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Report of the Civil Service Review Committee

1979—80

Chairman: S. N. Waruhiu

Presented to His Excellency the President
September, 1980

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Report of the Civil Service Review Committee

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Chairman: S. N. Warnkin

Presented to His Excellency the President
September, 1980

THE CIVIL SERVICE REVIEW COMMITTEE

KENYATTA CONFERENCE CENTRE
4TH FLOOR
P.O. BOX 30746
NAIROBI
September, 1980.

His Excellency the President,
Hon. Daniel T. arap Moi, C.G.H., M.P.,
State House,
Nairobi.

Your Excellency,

You appointed us on 2nd October, 1979, to review the Kenya Civil Service and to look into other matters that are particularly specified in our terms of reference.

We have now completed our work and have the honour to submit our Report which contains our unanimous views and recommendations.

We take this opportunity to thank you for the trust and responsibility that you have placed on us and to express to Your Excellency our loyalty and highest esteem.

Your Excellency's Most Obedient Servants,

S. N. WARUHIU,
Chairman.

PROF. DOUGLAS ODHIAMBO,
Member.

DR. J. K. NDETI,
Member.

W. J. SYMES,
Member.

J. K. ARAP RUTO,
Member.

ROBERT GACHECHEH,
Member.

SOLOMON KARANJA,
Member.

P. M. MUNENE,
Secretary.

ACKNOWLEDGEMENTS

We take this opportunity to thank all the many people who assisted us in collecting material and considering the matters covered by our terms of reference. We owe a very great debt of gratitude to the Vice-President and Minister for Finance, Hon. Mwai Kibaki, E.G.H., M.P., the former Attorney-General, Hon. C. Njonjo, E.G.H., M.P. and to the Minister for Foreign Affairs, Hon. R. J. Ouko, M.P. Their vast knowledge and wisdom provided a tremendous inspiration to us.

We also wish to single out for special mention the unfailing support and encouragement which we have received from Mr. J. G. Kiereini, E.B.S., the Head of the Civil Service and Secretary to the Cabinet, Mr. N. Ng'ang'a, E.B.S., who until recently was the Permanent Secretary to the Treasury, Mr. A. K. Kandie, the Permanent Secretary/Director of Personnel Management and Mr. H. Mule the former Permanent Secretary at the Ministry of Economic Planning. Their support has been very helpful particularly when we have raised specific points for clarification, elucidation and advice. They have not attempted to influence our conclusions or to hasten or prolong our deliberations in any way. We have been able to function as a wholly independent body yet not without the systematic encouragement, goodwill and the backing of their leadership throughout the period of our labours.

The guidance and opinions of the many witnesses, official and private, who have committed their views in writing or have given oral evidence to us has been of immense help to us. We have reproduced their names as Appendices 1 and 2 but we wish to record our appreciation of their efforts and we would like them to know that their collective advice has contributed greatly to whatever merits our conclusions may possess. The euthusiasm and thoroughness of response has been one of the most significant aspects of our inquiry.

We must pay special tribute to the Director of the Central Bureau of Statistics and the Manager in charge of the Government Computer Centre for analysing and tabulating for us and making available to us all the figures and tables that have been of immense help to us.

Finally we wish to record our sincere appreciation for the efficient service and assistance provided to us by our Secretariat. Our Secretary, Mr. P. M. Munene, has been throughout our task invariably indefatigable, firm, patient and resourceful. We are grateful to him and to those officers of the Secretariat who gave us skilled advice and to the secretarial staff who worked tirelessly typing and re-typing our drafts. Finally our thanks go to Mrs. M. J. Makowenga, Mrs. J. Mango and Mrs. S. Omwenga, who undertook the onerous duty of typing the final text of our Report.

GAZETTE NOTICE No. 3026

OFFICE OF THE PRESIDENT

THE CIVIL SERVICE REVIEW COMMITTEE

HAVING regard to the need to ensure that the Kenya Civil Service as a public institution continues to serve this nation efficiently, His Excellency the President, Hon. D. T. arap Moi, C.G.H., M.P., on 2nd October, 1979, appointed a committee to review the Civil Service and to report to him within six months. The following persons are the members of the committee:

Chairman:

S. N. Waruhiu.

Members:

Prof. Douglas Odhiambo.
Dr. J. K. Ndeti.
W. J. Symes.
J. K. arap Ruto.
Robert Gachecheh.
Solomon Karanja.

Secretary:

P. M. Munene.

The committee has been given the following terms of reference:

(1) To examine Government Sessional Paper No. 5 of 1974 with a view to assessing the extent to which the recommendations of the Public Service Structure and Remuneration Commission 1970-71 (Ndegwa Commission Report) have been implemented, and to recommend further necessary action in relation thereto.

(2) To study the existing structure of salaries and other fringe benefits in the public sector and seek to harmonize them where appropriate, bearing in mind the need to attract and retain qualified personnel within the Public Service.

(3) To study the present structure and philosophy of the Civil Service and recommend reforms which may be necessary for the greater efficiency and productivity.

(4) To examine the present deployment and utilization of professional and technical personnel in the Public Service and recommend how best such personnel could be utilized in the promotion of Kenya's economic and social development.

(5) To study the existing superannuation arrangements and provide for a scheme which could facilitate mobility of personnel within the Public Service and which could accommodate the private sector employees who may wish to join it.

Dated this 3rd day of October, 1979.

J. G. KIEREINI,
Permanent Secretary/
Head of the Civil Service.

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CHAPTER I—INTRODUCTION

Background

1. We were appointed to review the Kenya Civil Service by His Excellency the President, Hon. D. T. arap Moi, C.G.H., M.P., on 2nd October, 1979. In a statement announcing our appointment, His Excellency the President recalled that Kenya's Fourth National Development Plan 1979-83 had as its theme the alleviation of poverty. In order for this goal to be attained, His Excellency the President stressed the need to strengthen the nation's economic and social institutions and thus sustain the high rate of economic growth that the country had enjoyed since independence.

2. In his Madaraka Day address to the nation on 1st June, 1979, His Excellency the President underlined the faith the Government had in the Public Service the largest section of which is the Civil Service, particularly for the orderly manner in which it had responded to sweeping changes in our social fabric and spearheaded the execution of economic and social programmes. No doubt in pursuit of his desire to improve and strengthen the various organs of the Public Service, His Excellency had in February, 1979, appointed a committee to review parastatal organizations with a view to overcoming their financial, administrative and operational problems as well as streamlining their appointment and control procedures. The recommendations of that committee have since been accepted by the Government and are now being implemented. We believe that it is in the same spirit that His Excellency the President appointed us a few months later to undertake a review which, in his words, would "ensure that the Civil Service as an institution continues to serve this nation efficiently".

3. The Kenya Public Service was last examined in depth by the Public Service Structure and Remuneration Commission 1970-71 (hereinafter referred to as the Ndegwa Commission). At that time, the Public Service was still in its early stages of evolution and had not fully institutionalized itself to be able to meet the challenge of the 1970s. It was timely, therefore, seven years after independence, to appoint a Commission of Inquiry to re-appraise the structure and remuneration of the Public Service in the light of experience and altered perception of needs. As we have stated in Chapter II of our Report, the Ndegwa Commission conducted an extensive and searching examination of the Public Service and recommended radical reforms which we are convinced would have marked an important turning-point in the nature and purposes of the Service. Unfortunately, some of the more fundamental and positive recommendations made by the Ndegwa Commission were not fully or properly implemented and this has had over the years serious implications for the Public Service and the country as a whole.

4. Ten years after the Ndegwa Commission, our review of events in the intervening years clearly shows that another review of the Kenya Public Service was not only necessary but long overdue. During those years, many fundamental changes took place both within and outside the Public Service and the effects of these events have been significant. Elsewhere in this Report we have acknowledged the substantial contribution that the Public Service has made to the social, economic and political development of this country over the past decade. However, we have evidence to indicate that over the same period, the Service has also deteriorated in some vital aspects. A review of its overall contribution to nation-building suggests that in spite of its potentialities and many opportunities to rise up to its national responsibilities, the Public Service did not optimize its achievements. In this regard, adverse comments on its ability to foresee and control events, its ability to spur development and reduce costs and its efficiency in delivering services to the people have been widely made. These comments and the now widely acknowledged erosion of discipline within its ranks all point to the need for a review of its objectives, structure and operations. Indeed, these are some of the issues that dominated the deliberations of the National Leaders' Conference which was held at the Kenya Institute of Administration in January, 1978. Although the Conference was intended mainly as a forum for national leaders to reflect back on their responsibilities, achievements and setbacks, serious weaknesses in the management of Public Services in Kenya were highlighted. The resolutions passed at that Conference clearly indicated a need to re-appraise the philosophical foundations of this nation in all its aspects.

5. Another factor which we think reinforces the case for another review of the Public Services arises from His Excellency the President's firm commitment to justice and fair play and his dedication to the efficient and honest management of national affairs. This emphasis on national regeneration ought to be seen as a major challenge by those institutions that are charged with the responsibility of managing national affairs, particularly the Public Service. It is a challenge to public servants to re-dedicate themselves to nation-building.

6. The case for strengthening the nation's institutions is made in the 1979-83 Development Plan where the Government has set definitive goals with regard to the development of public institutions. The Government has stated its full appreciation of the vital role played by public institutions in national development and hence the need to improve and strengthen them. In Chapter 10 of the Development Plan, the Government has highlighted the areas where improvements will be necessary and has indicated the approaches to be adopted in achieving those improvements. A general review of the objectives and operations of these institutions is a logical starting-point in the improvement process and indeed we see our examinations of the Civil Service and certain other organs of the Public Service as part and parcel of that process. Thus in making our recommendations, we have constantly

kept in mind this overall aim of the Government to improve not only the internal organization and operation of institutions but also the co-ordination and integration of their activities.

Terms of Reference

7. Before making a start on our substantive work, it was necessary to examine our specific terms of reference and to define the scope of our mandate. Our first term of reference required us to "examine Government Sessional Paper No. 5 of 1974 with a view to assessing the extent to which the recommendations of the Public Service Structure and Remuneration Commission 1970-71 (Ndegwa Commission Report) have been implemented and to recommend further necessary action in relation thereto". As we have elaborated elsewhere in our Report, the Ndegwa Commission was the first Commission to examine the Kenya Public Service in all its aspects. It had a far wider mandate than all previous Commissions of Inquiry which were largely concerned with remuneration and related aspects of the Service. This implied that in order to assess the extent to which Ndegwa Commission recommendations had been implemented, we had to inquire into all the areas that were covered by that Commission. To the extent that the Government Sessional Paper No. 5 of 1974 did touch on matters affecting Public Services other than the Civil Service, we saw it as our job also to inquire into those matters. Similarly, all our other terms of reference, except term 3, required us to deal with matters well outside the confines of the Civil Service. For these reasons and despite our name being the "Civil Service Review Committee", our recommendations cut across the entire Public Service.

Scope of Our Inquiry

8. With only six months within which to submit our Report, it was clear to us that we would not be able to undertake an in-depth review of the Kenya Public Service such as was carried out by the Ndegwa Commission. Our recommendations in respect of certain public services are therefore confined to general guidelines on the basis of which we hope the Government will commission more detailed reviews. The local government system, for instance, is such a complex system that a much longer time would have been required to suggest concrete solutions to the many problems besetting it today. The organizational structure of the Civil Service is another area in which we were not able to make detailed recommendations partly because a similar exercise has recently been carried out by the Government and partly because most of the representations made to us in this respect were of such administrative nature that they could be more appropriately dealt with by the Directorate of Personnel Management on an in-house basis.

9. Our findings on some of the sectors we have reviewed may appear abbreviated. This is either because the relevant recommendations of the Ndegwa Commission that were not implemented are still valid or because

the Government is in possession of up-to-date reports on them. In this category would fall the education sector on which the Government has already received, but has not formally reacted to, the Report of the National Committee on Educational Objectives and Policies, 1976; the training sector as covered by the Report of the Training Review Committee, 1971-72 and the Report of the K.I.A. Review Committee, 1978-79; and the parastatals sector which was reviewed by the Statutory Boards Review Committee and the recently established Parastatals Advisory Committee.

Procedure

10. Considering the tight time frame within which we had to work, it was necessary to adopt the most expeditious method by which we could gather the necessary information, collate and analyse it and finally prepare our Report. This, however, was affected by factors beyond our control. Firstly, our appointment as a committee came at a time when the country was on the threshold of Presidential and National Assembly elections. Many of the civil servants from whom we hoped to obtain vital information were engaged in preparations for the elections and were therefore not accessible to us at the time we needed them. This was particularly so in Kisumu. This had the effect of delaying our work for several days. We commenced public hearings at Nairobi on the 15th October, 1979 and later moved to the provinces where we conducted interviews as follows:

29th October	Kakamega.
30th October	Kisumu.
31st October	Nakuru.
5th and 6th November	Mombasa.
12th November	Nyeri.
13th November	Embu.
19th December	Garissa.

We were obliged to confine our visits to provincial centres because with the time at our disposal it would not have been possible to visit each and every district. However, Dr. J. K. Ndeti visited Kiambu and Machakos where he took evidence informally. In addition, a large number of civil servants came and gave evidence at our headquarters in Nairobi. The evidence has been so voluminous that we would not have done justice to it without multiplying the length of our Report many times.

11. Soon after concluding our public hearings, it was communicated to us that the Government wished us to conduct a review of salaries and other terms of service of the Teaching Service in addition to those of the Civil

Service. This was not originally part of our terms of reference and therefore constituted an additional task. In June 1980, we received another request from the Government to study the Report of the Salaries and Terms of Service Review Committee of the University of Nairobi with a view to incorporating the recommendations of that Committee into our Report. Inevitably, these additional tasks led to our having to ask for extra time to complete our work.

CHAPTER II—THE NDEGWA COMMISSION REPORT IN RETROSPECT

12. Our first term of reference required us to examine Government Sessional Paper No. 5 of 1974 with a view to assessing the extent to which the recommendations of the Public Service Structure and Remuneration Commission 1970-71 (Ndegwa Commission Report) had been implemented and to recommend further necessary action in relation thereto. This implied that in order for us to appreciate the proposals contained in Sessional Paper No. 5 we had first to make a detailed study of the Ndegwa Commission Report itself in terms of the nature and scope of its mandate, the prevailing circumstances during its tenure and the principles and philosophy underlying its recommendations.

13. The Ndegwa Commission had been appointed to inquire into the remuneration and other terms and conditions of service in the Kenya Public Service. It was also required to examine the structure and the basis on which the Public Service was built to carry out the functions of Government. Prior to 1970, the Public Service had been reviewed by several previous Commissions of Inquiry dating back to 1918. Most of these Commissions, however, were more concerned with salaries and other terms of employment than with the wider aspects of the objectives, structure and operation of the Public Service. Furthermore, those Commissions appointed in the pre-independence period had the additional task of ensuring uniformity of conditions of service in the Civil Service of East Africa as a whole. The Ndegwa Commission was therefore the first Commission to undertake a comprehensive review, specific to Kenya, of all aspects of her Public Service.

14. At the time the Ndegwa Commission was appointed, the Civil Service still retained the characteristics it had acquired prior to independence, both those which stemmed from the historical conditions of Kenya and those that derived from the British pattern of Civil Service organization on which it was modelled. Following the attainment of independence, many aspects were changed but the basic structure established under colonial rule was retained in order to ensure continuity and smooth transition to statehood. For the following few years, the emerging national consciousness dictated the need to Africanize the Civil Service and thus adapt it to the new goals of public policy as enunciated in the Development Plans of 1964, 1966 and 1970, and above all in Sessional Paper No. 10 of 1965. Crash training programmes were therefore mounted at the Kenya Institute of Administration to prepare Kenyan officers who would take up senior positions in the new

Government. Although the process of Africanization was extremely rapid and ill-prepared, the Civil Service emerged with its effectiveness substantially unimpaired and in some respects enhanced.

15. The appointment of the Ndegwa Commission nearly a decade after independence was prompted by the need to have a critical look at the existing Government machinery and to establish whether it was well adapted to cope with the dynamic and intricate problems of the 1970s. It was also at that time becoming increasingly clear that the emphasis on the administrative role of the Civil Service needed to be modified to enable it to cope with the increasing managerial tasks generated by national development. It was recognized that for the Civil Service to be able to cope with the economic, social and political challenges of the 1970s, it had to be re-structured and re-orientated. There was need for a shift in emphasis from the traditional maintenance of law and order to development management. The Government's increased participation in commercial operations demanded that senior civil servants had to be equipped with a wide range of skills in modern management systems and techniques. In order to achieve these objectives, methods of selection and training of personnel had to be improved. The basis for rewards also needed proper structuring so as to portray the relative contributions to success by various functions and positions.

16. Considering the scope and the pioneering nature of its mandate, the Ndegwa Commission went to great lengths to investigate the state of the Public Service and to seek remedies to the problems they identified. Its Report was a basic document which in many ways is a work of reference. With soundly reasoned arguments, the Commission made a series of recommendations for reforms aimed at transforming the Kenya Public Service into a motivated and effective vehicle for managing and achieving the development goals of the nation. The Commission devoted a major part of its effort to the re-structuring of the Public Service, especially the Civil Service, in terms of its role, philosophy, management practices, administration of development and the management of public finance. It also devised an entirely novel system of salary administration on which the present salary structure is based.

17. We have studied the Ndegwa Commission Report as well as the Sessional Paper No. 5 of 1974 and have come to a firm conclusion that in spite of the positive and far-reaching recommendations made by that Commission, its Report was not fully appreciated and has therefore been widely maligned, distorted and in some aspects misrepresented. From the evidence we have gathered, the reaction of the Government to the Ndegwa Report was at best lukewarm. Although its recommendations on salaries and other terms of service were promptly and enthusiastically implemented, the document was not tabled and debated in Parliament and it took three years for the Government to issue the Sessional Paper No. 5 of 1974.

18. In paragraph 1 of the Sessional Paper, the Government stated that the Ndegwa Commission's recommendations required careful and detailed study so as to determine how best they could be implemented. Elsewhere in the Sessional Paper, the Government accepted many of the recommendations, commented on others and rejected some for various reasons. While it is true that some of the reforms recommended by the Commission would have required gradual implementation on a long-term basis, our investigation reveals that very little effort has been made in this direction. Under normal course of events, the Government would have been expected to establish specific machinery to plan, supervise and monitor the implementation of the Report but this was not done.

