame!

I always ask myself how in some counties we end up with characters like this who occupy executive positions. We are always expected to have elected people in executive positions. I have always wondered on what we can do to tweak it, so that it is not just a political position. People just play politics here and there and then they are elected and are totally incompetent. They cannot account for monies that come to them. They oppress

their workers and threaten them, and then they hold seminars and threaten them; if you do not do this, you are going to see this. Those are the usual statements done after Christmas on the first week after January. Then after that, they disappear because they have to take trips to earn *per diem*. Shame on these governors!

That is what they do to our workers. I am using the Floor of this House to ask Tana River County Government and other governors to please remit what they deduct from the workers. It is wrong.

This makes devolution appear so bad because you are devolving some of the bad habits that are in the national Government, and some of the bad habits that are even in parastatals like KCC, which went down with Kshs205 million of poor people who were working for them, who made them profits, who made KCC the giant that it was before it collapsed.

With those three points, I beg to support this report and ask that the hon. Chairperson, Sen. Murgor and his team, find a way of making a compelling recommendation that they can hold on to, not what all the members who have spoken before me have said. The recommendations are not sticking to something that these workers can say we went to the Senate and came out with something.

I thank you, Mr. Speaker, Sir, for giving me the opportunity.

**The Temporary Speaker** (Sen. Mumma): It is Madam Speaker, but it is fine.

Sen. Richard Onyonka, you may proceed.

**Sen. Onyonka:** Madam Temporary Speaker, I am actually happy to be on this Floor to contribute to this important matter. The reason is that I think amongst the very many issues that are brought forth, either publicly or in the media or even in this House, is actually about this matter of payments, which, even currently, are supposed to be remitted to either employees, who worked for our Government, Government parastatals or private companies in our Republic.

Somehow, the trend that you look and observe is that there seems to be consistency in whether this money which was meant to be deductions, retirement benefits for our people, was going to be given as gratuity for our people or was actually supposed to be paid through the county governments, so that the workers who have worked in these institutions can receive their legitimate dues.

I have also been looking at why we treat our people so casually. I have always wondered. I really want to thank my brother, Hon. Sen. Mungatana and Sen. Olekina, for their very passionate plea on this matter. We seem to casually treat these monies that are owed to employees, whether they are, as I have said earlier, working for the national Government or not.

I do not have evidence of whether there were any who have worked for this Parliament. I know Parliament has been behaving reasonably well recently, but previously, these were issues where we had some of our colleagues coming to this Parliament for more than six or seven years, chasing after their retirement benefits.

The point I want to make is that even if you look at this money that we are talking about, which is supposed to be the deductions for our people, you can extrapolate it, and my colleagues, look at the other compensatory issues that have been raised in this House.

Number one, the ex-bomb blast people. We allow these people to go to court. They go there and, of course, given the statute under which this bomb blast took place

here, was not going to be accommodative because at that time, we did not even have a platform on how we could argue and make these people compensated.

Some of them have done this through the KHRC, but our institutions, and I call these institutions; the National Assembly or Parliament, have been unable to come up with what my brother, Hon. Sen. Mungatana, is talking about. Can we agree that certain compensations cannot be done within the law? Why? Because some of these things have gone beyond their statutory limitations. Some of them should be based on human right basis, while some of them should just be based on common sense.

If somebody was the sole income earner who was selling items outside the bomb blast and the bomb blew up our people because somebody was trying to attack Kenya for being friendly to the United States of America, then 50 or 30 per cent of the individuals who were blown in that bomb are compensated, and those who lost, who have the post-bomb traumatic experiences and till today talk about how they are not able even to sleep, and it has been over 30 years, surely, we need to come up with a mechanism within the law on how we can compensate our people.

Two, it is true the deductions that most probably were being done for those employees who were at the old KCC and did not get to the statutory body that was supposed to have paid the employees were eaten by certain individuals. The truth is, these individuals were never followed. The truth is, the law was never used, so that either we could recover this money or even make sense of what to do with the people who are not receiving their money.

My colleagues have ably and wonderfully stated here and Sen. Mungatana, MGH has graciously raised the issue. Look at the way some of our governors behave. They are unable to pay gratuity to people who have worked for them and they have moved. They completely leave alone the political mismanagement of the workers in their county Governments because they believe that some of these individuals were not loyal enough to them. Some of these people who even left some county governments about five years ago, have never received their payments.

