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THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 27 MAR 2019	DAY: WEDNESDAY
TABLED BY:	Hon. Wachanya Ndirangu, <i>Chairman</i> NATIONAL ASSEMBLY <i>Health Committee</i>
CLERK & THESE:	Moses Lemane



TWELFTH PARLIAMENT – THIRD SESSION – 2019

THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING

REPORT ON THE CONSIDERATION OF THE SALARIES AND REMUNERATION
COMMISSION (AMENDMENT) BILL (SENATE BILL NO.12 OF 2018)

CLERKS CHAMBERS
DIRECTORATE OF COMMITTEE SERVICES
PARLIAMENT BUILDINGS
NAIROBI

MARCH, 2019

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CHAIRPERSON'S FOREWORD

This report contains the Committee's proceedings on the consideration of the Salaries and Remuneration Commission (Amendment) Bill, 2018, which was published on **23rd April, 2018** and passed by the Senate on **7th November, 2018**. The Speaker of the Senate sent the Bill to the National Assembly for consideration vide a message to the Speaker of the National Assembly. The Bill then went through the First Reading on **28th November, 2018**. The Bill was subsequently committed to the Departmental Committee on Finance and National Planning for consideration and facilitation of public participation pursuant to Standing Order 127.

In processing the Bill, the Committee invited comments from the public by placing an advertisement in the print media on **14th February, 2019** pursuant to Article 118 of the Constitution. In spite of the request to the public for memoranda, no memorandum was submitted by close of the period for submission as advertised in the print media. In a bid to carry out further engagements with stakeholders, the Committee wrote to the Salaries and Remuneration Commission vide letter **Ref.NA/DCS/F&NP/2019/19** dated **7th March, 2019** requesting for comments on the Bill.

The Committee is grateful to the Offices of the Speaker and the Clerk of the National Assembly for the logistical and technical support accorded to it during the consideration of the Bill. Finally, I wish to express my appreciation to the Honorable Members of the Committee who made useful contributions towards the preparation and production of this report.

On behalf of the Departmental Committee on Finance and National Planning and pursuant to provisions of Standing Order 199 (6), it is my pleasant privilege and honour to present to this House the report of the Committee on its consideration of the Salaries and Remuneration Commission (Amendment) Bill, 2018.

EXECUTIVE SUMMARY

The Salaries and Remuneration Commission (Amendment) Bill, 2018 was published on **23rd April, 2018** and passed by the Senate on **7th November, 2018**. The Speaker of the Senate sent the Bill to the National Assembly for consideration vide a message to the Speaker of the National Assembly. The Bill then went through the First Reading on **28th November, 2018** and was immediately committed to the Departmental Committee on Finance and National Planning.

The object of this Bill is to amend the Salaries and Remuneration Commission (Amendment) Act, 2011 by introducing a requirement that a relevant nominating body should consider applications, interview a candidate and forward the name to the Cabinet Secretary within twenty eight days. It also proposes to introduce expiry of the term of office, that is six years as set out in the Constitution as a ground for vacating office. This is intended to align the Act to the Constitution.

If enacted, the Bill will provide timelines within which a nominating body is supposed to present the name of a nominee for appointment to the position of Commissioner in the Salaries and Remuneration Commission to the Cabinet Secretary.

1.0 PREFACE

1.1 ESTABLISHMENT OF THE COMMITTEE

The Departmental Committee on Finance & National Planning is one of the fifteen Departmental Committees of the National Assembly established under *Standing Order 216* whose mandates pursuant to the *Standing Order 216 (5)* are as follows:

1. To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
2. To study the programme and policy objectives of Ministries and departments and the effectiveness of their implementation;
3. **To study and review all the legislation referred to it;**
4. To study, access and analyze the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;
5. To investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House;
6. To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order No.204 (Committee on appointments);
7. To examine treaties, agreements and conventions;
8. To make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;
9. To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and
10. To examine any questions raised by Members on a matter within its mandate.

1.2 MANDATE OF THE COMMITTEE

In accordance with the Second Schedule of the Standing Orders, the Committee is mandated to consider, Public finance, Monetary policies, Public debt, Financial institutions (excluding those in securities exchange), Investment and divestiture policies, Pricing policies, Banking, Insurance, Population revenue policies including taxation and National planning and development.