19. Many of the recommendations that were accepted by the Government were straight-forward and could have been implemented almost immediately. However, evidence given to us indicates that many of them took as long as eight years to be implemented and many others have never been looked into. We have assessed the extent and the manner in which the Ndegwa Commission recommendations have been implemented and our detailed findings and conclusions are spelt out in the relevant sections of this Report. However, we wish to state here that whatever half-hearted implementation that was done, it was piecemeal, unco-ordinated and without a clear sense of direction. The result has been that the impact of whatever recommendations that were implemented has largely been dissipated.

CHAPTER III—ECONOMIC BACKGROUND

Introduction

20. In this Chapter we shall first describe and analyse the events of the 1970s with regard to the growth of the economy centred on the Gross Domestic Product, changes in the structural relationships, and the trends in employment and wages. Selected specific sectors will be touched on only by way of illustration. We shall then attempt an assessment on the part played by the Civil Service in the performance of the economy and make an analysis of the current position.

21. This background will later be taken into account when assessing the extent to which remuneration for the Public Service can be improved on the basis of both the economy's and the Government's ability to pay, the guidelines on wages and salaries issued by the Government during the period under review, as well as the need to attract and retain the type of men and women the Civil Service will require to meet the challenges of the future.

External Events

22. In examining the trends and developments within the economy for the period 1970 to 1979, it is inevitable to have regard to the events that were prevalent in the international economic scene as they had a bearing on the Kenyan economy. During this period there were strong trends towards high levels of inflation in the developed world. These trends were aggravated in 1973 by the action of the Organization of Petroleum Exporting Countries of increasing drastically the price of crude petroleum. As a result there was a world recession in 1975 with recovery picking up in 1976 and continuing into 1977 and 1978. In 1979, however, there were further large increases in oil prices and this, coupled with the failure of the developed countries to curb internally generated inflation, resulted in a further slowdown in the growth of the world economy. As the 1979 price increases take effect, it is expected that 1980 will experience a substantial decline in the growth rate and, indeed, the U.S.A. and the U.K. are expected to record actual falls in their Gross Domestic Product (G.D.P.) at constant prices.

Trends in the Economy, 1970–79

23. During the period under review, the economy of Kenya moved in line with this general world trend registering a visible decline in the growth of the G.D.P. at constant prices during 1974 and 1975 with visible recovery in

1976. In 1977, however, the growth rate reached a high of 8.6 per cent basically because of the unprecedented levels in prices of coffee in the world market resulting from disastrous frost conditions in Brazil. Table 3.1 below shows the trends in the growth of the G.D.P. during the period 1970-1979 at current prices and at constant (1972) prices. It also shows the rate of inflation and the G.D.P. per capita.

Table 3.1—Growth of G.D.P. and Rate of Inflation, 1970—1979

	GDP Growth Rates %		Rate of Inflation %		GDP per Capita (1972) Prices K£
	Current Prices	Constant (1972) Prices	Constant Prices	GDP Deflator	
1970	9·7	6·8	2·0	2·7	52·6
1971	12·2	7·0	3·7	4·9	54·3
1972	13·8	6·8	5·4	6·6	56·0
1973	16·0	6·3	11·1	9·1	57·5
1974	20·4	2·6	15·0	17·3	57·1
1975	11·6	2·3	17·8	9·1	56·3
1976	23·1	5·6	10·0	16·6	57·5
1977	29·7	8·6	12·7	19·4	60·3
1978	10·4	5·7	12·5	4·4	61·5
1979	—	3·5	10·8	—	61·5
Average 1970–1979	—	5·7	10·1	10·0	2·0

SOURCE: Central Bureau of Statistics.

24. Gross Domestic Product growth rate shown for 1979 is an estimate based on incomplete information while the figure for G.D.P. per head for 1979 is likely to be the same as for 1978. Average increase in G.D.P. per head has been 2.0 per cent per year. It will be seen from Table 3.1 that between 1970 and 1978 G.D.P. at current prices rose by an average of 16.1 per cent per annum while at constant (1972) prices the average increase was 5.7 per cent per annum. During the same period, the rate of inflation as measured by average changes in consumer prices for various income groups averaged 10.1 per cent per year. Taking the global events into account, the rates of growth registered were fairly impressive but the growth in the G.D.P. per head at constant prices only averaged a modest 2.0 per cent per year. This reflects the impact of a really high rate of population growth.

25. The increase in the G.D.P. per head in real terms during the period under review has affected different groups in different ways. Increases in the number of persons in wage employment as well as those who are self employed have had effects on the real earnings of the various groups. In the table that follows, comparison is made for the years 1970 and 1978

showing the growth in the number of wage employees and small farmers, who are the largest group of self-employed persons working in their small holdings in rural areas, and the changes in the real incomes for the two groups over the period. For purposes of establishing both real wages and real incomes, 1970 is taken as the base year.

Table 3.2—Changes in Numbers and Real Incomes of Wage Earners in the Formal Sector and Small Farmers—1970 and 1978

	1970	1978	1970–1978 Growth p.a. %
Number in wage employment in the formal sector '000	664·5	911·5	4·4
Total Wages—K£million	168·5	483·0	14·1
Nominal wage per employee—K£	261·4	529·9	9·2
Real wages per employee—1970=100	100·0	87·6	–1·7
Number of small farmers '000	1,350·0	1,640·0	2·5
Operating Surpluses—K£million	129·0	450·0	16·9
Real income per farmer—1970=100	100·0	120·0	2·3

SOURCE: Central Bureau of Statistics.

26. The number of small farmers is an estimate based on the 1974/75 Integrated Rural Survey and the operating surplus per farmer includes produce consumed in the farm divided by the increase in consumer prices. The data reveals that the estimated average operating surpluses of small farmers rose by 20 per cent in real terms between 1970 and 1978 while the real wages for workers in the formal sector fell by 12.4 per cent. At the same time the number of persons in wage employment in the formal sector increased by 41 per cent thus recording an average annual growth rate of 4.4 per cent while the number of small farmers is estimated to have increased from 1.35 to 1.64 million or 21.6 per cent thus recording an annual growth rate of 2.5 per cent. Evidence reflected at Table 3.2 shows that the gap between the real incomes of the formal sector wage-earners and those of small scale farmers has narrowed between 1970 and 1978 as reflected by a rise of 20 per cent for the farmer and a fall of 12.4 per cent for the wage-earner. This movement reflects an element of success in Government policy insofar as attempts to narrow the gap between rural and urban incomes are concerned. While some achievement has been reached on this policy front, however, we should not lose sight of the fact that the average operating surplus for approximately 1.48 million agricultural holdings in 1974-75 was £104; when other incomes are taken into account the total comes to £183 per household. These figures were below the average wages of employees in the formal sector which were £274 and £312 in 1974 and 1975 respectively.

27. The division of incomes in G.D.P. for the years 1970 and 1978 shows a downward shift in the remuneration of employees compensated by an upward shift in the operating surpluses, including an estimate for the non-monetary economy. During this period there has been a significant shift from the purely subsistence activities towards monetized activities in the rural areas. This has resulted in a fall of the proportion of G.D.P. from non-monetary activities.

Table 3.3—Division of Incomes in G.D.P.

	1970	1978	1970	1978
	K£ million		%	
Remuneration of employees	223·1	716·9	42·7	38·6
Rental Surplus	17·1	75·1	3·3	4·0
Other operating surpluses	281·6	1,064·2	54·0	57·4
TOTAL G.D.P. at factor cost	521·9	1,856·2	100·0	100·0
Less—Net incomes paid abroad	–11·5	–71·7		
G.D.P. at factor cost	510·4	1,784·5		

SOURCE: Central Bureau of Statistics.

28. Table 3.3 reveals that the contribution of wages to G.D.P. has fallen from 42.7 per cent in 1970 to 38.6 per cent in 1978 with the estimated total remuneration of employees, including both urban and rural informal sectors, being K£223.1 million in 1970 and K£716.9 in 1978. This reflects a rise of 221 per cent which is equivalent to an average of 15.7 per cent a year. It compares unfavourably with the 17.2 per cent a year growth rate registered by the G.D.P. over the same period. It shows a shift in favour of surpluses earned by companies and self-employed persons. Operating surpluses' share of G.D.P. was £298.7 million in 1970 and £1,139.3 million in 1978 resulting in an increase of £840.6 or 281 per cent.

29. The overall picture that emerges from the analysis so far is one whereby the overall movement in the economy as reflected by the G.D.P. was upward and, given the overall world economic turbulence during the period under review the performance of the Kenyan economy registered fairly satisfactory growth. Besides, the government policy of bridging the gap between rural and urban incomes has started bearing fruit as shown by the evidence at Table 3.2. We shall now turn to the examination of the structure of the economy and the change it has undergone during the period under review with a view to assessing how the major sectors have performed.

Within this overall examination certain sectors will be looked at and commented on in detail. The position with regard to the structure of the economy and the changes which have taken place between the two years used 1970 and 1978 is as shown at Table 3.4.

Table 3.4—G.D.P. by Source at Current Prices—1970 and 1978

	1970	1978	1970	1978	1970–1978 Average Growth Rate
	K£'000		Percentages		
Agriculture, Forestry and Fishing	173·0	664·3	33·1	35·8	18·3
Mining and Quarrying ..	2·4	3·8	0·5	0·2	6·8
Manufacturing	62·2	245·7	11·9	13·2	18·7
Electricity and Water ..	12·0	37·3	2·3	2·0	15·2
Construction	26·4	90·8	5·1	4·9	16·7
Wholesale and Retail Trade, Hotels and Restaurants ..	55·8	239·0	10·7	12·9	19·9
Transport and Communications	40·8	93·2	7·8	5·0	10·9
Government Services ..	76·5	258·0	14·7	13·9	16·4
Other Services	72·8	224·1	13·9	12·1	15·1
TOTAL G.D.P.—Factor Cost	521·9	1,856·2	100·0	100·0	17·2

SOURCE: Central Bureau of Statistics.

30. Examination of the data reveals that the contribution to G.D.P. of both agriculture and manufacturing industry has risen while that of transport and communications, government services and other services has fallen. The position in 1978 reflects that 35.8 per cent of G.D.P. was accounted for by agriculture, forestry, and fishing; 13.2 per cent by the manufacturing sector; 12.9 per cent by wholesale and retail trade including hotels and restaurants with 13.9 per cent and 12.1 per cent being accounted for by government services and other services respectively. The proportions show clearly that agriculture remains predominant in its contribution to G.D.P. and, while manufacturing has registered a rise in its contribution to G.D.P., this rise cannot be said to reflect the efforts of government to develop manufacturing industry at a rapid rate. The share of the directly productive sectors moved from 52.9 per cent in 1970 to 56.1 per cent in 1978 which is compensated by a fall in the share of the service sectors of the economy.

Agriculture

31. During the period under review, agriculture recorded an increase of 18.3 per cent a year in value added to G.D.P. at current prices. To a large

extent this was due to price rises for various major crops. There was, however, some actual increases in the output of sugar-cane, coffee and tea as evidenced by the data at Table 3.5.

Table 3.5—Principal Crops—Production for Sale—1970–1978 ('000 *metric tons*)

	1970	1971	1972	1973	1974	1975	1976	1977	1978
Wheat ..	221·5	205·7	164·4	124·6	159·5	158·1	200·3	178·2	166·9
Maize ..	205·7	256·6	373·0	440·8	365·4	487·8	564·7	424·0	330·2
Rice Paddy..	28·5	30·0	33·8	36·1	33·2	32·1	39·3	0·1	0·1
Sugar-cane ..	1,451·2	1,378·0	1,062·3	1,545·1	1,719·1	1,654·6	1,652·7	1,888·1	2,250·0
Seed Cotton	14·0	16·8	17·0	16·2	15·0	16·1	15·8	16·3	19·0
Clean Coffee	58·3	59·5	62·0	71·2	70·1	66·2	80·3	97·1	80·0
Sisal.. ..	43·9	44·8	41·2	58·1	86·5	43·6	33·6	32·2	34·0
Tea ..	41·1	36·3	53·3	56·6	53·4	56·7	62·0	86·3	95·0
Pyrethrum ..	0·1	0·1	0·2	0·2	0·2	0·2	0·2	0·1	0·1

SOURCE: Central Bureau of Statistics.

The percentage share of small farms in the gross marketed production of major crops varied between a low of 50.6 per cent in 1974 to a high of 55.6 per cent in 1975 reflecting a balanced contribution between the small-holder and the large-scale farmer. Production of marketed crops during the period 1970 to 1978 recorded annual average increases of 18.4 per cent and 3.5 per cent in value of output and volume of output respectively.

32. Comparative data as given at Table 3.6 for the years 1970 and 1978 reveal the volume of output for tea, coffee and sugar-cane growing at average annual rates of 10.5 per cent, 6.4 per cent, and 6.7 per cent respectively while the growth rates for basic cereals were either negative or unsatisfactory in so far as they were below the rate of population growth.

The data at Table 3.6 which shows an average annual increase of 18.4 per cent in value of output against an average annual increase of 3.5 per cent in volume of output raises the question as to how far there is a direct co-relation between the pricing of these commodities and production. While maize recorded an annual increase in volume of 2 per cent, it should be noted that from 1976 actual marketed production has been on a definite decline. In general the position of other crops was also unsatisfactory with falls registered for, besides wheat, sisal and other non-cereal crops. As in the case of maize, increases recorded in marketed production of cattle for slaughter and dairy products were all below the rate of population increase. When the overall picture of increases or decreases in the volume of output for basic crops other than coffee, tea and sugar-cane is looked at *vis-à-vis* the rate of population increase, it shows that crop production in the country

has in the latter part of the period under review, been unable to keep pace with the increase in the number of people to be fed. As we have stated in Chapter V of this Report, the rate of population growth in Kenya has reached alarming proportions and the country must now adopt intensified measures aimed at curbing population growth while promoting greater production.

Table 3.6—Recorded Marketed Production of Agriculture Sector by Commodity 1970 and 1978

	1970	1978	Average Annual Increases	
			In Value of Output	In Volume of Output
	K£'000		%	
CROPS				
Wheat	4,994	11,675	11·2	Negative
Maize	2,828	10,510	17·8	2·0
Other Cereals	1,178	5,302	20·7	Positive
Pyrethrum..	1,477	3,665	12·0	2·2
Sugar-cane	3,509	17,392	22·2	6·7
Coffee	21,814	115,586	23·2	6·4
Sisal	1,715	4,260	12·1	Negative
Tea	13,838	71,328	22·7	10·5
Others	7,145	10,975	5·5	Negative
LIVESTOCK				
Cattle for Slaughter	13,324	34,941	12·8	0·8
Dairy products..	6,806	19,587	14·1	1·8
Others	3,173	7,892	12·1	Negative
Unrecorded Items	3,595	7,501	9·6	Negative
TOTAL	85,396	327,153	18·4	3·5

SOURCE: Central Bureau of Statistics.

Industrial Sector

33. During the period under review, the manufacturing sector has been one of the most dynamic in the economy. It has grown at an average rate of 10.5 per cent in real terms between 1972 and 1978. The sector, however, has remained relatively small, contributing 11.9 and 13.2 per cent of G.D.P. in 1970 and 1978 respectively. It accounted for approximately 13 per cent of total employment of the modern sector in 1977/78. Between 1972 and 1978 the sector recorded an average annual growth rate of 10.4 in the volume of production while the rise in the value added to G.D.P. was 18.7 per cent per annum. These comparisons indicate that price rises in the sector have been substantial during the period 1970 to 1978. The growth pattern in the sector during the period under review recorded a decline in 1975 as a result of the 1973/74 oil crisis which essentially put pressure on the balance of payments resulting in constraints on imported inputs. Thereafter the sector registered strong recovery as is evidenced by the data at Table 3.7.

Table 3.7—Industrial Sector Output and Employment

1. Quantity Index of Manufacturing Production, 1973-77 (1972 = 100)

Industry	1973	1974	1975	1976	1977
Meat and Dairy Products	97	96	84	99	99
Canned Vegetables, Fish and Oils and Fats	118	127	156	201	248
Grain Mill Products	118	137	131	151	148
Bakery Products	109	134	126	178	196
Sugar and Confectionery	162	184	184	205	233
Miscellaneous Foods	106	110	106	129	142
Total	114	121	119	123	151
Beverages	115	131	138	150	181
Tobacco	113	133	131	137	145
Total	114	131	136	146	170
Textiles	136	138	143	141	184
Clothing	91	84	85	101	150
Leather and Footwear	98	110	184	181	190
Wood and Cork Products	106	117	141	135	153
Furniture and Fixture	102	110	95	93	105
Paper and Paper Products	132	93	88	141	170
Printing and Publishing	107	129	148	156	238
Basic Industrial Chemicals	116	139	89	84	76
Petroleum and Other Chemicals	116	120	117	133	151
Rubber Products	139	146	103	146	170
Plastic Products	105	158	244	310	383
Clay and Glass Products	89	95	96	77	170
Non-Metallic Minerals	98	114	114	124	144
Metal Products	112	120	118	178	207
Non-Electrical Machinery	91	121	65	48	50
Electrical Machinery	118	171	139	159	193
Transport Equipment	80	73	102	111	178
Miscellaneous Manufactures	130	155	107	123	137
Total Manufacturing	112	123	121	143	165

2. Employment in Manufacturing, 1973–77

1973	1974	1975	1976	1977
94,453	101,332	100,731	108,776	117,949

Source: Central Bureau of Statistics.

34. The various sub-sectors of manufacturing grew at different rates with the production of consumer goods expanding more rapidly than intermediate and capital goods. Some of the sub-sectors which registered the most rapid

rates of growth were: leather, paper and paper products, metal products, clothing, transport equipment, and electrical machinery while tobacco, textiles, grain milling and miscellaneous foods registered only moderate growth. On the other hand meat, dairy products, furniture and non-electrical machinery declined while production of basic industrial chemicals stagnated.

35. The growth of the industrial sector has been predominantly based on import-substitution and strongly oriented towards the domestic market. As a result, imports declined from 39 per cent to 32 per cent of the domestic supply of manufactured goods while exports dropped from 19 per cent to 16 per cent between 1972 and 1977. The decline in exports of manufactures is partly accounted for by the loss of certain markets that used to take a substantial part of such highly processed goods as paint, clothing and shoes. Expansion in this sector based on import-substitution has reached a stage where most of the more obvious and easy options are nearing full exploitation. This is considered to be a key result area in the country's economic development and since the soft options in the form of import-substitution appear to be wearing out more efforts will require to be directed towards export-oriented industries.