Why then, as a House, do we not come up with resolutions on how one, those individuals who have faced injustice, can get compensation through a Government mechanism that this House can sit and actually draft? Two, if there are county governments that have been unable to release funds, which most of them are not releasing those funds, I believe that we can actually pass a moratorium in this or a memorandum of actually asking the Controller of Budget to make sure that the payments, which are supposed to go to these employees, become the first charge.

Finally, I heard my colleague raise a question. How did we get such irresponsible people who are not able to look at Kenyans in terms of their capacity, in terms of their exposure, human rights, and legality, where we actually refuse to pay people their money after working for 25, 30, 40 years in an institution? Many of these institutions were actually bankrupt, and then an excuse was given.

It is the same thing, I think we saw Jomo Kenyatta Teaching and Referral Hospital having the same issue, where people who used to work under the auspices of the World Bank were not receiving payments, so that they could be released to do other things. There are many other institutions like that.

So, what we are saying is this. Yes, we can do all these reports like the one that has just come here, which is done extremely well, but our recommendations are always weak and it is because we have always thought in this House that we do not have enough teeth to come up and implement some of these recommendations.

Therefore, I am seeking and persuading my colleagues in this House to take whatever we find that is not functioning and begin to fix it, so that it can make Kenyans receive their rights and payments. If it is their *ex-gratia* payments, whether it is their family payments, whatever payments they make, we make sure that some of these things are done according to the statutory period, so that our people can begin to say that the Government, the corporate sector, and even the economy of Kenya is friendly to its workforce. Once you work and finish your years well and take care of the responsibility you had, then naturally, you should receive your compensation as your retirement benefit and your historical benefit.

Therefore, I think, as my colleagues have said, let us begin to interrogate issues that we are failing to implement through our committees. Once the recommendations are made in this House, it seems like nothing is actually followed up on. Even when we get some of the audit reports that have recently come up, where you find individuals being informed that, as far as Kenya is concerned, our country is okay, it does not have any challenges.

Some of these issues are the ones that make Kenyans angry. Unfortunately, they might even blame the current Government, yet the issue did not start with this regime. It is an issue that has perennially affected the Government of the day. We do not treat our people with dignity, we do not treat Kenyans as Kenyans, and we do not handle Kenyans the way we should.

Madam Temporary Speaker, I would like to raise an issue which I witnessed. The Member of Parliament (MP) for Kitutu Chache South Constituency, Hon. Anthony Kibagendi, is being vilified. In fact, the House decided that he did not behave well by publicly mentioning that basically MPs, including we, in the Senate, are becoming useless.

That is the indictment that the public out there keeps raising about us. We need to capture the mood. We need to understand what Kenyans want. Can we not fix those issues that do not need politics? I do not see how it is politics for individuals to complain why they are not being paid their retirement benefits.

We can sit in this House and set up a subcommittee, which could be given permission or through the statutory powers of the Committee on Labour and Social Welfare and make recommendations, which are final and binding. We can seek consultation with the Supreme Court, the Court of Appeal and the High Court and make sure that any law that we pass is not contradictory.

We operate like everything is normal, yet our people do not get payments from statutory bodies that are supposed to pay them. We understand that some of that money was stolen, but the people responsible were not held accountable.

Madam Temporary Speaker, I agree with the report and appreciate the good work they have done. However, we need to look for a way. I remember there is a time when the Speaker made a ruling. He said that we should stop complaining that we do not have

the teeth. Can we begin to build the teeth in this House, which can make Kenya a country that is governed and respected by the way it treats its workforce?

With those few remarks, thank you, Madam Temporary Speaker. I support.

**The Temporary Speaker** (Sen. Mumma): Proceed, Sen. Wakili Sigei.

**Sen. Wakili Sigei:** Thank you, Madam Temporary Speaker, for giving me the opportunity to also weigh in on the report by the committee. From the onset, I would like to appreciate the effort that the committee made to give us what we are discussing today.

I have gone through the recommendations. We appreciate the work that the committee did in establishing the historical background, where former employees of KCC having won in their first attempt before the High Court, the case to claim for their dues, they lost in the Court of Appeal. The Court of Appeal overturned the decision that had given them their entitlement. It stated that they were entitled to certain payments and directed the Office of the Attorney-General to establish mechanisms within which those former employees were to be paid.