In executing its mandate, the Committee oversees the following government Ministries/ Commissions

1. The National Treasury and Ministry of Planning
2. Ministry of Devolution

3. Commission for Revenue Allocation
4. Office of the Controller of Budget
5. Salaries and Remuneration Commission

1.3 COMMITTEE MEMBERSHIP

The Departmental Committee on Finance and National Planning was constituted by the House in December, 2017 and comprises of the following Members:-

1. The Hon. Joseph K. Limo, MP – **Chairperson**
2. The Hon. Isaac W. Ndirangu – **Vice-Chairperson**
3. The Hon. Jimmy O. Angwenyi, MP
4. The Hon. Christopher Omulele, M.P
5. The Hon. Dr. Enoch Kibunguchy, MP
6. The Hon. Shakeel Shabbir Ahmed, MP
7. The Hon. Abdul Rahim Dawood, MP
8. The Hon. Daniel E. Nanok, MP
9. The Hon. Andrew A. Okuome, MP
10. The Hon. David M. Mboni, MP
11. The Hon. Francis K. Kimani, MP
12. The Hon. Joseph M. Oyula, MP
13. The Hon. Joshua C. Kandie, MP
14. The Hon. Lydia H. Mizighi, MP
15. The Hon. Mohamed A. Mohamed, MP
16. The Hon. Purity W. Ngirici, MP
17. The Hon. Samuel Atandi, MP
18. The Hon. Stanley M. Muthama, MP
19. The Hon. Edith Nyenze, M.P

1.4 COMMITTEE SECRETARIAT

1. Ms. Leah W. Mwaura - **Senior Clerk Assistant/Lead Clerk**
2. Ms. Jenifer Ndeto - **Principal Legal Counsel I**
3. Ms. Laureen Wesonga - **Third Clerk Assistant**
4. Mr. Josephat Motonu - **Fiscal Analyst I**
5. Mr. Chelang'a Maiyo - **Research & Policy Analyst III**

2.0 COMMITTEE CONSIDERATION OF THE BILL

2.1 BACKGROUND INFORMATION

The Salaries and Remuneration Commission (Amendment) Bill, 2018 was published on **23rd April, 2018** and passed by the Senate on **7th November, 2018**. The Speaker of the Senate sent the Bill to the National Assembly for consideration vide a message to the Speaker of the National Assembly. The Bill then went through the First Reading on **28th November, 2018** and was immediately committed to the Departmental Committee on Finance and National Planning. The Bill seeks to amend the Salaries and Remuneration Commission (Amendment) Act, 2011.

2.2 CLAUSE BY CLAUSE ANALYSIS

Clause 2

This clause is amending section 7 of the Act. The section relates to the nomination of persons for appointment as SRC Commissioners. It is introducing a requirement that a relevant nominating body should consider applications, interview candidate and forward the names to the Cabinet Secretary with twenty-eight days.

Clause 3

This Clause is amending section 9 of the Act which provides for vacancy in office of chairperson and member. It is proposed to introduce expiry of the term of office, that is six years as set out in the Constitution as a ground for vacating office. This is intended to align the Act to the Constitution.

3.0 PUBLIC PARTICIPATION

Following the call for memoranda from the public on **14th February, 2019** the Committee did not receive any memoranda from the public. The Committee wrote to the Salaries and Remuneration Commission, the key stakeholders in this Bill, requesting for submissions vide letter **Ref.NA/DCS/F&NP/2019/19** dated **7th March, 2019**. The Salaries and Remuneration Commission responded to the Committee's letter vide letter **Ref. No. SRC/TS/NA/3/4Vol.I(81)** dated **11th March, 2019**. They stated that:-


3.1 THE SALARIES AND REMUNERATION COMMISSION

The Salaries and Remuneration Commission submitted that:-

1. They were in support of the amendment proposed in Clause 2 of the Bill to provide a timeline within which nominating bodies should nominate persons to represent them in the Salaries and Remuneration Commission.
2. They were of the opinion that the proposed amendment in Clause 3 merely restates the tenure of the Chairperson and Members of the Salaries and Remuneration Commission as provided for in the Constitution and therefore not necessary.

4.0 PROPOSED AMENDMENTS

The Committee considered the Bill and agreed to all the Clauses in the Bill as proposed by the Senate.

SIGNED.....^{For}  DATE.....^{26th March 2019.}.....