36. To make headway in this direction will call for a more innovative approach on the part of the public services particularly those charged with specific responsibility to foster industrial development. That it will not be easy to sustain the impressive growth recorded over the last ten years is underlined by the fact that the effects of the fall in coffee prices in 1978 and those of the increase in oil prices in 1979 will inevitably bring in new strains on the balance of payments. These pressures are likely to result in lower rate of economic growth for the Fourth Development Plan period than originally projected. It is currently estimated that instead of the annual average rate of growth originally estimated at 6.3 per cent per annum for the plan period a figure of approximately 5 per cent is more realistic. This could be further depressed by future rises in oil prices. Within this context the 9 per cent growth projected for the manufacturing sector during the plan period would inevitably come down.

37. It was earlier mentioned that the manufacturing sector is considered a key result area for the country's economic development although it accounts for only 13.2 per cent of the G.D.P. This clearly underlines the need to have appropriate policies and efforts directed at expanding this section. The need to do this is acknowledged in the Fourth Development Plan and further underlined by recent action whereby a separate Ministry of Industry was created. It should be a goal to have industry develop to a point where it becomes a close competitor with agriculture both from the point of view of contribution to G.D.P. as well as export earnings. This is no

mean task and it is definitely one of the major tasks and challenges of the future. In fulfilling this task the Government will be well advised to concentrate on its catalytic role coupled only with very carefully selected direct participation in areas or enterprises considered to be of strategic significance.

Other Sectors

38. Of the other sectors, tourism registered what is considered an impressive growth as measured by the main parameter of bed-nights. A total of 1,903,000 bed-nights were spent in hotels in 1970 of which 755,000 were accounted for by East African residents. In 1978, the figures were 3,983,000 bed-nights of which 1,154,000 were accounted for by East African residents. The substantial part of the growth as reflected by these figures took place during the period to 1976. Year 1978 itself registered a growth of only 4 per cent. During the same period, earnings from this sector rose threefold to some K£60 million in 1978. This impressive number of bed-nights, however, reflects an occupancy rate of 54.1 per cent in 1978 which dropped marginally from 54.6 per cent in 1977. Given the total hotel capacity available of 7,258,000 bed-nights in 1978 and the occupancy rate registered, it would probably be desirable to examine critically any injection of further massive capital from public funds into the development of beds, the seasonal factor in the calculation of occupancy notwithstanding.

39. Construction showed a rate of increase in its contribution to the G.D.P. of 16.7 per cent a year which was slightly below the average for the G.D.P. as a whole. Sectors which showed relative decline were mining and quarrying, electricity and water, services—including government services—and transport and communications. Of these, transport and communications could be said to have reached a level of decline causing serious concern. A significant part of the decline, however, could be attributed to the fact that such major subsectors as harbours, railways and air transport were a part of the East African Community system which was, for sometime, under considerable stresses and strains before it broke up.

Savings, Capital Formation and External Debt

40. During the period under review, the proportion of G.D.P. being applied to investment averaged 24 per cent a year. G.D.P. at constant prices rose at 5.7 per cent a year during the same period. Assuming a one year time-lag between the time expenditure on investment is effected and the time it shows an impact on the value added to G.D.P., then it would follow that investment expenditure in the period 1969 to 1977 which averaged 23.12 per cent of G.D.P. a year resulted in an average increase in G.D.P. of 5.74 per cent a year. This gives a capital output ratio of approximately 4.0. In the first four

years of the period under review, capital output ratio averaged 3.33 and moved to 4.09 for the years 1975-1978. This could be a reflection of increased costs of imported capital equipment. The high prices in turn require allocation of a higher proportion of G.D.P. to investment to achieve a given rate of growth.

41. The data provided at Table 3.8 shows that on the average domestic savings funded 74.5 per cent of total investment while the balance of 25.5 per cent was funded by external sources either in the form of loans or grants, except in 1977 when the coffee boom receipts generated enough savings to cover all the investment.

Table 3.8—Domestic Savings and Investment—1970 to 1978

	Domestic Savings	External Loans and Grants	Total Investment	Proportion of Domestic Savings	
				to G.D.P.	to investment
	K£m	*K£m*	*K£m*	%	%
1970	116·1	10·0	126·1	—	—
1971	120·4	41·8	162·2	20·6	84·7
1972	143·5	16·1	159·6	—	—
1973	179·2	47·5	226·7	—	—
1974	157·1	116·1	273·1	16·3	65·9
1975	136·5	80·6	217·1	—	—
1976	252·3	42·0	294·4	—	—
1977	441·2	Nil	441·2	19·1	75·8
1978	317·4	279·9	597·3	—	—
Averages 1970–1978	207·1	70·5	277·6	18·6	74·5

SOURCE: Central Bureau of Statistics.

Domestic savings averaged 18.6 per cent of G.D.P. between 1970 and 1979 but during the period 1973-1975 when the impact of the 1973 oil price increases were taking effect the contribution fell to 16.3 per cent. A trend in that direction could be expected in the early 1980s. This would call for revision on consumption expenditure downwards particularly on the part of Government to avoid any significant downturn in investment expenditure which would, in turn, have adverse effects on the rate of growth. Analysis of domestic savings by source is not possible for the period under review except for 1976 which reveals the following picture:

Source	*Amount K£million*	*Per cent of Total*
Households	79.0	31.3
Enterprises	108.3	42.9
Government	65.0	25.8
TOTAL ...	252.3	100.0

SOURCE: Central Bureau of Statistics.

42. Given the above structure, and assuming it would be similar in 1979/80 then it is clear that the bulk of domestic savings are generated from non-government sources. The 42.9 per cent of total domestic savings generated by enterprises would be mainly by way of provision for replacement of assets and for future expansion. Thus it could be safely assumed that this part of domestic savings would definitely be applied to investment. The same assumption, however, would not apply to household savings as part of it could easily be diverted to consumption, especially under pressure of price rises, and thus cease to be available for investment. Application of Government savings, however, could be dealt with on a deliberate basis and, having regard to likely trends, applied to the investment rather than consumption side of government activities.

43. To attain a given level of investment, external funds are required to supplement domestic savings. In the years 1970-78 the amounts required have moved from K£10 million in 1970 through zero in 1977 to K£279.9 million in 1978 averaging K£70.5 million per year over the period. As indicated elsewhere in this Report, most of the external funds in the form of loans and grants are sought and flow in during the periods of strains on the balance of payments which in itself is a function of a multiplicity of factors over some of which the country has little control.

44. Post-1977 events indicate that pressure has been building up on the balance of payments and indications are that it will be aggravated by the recent oil price increases. It requires those who manage the economy, therefore, to exercise every caution to safeguard the proportion of G.D.P. being applied to investment to ensure that at least the moderate rate of growth planned for the early years of this decade is achieved. In this process it will be inevitable to seek some external funds either in the form of loans or grants.

45. Notwithstanding the fairly satisfactory level of investment financed by domestic savings during the period under review, the net inflow of loans and grants for the period has totalled K£639.2 million. Outflows related to debt servicing and payment of dividends on external investments amounted to K£55 million in 1978 which was approximately 3 per cent of the G.D.P. at factor cost and 9.3 per cent of the earnings from exports of goods and services. While these figures were acceptable given the overall situation in 1978 it should not be overlooked that the country's export earnings are subject to fluctuations and, to safeguard the country's position in future, particular efforts should be directed towards creating a more diverse and stable base for exports. External funds borrowed to supplement domestic savings in investment should, therefore, as much as possible, be applied to areas geared to increasing earnings in exports. Clearly, every effort must be made to

increase domestic savings in order to keep external borrowings to a reasonable level as relying too heavily on externally generated funds could create serious debt servicing problems in future.

Table 3.9—Expenditure on Investment and Increase in G.D.P—1970 to 1978 (%)

	Proportion of G.D.P. on Investment	Increase in G.D.P. at Constant Prices	Ratio
1969	19·7	—	
1970	21·9	6·8	
1971	25·2	7·0	3·33
1972	22·7	6·8	
1973	28·8	6·3	
1974	28·4	2·6	7·13
1975	18·2	2·3	
1976	20·0	5·6	
1977	23·2	8·6	4·09
1978	28·1	5·7	
Average 1970–1978 ..	24·1	5·7	4·2

SOURCE: Central Bureau of Statistics.

46. On the basis of the experience during the last ten years particularly having regard to the current high rate of population growth, it is imperative that a growth rate in the levels achieved between 1970 and 1978 be maintained through the 1980s if the increase in G.D.P. per head will not fall below the recorded levels. Over 1970-1978 period an average increase of 2 per cent was recorded. To maintain this, approximately 24 per cent of G.D.P. would have to be applied to productive investment. On the basis of the 1978 figures, domestic savings constitute 17.0 per cent of G.D.P. and this means, therefore, that an inflow of foreign funds equal to 7.0 per cent of G.D.P. will be required. Since not all these funds can be obtained in the form of grants there will have to be an element of loans from both official and private sources. Provided such funds are effectively applied to boost export earnings and save on imports, no serious problems would be foreseen over future servicing of the external debts. This re-emphasizes the point made earlier in this chapter with regard to the need to direct efforts towards expanding those sub-sectors of industry which are oriented towards production for export.

47. The above analysis of the developments achieved in the 1970s reveals a record which, as stated in the introduction to the Fourth Development Plan, should be viewed by every Kenyan with a fair amount of satisfaction.

Overall growth has been maintained at a fairly satisfactory rate averaging 5.7 per cent a year at constant prices. When the real benefits of this growth are adjusted to take into account the rate of population increase, however, the net result is a modest 2 per cent as reflected by the average increase in G.D.P. per head. It is estimated that in 1979 there is likely to be no change in G.D.P. per head and possibilities of a drop from levels previously recorded cannot be ruled out. This underlines the need for the country to address itself to the question of the rate of population increase which, unlike the increase in G.D.P. is a problem. If left unchecked for much longer, population increase will not only continue to dilute the results of the country's efforts in development but could also dampen the results of these efforts. Reaching a more balanced position between the two types of growth, i.e. G.D.P. on the one hand and population on the other, clearly forms the core of the challenges facing the country in the 1980s and subsequent years.

48. Having acknowledged the achievements of the 1970s and given an indication of what we consider to be the core of the challenges of the 1980s we shall now attempt an analysis of the part played by the Public Service in reaching these achievements which we all view with a fair amount of satisfaction. At the beginning of the 1970s, the Ndegwa Commission, having acknowledged the good work previously done by the Public Service in consolidation of independence, underlined the need for the transformation of the Civil Service from an institution of administration in the conventional sense to an institution geared towards "development administration". They saw the Service requiring to change from "a transmitter of impulses received from the Cabinet" to an organ "skilled in the management of a complicated Government machine, working at high pressure in a rapidly changing environment; and also a creative force constantly reappraising the problems confronting society; and enabling it to solve them by designing new solutions".

49. Since the early years of independence, the basic tool through which the Civil Service input has been channelled into the development effort has been the development plan. The development plan is the basic development document defining the aims, aspirations and strategies of the development effort and setting out both sectoral and global targets to be achieved during the plan period. Achievement or otherwise of the planned targets is eventually reflected in the increases in G.D.P. Beyond the preparation of the plans, the Civil Service has had to ensure that implementation is possible through such specific inputs as the provision of basic services, raising of funds particularly those required for public sector investment, regulation of various activities in the private sector, and above all the maintenance of law and order as well as political stability. In performing these functions the Civil Service has to work closely with such other members of the Public Service as local

leaders, elected representatives, and Ministers. From the point of view of maintaining law and order, defending the country's sovereignty as well as creating and maintaining a stable political climate, the Public Service has done a commendable job during the period under review. Towards the end of the 1970s, the Public Service had the occasion to face the unenviable challenge of overseeing the transition from the country's First Presidency to the Second. The way they performed this unenviable task was superb.

50. The question still remains unanswered, however, as to whether what the country achieved in the 1970s by way of economic development was the best or whether the achievements reflect optimum use of the resources at our disposal. In the light of the evidence we have received and observations we have made in the course of our deliberations we shall attempt to answer this question.

51. It has not been possible due to the time constraint for us to individually examine every target set in the old development plans and to assess the extent to which such target were or were not achieved. We have limited ourselves to a global analysis of the developments during the decade under review with very brief analyses of selected sectors. Our conclusion on this basis has been that the economic achievements of the decade should, as stated in the introduction to the Fourth Development Plan, be viewed with a considerable measure of satisfaction. This, however, does not necessarily mean that everything in the operations of the Public Service and its management of the nation's resources was optimal. Since the achievements of the 1970s were not reached without difficulties, we consider that a fair assessment on how effectively the Civil Service did contribute to the recorded development could be reached through examination of some of the major factors contributing to the economic difficulties that the country had to contend with. Among the problems that the country had to face were: continuous and rapid rises in oil prices; world inflation; fluctuations in the prices of the country's major export crops, a deteriorating unemployment situation; adverse weather changes; and, elevation of people's expectations on positive changes leading to improvement in their quality of life.

52. Some of these factors were external to the country and by and large they were all external to the Civil Service; they reflect a rapidly changing environment which in turn entails revision of strategies and re-appraisal of operating models to facilitate designing of solutions to the problems that inevitably arise as a result of the changes in the environment. It would be expected, however, that if the Civil Service had geared itself to work "at high pressure in a rapidly changing environment" they should have foreseen at least some of these problems and at least developed solutions before the real events.

53. There are areas where heavy investments have been directed and resulted in either heavy losses or creation of underutilized capacity. The recent developments of Mombasa and Nairobi airports for instance, incurred heavy expenditures and yet their effective use is still well below the air traffic that had been forecast. If there had been co-ordination between the various components of the national transport system the expenditure on the airports could have been phased to be incurred more in line with the growth of air traffic while part of the funds already invested to create "excess capacity" at least in the medium term could have been applied to more needy sub-sectors of the transport system or other sectors of the economy.

54. The management of the import licensing scheme and exchange control including the functions of the General Superintendence has left a lot to be desired. It has been characterized by extreme situations with periods of excessive importations alternating with periods of severe restrictions. This, in turn, has resulted in serious supply problems in industry and commerce. As a prelude to the time of restrictions the public have been exhorted to make do with the resulting hardships as we must preserve the scarce foreign exchange.

55. Scarcity of foreign exchange has by and large been a permanent feature in our economic life. It is likely to live with us for a long time to come particularly taking into account the fluctuating nature of the prices of the country's major exports. By continuously monitoring the forces that affect the country's foreign exchange position it ought to have been possible to develop a system more sharply tuned to local requirements while recognizing the turbulence in the world economic scene. More than any time before, the development of such a system is essential as indications are that the time for operating the scheme on a stop-go basis is over.

56. Problems that surfaced recently with regard to the silting of the dam at Kindaruma reflect serious oversights since the late sixties when steps were not taken to either maintain or introduce riverine vegetation along the Tana River and its tributaries. There is no alternative to this if the heavy investments on the dams in the Tana River or elsewhere are to yield the expected results and have any reasonable life span.

57. On the industrial front, a look at Table 3.7 reveals that manufacturing production in meat and dairy products remained below the 1972 levels for the period 1973 through 1977. Figures for 1978 show a drop over 1977. Such major components of this sub-sector as Kenya Meat Commission, Uplands Bacon Factory and Kenya Co-operative Creameries are public sector operations for which the Public Service has responsibility for management either directly or indirectly through providing guarantees for massive overdraft facilities. This sub-sector deals with food processing and its poor operation, we consider, points at some serious underlying problem. During the early

part of this year, the country was experiencing food problems with regard to basic cereals. Yet as recently as last October, exports of significant quantities of maize were authorized. This country has an elaborate machinery of procurement and storage of strategic food reserves which is managed by the Public Service.

58. The few illustrations given above indicate some cases where it is considered that the Public Service did not perform as well as it could have done. In giving these illustrations we mean to show that within the overall successful performance recorded in the 1970s, it is possible that more could have been achieved and that the resources at the disposal of the nation could have been used more effectively than they were. It is expected that these few illustrations will be useful as a pointer to show that in so far as applying the nation's resources effectively is concerned, there is no room for complacency. Instead there is considerable room for improvement.

Trends in Employment and Wages, 1970–79

Employment

59. In this section, our analysis will be limited to what is known as the formal sector as data on the informal is not available. It is, however, recognized that there is a substantial number of people employed in the informal sector both in rural and urban areas.

60. Table 3.10 shows the numbers employed in the formal sector growing from 627,200 in 1969 to 911,600 in 1978. Between 1971 and 1978 employment in the private sector grew at an annual rate of 3.0 per cent while in the public sector the rate was 5.5 per cent. The growth in agriculture and forestry, however, was nil.

Table 3.10—Trends in Wage Employment by Sector—1969–1978 ('000)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978*
Private, Agriculture and Forestry	178·7	183·7	189·6	197·9	220·6	213·7	195·8	197·7	206·4	189·0
Rest of Private Sector ..	211·4	213·6	234·1	234·9	241·9	282·5	280·9	303·4	320·1	332·6
Public Sector ..	237·1	247·2	267·5	287·0	298·9	330·1	342·4	356·4	376·4	390·0
TOTAL	627·2	644·5	691·2	719·8	761·4	826·3	819·1	857·5	902·9	911·6

*Provisional.

SOURCE: Central Bureau of Statistics.

Average wages, however, moved faster than employment with the public sector recording an annual growth of 9.5 per cent between 1971 and 1978 and

the private sector an overall rate of 10.0 per cent. Agriculture and forestry recorded a slightly higher growth at 10.8 per cent a year, showing some gain from the non-growth in the numbers employed. Overall, movements in real wages over the period between 1970 and 1978 reflect that employees in the formal sector suffered a decline of approximately 12.4 per cent partly as a result of the Government policy to restrain the inflationary effects of wage awards.

Table 3.11—Comparative Wage Employment in the Formal Sector—1977 and 1978

	1971	1978	Growth Rate % p.a.
NUMBERS EMPLOYED—			
Public Sector	267,500	390,000	5·5
Private Sector—			
Agriculture and Forestry	189,600	189,000	Nil
Other	234,100	332,600	3·0
Total Private Sector	423,700	521,600	3·0
AVERAGE WAGES—K£			
Public Sector	339	639	9·5
Private Sector—			
Agriculture and Forestry	79·6	159·8	10·8
Other	352·0	630·2	8·7
Overall Private Sector	230·1	447·7	10·0

SOURCE: Central Bureau of Statistics.