A petition was filed before this House on the strength of the constitutional provisions of Article 119 that mandates this House to do what is within its powers; that is to legislate, amend or repeal any statute or law.

In this case, part of what we, as a House, have as a mandate is to find a solution to support such vulnerable former employees, who felt that coming to this House was giving them a recourse to get their entitlement. The assumption that those petitioners made when they were filing the petition before this House is that they were going to be paid.

Having heard them, because from the report, you will notice that the committee did engage the petitioners, the Office of the Attorney-General and many other stakeholders---

The report in terms of its recommendations, in my view, ought to have done better than it did by recommending certain policy statements. The recommendation that the Inter-Ministerial Committee (IMC) that was set up by the Cabinet Secretary of the relevant Ministry to report within six months does not give petitioners what they expected when they were filing the petition before this House.

Assuming that that IMC recommends that they are not entitled, their coming to this House was the last resort, knowing they will get their entitlement. They will not get if the IMC says, for example, unfortunately, the finding of the Court of Appeal was that the new entity that took over from KCC is not liable to pay.

Secondly, the policy framework which they gave out as their second recommendation is futuristic. That is supposed to be the way to go. What remedy are we giving these petitioners, as a House or Parliament, where petitioners came to seek for support?

In support of what the rest of the Members have said, the committee ought to have gone out of its way to facilitate an *ex gratia* payment or support to these former employees whose contributions and deductions were either remitted or not. I have not been in a position to read the facts in the matter that was before the court. The bottom line is that they were entitled to as former employees for whatever benefits they contributed through the scheme and the former employer to be paid upon retirement or dissolution of the former employer.

I wish the committee was clear and straightforward on its recommendation. However, all is not lost because even as we adopt this report, the committee still has given itself a window within which to follow up the recommendations they have made both to the office of the Attorney-General as well as the Cabinet Secretary of the relevant Ministry.

I wish that in their follow-up processes, they undertake to highlight the fact that even as the IMC pursues the recommendations on their part in terms of how else can they pay, they should stand firm in ensuring that these over Kshs204 million, which is money that was established to have been deducted and remitted from the salaries of these former members of Maziwa SACCO, is not lost. Whether or not the matter went to court, these deductions were from the salaries of those employees and they must get it back because it is their entitlement.

Madam Temporary Speaker, this conversation relates largely to what we get from reports of the Office of the Auditor-General regarding our various county governments. Some county governments deduct money from salaries of their employees for purposes of NSSF, SHIF and established schemes. They are deducted money which is indicated on their pay slips, but remittances are not made.

When the Auditor-General flags out those issues, we have over Kshs104 billion outstanding remittances in almost all the 47 counties. The biggest question which the Auditor-General and Members of this House ask when they look at those statements is where that money goes and who will pay former employees if they are not remitted after deduction because a number of them have become pending bills. Having flagged them, the Auditor-General stated that these are red flags for mismanagement, corruption and unjust treatment of employees working for county governments because deductions are made, but money is not remitted.

Even as we support this particular recommendation by the committee, the same should be sounded on our county governments. When deductions have been made, they should be remitted. We will be dealing with a similar petition in the near future, in which former employees of county governments claim their salaries were deducted, but not remitted, and therefore, cannot benefit from them.

As we appreciate the work of the committee and also the recommendations they have made, we should, as a House, be looking at an implementable recommendation that will not discourage members of the public from filing petitions before this House. The recommendations should also highlight the specific Government agencies responsible to honour their commitment. In this case, we look forward to the committee's follow-up, with the Inter-Ministerial Committee being pressed to ensure that these deductions are ultimately remitted to the former employees, whether or not a court has exonerated the New KCC from liability to them.

Madam Speaker, I congratulate the hon. Chairman and his committee for the work they did. Save for those few comments, which I wish, in their pursuit, they would follow up, pin down to the Inter-Ministerial committee's work in its implementation.

Thank you.

**The Temporary Speaker (Sen. Mumma):** Sen. Veronica Maina.

**Sen. Veronica Maina:** Madam Speaker, thank you for the opportunity to rise and speak on this report that has been presented to this Senate by the committee. Let me

commend the committee for a job well done, having looked at the facts of the matter, held several meetings and ensured that they have come back to the House with solutions to the former employees of KCC.