THE HON. JOSEPH LIMO, MP

CHAIRPERSON

DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING

REPUBLIC OF KENYA



NATIONAL ASSEMBLY

**DEPARTMENTAL COMMITTEE ON FINANCE & NATIONAL PLANNING
ADOPTION SCHEDULE FOR THE REPORT ON THE CONSIDERATION OF THE SALARIES
AND REMUNERATION (AMENDMENT) BILL (SENATE BILL NO. 12 OF 2018)**

DATE: 26TH MARCH, 2019

NAME	SIGNATURE
1. HON. JOSEPH K. LIMO, MP – CHAIRMAN	
2. HON. ISAAC W. NDIRANGU – VICE-CHAIRMAN	
3. HON. JIMMY O. ANGWENYI, MGH, MP	
4. HON. CHRISTOPHER OMULELE, MP	
5. HON. ENOCH KIBUNGUCHY, MP	
6. HON. SHAKEEL SHABBIR AHMED, CBS, MP	
7. HON. ABDUL RAHIM DAWOOD, MP	
8. HON. DANIEL E. NANOK, MP	
9. HON. ANDREW A. OKUOME, MP	
10. HON. DAVID M. MBONI, MP	
11. HON. KURIA KIMANI, MP	
12. HON. JOSEPH M. OYULA, MP	
13. HON. JOSHUA KANDIE, MP	
14. HON. LYDIA H. MIZIGHI, MP	
15. HON. MOHAMED ALI, MP	
16. HON. PURITY NGIRICI, MP	
17. HON. SAMUEL ATANDI, MP	
18. HON. STANLEY M. MUTHAMA, MP	
19. HON. EDITH NYENZE, MP	

MINUTES OF THE 14TH SITTING OF THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING HELD ON TUESDAY, 26TH MARCH, 2019 IN 11TH FLOOR PROTECTION HOUSE AT 10.00 AM

PRESENT

1. Hon. Isaac W. Ndirangu, MP- **Vice Chairperson**
2. Hon. Jimmy O. Angwenyi, MGH, MP
3. Hon. Christopher Omulele, MP
4. Hon. Abdul Rahim Dawood, MP
5. Hon. Daniel E. Nanok, MP
6. Hon. David M. Mboni, MP
7. Hon. Andrew A. Okuome, MP
8. Hon. Joseph M. Oyula, MP
9. Hon. Mohamed A. Mohamed, MP
10. Hon. Stanley M. Muthama, MP
11. Hon. Purity Ngirici, MP

ABSENT WITH APOLOGY

1. Hon. Joseph K. Limo, MP - **Chairperson**
2. Hon. Shakeel Shabbir Ahmed, CBS, MP
3. Hon. Joshua C. Kandie, MP
4. Hon. Lydia H. Mizighi, MP
5. Hon. Edith Nyenze, MP
6. Hon. Francis K. Kimani, MP
7. Hon. Samuel Atandi, MP

ABSENT

1. Hon. Dr. Enoch Kibunguchy, MP
2. Hon. Shakeel Shabbir Ahmed, CBS, MP

INATTENDANCE – COMMITTEE SECRETARIAT

- | | | |
|------------------------|---|-----------------------|
| 1. Ms. Lauren Wesonga | - | Third Clerk Assistant |
| 2. Mr. Salem Lorot | - | Legal Counsel |
| 3. Mr. Josephat Motonu | - | Fiscal Analyst |
| 4. Mr. Chelang'a Maiyo | - | Research Assistant |
| 5. Mr. Robert Rop | - | Audio Officer |
| 6. Mr. John Njoro | - | Serjeant-At-Arms |

- | | | |
|---------------------------|---|------------------|
| 7. Mr. Vitalis Augo | - | Office Assistant |
| 8. Mr. adulwaahid Mohamed | - | Intern |

AGENDA

1. Prayers
2. Preliminaries/Introductions
3. Communication from the Chair
4. Confirmation of Minutes
5. Matters Arising
6. **Meeting to consider:-**
 - i. **Adoption of the report on the consideration of the Salaries and Remuneration Commission (Amendment) Bill (Senate Bill No. 12 of 2018); and**
 - ii. **Committee Stage amendments to the County Statistics Bill (Senate Bill No. 9 of 2018);**
7. Adjournment/ Date of the next meeting

MIN.NO.NA/F&NP/2019/076: PRELIMINARIES/COMMUNICATION FROM THE CHAIRPERSON

The Chairperson called the meeting to order at 10.25 am and prayed. He then introduced the day's agenda and welcomed the Committee for a fruitful deliberation.