During the period, real wages only increased in 1971, 1972 and 1976. Years 1973 and 1975 recorded the most marked decline as these were the years when rises in oil prices and world recession made their impact felt on Kenya's economy.

Wages and Salaries

61. To establish a reliable basis for decision making on wages and salaries, a detailed study on employment and cash earnings was recently undertaken covering the period 1972 to 1978. The study examined cash earnings by occupation and level for the private sector, central government, and other public sector inclusive of statutory boards and corporations. Various occupational categories were divided broadly, into three skill groups: unskilled, semi-professional, and professional. After computation of the average cash earnings for each category the position reflected at Table 3.12 emerged. The data presented excludes casual labour and employees in agriculture, forestry and fishing activities.

Table 3.12—Average Monthly Cash Earnings by Job Category (*K.Sh.*)

Category/Sector	1972	1973	1974	1975	1976	1977	1978	Cumulative growth rate 1972–1978
UNSKILLED								
Central Government ..	230	240	320	406	526	677	718	20·8
Other Public Sector ..	297	344	374	422	464	477	580	11·8
Private Sector	231	248	289	308	373	408	428	10·8
SEMI-PROFESSIONAL								
Central Government ..	876	880	966	1,210	1,518	1,699	1,546	9·9
Other Public Sector ..	1,249	1,380	1,486	1,589	1,508	1,700	1,926	7·5
Private Sector	1,267	1,375	1,477	1,646	1,628	1,868	2,323	10·6
PROFESSIONAL								
Central Government ..	1,383	1,431	1,400	1,689	3,216	4,554	5,085	24·2
Other Public Sector ..	3,162	3,816	4,025	4,806	4,198	3,732	4,191	4·7
Private Sector	3,321	3,830	4,651	5,041	5,465	5,600	6,210	11·0

SOURCE: Labour Enumeration, Central Bureau of Statistics.

62. The data reveals sharp changes in the relative cash earnings for the unskilled employees in the three sectors. Government and the private sector were about the same while that in the other public sector was approximately 30 per cent higher. The position, however, was very different in 1978 with the unskilled employees in Central Government earning 24 per cent and 68 per cent more than their counterparts in the other public sector and private sector respectively.

63. This dramatic change in the comparative position of the unskilled employees in the three sectors in 1978 is the result of the rates of growth over the period at 20.8 per cent, 11.8 per cent, and 10.8 per cent for Central Government, other public sector, and private sector respectively. Over the same period the unskilled employee in Central Government moved from earning one fourth of the salary of the semi-professional to nearly one half. The relative position in the private sector did not change and the average earnings of the unskilled employee remained 18 per cent of the semi-professional's average earnings. This probably reflects sharper classification in the private sector with the semi-professional moving towards the professional sphere with the passage of time.

64. On the semi-professional category the relative positions hardly changed between 1972 and 1978. Private sector paid the highest, other public sector remained in the middle whilst Central Government maintained the third position. Relative rates of growth were 9.9 per cent, 7.5 per cent, and 10.6 per cent for the Central Government, other public sector and private sector respectively. This resulted in the semi-professional in Central Government

earning 66 per cent of his counterpart in the private sector in 1978 as opposed to 69 per cent in 1972. The gap between the semi-professional in the other public sector and the private sector widened moderately.

65. A markedly different pattern emerged in the case of the professionals. In Central Government, this group registered a high cumulative rate of growth of 24.2 per cent as opposed to 11 per cent for the private sector and 4.7 per cent for the other public sector. This resulted in equally marked changes in relative positions between the three groups in 1972 and 1978. While in 1972 the professional in Central Government earned approximately 44 per cent of the average earnings of his counterpart in the other public sector, in 1978 the position was that the Central Government professional earned 21 per cent more than his counterpart in the other public sector. Relative figures with the private sector moved from 42 per cent to 82 per cent. Besides an element of salary increase, the high cumulative rate of growth also reflects a considerable amount of upgrading and reclassification of jobs within the Central Government sector. It should be noted that the comparative data on which the above analysis and positions are based refers only to average monthly cash earnings and does not take into account such non-cash benefits as the non-contributory pension scheme to which Central Government employees are entitled and the bulk of the others are not.

66. Information at Table 3.12 shows changes in cash earnings for the various categories of employees between 1972 and 1978. After adjusting the cash earnings to take into account increases in the cost of living, the position with regard to real earnings is as reflected in Table 3.13.

Table 3.13—Percentage Changes in Real Earnings by Sector and Income Group—1972–78

Income Group Sector	1972–73	1973–74	1974–75	1975–76	1976–77	1977–78	Average Annual Change 1972–78
LOWER INCOME (*Unskilled Employees*)							
Central Government	−9·6	+21·6	+8·3	+20·4	+12·4	+1·9	+7·9
Other Public Sector	−0·3	−2·4	−4·8	+1·1	−15·1	+7·2	−4·3
Private Sector ..	−7·8	+4·7	−9·9	+10·9	−10·4	−7·9	−1·3
MIDDLE INCOME (*Semi-Professionals*)							
Central Government	−10·5	−4·5	+8·8	+14·7	−1·4	−15·8	−2·1
Other Public Sector	−1·6	−6·3	−7·0	−13·3	−0·6	+4·8	−4·3
Private Sector ..	+3·4	−6·5	−3·1	−9·6	+1·1	+15·0	−1·5
UPPER INCOME (*Professionals*)							
Central Government	−10·2	−10·8	+3·1	+76·8	+23·7	+3·7	+11·0
Other Public Sector	+4·8	−3·8	+1·9	−18·9	−22·4	+4·3	−6·8
Private Sector ..	+0·1	+10·8	−7·5	+0·7	−10·5	+3·1	−0·8

SOURCE: Table 3.12 and Central Bureau of Statistics Cost of Living Indices.

Within the Central Government sector real earnings for unskilled employees went up by 7.9 per cent while for the same group in other public sector and private sector there was a drop of 4.3 per cent and 1.3 per cent respectively. For the semi-professional group there was a drop of 2.1 per cent, 4.3 per cent and 1.5 per cent in the Central Government, other public sector, and the private sector respectively. In the upper income or the professional group, real earnings went up by 11 per cent for the Central Government sector while they dropped by 6.8 per cent and 0.8 per cent for the other public sector and the private sector respectively. Overall, the data indicates that other than the unskilled employee and the professional in Central Government all other groups of employees experienced a decline in their real earnings between 1972 and 1978. Those in the other public sector suffered the most substantial decreases while those in the private sector and the semi-professionals in Central Government experienced more moderate decreases.

67. At the same time, the real incomes of small farmers in the rural areas improved considerably although on average small-farm incomes still remain below the average incomes from employment in the formal sector. It appears that small-farm real incomes improved at the expense of the incomes of employees in the formal sector particularly because of the government policy which, through the issue of wage guidelines, allowed only partial compensation to formal sector employees against rises in the cost of living.

68. Taking into account the linkages between the various sectors/groups in the economy, the question arises as to whether real incomes in the non-urban areas should continue to rise at the expense of the incomes of those employed in the formal sector. If the urban employees are looked at from the point of view of these linkages, then they should be seen as suppliers of savings, a source of demand for products from both the rural areas and industry and, in the latter case, demand for raw materials some of which are locally produced even from the rural areas.

69. From this point of view, it is clear that while the inflationary effects of increases in wages and salaries must never be lost sight of, it is equally important that real incomes of the formal sector employees should not be eroded by deliberate policy to the point where this could have an adverse effect on the effective demand for products from both the farming and the industrial sectors. Provided realistic policies towards agriculture and industry are followed, which ensure effective use of resources resulting in increased production in response to increased demand, it is considered possible that rural incomes could continue to rise without necessarily doing so against the incomes of employees in the formal sectors.

70. The question as to whether there is a case for an upward adjustment in remuneration for the Public Service is a difficult one to try to answer at the present time given the various pressures on the economy and the tight

position of the Central Government budget. It has been established in the review and analysis of the achievements of the 1970s that a reasonable rate of growth was established and that, various weaknesses as illustrated notwithstanding, the Public Service made its contribution in achieving the results. We shall continue to expect it to make an even bigger contribution by effectively applying the resources at the disposal of government to productive investments. This we consider absolutely essential if the achievements of the 1970s are to be sustained and improved upon in the 1980s.

71. Within the same analysis, it has also been established that real incomes for the Public Service have been eroded by rises in the cost of living. We are convinced, that there is a case to revise remuneration for the Public Service upwards to at least compensate our public servants for the erosion of their real income by rises in the cost of living. We have, therefore, recommended accordingly in Chapter XVI but with the full knowledge and acknowledgement of the fact that they will add to the problems of financing the Central Government operations.

Financing of Central Government Operations

72. We give below some analysis of the position with regard to the financing of the Central Government operations and the related problems. The position over the last ten years is summarized at Table 3.14 below.

Table 3.14—Out-turn of Revenue and Expenditure—1970/71 to 1977/78

	1970/71	1974/75	1977/78	1970/71 to 1977/78 Growth Rate per Annum
	K£m	*K£m*	*K£m*	%
Recurrent Revenue	121·2	228·9	431·7	19·9
Recurrent Expenditure	110·4	205·6	383·0	19·4
Recurrent Surplus	10·8	23·3	48·7	24·0
Capital Expenditure	42·2	96·0	177·0	22·8
TOTAL DEFICIT	31·4	72·7	128·3	22·3
Financed by:—				
External Grants	1·3	6·1	15·1	42·0
External Loans	11·1	26·1	43·7	21·7
Long-term Domestic Borrowing ..	12·4	29·1	45·0	20·0
Short-term Domestic Borrowing** ..	6·6	11·4	24·5	20·6
	31·4	72·7	128·3	

**Balancing Factor.

SOURCE: Central Bureau of Statistics.

The figures shown for each of the years 1970/71, 1974/75 and 1977/78 represent a three-year average centred on each of the years shown while the short-term domestic borrowing is a balancing item. Over the period covered, recurrent revenue rose at a rate of 19.9 per cent per annum while recurrent expenditure rose at a slightly lower rate thus recording a moderate increase in the current budget surplus. Capital expenditure, however, grew at a much faster rate than the current budget surplus thus leaving a deficit which grew at a rate of 22.3 per cent a year. To finance the deficit on the capital expenditure, it was necessary to borrow both internally and externally as well as obtain some external grants. The rise in government borrowings increases the relative debt servicing charges thus introducing an input in the recurrent expenditure. Recurrent revenue rose faster than the gross domestic product at current prices during the seven years to 1977/78 thus indicating that the nation's taxable capacity is now being tapped more effectively than in the earlier years. Room to increase recurrent revenue through taxation on the basis of increasing those within the tax net appears rather limited and this would lead to the conclusion that increases in resources available to fund government expenditure will in future be only obtainable through higher levels of productivity and sustained growth of the economy. This is particularly so when the fact that the country's tax rates are extremely progressive is taken into account. This situation is acknowledged in the Fourth Development Plan and underlines the dire necessity of ensuring the sustained growth of the economy through efficient management of the resources at the country's disposal.

Current Position and Outlook

73. It has been indicated above that the only real prospect for increasing government recurrent revenue is through the process of sustained growth of the economy. This has been acknowledged in the Fourth Development Plan. In recognition of this the plan was originally designed with targets which, if achieved, would induce an average annual growth rate of 6.3 per cent over the plan period 1979–1983. On this basis it was estimated that Government expenditure both recurrent and development would grow at an annual rate of 7 per cent.

74. Adverse factors which were not taken into account at the time the plan was finalized have come into play. These factors include increases in crude oil prices and other petroleum products, fall in the prices of the country's export crops, importation of inflation from developed countries by way of increased prices for manufactured goods and a slow-down in the growth of our manufacturing sector owing to such things as import restrictions as a result of pressures on the balance of payments.

75. A re-appraisal of the current position and the outlook reveals that the projected growth rates have to be significantly revised as the following comparative figures show:

Original and Revised Projections

1. GROSS DOMESTIC PRODUCT—GROWTH RATES—PERCENTAGE

	1979	1980	1981	1982	1983	Av. p.a.
Original	4·5	7·0	6·5	6·7	6·9	6·3
Revised	3·5	5·8	5·9	5·9	6·0	5·4

	1979/80	1980/81	1981/82	K£ million
2. REVENUE				
Original	670·3	612·9	658·8	708·1
Revised	548·2	578·9	616·9	657·2
3. EXPENDITURE				
(*a*) *Recurrent*				
Original	398·2	426·4	456·5	490·5
Revised	418·8	430·6	443·1	468·9
(*b*) *Development*				
Original	269·3	273·3	274·1	296·4
Revised	242·9	244·8	244·7	258·4

It is clear from the revised projections that while during the first two years under consideration the revenue forecasts are below the figures originally estimated, as already is being indicated by the Exchequer Return; the revised recurrent expenditure forecasts are higher than the original estimates. This is due to such general and normal reasons as price escalations which necessitate revision of estimates in the ordinary course of business but more significantly because of unavoidable additional commitments entered into at a time after the development plan and the relative forward budget projections were finalized. This category of unavoidable unplanned expenditure includes such items as the ten per cent increase in jobs; provision of free milk for primary school children; accelerated adult literacy campaign; and provision for more primary school teachers than would have otherwise been justified by normal growth, as the crest for free primary education moves from Std. 1 to Std. 7. To accommodate these originally unplanned but unavoidable commitments, it naturally becomes necessary to revise the government budget and impose reductions on the development allocation. This will inevitably have an adverse effect on that part of resources being applied to productive investment and it will eventually be reflected in reduced growth rates which will, in turn, erode the growth in the government revenues in future. Development pointing in this direction must be kept under constant review and every effort made to avoid them otherwise if they escalate beyond a certain point, the economy could get into a vicious cycle out of which it will be difficult to break.

76. Besides the originally unplanned but unavoidable expenditure mentioned above, there is more pressure on Central Government finances arising from more recent commitments as well as from the fact that the 1979/80 budget as approved by Parliament was extremely tight and, hence, subject to supplementary estimates on account of price changes alone. There is also the issues of a higher intake of students in the University of Nairobi and Kenyatta College, importation of wheat and maize to cover current shortages, and finally, the appointment of the Civil Service Review Committee and a similar body for the Armed Forces. The appointment of these two bodies naturally creates expectations among the public servants and from that point of view it inevitably leads to recommendations some of which have cost implications for Government. Our recommendations in Chapter XVI are not different. To illustrate the magnitude of the problem of paying the Public Service, we show in Table 3.15A the recent growth in numbers of Central Government employees.

Table 3.15A—Central Government—Personnel and Emoluments

Function or Economic Sector	Number of Personnel			Emoluments K£'000		
	1971/72	1975/76	1979/80	1971/72	1975/76	1979/80
General Administration ..	6,264	9,106	14,359	3,809	7,177	12,504
Provincial Administration ..	7,973	8,637	8,509	2,436	3,295	5,173
Law and Order	29,403	32,049	37,196	8,893	13,245	19,681
Agriculture, Forestry, Fishing ..	17,084	18,753	22,571	6,015	9,478	17,378
Education and Training ..	56,753	102,150	115,883	21,673	48,835	76,395
Health	11,183	19,851	30,391	4,455	9,747	14,789
Industry*..	3,673	4,424	7,845	1,955	3,156	5,938
Water Supplies	..**	1,718	4,209	..**	1,062	2,167
Other	6,355	8,188	17,395	3,021	5,076	12,768
TOTAL	138,688	204,876	258,358	52,257	101,071	166,793

*Mining, manufacturing, construction.

**Included in agriculture vote.

SOURCE: Central Bureau of Statistics.

77. Information in Table 3.15A shows the number of employees in the Central Government service, including the Teachers Service Commission but excluding the Armed Forces, rising from 138,688 in 1971/72 to 258,358 in 1979/80. This rise, of course includes the various tripartite arrangements which usually create jobs without necessarily creating employment. Table 3.15B shows the growth rates and percentage distribution which weigh very heavily on administration and social services against productive operations.

Table 3.15B—Central Government—Personnel and Emoluments Percentage Changes and Growth Rates

Function or Economic Sector	Percentage Distribution				Growth Rates—Percentage per annum 1971/72 1979/80	
	Personnel		Emoluments			
	1971/72	1979/80	1971/72	1979/80	Personnel	Emoluments
Central Administration.. ..	4·5	5·6	7·3	7·5	10·9	16·0
Provincial Administration ..	5·8	3·3	4·7	3·1	0·8	9·9
Law and Order	21·2	14·4	17·0	11·8	3·0	10·4
Agriculture, Forestry, Fishing ..	12·3	8·7	11·5	10·4	3·5	14·2
Education and Training ..	40·9	44·9	41·5	45·8	9·3	17·1
Health	8·1	11·8	8·5	8·9	13·3	16·2
Industry*..	2·6	3·0	3·7	3·6	9·9	14·9
Water Supplies	..	1·6	..	1·3	12·9	15·2
Other	4·6	6·7	5·8	7·6	13·4	19·7
TOTAL	100·0	100·0	100·0	100·0	8·1	14·8

*Mining, manufacturing, construction.

SOURCE: Central Bureau of Statistics.

Financial Implications

78. Having illustrated the problems of financing the Central Government operations, and having earlier concluded that there is a case to compensate the Public Service for the erosion on their real incomes by rises in the cost of living, we shall now make an assessment as to whether Government is able to pay.

79. On the basis of what resources are available or are likely to be available to the government, looked at *vis-à-vis* the competing uses, it is arguable that government is not in a position to increase remuneration for the Public Service. The best way to alleviate poverty would be the creation of income earning opportunities and if an either/or approach is taken the conclusion would be reached that rather than apply resources to increasing remuneration such resources should be applied to activities geared to create new employment opportunities for the unemployed. This, however, is always being done and it is really a question of how much exactly should be allocated where. On the other hand we would wish to make it clear that looked at from the point of view of the number of tasks to be performed in the economy, the level of unemployment is not as high as it is actually believed to be. While there are large numbers of unemployed persons in the major urban centres, there are many such economically necessary tasks as the picking of coffee and tea that go unperformed because of lack of labour in agricultural areas. This lack of labour arises from the unwillingness of unemployed persons to take up employment where it is.