Sadly, we are discussing this matter today in light of the fact that it appears. I am certain that there are former KCC employees who have cried, mourned over their lost terminal dues and this should not have happened. However, I am also happy to note that they have taken the right action.

They have petitioned Parliament, having realized that, under Article 119 of the Constitution, every person has a right to petition Parliament to consider any matter within its authority, including the enactment, amendment or repeal of legislation. So, they have exercised their constitutional right, and this is the way to go. Any citizen or group of people in Kenya who are aggrieved have a right to exercise Article 119 and present their petitions, their views or their lamentations to Parliament.

Parliament is also mandated under the Constitution to ensure that we provide solutions to the people. Further, under Section 5(2) of the petition to Parliament, a petition that is tabled in Parliament under this Act shall be considered in accordance with the standing order of the relevant House. So, this committee sat and has done a good job. They have brought here four recommendations before the Senate, having considered a matter that was heavily adjudicated in court.

Definitely, in spite of judgments being rendered and an opinion being given by the Court of Appeal, the former workers of KCC, are still in distress. Notably, the KCB handled the receivership of the old KCC, and the committee must have noted in one of the recommendations that the receivership regulations must now be tightened. Why? If a receiver is transferring the assets and the liabilities of a company to a new formation, that is, the New KCC, and the question we ask ourselves is whether the receiver does not have a duty to disclose to the new company that is taking up the ownership of the old entity? Do they not have a right to disclose the assets and the full set of liabilities that are due, and that would definitely naturally transfer to the new entity?

I find a very big gap there, and I would call upon the receivers, because they are also banks of repute like KCB, that when handling their mandate as receivers, it behoves upon them, because they are also public entities that are quoted in the stock exchange, to act in utmost good faith and protect and defend every right that is being claimed from the old entity or the entity under receivership. So, it calls us to focus a lot on the role of a receiver.

Madam Temporary Speaker, when we are focusing on the role of a receiver, we know very well that there is no entity that can succeed well without considering or just thinking deeply about how the workforce and the human resources are being treated. No company can succeed fully until it takes care of its workforce. When KCB handled the receivership of KCC, it should have recognized human resources as a critical asset within that entity. They should have taken them more seriously than they did. We need to tighten the regulations and rules in line with the committee's recommendation.

Madam Speaker, I note that the petitioners have not just come straight to Parliament. They did not just show up in the Senate; they went to court and petitioned under Petition No.1299 of 2013 and Justice Wasilwa granted an order that New KCC Limited was liable to pay the former employees. The New KCC appealed, and at the

appeal level, the former KCC employees lost. I am sure those employees are now asking themselves, where is justice in all this?

The question we must ask ourselves, in spite of the changes of the company from the old KCC to the new entity KCC, is whether the claim was due and who gets to pay this claim and what is the role of the receiver. The committee has made recommendations that the Cabinet Secretary for Cooperatives and Micro, Small and Medium Enterprises (MSME) Development first-track an *ex gratia* payment to these former KCC employees. I fully support this recommendation because they must not be held liable, or they must not be the losers in a transaction where assets and liabilities of a company were transferred to a new entity without full disclosure by the receiver.

I am sure that the Attorney-General's office was involved in this receivership. What was the role of the Attorney-General's office in giving advisory to the receiver? What did they do and how did they conduct their affairs? In that gap, who gets to pay the contributions deducted from these former employees, but not remitted to the provident fund? This is a very wrong corporate behaviour.

Indeed, all Government entities must be fully held to account. If they make any employee deductions, those deductions must be remitted. One of the things that needs to be done is compliance on a monthly basis, so that we do not have discussions like the one we are having now.

Any deduction made from employees, including private entities, must be remitted to the relevant authorities. Working for a Government corporation or entity is prestigious worldwide. They are always given the utmost respect because they represent the Government. So, imagine employees working in the public sector, serving the people, holding up for a company, and working and slogging for years, then their money is deducted, and an entity feels it is okay not to remit those deductions. Then, fails to remit for one, two months, up to a whole year.

Are they above the law? Should they not comply with the basic laws that have actually been set to support the Government of the day? I think it should be embarrassing for us to be discussing deductions that were effected from human capital and not remitted. They should be remitted.