MIN.NO.NA/F&NP/2019/077: CONFIRMATION OF MINUTES

Agenda deferred

MIN.NO.NA/F&NP/2019/078: MEETING TO ADOPTION OF THE REPORT ON THE CONSIDERATION OF THE SALARIES AND REMUNERATION COMMISSION (AMENDMENT) BILL (SENATE BILL NO. 12 OF 2018)

The report on the consideration of the Salaries and Remuneration Commission (Amendment) Bill (Senate Bill No. 12 of 2018) was adopted after being proposed and seconded by Hon. Andrew Okuome, MP and Hon. Daniel Nanok, MP respectively.

MIN.NO.NA/F&NP/2019/079: MEETING TO CONSIDER COMMITTEE STAGE AMENDMENTS TO THE COUNTY STATISTICS BILL (SENATE BILL NO. 9 OF 2018)

The Committee agreed on the following proposed amendments:-

Clause 2 – Delete the definition of the term ‘fund’

Justification

The word is not used in the Bill.

Clause 5 – Agreed to

The Committee did not agree to Kenya National Bureau of Statistics proposed amendment on Clause 5(3)(b) because a county statistician is a manager and his qualifications should therefore not be limited to statistics.

Clause 6 – Agreed to

Clause 7 – Agreed to

Clause 8

Amend clause 8(3) by deleting the word ‘and’

Justification

It is a clean up

Amend clause 8(4) by deleting the word ‘it’ and substituting with the words ‘consultative Committee’

Clause 9

Amend clause 9(a) by deleting ‘develop’ and replacing it with ‘support’

Justification

The strategies have already been developed.

Clause 10 – Agreed to

Clause 11

Amend clause 11(1) by deleting ‘consult and’ to read ‘shall cooperate.....’

Justification

This is to foster independence and interdependence between the two levels of government.

Amend clause 11(2) by deleting one ‘that’

Justification

The word ‘that’ has been repeated.

Clause 12

Amend clause 12(3)(a) by deleting the word ‘it’

Justification

It is clean up

Clause 13 – Agreed to

Clause 14 – Agreed to

Clause 15 – Agreed to

Clause 16

Amend the clause by inserting the word ‘statistical’ before information.

Justification

This is to specify the kind of information to be sought from the county statistician.

Clause 17 – Agreed to

Clause 18 – Agreed to

Clause 19

Amend clause 19 by increasing the fine from one hundred thousand shillings to five hundred thousand shillings

Justification

Kshs. 100,000 is low considering the severity of the offences that touch on data.

Clause 20 – Agreed to

Clause 21 – Agreed to

Kenya National Bureau of Statistics proposed amendment to delete the clause was not agreed to by the Committee because it was not clear which law was being referred to.

MIN.NO.NA/F&NP/2019/080: ANY OTHER BUSINESS


Members deliberated and agreed that a Member’s commitment to the Committee should be considered when nominating Members to represent the Committee in international trips.

MIN.NO.NA/F&NP/2019/081: ADJOURNMENT/DATE OF THE NEXT MEETING

There being no other business to deliberate on, the meeting was adjourned at 12.18 p.m. The next meeting will be held on Thursday, 28th March, 2019.

HON. JOSEPH K. LIMO, MP

(CHAIRPERSON)

SIGNED^{For} DATE ^{26th March 2019}

**MINUTES OF THE 13TH SITTING OF THE DEPARTMENTAL COMMITTEE ON
FINANCE AND NATIONAL PLANNING HELD ON THURSDAY, 21ST MARCH, 2019
IN 4TH FLOOR CONTINENTAL HOUSE AT 10.00 AM**

PRESENT

1. Hon. Joseph K. Limo, MP - **Chairperson**
2. Hon. Isaac W. Ndirangu, MP- **Vice Chairperson**
3. Hon. Jimmy O. Angwenyi, MGH, MP
4. Hon. Abdul Rahim Dawood, MP
5. Hon. Daniel E. Nanok, MP
6. Hon. Andrew A. Okuome, MP
7. Hon. Joseph M. Oyula, MP
8. Hon. Edith Nyenze, MP
9. Hon. Joshua C. Kandie, MP
10. Hon. Francis K. Kimani, MP
11. Hon. Samuel Atandi, MP

ABSENT WITH APOLOGY

1. Hon. Christopher Omulele, MP
2. Hon. David M. Mboni, MP
3. Hon. Lydia H. Mizighi, MP
4. Hon. Purity Ngirici, MP
5. Hon. Mohamed A. Mohamed, MP