80. The fact remains that increasing remuneration for the Public Service will always be a choice to be taken among other competing needs. Time is not foreseen when all the other competing needs would have been satisfied before resources could be allocated to increasing remuneration. The present time is particularly difficult because of the pressures on the Central Government budget analysed above. Our recommendations on increasing remuneration in Chapter XVI are made after taking all the factors analysed in this chapter into account as well as the challenges to be faced in the 1980s as analysed in Chapter V and subject to the following provisos:

(1) That expansion of the Civil Service must be kept to a minimum. This, however, does not mean a general freeze of establishments but an end to creating new establishments unless it is absolutely necessary.

(2) Restructuring must be confined to essential job re-definitions, up-grading in very special schemes, transfers of civil servants already in employment and only such other measures as are designed to improve morale and efficiency.

(3) That minimum qualifications for various jobs should be up-graded as more people acquire advanced academic and professional qualifications. This will assist to enhance efficiency and up-grade the general standards of the service and at the same time ensure that the salary paid corresponds more with the specifications of the job to which an officer is appointed or posted rather than to his/her education or training attainments.

(4) That in recommending an incerase in remuneration at a time when all economic and financial indications appear to point at a programme of wage austerity we are throwing a challenge to the Public Service calling upon it to manage the nation's affairs in the eighties better than it did in the seventies for failure to do so could result with loss of even the gains of 1970s.

81. Past experience shows that after a review like the one we have done recommendations relating to increases in remuneration have always been implemented first. It might not be realistic to expect that this Report will be dealt with differently. We would like to emphasize, therefore, that for an equitable position to be reached between the nation and its servants who have been awarded an increase in remuneration, those who manage the Public Service must accept the improved remuneration only on the understanding and condition that they will consider and put into effect those non-remunerative recommendations contained in the Report. The need to do this, and particularly with regard to those recommendations relating to improvement in management of public affairs aimed at higher productivity through effective and efficient application of the country's scarce resources, cannot possibly be overemphasized.

CHAPTER IV—THE STATE OF THE CIVIL SERVICE

82. Having reviewed the economic and operational environment within which the Civil Service has worked during the past decade, we wish at this point to describe the state of the Service as it presents itself today and to highlight some of the problems we see impinging upon its efficiency and productivity. The Ndegwa Commission considered whether the condition of the Civil Service at that time was well adapted to the tasks of the 1970s and concluded that it needed to be re-structured and re-orientated. The Commission therefore called upon the Service to accept the need for change and prepare itself for the introduction of new systems and managerial methods aimed at enhancing its morale, efficiency and productivity.

83. Ten years later, it falls on us to assess whether there has been improvement in the morale and performance of the Civil Service. From the evidence we have gathered, it is clear that there has been a significant deterioration in the morale and consequently in the efficiency of the Civil Service. As we have stated elsewhere in this Report, the Ndegwa Commission recommended that modern management systems and practices be introduced in the Service but this was never done. The result has been that, far from the Service developing a capability to adapt to development-oriented conditions, it has continued to operate within the same system that it inherited at independence. While there has been a substantial expansion of Government activities through its involvement in all sectors of the economy, the enthusiasm and commitment of its employees continue to be hampered by cumbersome administrative and financial procedures, poor co-ordination of activities and the lack of machinery to evaluate and monitor production.

84. Since the time of the Ndegwa Commission, the Civil Service has expanded tremendously both as an organization and in its activities. In 1971, the Service had just under 84,000 employees and by June 1980, the figure had risen to well over 170,000. The number of ministries and departments has increased and so have their recurrent and development expenditures. Although it is not possible to list here all the factors that have brought about this phenomenal growth, one thing that is clear to us is that the Civil Service is seriously overmanned, especially in the lower echelons, and this is contributing significantly to the decline in its efficiency and productivity. Ironically, this over-establishment of the Civil Service and the acute shortage of labour in such strategic sectors as agriculture exist side by side. While it is possible that the overmanning in the Civil Service has resulted from the Government's efforts in alleviating unemployment, it cannot be emphasized too strongly that this large number of under-utilized personnel

is having, and will continue to have a serious effect on the efficiency and productivity of the Service unless remedial measures are taken.

85. In the days when development activities were limited and the Civil Service was small, administrative conditions were more favourable to the maintenance of morale and efficiency. As the Service has grown and development aims have become complex, central control has become stricter; lines of communication have become more intricate; procurement procedures have become more involved; recruitment and discipline more centralized; and achievement has tended to be overshadowed by the need to comply with regulations. While we recognize the need for conformity in the application of the laid down rules, regulations and procedures as an essential discipline, we have received considerable evidence to indicate that the observance of these rules has become a matter of such concern that operational efficiency and achievement has been relegated to a position of secondary importance. Many of these regulations were carried over from the colonial Civil Service and have now outlived their usefulness. Their perpetuation is therefore undesirable and will continue to have an adverse effect on the efficiency of the Service.

86. Another factor which is affecting morale and performance in the Civil Service is the lack of a working environment that is conducive to efficiency. Job satisfaction is a critical ingredient if an employee is to give of his best. Ideally, an employee selected to fill a particular post should be properly trained, appropriately experienced and employed in an efficient management system. If he enjoys his work, knows what he is supposed to do and when, and is part of an efficient and disciplined team, he will work well. Our investigations reveal that the situation obtaining in the Civil Service is unsatisfactory as the management practices in force do not provide for job incentives. Indeed, we have been told that the sense of commitment and dedication that once characterized the Civil Service has been eroded to the point where today a significant number of civil servants view their employment in the Government service as just another way of earning a livelihood. Thus the morale and efficiency of a large section of the Civil Service, especially those engaged in actual development work in the field has declined because, for instance, an officer cannot obtain office or even living accommodation in the station where he has been posted, he cannot get development funds released in time due to bureaucratic red-tape, he has not been provided with transport and fuel to travel in his area of work and, above all, nobody seems to be too seriously concerned about his personal and functional problems. The end result of these constraints is invariably frustration, inefficiency and retardation of development.

87. The institutional structure of the Civil Service has itself tended to aggravate these problems. The evolution of a well defined vertical structure has resulted in the stratification of responsibility and consequently of effort. The

higher echelons of the Service are burdened with increased responsibilities and a financial and administrative control system which does not facilitate delegation. This poor vertical communication system has therefore resulted in an uneven distribution of effort. The more senior officers carry excessive workloads which makes it difficult for them to assess the operation of the staff under their control. The middle and lower cadres in some ministries tend to be under-employed due to poor job structuring and lack of effective supervision. The Ndegwa Commission found that a Permanent Secretary, far from being the director of a team of specialized officials, each of whom is ultimately responsible for his particular function, is formally responsible for all of them. The result being that the Permanent Secretary's working day is filled with matters of detail, to the detriment of his strategic planning and general management functions. Our own investigations reveal that, as Government functions have increased and the size of the Service has continued to grow, the duties of a Permanent Secretary have increased considerably and he is now more encumbered with routine administrative duties than he was a decade ago.

88. Career prospects in any employment have a controlling influence on the type of person to be recruited and the contribution that he makes in such employment. We have been told that lack of career planning in the Civil Service has contributed to the lowering of morale and the inability of the Government as an employer to recruit and retain the type of men and women that the Service needs. Jobs and career prospects in the Civil Service are defined in schemes of service which give a description of the job and details of entry and promotion conditions. Where these schemes exist and are well prepared, they are beneficial in that they allow the officer to assess the nature of the work he will be doing and delineate the framework in which he can develop his career. The evidence we have gathered indicates that the Government has so far not been able to devise schemes of service for all cadres, and that the few that exist have not been well prepared. Some cadres have expressed dissatisfaction for lack of schemes of service while others are apprehensive about lack of uniformity in those schemes that do exist.

89. We have received evidence that submission of annual confidential reports has fallen into disuse. This has resulted in lack of a method of assessing the development of an officer's career and his performance. We have been told that the erosion of discipline in the Civil Service has in part been due to lack of supervision and motivation, and because officers do not know the basis on which their performance is assessed. Indeed, civil servants have complained to us that there is no way in which they can ascertain the basis on which they are not promoted, or on which adverse reports are made against them. Clearly, the failure to assess the performance and development of an officer's career results in the loss of essential management information and a tendency on the part of the officer to be apathetic towards

his performance and the development of his career. Our detailed analysis and recommendations on the use of the annual confidential reporting as a method of evaluating performance are contained in Chapter VIII of this Report.

90. Evidence received in the course of our inquiries reveals that undue political influence on the management of Civil Service affairs is a factor with serious adverse effects on the Service. This point was touched upon in the preceding Chapter of this Report where we have discussed the danger of raising people's expectations beyond what the Government can actually provide, or giving the impression that Government has infinite means of providing for needs. Besides this aspect, representations have been made to us about appointments, transfers, promotions and dismissals which have been effected in such a way that they could only be seen as politically motivated. Service regulations and procedures and proper practices provide the basis on which the Civil Service ought to be managed; it is our considered view that the proper procedures through the established institutional framework must strictly be adhered to if a situation is to be avoided whereby the Service is demoralized to the point of being ineffective. In this connection, the need for the Government to safeguard the morale of the Civil Service from being adversely affected by undue political influences cannot possibly be overemphasized.

91. Another factor which has affected the performance of the Civil Service is the much talked about private interests. We have explained elsewhere in this Report that, in our view, the Ndegwa Commission Report was misinterpreted on the extent to which they recommended that a civil servant can attend to his private interests while at the same time serving the public. We have pointed out that there has been gross neglect of public duty and misuse of official positions and official information in furtherance of civil servants' personal interests. There are officers who live beyond their means and who cannot honourably account for the wealth they have amassed. Where such an officer is senior, the junior officers under him have sought to justify their abuse of office by arguing that if the senior officer can do it so can they. Indeed, we have found that we are unable to state as definitely as the Ndegwa Commission did that—

"the vast majority of civil servants seem to be very good".

92. It now remains for us to ask whether the Civil Service is geared to meeting the challenges of the 1980s. In the Chapter that follows we have pointed out the need to achieve the optimum in the utilization of the national resources. We have stated that the Service is still not sufficiently change-oriented and that it continues to assess its performance on the basis of meeting the demand made of it, rather than making the right demands on itself.

Unles this change in attitude is adopted there will be the same failure during the 1980s. In the Chapter on management of planned development we have shown how organization and structure can be modified in order to enhance achievement. We are indeed convinced that given the will to work and with the improvement which we have recommended in this Report, the Civil Service can give of its best through the development of dedication to duty and pride in employment. These are some of the factors that will enable the Service to meet the challenge of the 1980s and now is the time for the Civil Service to prepare itself for these challenges.

CHAPTER V—THE CHALLENGE OF THE 1980s

93. In the first Chapter of their Report, the Ndegwa Commission provided an analysis of what they considered to be the challenge that the Civil Service would face in 1970s and recommended the changes that would be required to enable the Service to meet the challenge and thus fulfil the national aims enunciated in the Development Plans of 1964, 1966 and 1970 as well as in Sessional Paper No. 10 of 1965. The basic challenge was seen as one whereby the Civil Service was to be and act as the major instrument of change and thus induce people to want to do new things. In this context, the Civil Service was to provide the dynamic element in society, continuously seeking "to discover the minimum mix of resources that must be supplied by government" to make it possible for the people to actively participate in the development process. The Ndegwa Commission therefore saw the Civil Service as requiring to be highly change-oriented, to be flexible and to have a high concern for cost-effectiveness. The Service was exhorted to transform itself from an organization geared to operate on the basis of the "old-fashioned concept of administration as a passive executor of party policies" to a new vehicle geared towards development administration.

94. In our view of the performance and achievement of the 1970s we have acknowledged that the Civil Service did to a large extent face up to the challenges of the period as evidenced by the recorded economic achievements. We have, however, posed the question whether the recorded achievements represented the optimum in the utilization of the resources that were at the disposal of the nation and, on the basis of selected illustrations, we have demonstrated that considerably more should have been achieved. On the basis of the evidence we have gathered, it is arguable that the main reason why the Civil Service did not optimize its achievements was its failure to implement the reforms that were recommended by the Ndegwa Commission. The Service did not go far enough in being change-oriented and did not achieve enough by way of ensuring "a powerful upward flow of information and frank and critical analysis from its officers in the field", and continued to a very great extent to assess its performance on the basis of meeting "the demands explicitly made of it" rather than on the basis of "making the right demands on itself".

95. As already mentioned, the Civil Service is expected to play a major and central role in fulfilling national goals and aspirations. These goals are defined in such documents as Sessional Paper No. 10 of 1965 and the various development plans that have been issued since independence. Whereas in previous plans greater emphasis has been put on the attainment of high and

growing per capita incomes equitably distributed, the current 1979-83 Development Plan shifts the strategy from the growth of per capital income to the alleviation of poverty and provision for basic needs. While the statement of the basic aims is now better articulated than in the previous plans, the underlying factors are basically the same because achieving a satisfactory growth rate in the Gross Domestic Product underlies the capability to reach these two basic aims. It is considered, however, that the theme of the current Development Plan is a demonstration of a much greater re-awakening into the realities of what indeed should be the essence of development. Attention is now being turned to the quality of life of the ordinary man by shifting emphasis from aggregated averages to target groups or target population.

96. Taking into account the fact that the current plan period extends to 1983, the first three years of the decade are covered but thereafter there will be only one plan period and two years before the end of the 1980s—a short period from the point of view of foreseeing any change in the basic theme of the alleviation of poverty and provision for basic needs. This theme is therefore likely to continue influencing government policies and plans throughout the decade we have just entered particularly because the militating factors behind Government's concern over the socio-economic welfare of the common man are likely to persist during the period.

97. It will not be an easy task to achieve these basic aims during the new decade particularly when account is taken of the complexities of continuously trying to identify poverty and basic needs over time. There is a whole multiplicity of factors which will influence the degree of achievement of the quality of life. In this context, we consider that the question of the Government and the Civil Service making the right demands on themselves rather than just responding to demands explicitly made on them will be more significant in the 1980s than it was in the 1970s.

98. In Chapter III of our Report, we have highlighted some of the economic problems that the nation faces today and the prospects for the immediate future. These problems will not be easy to solve and will therefore continue to constitute a major challenge to those charged with the responsibility of managing national affairs. Some of these problems will be external to the national environment and the Government will therefore need to improve its capacity to respond and adapt to dynamic and rapidly changing circumstances.

99. Economic challenges will call for optimum utilization of the nation's scarce resources in the process of alleviating poverty and providing for basic needs. It will therefore be essential to rank priorities so as to take the best advantage of opportunities as they present themselves. To achieve this, the creation of appropriate administrative and managerial capabilities in the public sector will become more important than before.

100. Social challenges will entail the reaction of the population to the harsh economic realities; proper information and education of the population on anticipated short-term and long-term effects will therefore be very important in order to arrest panic and misunderstanding in the face of the repercussions. In this regard, it will be of utmost importance that all members of the Public Service, particularly those holding elective offices, avoid making statements which indicate or imply that the Government is in possession of infinite means of providing for needs. Senior civil servants in charge of Government business both in the ministries and in the provinces must learn how to work with Ministers and other elected representatives to ensure that public statements that they make are consistent with Government policy.

101. In order to exploit the scarce national resources for the benefit of all, more attention will have to be centred on the subject of human resources management. Elsewhere in this Report, we have stated our conviction that optimum utilization of manpower is a key factor in the process of growth and development. We therefore see the issue as a challenge to those entrusted with the task of creating opportunities which facilitate the generation of more national wealth necessary for sustained growth.

102. The challenge of proper planning and implementation will be more pressing than before. In Chapter III, we highlighted the various areas where better planning and policies would have counteracted and in fact eliminated some of the problems that the country faces today. The future therefore demands that there should be integrated information system which will form the basis for policy-making.

103. Over and above the factors stated above, the most formidable challenge that the Public Service and the country will have to contend with will be the rate of population growth. It is considered necessary, therefore, that an analysis of this very central aspect of the challenges to be faced in the 1980s, and beyond, be given here with a view to drawing the attention of the institutions that are charged with the task of co-ordinating the efforts to alleviate poverty and provide for basic needs to this fundamental factor which could neutralize all the efforts and lead to frustration.

104. A look at the table below shows the way Kenya's population has moved during the last thirty years. The figures provided relate to the census years over the period.

105. As Table 5.1 shows, Kenya has realized an impressive rate of population growth which at the national level is attributable to the balance of births over deaths in an environment where substantial decreases in infant and child mortality continues to be achieved while high fertility rates are not only sustained but continue to rise. The country has an average fertility of 8.1 children per woman for the child-bearing timespan which, when converted to population growth rate, gives Kenya one of the world's highest population

growth rates if not the highest. It is not considered that leading the world in terms of the rate of population growth is an achievement to take pride in particularly taking into account the relative implications.

Table 5.1—Population by Race in Census Years

Census Year	1948	1962	1969	1979
African	5,251,120	8,636,263	10,733,202	—
Others	154,846	270,321	209,503	—
TOTAL ..	5,405,966	8,636,263	10,942,705	15,500,000*

*Estimate from 1979 census data still to be processed.

SOURCE: Central Bureau of Statistics.

106. The rate of natural increase in the two censuses of 1962 and 1969 has been calculated at 2.8 and 3.3 per cent per annum for 1962 and 1969, respectively. In 1977, a national demographic survey was carried out by the Central Bureau of Statistics and on the basis of this survey a higher natural increase at 3.92 per cent per annum was established. Although the 1979 population census data has not been fully processed, preliminary results tend to confirm the findings of the national demographic survey of 1977 by recording a total population size of approximately 15.5 million. This is an increase of approximately 50 per cent over the 1969 figure of eleven million which in turn implies a constant rate of growth of 3.4 per cent per annum. A constant growth rate of this magnitude implies a doubling of the country's population in twenty years.

107. This rapid upward trend in population numbers must inevitably have a deep influence on the type as well as the quality of the programmes that the Government will undertake for the welfare of the people. It is already acknowledged in the Fourth Development Plan that:

> "the higher rate of population growth in turn has magnified the problems of creating income-earning opportunities for the larger numbers seeking work, and postpones the date at which all Kenyans can have primary education, decent housing, and adequate medical care. High population growth rates mean lower average levels of living."

108. In the course of our deliberations, we reached the conclusion that beyond having this problem acknowledged in the plan there is very little awareness as to its significance and magnitude among those who are supposed to implement the Development Plan. The analysis of some of the implications given below is an effort to illustrate the Committee's considered view that the rate of population growth is about the most important challenge of the 1980s and beyond.