I believe the committee was on its right tracks to recommend that there should be a time-bound settlement plan for the former KCC employees; I fully support that. Our committees must now become strong enough to oversight on such issues, so that when these recommendations are done, they are effected in a timely fashion.

There is another recommendation for ensuring that we have mandatory benefit ring-fencing during asset transfers; that should be automatic. Even before we do regulations that are more tightened for the receivers, it behooves on the receiver. A credible receiver like KCB must ensure that every interest in the matter and the receivership issues they are dealing with on the table are attended to, even for their credibility. How do you ignore a whole workforce that has a whole claim in the tune of Kshs204 million? It is not two pence, even though it may not appear too big for the entities that are transferring shares and changing hands in the management of the company, it is a big issue to the employees, and it means a lot to their welfare.

Madam Temporary Speaker, I believe, after these conversations and the debate that we are having today, there should be a solution for the former employees.

Recommendation number four is for the EACC and the DCI to investigate mismanagement and funds misappropriation by the former KCC directors, particularly, the Kshs400 million loan that caused the company's collapse within six months of tabling of this report. If such a recommendation is left unattended to, that will be gross misconduct both on the EACC and even the former management of the KCC directors.

Why? This amounted to the collapse of a whole company where many employees lost their livelihoods and now, their providence and terminal dues are at risk. The courts are rewarding and then giving a repeat on their words. They are busy in a circus somewhere, not knowing where their claim will ever land. Then, we have another group of people who have misappropriated Kshs400 million loan that caused the collapse of a whole company.

Madam Temporary Speaker, that means that those former KCC directors are economic saboteurs and they should be dealt with. This is a case that the former employees and even Kenyans, should be keen to see what happens to such people and to this recommendation.

I believe that when we call the EACC in the Senate Justice, Legal and Human Right Commission Committee, the Chairperson, who is in the House today, will take this report and make sure that they respond and give an account of their actions. I hope that the House will serve this report to the EACC, so that we see an end to this matter.

I should sound a warning to other public officers who are managing resources; that we cannot have mismanagement and misappropriation that sends many families into chaos with loss of jobs, resulting in a chain of events such as loss of their livelihoods and school fees for their children. It also triggers a ripple effect in the welfare of families in Kenya. I believe it should be dealt with.

I congratulate the committee for being strong in this matter. I pray and hope that by the time we touch this report again, the former KCC employees will be a community that can smile and say that, honestly, Parliament works because it is the foundational and institutional guardian and custodian of human rights. It is the final stop for accessing any elusive rights and helping citizens to access human rights through legislative action, budgetary allocation and even oversight action over the Executive.

It is in Parliament where you can find the interface of dealing with the Executive, the ministries and any legislative gaps that could have caused any breach of human rights. That is why it was the right action for these former employees to bring this matter to the Senate. We urge any Kenyan to know that Parliament exists to serve you and ensure that your human rights are enforced, upheld, respected and that you can enjoy the dignity that you deserve to enjoy as a citizen of the Republic of Kenya.

Do not go to the streets, and if you go, do not be armed or cause demonstrations that cause destruction of any lives or property. You can actually approach Parliament through a petition and you will find tangible action that causes the redress of the human rights that have been breached in your life.

Thank you, Madam Temporary Speaker. I wish former KCC employees all the best as they pursue their rights. As the Senate, we will try to do what we can to ensure that the compensation that slipped through your fingers and out of your hands when you went to court and in the Court of Appeal can finally be redressed. That, you can find your compensation coming back to your pockets.

Thank you.

**The Temporary Speaker** (Sen. Mumma): Sen. Beatrice Ogola, proceed.

**Sen. Ogola:** Madam Temporary Speaker, I thank you for giving me this opportunity to add my voice to this Petition that was done by one, Mr. Bernard Kananda.

From the onset, I congratulate Mr. Bernard for having courage on behalf of the suffering former employees of KCC that have not received the benefits that were due to them at that time.

As I rise to make this presentation, I remind Kenyans that we have just begun the Lenten period; a time of forgiveness and giving. Giving is not limited to giving in kind, it is a time that we should reflect on a number of issues in our country and in the world. It is a time of watching what you say to others in the family, the community and in the spaces we are in. It is a time of thinking about the less fortunate in the society. We wish everybody well in the country and the world.