ABSENT

1. Hon. Dr. Enoch Kibunguchy, MP
2. Hon. Shakeel Shabbir Ahmed, CBS, MP
3. Hon. Stanley M. Muthama, MP

INATTENDANCE – COMMITTEE SECRETARIAT

- | | | |
|------------------------|---|-------------------------|
| 1. Ms. Lauren Wesonga | - | Third Clerk Assistant |
| 2. Ms. Jennifer Ndeto | - | Principal Legal Counsel |
| 3. Mr. Josephat Motonu | - | Fiscal Analyst |
| 4. Mr. Robert Rop | - | Audio Officer |
| 5. Mr. John Njoro | - | Serjeant-At-Arms |
| 6. Mr. Vitalis Augo | - | Office Assistant |

AGENDA

1. Prayers
2. Preliminaries/Introductions
3. Communication from the Chair
4. Confirmation of Minutes
5. Matters Arising
6. **Meeting to consider:-**
 - i. **Senate Amendments to the Public Private Partnership (Amendment) Bill, 2017;**
 - ii. **Committee Stage amendments to the County Governments (Revenue Raising Process) Bill, 2018;**
 - iii. **Committee Stage amendments to the County Statistics Bill (Senate Bill No. 9 of 2018); and**
 - iv. **Committee Stage amendments to the Salaries and Remuneration Commission (Amendment) Bill (Senate Bill No. 12 of 2018)**
7. Adjournment/ Date of the next meeting

MIN.NO.NA/F&NP/2019/070: PRELIMINARIES/COMMUNICATION FROM THE CHAIRPERSON

The Chairperson called the meeting to order at 10.20 am and prayed. He then introduced the day's agenda and welcomed the Committee for a fruitful deliberation.

MIN.NO.NA/F&NP/2019/071: CONFIRMATION OF MINUTES

Agenda deferred

MIN.NO.NA/F&NP/2019/072: MEETING TO CONSIDER COMMITTEE STAGE AMENDMENTS TO THE SALARIES AND REMUNERATION COMMISSION (AMENDMENT) BILL (SENATE BILL NO. 12 OF 2018)

The Chairperson welcomed the Legal Counsel to take the Committee through the Bill. The Committee deliberated and agreed as follows:-

Clause 1: Agreed to

Clause 2: Agreed to

Clause 3: Agreed to

The Secretariat was directed to prepare the report for the Committee's adoption and tabling on Tuesday, 26th March, 2019.

MIN.NO.NA/F&NP/2019/073: MEETING TO CONSIDER COMMITTEE STAGE AMENDMENTS TO THE COUNTY GOVERNMENTS (REVENUE RAISING PROCESS) BILL, 2018

The Committee was advised by the Secretariat that some Clauses in the Bill were against the Constitution. The meeting deliberated at length and agreed that:-

1. The consideration of the Bill should be suspended
2. The Fiscal Analyst and the Legal Counsel were directed to prepare a brief for presentation to the Leader of Majority in order to chat on the way forward with regards to the consideration of the Bill
3. The Secretariat was directed to organize for a meeting between the Committee and the Council of Governors for further deliberations on the Bill.
4. The Secretariat was further directed to prepare a brief and advice the Committee on what the Bill was intending to achieve.

MIN.NO.NA/F&NP/2019/074: MEETING TO CONSIDER COMMITTEE STAGE AMENDMENTS TO THE COUNTY STATISTICS BILL (SENATE BILL NO. 9 OF 2018)

The Chairperson invited the Legal Counsel to take the Committee through the Bill. The Committee deliberated and agreed as follows:-

Clause 3: Agreed to

Clause 4

Amend **Clause 4(1)(d)** by deleting the word ‘all’ before ‘matters related to.....’

Justification

This is to prevent the County Statistics Office from undertaking functions of the Kenya National Bureau of Statistics.

Amend **Clause 4(1)(h)** by including the word ‘County’ before statistics.

Justification

To ensure clarity of functions of Kenya National Bureau of Statistics and County Statistics Office.

MIN.NO.NA/F&NP/2019/075: ADJOURNMENT/DATE OF THE NEXT MEETING

There being no other business to deliberate on, the meeting was adjourned at 11.47 a.m. The next meeting will be held on Tuesday, 26th March, 2019.

HON. JOSEPH K. LIMO, MP

(CHAIRPERSON)

SIGNED^{For}  DATE ^{26th March 2019}