109. The increase in numbers established above will mean that the country will have to devote an increasingly greater proportion of the Gross Domestic Product towards the maintenance of a minimum level in the standard of living of the ever increasing numbers. In response to the pressure of numbers as manifested in people's expectations, Government will continue to undertake appropriate welfare programmes and in the process allocate more and more resources accordingly. Given the fact that the resources available are not infinite, it will be a question of choice between allocating resources to meet welfare demands and allocating resources for productive investment which is crucial to sustaining growth in the Gross Domestic Product and thus ensure growth in Government capabilities to raise the revenue required to finance welfare. If the demand for welfare services grows too fast then the demand for resources required to provide these services increases inevitably at the expense of the resources applied towards productive investment. This could, in turn, have adverse effects on the growth of the Gross Domestic Product, on the Government's revenue raising capabilities and hence on improvement and expansion of welfare services. If that point is reached—and at the current rate of population increase it is not really far away—then the country could reach a situation whereby the efforts to improve the peoples' quality of life would not only be dampened by the sheer force of numbers but could also yield negative results.

110. As indicated earlier in this Chapter, in the course of gathering our evidence it came out very clearly that extremely few of those charged with the task of providing services to the people have any clear and specific awareness of the fact that people constitute the most significant element in the whole complex equation of providing services and managing development. In this context, people must be seen as a quantifiable and variable element within the development and planning equation. To be able to see them in this light, it is necessary to think in terms of the population, its structure, distribution in various contexts, its increases and hence its expectations and demands which should eventually be translated into the various development aims and targets. This awareness in so far as we were able to establish is to be found only among very few besides the authors of the plan. We have therefore sought to highlight the significance of seeing people in quantitative terms, as the population and its dynamics for attempting to influence future trends will in the long run render a lot of effort and resources ineffective. Our deliberations and the recommendations that follow from them will be deeply influenced by the need to ensure that resources at the disposal of the nation are effectively and productively used. To achieve this it is inevitable that people for whom all this is being done are seen in the right perspective of their numbers as the population. As has already been indicated, it is acknowledged that the overall development equation is complex and has many variables both internal and external to the country. The crucial element is that in the final analysis, results of all the development effort must be seen in terms of the extent to which

poverty is alleviated and basic needs provided for. In the long run, and the twin basic aims of our development efforts can only be achieved in the long run, population growth will be the one factor which will determine the success or failure of these efforts. This is exactly why we have sought to highlight the question of the population and its dynamics as central to the challenges the public services must address themselves to throughout the 1980s.

CHAPTER VI—FUTURE ROLE OF THE CIVIL SERVICE

Introduction

111. In the previous chapter we have highlighted some of the challenges that the Government and the Civil Service will face in the decade ahead. In order for these challenges to be met, basic changes in terms of institutional structuring, identification and ranking of priorities, management systems and practices and the overall philosophy of the Service will be needed. We have therefore devoted several of the forthcoming chapters of this Report to proposals on how the necessary changes can be brought about. Some of these changes will take longer to implement and others will be affected by unforeseen circumstances. However, in order for the nation to meet the short- and medium-term challenges, there are matters which we consider will require early attention by Government and to which we devote this chapter.

112. The Government has stated clearly the national development policies and aims, and has taken positive action to provide the necessary institutional structure. This process of restructuring is being actively pursued during the life of this Review Committee and it appears that the major reorganization of Government ministries has been completed and that changes in policy have been clearly defined. It is not necessary to state here how the ministries have been reorganized as the organization of Government is detailed in Presidential Circular No. 2/1980. The Government is committed to a policy of decentralization of development activities, particularly those related to rural development. We have been informed that a major reorganization to give effect to this policy is in the process of being defined to facilitate its implementation.

113. We believe it is necessary to review the declared policies for managing the nation's affairs in order to ascertain the effect that the implementation of these policies will have on the operation of the Civil Service. Listed below are the declared national aims which will affect the structure and operation of the civil Service.

National Aims

114. In the Fourth National Development Plan 1979-83, the Government has stated that one of its primary objectives is to alleviate poverty. This will be pursued on four fronts:

(1) The creation of income-earning opportunities.

(2) The improvement of expenditure patterns.

(3) The provision of basic needs.

(4) Institutional building.

These four fronts are linked to the principles which define the development process in Kenya. In the opening chapter of the Plan are listed the four basic principles which define the nature of the development process which the Government has adopted. As these principles are the guidelines we have observed when making our recommendations for a management structure to enable the Civil Service to achieve these development targets, they are reproduced below:

(1) *Widespread Participation.*—All Kenyans are expected to participate in the development process. Creating and dispersing opportunities for such participation is a major aim of the development strategy.

(2) *Diversity of Organizational Forms and Incentives.*—A variety of forms of ownership and modes of operation is essential to the promotion of participation and efficiency. The conduct of economic and social affairs may be organized by individuals, companies, co-operatives, statutory boards and corporations, voluntary agencies and the state. The critical question is the effectiveness of the organizational form in advancing the economic and social objectives of development.

(3) *Government Participation.*—The Government will play a decisive and leading role in initiating and directing development. It will also participate directly in the promotion and profits of strategic economic activities, such as the production and distribution of critical farm inputs, leading export industries, selected import substitution efforts, and important agricultural processing developments, provided that highest standards of efficiency are maintained.

(4) *Mutual Social Responsibility.*—Deriving from the African family tradition, a sense of mutual social responsibility will be actively promoted among all economic agencies. Community initiatives, as exemplified by the Harambee movement, are important expressions of mutual social responsibility. Competition and diffusion of ownership will be encouraged in order to limit profits, exploitation and concentration of economic power, and to enhance efficiency. When private interests tend to override social concerns, the Government will regulate and control economic activities as need be.

The Creation of Income-earning Opportunities

115. In Chapter 2 of the Plan, the Government's employment policies are stated. As more than 80 per cent of the population is located in the rural areas outside the formal sector, and because this is the least productive, major development effort will be directed towards increasing the numbers and productivity of work opportunities there. Employment in agriculture has been and will continue to be a major factor in the Government's efforts to create income-earning opportunities. In this chapter, therefore, we have singled out the agricultural sector for a discussion which we hope will ascertain the

effectiveness of Government intervention. Earlier in this Report, we have reviewed the overall performance of the agricultural sector during the period 1970-78. We have highlighted the various factors that constrained the performance of this sector over that period. Despite these constraints, however, the achievements to date have been significant.

116. Since independence, over a million acres of mixed farm land have been transferred to some 47,000 smallholder families.* This has been achieved by direct Government action through a number of state-sponsored loan bodies and through the agricultural extension service. Smallholders were encouraged to undertake cash crop production, with the consequent spread of the formal sector into the rural areas. This called for extension services to be directed towards the creation of productive and adequately remunerated employment opportunities in both agricultural and non-farming activities within the rural economy. While this brought about the desired structural changes, workers' earnings compared to those of urban workers remained unfavourable for quite a number of years. However, the Government's efforts in narrowing the gap between real incomes of the formal sector wage-earners and those of small-scale farmers has shown a measure of success in recent years as indicated by our analysis of the statistics in Table 3.2 of our Report.

117. The role the Government has played during the period under review has been considerable. The Government virtually controls marketing of agricultural commodities. The prices of the principal food items such as meat, milk, maize, wheat and sugar are determined by Government. The actual marketing of a wide range of products such as tea, coffee, sisal, pyrethrum, beef, maize and wheat are controlled by Government through parastatal organizations which fall within the portfolio responsibilities of the Ministry of Agriculture. Influence is exerted by Government through such organizations as the Kenya Co-operative Creameries, the Kenya Meat Commission and others. This system is complex and its efficiency in fulfilling the Government's objectives has been questioned. The performance of the agriculture-orientated parastatals range from those that have achieved success in terms of profits and production to those that have failed to achieve their objectives. One of the factors that have contributed to the poor performance of most of these parastatals has been poor data collection, and processing, on their activities and responsibilities, and the lack of effective data and information communication between the parastatal and the Ministry.

118. The effectiveness of the agricultural extension services has likewise been questioned. In Chapter III of this Report, we have made comment on the general trends in crop production during the 1970s and the role the Civil Service has played in meeting national goals in agricultural development. Despite the gains recorded, evidence indicates that there has been a tendency

* I.L.O. Publication, *Planning for Basic Needs in Kenya*, p. 3.

to channel agricultural extension services to the larger and more progressive farmers. Nearly 60 per cent of the small holders who may be described as subsistence farmers have failed to experience increases in farm output and incomes. The agricultural research effort has tended to neglect food crops, apart from maize, and to concentrate on high potential areas rather than on marginal areas. It follows a "rigid, technically-orientated commodity approach" rather than analysing traditional farming systems and, in general, is summed up by a World Bank Report as "not designed to meet the needs of small holders".*

119. The effect of Government policies and intervention on the internal terms of trade between agriculture and industry has been considerable. In spite of substantial government provisions of input and development expenditure, there has been a large and net capital outflow from the agricultural sector in recent years. This in turn has had the effect of retarding generation of employment in the rural areas. Indeed, judging from the analysis we have made in Chapter III regarding the contribution of the agricultural sector to the Gross Domestic Product and wage employment in the modern sector, as a generator of employment, agriculture has faired worse than other sectors. Thus from the point of view of increasing employment and development in the rural areas, Government intervention has not produced the desired results.

120. This brief comment on the performance of the agricultural sector as a generator of employment is intended to show the inter-relationship between Government direction and the industry. In view of this strong relationship and the fact that Government dominates agricultural development policy, it is essential that Government planning and monitoring machinery is effective in order to achieve higher growth in employment and in earnings.

121. Fundamental to effective planning and monitoring is effective use of data. With the exception of the agricultural parastatal sector, data collection on most activities has been extensive and data processing has been carried out successfully. But it is equally clear that there has been poor co-ordination of use of data and planning activities. There has been little linkage between extension and research and inadequate co-ordination between the Ministry of Agriculture and the Ministry of Economic Planning. The interface between the Ministry of Agriculture and the Ministries of Economic Planning and Finance has been complex; the relationship between them should be one of close co-operation based on properly integrated data collection, joint forward planning and agreement of planning policies and priorities.

122. While great potential for the creation of employment opportunities lies in the promotion of intensive and extensive use of land, non-farm rural

* World Bank Report (1975).

development, industrial growth and full utilization of capacity of all types is essential to employment generation and economic growth. Equally essential to the achievement of this aim, as far as the Civil Service is concerned, is an improvement in the planning and monitoring processes between all the operational ministries and the Ministries of Economic Planning and Finance.

123. In this connection, we recommended that a detailed study be undertaken of the working of the Ministry of Agriculture to determine how best the work of the various departments can be co-ordinated with the Ministry of Economic Planning and the Ministry of Finance and how the money spent by the Crop Development and Land Development Divisions can be related to the investments made in agriculture through the non-bank agricultural institutions.

The Need to Improve Expenditure Patterns

124. The Development Plan 1979-83 states clearly the development objectives, strategies and policies adopted to determine the development programme and projects which the Government will undertake during the plan period. The process whereby the national budget is determined and the allocation of funds are made will need to be capable of dealing with an economic situation which is susceptible to rapidly changing external forces to ensure optimum use of the nation's financial resources. The present system of selecting development priorities depends on co-operation between the Ministries of Economic Planning and Finance and the operational ministries. The Ministries of Economic Planning and Finance are responsible for evolving the national development strategies and the operational ministries for making proposals for particular projects relating to their ministerial portfolio responsibilities. The effectiveness of the development proposals prepared by an operational ministry is related to its ability to collect and process relevant data and carry out project pre-investment studies. Equally important is the ministry's ability to implement. The ministerial management system selected is therefore fundamental to success.

125. The choice of an appropriate management system for a particular ministry is influenced by the nature of its portfolio responsibilities. Those ministries concerned with administration, the maintenance of law and order or with providing a service to the nation require different management systems to those ministries concerned with development work. We have, for the purpose of this discussion, listed those ministries concerned with administrative responsibilities in one group and those responsible for the provision of services in another group.

1. *Administrative and Service Ministries/Departments:*

   Office of the President.

   Office of the Vice-President and Ministry of Finance.

Ministry of Economic Planning.
Ministry of Foreign Affairs.
Ministry of Constitutional and Home Affairs
Office of the Attorney-General.
Public Service Commission.
Exchequer and Audit Department.
National Assembly.
Ministry of Health.
Ministry of Labour.
Ministry of Information and Broadcasting.
Ministry of Higher Education.
Ministry of Basic Education.

2. *Functional Ministries:*

Ministry of Agriculture.
Ministry of Local Government.
Ministry of Urban Development and Housing.
Ministry of Works.
Ministry of Transport and Communications.
Ministry of Culture and Social Services.
Ministry of Energy.
Ministry of Tourism.
Ministry of Commerce.
Ministry of Water Development.
Ministry of Environment and Natural Resources.
Ministry of Co-operative Development.
Ministry of Industry.

126. On the basis of information we have extracted from the Development Plan 1979-83 on allocation of funds, it appears that the administrative and service ministries and departments have an average annual total expenditure of approximately K£241,000,000 and the operational ministries have an average annual total expenditure of approximately K£638,600,000. The total expenditure of the operational ministries is split between development and recurrent expenditure as follows:

Development	...	...	...	...	K£300,204,500
Recurrent	...	...	...	...	K£338,394,500

127. An analysis of the budgeted allocations indicates that the operational ministries are responsible for approximately 70 per cent of the total voted annual expenditure. The project preparation and implementation capabilities of the operational ministries is therefore of major importance. Of equal importance is the need to strengthen the capability of the Ministry of Economic Planning to rank competing development bids within the context of the national development strategy and changing economic and financial conditions.

128. The economic progress which Kenya has made since independence is proof that the development planning and implementation system has worked reasonably well. The system has shown signs of inadequacy in recent years as a harsher world economic situation has developed.

129. Shortcomings have existed for some time and were present when the Ndegwa Commission examined the then Government machinery for determining development policy and management practices. Indeed, the Commission found that no effective structure existed which covered all facets of development policy and the systematic evaluation of performance. They were specially concerned with the central control of policy and performance and that project preparation should be improved and placed on a uniform footing throughout all ministries.*

130. We share the same concern and endorse the principles for improved planning techniques and monitoring of expenditure and achievement. The sound recommendations contained in the Ndegwa Commission Report, and accepted by the Government in Sesional Paper No. 5 have not, with one or two notable exceptions, been implemented and many of the old ills in planning, implementing, monitoring and management persist.

131. The need to improve forward planning, project identification and justification and monitoring of achievement in all operational ministries is now of vital economic importance. We have formed the impression that there is growing acceptance of the need to institute appropriate management practices. A number of ministries have already been re-structured to separate the specialized function of forward planning from the equally specialized but different function of implementation. In some ministries, considerable progress and success has been achieved in the establishment of planning units. The need to improve monitoring of achievement is recognized but little appears to have been done in this respect. Regrettably some other ministries do not seem to have appreciated the need to adopt a positive approach to forward planning. In some instances, there appear to be confusion between research and forward planning. The need to have a forward planning capability to establish the nature of the research to be carried out which is related

* The Ndegwa Commission Report, 1970-71, para. 45.

to the implementation programme is not as widespread as it should be in order to achieve optimization of effort.

132. The process of data collection is not sufficiently well developed in all the ministries. Data collected and processed by the Central Bureau of Statistics is not fully utilized. As efficient data collection, processing and dissemination is an indispensable part of the planning and ranking of project process, we recommended that a thorough investigation be carried out to determine how a comprehensive integrated data collection system can be developed to serve the District Development Committees, the operational ministries, the Ministry of Economic Planning, the Ministry of Finance and allow the efficient monitoring of achievement to be developed.

133. Performance analysis of projects should be instituted and carried out. Performance and effectiveness profiles of project should record potentials for employment and income generation; capital and recurrent costs; requirements for manpower, materials, tools and equipment and the technology required. Such data profiles are necessary for planning purposes, asessment of effectiveness and thus achieve improvement in expenditure patterns.

134. The capacity of the Ministry of Economic Planning to undertake the preparation of such project performance profiles is probably a restricting factor at present. Similarly, it is suspected that lack of manpower prevents this Ministry from carrying out a critical evaluation of ministerial bids for funds for development projects, and for full and effective ranking of competing ministerial bids. The effects of lack of capacity becomes sadly apparent when previously approved projects are cancelled due to unforeseen circumstances. It is recommended that the Ministry of Economic Planning be strengthened to enable it to carry out long-term strategic planning which is capable of being continually revised in the light of external or internal changing economic conditions and to undertake effective ranking of ministerial development bids and the preparation of project profiles.

The Provision of Basic Needs

135. Kenya has initiated and experimented with a number of programmes and activities designated to contribute to raising employment opportunities and incomes of the poor and providing for basic needs.

136. The aims of the programme to provide basic needs are:

(i) The eradication of nutritional deficiencies.

(ii) The provision of housing.

(iii) The improvement of health.

(iv) The provision of education.

(v) The provision of nation-wide water supply and sewage schemes.

137. The purpose of this Committee is not to formulate development proposals and accordingly no proposals are made for the identification of basic needs, targets, strategies and policies. We are concerned with the administrative structure adopted by the Government for the achievement of these aims, and therefore this section of our Report is concerned with identifying the administrative structure needed to develop the considerable activity that has and is taking place.

138. As far as the creation of employment opportunities is concerned activities such as the extension services; credit facilities; farm inputs under the Integrated Agricultural Development Project; labour-intensive projects such as the Rural Access Roads Programme and the Rural Works Programmes are underway with varying degrees of success. The administrative structure to achieve these aims is being developed. The record of achievement of the Rural Works Programme has been less spectacular as actual expenditures are well below figures and this would indicate execution weaknesses. In the case of the Rural Access Roads Programme a ministerial system has been developed which is in harmony with the District Development Committees.

139. The system adopted for achieving the five aims listed above relies in general on the existing Central Government liaised project development processes. The disadvantages of an overcentralized system are recognized and the intention is to achieve an optimum balance between Central Government control and decentralized participation. The method selected for achieving an appropriate relationship between centralized and decentralized planning and control is through the gradual strengthening of the District Development Committees. It is the intention that the District Development Committees will play a stronger role in planning and monitoring of small-scale contribution projects and ultimately of large-scale operation involving all sections of economic activity.