Madam Temporary Speaker, as I begin this presentation, I have a broken heart. Just last week in my village in Kanyamwa/Kosewe Ward, we lost one such retired personality, one Bonface Okeyo. This gentleman was a retired public officer who had not received his pension. My heart is broken because this gentleman had equally gone through the suffering that the former employees of KCC are going through. This gentleman did not even have fare to follow up on those dues in Nairobi. Finally, he got a lift in a lorry.

The operator of that lorry was gracious enough to grant him a lift to Nairobi. If he did not have fare, one wonders how he was going to operate when he would have arrived in Nairobi finally.

Madam Temporary Speaker, that is the story of most of the retired public servants because they have waited for their pension for so long. Boniface left his home with his bag. He did not arrive because that lorry got an accident and he lost his life somewhere around Nyansiongo. If he had gotten his benefits, he would probably have never gone through what he went through. Boniface was a fellow Catholic. I know today he would have attended Ash Wednesday at the Mirogi Parish Church. May his soul rest in peace.

I congratulate Mr. Bernard Kananda and I sympathise with the former employees that they have not gotten their benefits, even though the courts have stated so. However, the worst part of it is that they have not been able to get even their contributions that they made to Maziwa SACCO.

All of us here who work for the public, either as public officers, as state officers or as employees, we sacrifice to save some money with our SACCOs. I am a teacher by profession, and over the years, I have saved some money with Mwalimu SACCO, even before I joined Parliament, in the hope that once, when I need that money, I should be able to get it, to access it, in a timely manner, because it is monies that I have saved. It is monies that are due to me. That is the same story we want to hear; wherever other Kenyans are working, at whatever level, that what you save in a SACCO, you should have access to. Whatever benefits you have as employees, you must have access to.

I congratulate this committee for taking this matter head-on. In the Committee on Information, Communication and Technology, sometimes back, a predicament of the same nature was brought to our attention, of the POSTA employees, who had not gotten their salaries for months. Owing to the deliberation of the committee, we even had to

invite the National Treasury and the Ministry of Information, Communication and Technology then, to our meeting. A commitment was made, and those employees were able to get their payment. It is on the same note that this Senate must ensure that the former KCC employees finally get their terminal benefits and the contributions that they made to the SACCO.

It is also very unfortunate that the Government had disbursed this compensation to KCC limited stakeholders, but these workers continue to suffer. As we talk about the suffering, I know a number of them have also suffered and lost their lives. We know that as people age, their medical requirements increase. In which other way would you meet your medical obligations if it is not from the benefits that are due to you having worked for it?

I know even as we are talking, some of the benefits we are pushing for here are benefits that are going to be paid when a number of these employees have lost their lives. We must shame ourselves. We have a Government. Our Government must stamp its foot to ensure that workers get their dues and benefits that they work for. That is why I am happy with some of the recommendations that are here, that we must ring-fence the benefits of workers. Some of the recommendations speak to the ideal situation.

This need not to have come from recommendations, because these are the rights of our people. There should be timeliness of settlement of benefits and we should also have an automatic compensation system.

Madam Temporary Speaker, I ask myself, as we deliberate over this, where is the Attorney-General? The Attorney-General has a role in all this. We are talking about the public. As my colleagues have also argued here, that is the kind of situation that is going to face even a number of our employees in the county governments. The Senate is here to look at and protect those interests of our county employees.

We must go ahead to also just oversee over the period, if the workers are safe even before they have retired. Will they be given in a timely manner? Are they ring-fenced, but above all, are Saccos where our people save some of their monies regulated? As I speak here, I know there must be a regulator of the SACCOs. They must ensure that what people contribute in terms of their savings are safe.

This committee must get regular, yearly audited reports, auditor's reports that must capture those issues that we are talking about. I feel that the recommendations must be tighter. We must ring-fence, as I have said.

**The Temporary Speaker** (Sen. Mumma): Sen. Ogola, would you like to be informed by Sen. Veronica?

**Sen. Ogola:** Madam Temporary Speaker, I accept to be informed. It is only a fool that refuses to be informed.

**Sen. Veronicah Maina:** Thank you, honourable Speaker. Just to inform and contribute to add to the richness of the debate that, yes, those SACCOs are regulated. They have SASRA. So, there is no reason for any SACCO not to have the money firmly available for the workers.