140. A recent I.L.O. publication which discusses some of the organizational and administrative problems correctly identifies the major issues, particularly so on the option of decentralizing planning activities to district level. The intention of the Government to decentralize planning, implementation and monitoring is endorsed but cautionary comment is made. "Decentralized participatory planning would require a more efficient organization and use of local resources (human and material) at the local level, greater local influence with respect to decision-making in allocation and use of resources, as well as more practical and beneficial ways of integrating local efforts into the over-all development process".* In this latter connection, decentralization of projects, at local level, especially in view of the relatively inadequate capacity and capabilities of the planning machinery at the local level be

* I.L.O. Publication, *Planning for Basic Needs in Kenya.*

remedied through the redeployment of key personnel to the district level and at an appropriate time to lower administrative units. Redeployment of personnel to ensure effective operation of the District Development Committees will lead to indications as to the adequacy of the numbers of properly qualified officers and at that point in time appropriate steps should be taken to bridge the gap. Despite these and the other problems of implementation, it is our opinion that it is through the proper development of the concept of the District Development Committee as the focal point of decentralized planning and implementation that successful widespread participation and optimum use of resources will be achieved. The development of the District Development Committee as an important element of the administrative structure is discussed later in this Report.

Institution Building

141. The definition of institutions is given in the current Development Plan as being "arrangements for conducting economic affairs, for identifying and delivering social services, and for administering and controlling the responsibilities of Government".

142. The Government itself is responsible for taking the primary responsibility for an efficient economic institutional framework. The Development Plan refers to a review of the nation's institutions which has been undertaken to assess their efficiency. One of the aims of this review was to improve co-ordination between the various government bodies. This particular aim is singled out as being relevant to the work of this Committee because we consider that improvement in co-ordination of effort and improvement in communication between all the elements of the institutional framework are crucial to achieving full utilization of capacity and of the nation's resources. In the following sections we endeavour to outline modifications to the present administrative system which are aimed at achieving an increase in the efficiency and productivity of the Civil Service.

CHAPTER VII—MANAGEMENT OF PLANNED DEVELOPMENT

143. In the earlier chapters of this Report we have pointed out some of the factors which in our view are constraining the effective achievement of stated national goals in development. In particular, we have stated that the present system and structural framework for managing development is ill-adapted to the needs and problems of a modern and growing economy. The Ndegwa Commission dwelt at length on the question of managing change and development and recommended a new strategy to make the system more effective in achieving the desired economic growth. Our own investigations indicate that the system is still weak in many respects and therefore needs to be improved especially in the light of the socio-economic realities to be contended with in the 1980s and beyond. This chapter is accordingly devoted to our analysis and recommendations on the management of planned development.

144. Development management strategy provides for the achievement of objectives and targets through the analysis, planning, implementation and monitoring stages. We have, therefore, as a starting point, examined the managerial structure of the functional ministries as we are convinced that failure to achieve expected results emanates from the limitations inherent in the management structure. We have already stated that there are essential differences in the desired managerial structures for those ministries concerned with administration and those ministries primarily concerned with development works. The administrative and service ministries are concerned with the administration of public affairs and the preservation of law and order and must therefore operate in a highly disciplined fashion in carrying out Government policies. Of necessity, as they are concerned with administering the law and preserving order, they work within a precise administrative and legal framework. Functional ministries have the essentially different task of carrying out Government's development policies. They are concerned with projects. These may be physical projects or training schemes, which are concerned with people, but they can be assessed in terms of costs and benefits, which is not appropriate when considering justice, law and order.

145. The head of a functional ministry is responsible for assisting in the formulation of Government's development policy and in implementing development works allocated to his ministry. He must therefore have an appropriate institutional structure under his control, and this should relate to the three stages of the development process, (i) forward planning; (ii) implementation; and (iii) financial management and monitoring of achievement. Three main divisions should be distinctly established in each functional ministry to carry out these functions.

Forward Planning

146. A partial survey of the structure and staffing of the functional ministries reveals that many are not equipped to carry out forward planning to the degree of sophistication and accuracy that is needed in the present economic conditions. Forward planning and the preparation of feasibility studies is specialized function and must be carried out by officers with appropriate training and experience. The practice of considering forward planning as part of the implementation stage is undesirable. The skills and experience required for project identification, carrying out feasibility studies, ranking of priorities and the preparation of the ministerial development proposals are different from those needed for implementing the ministry's development programme. It is noted that certain ministerial forward planning, research and implementation units are grouped under one Head of Department. This creates a situation where independent cross-checking from specialized positions is lost and the need to excise complete objectivity at feasibility study stage may be overshadowed by the desire to achieve tangible results. There is the added danger that if errors occur at any stage in this process, they become harder to detect and even if errors do not occur objective assessment of performance is difficult to achieve. The creation of a separate Forward Planning Division overcomes these problems.

147. An essential input into forward planning is the assessment of the effectiveness of completed projects. There are well-known and established analysis techniques some of which are sophisticated and complex and would call for skills which may not be readily available. A useful technique which is relatively simple is the preparation of project data profiles, the framework of which can be as detailed and informative as is considered appropriate. We recommended that a simple format be devised which will record key information on such characteristics of an activity as:

(*a*) Capital expenditure.

(*b*) Recurrent expenditure.

(*c*) Local costs.

(*d*) Foreign exchange costs.

(*e*) Benefits, direct and indirect.

(*f*) Value added by wages and supplies.

(*g*) Labour requirements by skill categories.

(*h*) Raw material requirements.

(*i*) Tools and equipment.

148. Data profiles should include details of budgeted and actual implemented costs and programmes. They can be used to obtain estimates of employment and income distribution effects, indirect employment created,

skill requirements and balance of payments impact. They are a particularly useful and simple tool for assessing the relevance of forward planning proposals, judged against past performance and effectiveness.

149. The identification and definition of the ministerial objectives should be the task of the Planning Division and after discussion and agreement with the Permanent Secretary, they should be submitted to the Ministry of Economic Planning for scrutiny and approval. Once they are formally approved and funding provision made these ministerial objectives should be given to the Implementation Division for action..

Implementation

150. In order that proper implementation may be achieved it is recommended that implementation briefs should be notified to the Ministry of Economic Planning, the Ministry of Finance, the Development Monitoring Unit in the Office of the President and the relevant D.D.C.s. With the computer facilities which the Government already possesses, the problems of rapidly communicating information of this nature on a full or selective basis becomes a relatively simple matter of computer programming.

151. A properly designed progress reporting system would involve a minimal increase in executive action and if expertly prepared for computer processing would result in a reduction of manual clerical work. Not only would such a system reduce the possibility of error but it would provide immediate and live management information which would allow for full utilization of funds, manpower and physical resources. It immediately becomes a powerful management tool and allows management to delegate responsibility to its appropriate level.

152. A properly controlled system of delegation is heavily dependent on an effective communications system. It is possible for overall aims to be split down into specific objectives. But these are unlikely to be achieved efficiently if executive problems arising out of obtaining authorities; control of funds; availability of manpower; stores availability; tender procedures and the availability of operational machinery and vehicles cannot be quickly identified and solved. The solution to these problems is to set up and staff a structural system of delegation supported by an effective communications and reporting system which will allow management to respond to implementation problems. It is therefore recommended that each functional ministry undertake a review of its capability to implement the development responsibilities entrusted to it. The results of this review should categorize the main classes of implementation activity and then recommendations should be made for structural and manpower changes to allow effective delegation at both central and district level.

Finance and Personnel Management

153. Each ministry has an Accounts Section and a Personnel Section. Similarly, each ministry has a Principal Finance and Establishment Officer (P.F. & E.O.). We have noted that the Ndegwa Commission recommended the abolition of this office of P.F. & E.O., in favour of more competent personnel and finance management teams reporting directly to the highest level of management. The office of the P.F. & E.O. has nevertheless remained. We are in favour of combining the Accounts Section with the Personnel Section to create an Administration Division which would have the same status in a ministry as the other two we have discussed earlier, that is, the Planning Division and the Implementation Division. The Division should be headed by a Deputy Secretary (Administration). The holder of this office should be professionally qualified and experienced in the control and management of finances.

154. The Personnel Section of the Administrative Division should have facts on the overall staffing position of the ministry at headquarters and field levels, and should be available to give advice on project management proposals, staffing levels and the availability of manpower. It is essential that at the first stage of ministerial project planning that management and staff costs be accurately assessed and provision made for subsequent manpower requirements. The Finance/Accounts Section should be able to assist in the preparation of project costing and cash drawing programmes. We make no specific recommendation for modifying the present financial systems and regulations, but we recommend that they be reviewed to bring them in line with the managerial modifications proposed.

155. Structuring a functional ministry on the lines recommended above should allow the Permanent Secretary to manage his ministry efficiently. The Permanent Secretary must be given powers to delegate authorities and responsibilities to the three separate specialized divisional heads, who would work under his overall direction. All three divisions are inter-dependent and would work as a team. The Permanent Secretary would be responsible for ensuring that the objectives of each Division are achieved. This structure leaves the Permanent Secretary free of routine matters and allows him to concentrate on the problems of achieving the Ministry's policy objectives.

Decentralized Participatory Planning

156. The Ndegwa Commission, in addressing itself to the problem of planned rural development, pointed out the need to provide some devolution of power from the provincial to the district levels within the Administration, in order to make the district an effective focus of development. At district level, the Commission recommended that the Administration should be given

a good deal of independent authority. And in order to ensure that the development function was not overshadowed by the purely administrative functions, it was recommended that there should be division of labour. The Commission therefore recommended the creation of the post of District Development Officer (D.D.O.), who was to be responsible to the District Commissioner (D.C.) but with some independent powers for the development aspects of the Administration's work. It was envisaged that the District Development Officer would be appropriately trained and assisted by some specialized staff, among them a District Planning Officer.

157. The Commission recognized the District Development Committees (D.D.C.s), which were already in existence, as the principal bodies in the districts responsible for determining the main features of the District Plans within guidelines and budgetary constraints given to the D.D.O. by the Ministry of Economic Planning and Development. In addition to official members such as Departmental Heads, the Commission recommended inclusion of local leaders in the D.D.C.s.

158. The Government in Sessional Paper No. 5 of 1974 welcomed the linkage between Provincial Administration, functional ministries and County Councils thus created by the composition of D.D.C.s. It was also the view of the Commission that the District Development Officer should chair District Development Committee meetings. The Government however preferred that the District Commissioner should be Chairman, while the District Development Officer plays the role of Secretary and Executive Officer.

159. From the evidence we have received, the District has in recent years received increasing attention as the fundamental unit for economic planning and implementation, and District Development Committees under the chairmanship of D.C.s have generally been revitalized. In the 1979/83 Development Plan, the Government has re-stated that D.D.C.s would play an increasing and central role in planning activities and monitoring ministry programmes at district level, including identification of lags in plan implementation by all ministries.

160. One programme which has helped revitalize D.D.C.s is the Rural Development Fund (R.D.F.). The Rural Development Fund was started in 1974-75 and included two sets of activities, the District Development Grants and the Rural Works Programme (R.W.P.). Both programmes were intended to deal with relatively small projects, having project values of less than £3,000 on average. The District Development Grants were intended to supplement funds raised by Harambee efforts. The Rural Works Programme was intended to fill gaps in infrastructural requirements such as minor water supplies, feeder roads, cattle dips and afforestation schemes.

161. We have received evidence that the R.D.F. programme has encountered the following principal difficulties:

(i) Problems in project identification.

(ii) Delays in release of funds.

(iii) Implementation delays due to manpower shortages.

(iv) Constraints arising out of rigidity of financial procedures.

(v) Over-centralization.

162. Administrative procedures require that Central Government approval be obtained prior to the release of funds. Projects are recommended to the D.D.C. which in turn recommends them to the Provincial Planning Officers and the Provincial Development Committee (P.D.C.). Finally they are submitted to the Ministry of Economic Planning and if approved funds are released to the Provincial Planning Officer who is the Authority to Incur Expenditure (A.I.E.) holder. The lines of communication of these administrative procedures are long, and the possibilities of delays and inappropriate decisions are increased as more administrative stages have to be passed.

163. The range of problems which the R.D.F. programme has encountered should not in our view deter extension of this policy. It has been an effective vehicle for generating local support for development efforts. Its labour-intensive character would benefit employment in rural areas, though the size of programmes has not yet had an impact on the overall employment problem.

164. Activities such as shaping the national framework for development, strategic planning and co-ordinating national programmes, allocating resources to districts and certain research activities, should remain with Central Government. In each of these areas, however, there is a need for contributions from the District level and below to help ensure that central decisions are responsive to local needs. Successful decentralization also requires an increased capacity at the centre for developing and applying standards and criteria for allocation of funds, and for enforcing financial accountability and departmental discipline, in order to achieve national and sectoral development objectives and to manage sustained growth.

165. The decision to decentralize the planning and implementation of rural development is the optimum solution for achieving widespread participation in planning and implementation. It is through decentralization that an effective integration of political activity with policy determination, aimed at poverty alleviation and provision of basic needs, will be achieved. The principal function of the D.D.C. will be the more efficient mobilization and utilization of locally available resources, especially labour. The main thrust of the rural development programme must be aimed at an increase in productivity amongst the rural poor and the provision of essential public services.

166. The difficulties which will be encountered in achieving this change in development policy should not be underrated. Entrenched attitudes and established administrative procedures need to be changed, if necessary through appropriate training. If, however, the preparatory work has been sufficiently realistic and thorough to overcome initial difficulties and prejudices, further expansion of the decentralization programme will become progressively easier. Key requirements are the need to identify and specify the objectives and to allocate talented and imaginative staff to direct and manage the programme.

167. Another major function is to co-ordinate the Harambee development projects. This will ensure that Harambee development projects are carried out within the context of the national development plan. Harambee projects have helped to meet the needs of the people through the completion of projects such as schools, health clinics, water supply schemes and cattle dips. In general the capital cost of these projects have been raised locally and their maintenance and operation have not become a charge on Central Government funds. However some of these projects can become a charge on Government either initially or on up-grading and the system should allow for Central Government to be able to exercise control over these recurrent cost liabilities. Provided these developments are carried out within the context of an overall national development plan, this is a desirable trend and should be encouraged. The principle of the system adopted for the Rural Works Programme, whereby funds are allocated for certain classes of work in the district and are available to Harambee projects on a part contribution of capital cost basis, should be extended.

168. In the past these Harambee projects have achieved varying degrees of success. They may or may not have been undertaken with the advice or assistance of the appropriate Government advisory committee. As planning and project preparation competence will be strengthened at district level, they would benefit from taking advantage of these services. The overall planning process would benefit by having those Harambee projects brought into the national development programme. It is recommended therefore that the D.D.C.s are made responsible for co-ordinating all Harambee projects and that the services of the district offices of the functional ministries and of the Government advisory boards be made available to assist with the preparation and implementation of the Harambee projects.

169. To allow the D.D.C.s to perform these functions they must be equipped with a secretariat capable of carrying out the planning, implementation and monitoring of district development plans. The size of the secretariat would vary from district to district and its performance would be influenced by the strength of the district offices of the functional ministries, with whom co-operation would be maintained. It would be necessary for the functional ministries to re-deploy appropriate technical and administrative staff, to

the district offices, who would be capable of supporting and making an effective contribution to decentralized participation planning process. Within the D.D.C. secretariat, there should be an economist with accounting experience and a statistician. The secretariat should among other things involve itself with collection of information and data relating to the whole development process, monitor achievement, prepare progress reports for management purposes, and analyse performance. The monitoring of achievement and the preparation and transmission of statistical information is essential to the successful decentralization of planning and rural development. The secretariat staff, headed by the District Development Officer, should have adequate transport to guarantee year-round mobility, and adequate support facilities to permit them to carry out their development and planning functions.

170. The effectiveness of the D.D.C. depends in large measure, on the working of the Divisional and Locational Development Committees. They must promote an effective means of making known the basic needs of the people, and should be advisory to their respective D.D.C.s. It is at these levels that special planning techniques should be evolved and put into practice, if the whole process of decentralized participatory planning is not to fail. Project identification and appropriate planning proposals must be responsive to the needs and resources of the area, and this will only be achieved by starting the whole planning process at grassroots level. This administrative hierarchy of the D.D.C. functions smoothly only where implementing ministries pattern their internal administrative arrangements on the established provincial and district boundaries. We have been told of some ministries which do not follow this pattern, and we recommend that they be encouraged to conform.

171. Also crucial to the successful operation of the D.D.C.s is a proper understanding of, and commitment to decentralized participatory planning. The basic principles of planning remain the same. The changes from the present system are in the institutional structure whereby part of the planning process is undertaken at district level and part at Central Government level and both levels of activity are integrated to give a development programme aimed at increasing employment and raising the standard of living. At district level, forward planning should be a continuous process. Two types of project identification and forward planning activities are necessary. The first is concerned with the long-term needs of the district which will be made known to Central Government. These needs should be expressed in general terms and should indicate the nature of the problem and the action which should be taken. These general indications of development needs, from all districts, should be analysed at Central Government level and taken into consideration when formulating long-term national development policies. It is at this stage that decisions should be made on whether a project is to be planned and implemented centrally or by the D.D.C.

172. The second type of planning activity is the preparation of project feasibility studies. If it has been decided that the project is to be planned at district level then the secretariat of the D.D.C. may undertake the whole of the project preparation, without recourse to the district office of a functional ministry or, as is probable, requests should be made to the district offices of the functional ministries, for assistance in the preparation and planning. As the officer in charge of the district office of a functional ministry is a full-time member of the D.D.C. he should be involved in the district planning process and should be able to keep his ministry informed of planning activity in his district which relate to the portfolio responsibility of his ministry. By this means the head office of the functional ministry would be kept informed of development planning activities at district level and to integrate these activities into the ministerial development programme.

173. We have been told that implementation of D.D.C. projects is often delayed by a combination of factors. The first is ministerial rigidity. Officers of functional ministries at district level have more loyalty to their ministerial programmes than to those of D.D.C. The second factor is over-centralization. The Provincial Planning Officer, as A.I.E. holder, controls the expenditure of funds by D.D.C.s, including the issuing of Local Purchase Orders (L.P.O.s) and vouchers, while the day-to-day responsibility for co-ordinating implementation lies with the D.D.O. This, we have been told, has caused delays in all Provinces, and especially Rift Valley, Eastern and North-Eastern, where the distances and travel conditions make communication with the districts difficult. This situation results in delays in processing and excessive travel. There are also risks of slow delivery or even diversion of materials ordered for a particular project, and in general a loss of close accountability since the financial and operational responsibilities are placed so far apart.