**Sen. Ogola:** I thank Sen. Maina and former SG for that information that the regulator is there, but the question I ask myself, even in the presence of the regulator is, what has the regulator done over this case? The regulator must stamp their feet and regulate all SACCOs.

I am pained because, as I say, I used to be a teacher, and years back, we used to have a SACCO for teachers in the greater southern Nyanza called South Nyanza Teachers Sacco Society (Sonyaco). At some point, that SACCO ran into some problem and I saw the plight of teachers that included my parents. That is, we are pained if SACCOs do not take care of contributors' resources.

At that time, teachers would get small loans when schools were opening because that is when teachers would pay school fees. I remember my parents and other parents, then would line up at the SACCO. If they did not get the loans, it meant that we would not go to school together with other children of the teachers.

I pride myself, and I say I am teacher's daughter and wife of a teacher, and a teacher too. So, and that is why I say we must stamp our foot in the regulation of the SACCOs. This is an unfortunate happening, although the discussion is timely. We must rescue other employees. The recommendations must be looked into.

I support.

**The Temporary Speaker** (Sen. Mumma): Sen. Crystal Kegehi Asige, please, proceed.

**Sen. Crystal Asige:** Thank you, Madam Temporary Speaker. I appreciate the opportunity to contribute to this very important Petition. Although we have had fellow colleagues talk about and debate on it, I must also give a disclaimer that I am in the Committee on Labour and Social Protection, where I sit as the Vice-Chairperson.

This is something that we have been looking into for several months, as you see in the report before us. This is why I will make my contribution brief. However, I still wanted to underscore some of the issues that came up throughout this investigation and implore and beseech the relevant ministries to put an end to this particular Petition on behalf of Mr. Bernard Kananda and the rest of the Petitioners.

Madam Temporary Speaker, this is a quite simple story. It is a story of honest and hardworking Kenyans. So, all Kenyans, even if they are not directly involved in this petition, can relate to the story that we have before us. They were young people in 1997, in their 30s and 40s when they were caught in the midst of a restructuring of what is now known as former KCC and the current New KCC.

These employees had nothing to do with that restructuring, but of course, they had to follow suit to support the development and the new way forward that was seen by those leading this particular organisation.

Madam Temporary Speaker, it is unfortunate that between 1997, when they were perhaps 30, 40 years old, and now, almost 30 years later in 2026, in their 70s and 80s, they are still waiting for their human rights and their dues to be given to them. That is staggeringly unfortunate.

This is something that I expressed throughout our investigation in the Committee on Labour and Social Welfare, because it is not the first time that they have brought this petition to the Senate. They brought it in this Parliament that we are a part of now, but also in previous Parliaments to the Committee on Labour and Social Welfare in those times.

Still, it is painful to have to see people who are my elders and grandparents, having to come back and forth from their homes, from as far as the county I was born in, Mombasa, to the county that I originally am from, Vihiga, and beyond, still coming back,

begging, pleading, beseeching us, as Parliamentarians, the ministries and the regime that is here today to just give them what they are owed. It is quite a simple story, but unfortunately, it is one that too many Kenyans experience and can see themselves in.

Madam Temporary Speaker, you will see in this report that they are asking for approximately Kshs205 million that is due to them, including the interest accrued since 1997 when the restructuring happened. Their only crime was to be loyal employers and to be patient with the system. They have been patiently waiting for the system to catch up with their human rights. It is us who are contributing painfully to what they have had to experience for almost 30 years, waiting and waiting.

Madam Temporary Speaker, this Kshs205 million is not just a number. It shows or should demonstrate the agony that they have felt and their families and their extended families for almost 30 years.

I wish that the Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MSME) Development, together with the Cabinet Secretary for Labour and Social Protection, and other ministries including the National Treasury who we spoke to in this investigation - we also met with the Attorney-General - would see that this is a low-hanging fruit, which can be resolved today. This can be resolved in this quarter, so that rights and freedoms can be enjoyed by these employees---

## ADJOURNMENT

**The Temporary Speaker** (Sen. Mumma): Hon. Senators, it is now 1.00 p.m., time to adjourn the Senate. Sen. Asige, you will have another 15 minutes when we resume the contribution.

The Senate, therefore, stands adjourned until later today, Wednesday, 18<sup>th</sup> February, 2026, at 2.30 p.m.

The Senate rose at 1.00 p.m.