174. We recommend that the District Commissioner, as Chairman of the D.D.C., becomes the holder of the A.I.E. As the Chairman of the D.D.C. he will have satisfied himself that the project is reasonable and properly planned before releasing any funds. As the holder of the A.I.E. he will be held responsible for the proper spending and accounting of the project funds allocated and the successful completion of the project. In order to optimize the usage of manpower and physical resources he must have the authority to instruct the district head of a functional ministry to incur expenditure on behalf of the D.D.C. This district head would become accountable to the Chairman of the D.D.C. for the funds allocated and the successful completion of the project.

175. The monitoring of a project which is centrally controlled will be undertaken by the functional ministry handling the project funds. Information from this Ministry can be sent to the D.D.C. concerned. The monitoring process will not be solely concerned with recording actual expenditures against programmed expenditures. It is also intended to identify lags in plan imple-

mentation so that those responsible for achievement may be alerted promptly and in time to initiate remedial measures. A monitoring mechanism should be established to evaluate measures and means for the collection, analysis and feedback of relevant information and data on employment and basic needs satisfaction. This information is required by the decision-makers, planners and the managers responsible for implementation, to evaluate the impact of development efforts. It is no longer sufficient to assess projects only in terms of capital, equipment and manpower. It is necessary to assess the effectiveness of the project in terms of increase in economy planning, the generation of employment, the use of appropriate technology to optimize resource usage and the saving of foreign currency.

Ministry of Economic Planning and Development

176. The role of the Ministry of Economic Planning and Development is very central in the operations of D.D.C.s and the implementation of the decentralized participatory planning policy. Indeed, the ways in which the development needs from the districts will be harmonized with the development aims of Central Government will require that long-term development aims be evolved through co-operation, understanding and appreciation of constraints. Once the long-term aims are defined and accepted, then achievement of annual development programmes becomes a matter of co-operation between Central Government ministries and the districts, to ensure optimum usage of resources.

177. The phased build-up of the D.D.C.s to operational strength and effective performance will require detailed guidance and advice. The on-going operation of an established D.D.C. requires constant planning, technical and management advice. These responsibilities of advice and guidance are shouldered by the Ministry of Economic Planning and Development.

178. The Unit within the Ministry which concerns itself with Rural Works Programmes should therefore be expanded substantially to ensure that it is able to cope with all the development bids from all the D.D.C.s. It should have the necessary personnel to co-ordinate, evaluate and rank the bids for inclusion in the national allocation of funds. The Unit also has the role of both advisory and inspectorate nature. It should be properly staffed to offer advice on management to the D.D.C.s whenever they need it. It should also inspect projects in the course of implementation, and make comments.

Development Monitoring Unit

179. There are evidently many ministries participating in rural development and which have to co-operate with D.D.C.s. This co-operation, we have been told has not always been as close as it should be. We have been informed that some ministries have been indifferent to R.D.F. projects in general, and have for instance been unwilling to provide lorries for transport of materials or

even to make the implementing officers available unless recurrent charges are met by the Fund. Some ministries have insisted on holding the A.I.E.s if they are to continue to participate.

180. This type of indifference is likely to drastically slow down the implementation of rural projects especially those initiated by D.D.C.s. In this regard, a high level policy guidance is necessary, and we consider that the newly created Monitoring Unit in the Office of the President, should concern itself with this problem, among other things. The Unit should regularly initiate consultative meetings to be attended by all implementing ministries, and discuss any problems requiring inter-ministerial consideration.

181. We have made general proposals in this chapter on methods for regular reporting progress of projects. These progress reports are intended to be the means by which management can be informed on whether or not targets are being achieved, and corrective action can be taken where necessary. We recommend that the Monitoring Unit should have access to these reports and that the reports should be so constructed and processed that not only can they be used as a line management tool, but also as a monitoring facility by which the Cabinet may be informed on progress and the performance of the development effort and of the Civil Service as a whole.

182. In order to achieve these objectives, we make the following recommendations:

(1) That Ministries should structure and organize their Planning, Implementation and Administration Divisions, and that each division should be headed by a Deputy Secretary.

(2) That Permanent Secretaries be authorized to delegate more responsibility and authority to their deputies in order to have more time to concentrate on policy matters.

(3) That in forward planning, the technique of preparing project data profiles be adopted.

(4) That the computer facilities should be used more extensively by functional ministries in order to facilitate rapid processing and transmission of data.

(5) That each functional ministry should undertake a review of its capability to implement the responsibilities entrusted to it.

(6) That once Administrative Divisions in ministries are created to handle personnel and finance matters, the post of P.F. & E.O. be discontinued.

(7) That in addition to being the Chairman of D.D.C., the District Commissioner be the A.I.E. holder for those works undertaken by the D.D.C.

(8) That a secretariat to be headed by the D.D.O., be established for each D.D.C. and be manned by qualified technical personnel.

(9) That D.D.C.s be made responsible for co-ordinating all Harambee projects.

(10) That a monitoring mechanism be established to collate, analyse and evaluate information and data on employment and basic needs satisfaction arising from rural development projects.

(11) That the Rural Works Programme Unit of the Ministry of Economic Planning and Development be strengthened to cope with the bids of all D.D.C.s, advise them, inspect and monitor their projects.

(12) That the Monitoring Unit in the Office of the President should initiate a regular progress reporting system and convene inter-ministerial meetings to appraise all development activities.

(13) That in view of the complexity of its functions, the Monitoring Unit should be staffed with properly trained and experienced professional personnel.

CHAPTER VIII—MANAGEMENT PRACTICES

Introduction

183. In this chapter, we give an appreciation of the application of modern management techniques and practices in the Civil Service. We highlight the constraints within the environment in which the Civil Service has been and is operating. We also comment on the state of the personnel management function and the role to be played by the Directorate of Personnel Management.

184. In Chapter X of their report, the Ndegwa Commission recommended the introduction of modern management techniques and practices geared to achieving higher productivity and efficiency in the Civil Service. In paragraph 200 of that report it is stated:

> "We believe, that the time has come to create a new environment designed to support and enhance—motivate—the application of staff skills and abilities to work achievement. This must be done if the increasing demands of development are to be met. We must build on existing strengths and correct existing weaknesses, as well as extend management efforts into new areas. In short, we must create an organization structure that is responsive, that is flexible, that recognizes priorities and acts upon them, that sets objectives and most important of all, marshalls its prime resources, its people, to meet these priority objectives."

The evidence we have received indicates clearly that very little action has been taken to create the kind of environment that was proposed by the Ndegwa Commission. Problems of co-ordination, delegation, planning and execution are now more complex than they were in the 1970s. Indeed, we have identified several factors which have contributed to a loss of commitment on the part of a fairly large section of the Civil Service. Lack of appropriate recognition of achievement has diluted the value of career occupations and in some cases has led to the officers losing interest in their jobs. Centralized decision-making and lack of proper delegation of authority and duties has tended to create a sense of distrust between the supervisor and the subordinate. Failure to evolve an objective and effective staff appraisal system which would provide a rational basis for reward has led to favouritism, nepotism and other manifestations of undue influences and interferences. This has had a negative effect on good performers who do not see the essence of devotion and efficiency.

Management Practices

185. As we stated in Chapter II of this Report, there has been a considerable decline in the morale and efficiency of the Civil Service in recent years largely because the Service has not adapted itself to the ever-changing demands being made on it. Change is inevitable and must be anticipated. Civil servants must therefore be made receptive to new ideas and new approaches to their work. There are various techniques which have been developed as agents of organizational change and which we consider would enhance efficiency if introduced in the Civil Service. One such technique is the Management by Objectives which was recommended by the Ndegwa Commission. We consider that the Directorate of Personnel Management should evolve a programme of introducing this technique in the Civil Service. In making our recommendations concerning the use of modern management technique and practices in the Civil Service, we have fully appreciated the fact that historically the Civil Service has been more concerned with due process of law and legal techniques than with the expeditious achievement of results. We also realize that Civil Service has to function within legal frameworks and in full observance of due process of law, a situation which is particularly true in matters affecting citizens' rights and obligations. Nevertheless, we are convinced that in spite of these constraints, there is considerable room for the use of modern management techniques to increase Civil Service management capabilities.

186. In the introduction of these techniques in the Civil Service, the task confronting those who are entrusted with the responsibility of implementing these concepts is the choice of the right technique for a given area of operation or function. We consider that the basic criterion in this regard ought to remain the public purpose to be served and the use of such techniques must be done judiciously and in most appropriate cases, but always within the overriding constraints of public law and policies.

187. The Ndegwa Commission, propounded at length and recommended the introduction of these techniques in the Civil Service. The evidence submitted to us, however, showed that whilst it was accepted that it would be beneficial to do so, it was not clear how the introduction and implementation of these techniques would be achieved. We have therefore, rather than recommend a particular technique, proposed a process geared to achieving—

(*a*) creation of the necessary environment for the introduction of the appropriate management techniques;

(*b*) decision on the appropriate technique and introduction of the *technique;* and

(*c*) evaluation of the effectiveness of introduced technique in achieving the purposes for its introduction.

188. We recommend that in order to achieve this objective the following aspects are undertaken:

(1) The identification and assessment of areas of functions where the techniques are to be introduced. Coupled with this is the assessment of the key personnel who will spear-head the introduction of the techniques. An account must also be taken of the equipment and other facilities necessary for successful introduction and implementation of the techniques.

(2) Emanating from (1) above, the training needs of the key individuals concerned can be ascertained and subsequently training and development programmes instituted. In this regard, we cannot involve ourselves in the training plans required for the purpose as the Wamalwa Reports of 1971/72 and 1978/79 have developed a case for training civil servants in modern management practices as opposed to the type of training required in the immediate post-independence era. We see the implementation of the two Wamalwa Reports as a pre-requisite to achieving a higher level of knowledge and skills amongst civil servants, especially in the managerial/supervisory cadres on whose shoulders will lie the success or failure of achieving the necessary adaptability, by the Service, to the challenges of the 1980s.

189. Decision on the required technique and its introduction should be made by the functional ministry since they are the best placed persons to judge the most appropriate technique on the basis of operational efficiency. This would invariably lead to a need to adapt the organizational structure so as to facilitate the optimum utilization of resources including human resources. The desired structure will be evolved taking into account the short-term and long-term planning so that the development of personnel and the organization—Civil Service—proceed from one stage to the next without a reduction of momentum in the achievement of results. There will be the need to identify clearly how the organizational changes will come about and we leave the detailed discussion of this important issue to be pursued in more detail in the section of our Report dealing with the role of the Directorate of Personnel Management. It is also at this stage that a test period for the evaluation of the effectiveness of the technique is set. At the end of the test period an analysis of the effectiveness of the technique in achieving the purposes for its introduction is made. On the basis of the results, the necessary adjustments are introduced.

The Personnel Management Function

190. We now turn our attention to an aspect of the Civil Service which we consider to be crucial to the successful introduction of the new and more modern management techniques in the Civil Service; the personnel management function. We believe, on the basis of our findings that the Civil Service

can and should be managed for effective performance. We use the term "effective" to denote that the services rendered by the Civil Service need to be economically and efficiently provided so that the benefits are widespread. For this task to be accomplished, organization, planning, co-ordination, integration and motivation of the human resource inputs are very essential requirements. This calls for an effective personnel function in the Civil Service.

191. Ideally, the personnel management function in the Government machinery is the catalyst that should enhance optimum utilization of the human resources. This function is provided by various institutions, namely, the Directorate of Personnel Management, the Public Service Commission, ministerial and departmental managers, Judicial Service Commission, and to a limited extent, by the Personnel Officers in the ministries. In total, the personnel management function is charged with the task of providing a variety of technical and professional services to operational and line managers in the area of manpower management which is a major subprocess in the total process of management.

192. The technical and professional services include such aspects as manpower planning, manpower policy, staffing, organization, administration, training and development, research and innovation, review, audit and control. It is a function which inevitably forms an integral part of the functions of every manager in the Civil Service. Every manager who plans, staffs, organizes, directs and controls necessarily accomplishes these functions through people and applies them to people. Manpower management, therefore, is essential in each of these functions.

193. The Ndegwa Commission saw the role of the Directorate of Personnel as that of policy and programme initiation, standards setting and review to ensure adherence to the standards thus set and management consultancy. The role of the ministries and departments were seen as the daily operating machinery where most personnel decisions are taken. Here Personnel Officers should take the key role in working with heads of departments to see that the ministerial priority needs are met thereby assuming the staff service function. The Ndegwa Commission saw the main responsibility of a Personnel Officer as that of manpower planning involving recruitment, placement and deployment, development and preservation of the human resources. In this capacity, the Personnel Officer becomes the chief consultant to line managers in determining manpower aspects and consequences of policy decisions.

194. The Ndegwa Commission further observed that the main facets of personnel management as it functioned in the Civil Service were:

(*a*) Establishments.

(*b*) Recruitment, Appointments and Promotions.

(*c*) Discipline.

(*d*) Management Services and Trading.

Apart from (*d*) the Directorate of Personnel Management issued regulations within which establishment actions were taken. These directives specified terms and conditions of service including such items as rules of conduct, salaries, allowances, advances, medical privileges, passages, examinations and so on. The emphasis of this facet of personnel management was on procedure and regulation.

195. The Ndegwa Commission also observed that Personnel Officers in the Civil Service were not considered part of the management team as a result of which they were not consulted by senior administrators to advise on policy considerations and programme implementation. Rather, they were involved in the routine aspects of the personnel function. The Commission observed that the Personnel Officer, as he operated then in the Civil Service did not enjoy a high place in the formulation of personnel policies. The Commission found that this reflected the calibre of the Personnel Officers who had long experience in establishment work and were not qualified for the professional aspects of personnel management. Thus they were not equipped to advise the Permanent Secretary and his senior staff on such matters.

196. The Commission recommended a new structure for the personnel management function and explained how it would relate to operational ministries and departments. The structure was intended to enable the personnel management function to "man the machinery of Government in such a way as to make it more effective and productive". This Committee has received evidence which indicates that whilst the Directorate of Personnel Management has made every effort to achieve this objective, various ministries and departments have been reluctant and in some cases have refused to utilize the consultancy services offered to them. Examples were given to the Committee to show that manpower management and utilization in some ministries was virtually non-existent and, consequently, productivity has been barely adequate. There were claims of failure to utilize proper selection procedures resulting in subjective decisions, particularly where Permanent Secretaries fail to comply with the laid-down regulations. These and other malpractices inevitably lead to a waste of the scarce national resources and emphasize the importance of giving more attention and taking corrective action at the right stage in matters relating to manpower management.

197. The role played by the Public Service Commission is governed by the Service Commissions Act and relates mostly to recruitment, discipline and promotion. The Committee was informed that some of the functions have now been delegated to Permanent Secretaries and the Public Service

Commission has established an inspection unit to ensure that the administration of those delegated powers is done in accordance with the established procedures and regulations.

198. The role of individual managers in monitoring the various functions, in an integrated manner, within their own ministries and departments is crucial. They are the people who are in constant contact with the work force and are strategic in providing a feedback on all aspects of manpower management. They have the responsibility of implementing the prescribed policies and programmes and, in the process, identify areas where changes are necessary. In planning changes in the operational procedures, they must take into account the human resources aspects as, ultimately, the managers must get results and achievements accomplished through people. The Committee, in its deliberations, and considering the evidence submitted, has got the impression that line managers in the Civil Service have left the manpower management aspects of their responsibilities to the Directorate of Personnel Management and the Public Service Commission. It was reported to us that on many occasions ministries have passed matters which are within their jurisdiction to the Directorate of Personnel Management or the Public Service Commission. Examples included the development and implementation of schemes of service for various cadres in the service; the under-utilization of Personnel Officers in ministries, job structuring both at the headquarters, in the districts and provinces; and deployment of professionals. These and many other examples indicate that line managers must be properly assigned and made aware that ultimately the responsibility for attaining efficient and effective performance by ministries rests with them. The personnel management function only acts as a catalyst and consultant in the various aspects of manpower management.

199. It has already been indicated that the role of Personnel Officers in ministries has been ineffective. We have been told that this situation appears to have arisen due to various reasons and the widely stated ones are lack of high calibre incumbents in some cases; the failure by line managers to utilize their services; and the lack of an attractive career profession which has resulted in a "brain-drain" of high calibre individuals to other ministries where they become Assistant Secretaries with better prospects for advancement. The job structure limits the Personnel Officers to Job Group "L" and this does not give incentive for acquiring and utilizing professional skills and those who do attain high standards easily get attracted to the private or other public sector where they enjoy better prospects.

200. Ndegwa Commission saw consolidation of all Personnel Management responsibility as a long-term policy. It did recommend continuation of the present executive role of the Public Service Commission but with increased delegation of authority to the Permanent Secretaries to include job groups "A" to "L". It also recommended abolition of the Provincial Personnel branches.

201. The Government in Sessional Paper No. 5 of 1974 held the contrary view that Provincial Personnel branches should not only remain but should also be strengthened.

202. With regard to the calibre of Personnel Officers, the Ndegwa Commission recommended basic changes to personnel staffing. It called for more demanding qualifications and training as well as better utilization of the skills. It further recommended the revision of the Scheme of Service for Personnel Officers to ensure a higher calibre of officers and infusion of professionalism in the cadre. In addition to up-grading the quality of Personnel Officers, Ndegwa Commission recommended quantitative improvements. The ratio of one personnel officer to 409 employees was considered too low for truly professional work.

203. Ten years later, the role of a Personnel Officer especially at the ministerial level has remained routine and more clerical in nature. His position has not been accorded the requisite status in the evolvement of personnel policies than it was during the pre-Ndegwa times. He has remained outside the management team. He is not therefore, consulted by line managers and top administrators for decisions on manpower planning. We are informed that the attitude of the top administrators towards Personnel Officers has not changed even after the change in the calibre of Personnel Officers.

204. Since the Ndegwa Commission, we have noted that a lot has been done to develop and improve the calibre of the Personnel Officers. Programmes at the Kenya Institute of Administration (K.I.A.) have been developed to meet the needs of Personnel Officers. Professional courses like the Certified Public Secretaries (C.P.S.) have been developed to cater for the general improvement in outlook of the Personnel Officers. Personnel Officers have been sponsored to read for post-graduate qualifications at the East African Management Institute (E.A.M.I.), Arusha, and still others have gone abroad to read for further qualifications. It is further noted that the minimum qualifications for appointment of a Personnel Officer is a degree in Social Sciences or a related field. It is submitted that all these courses of instruction have equipped Personnel Officers with new skills and techniques to enable them to acquire the right attitude to meet the new role of personnel management. Some Personnel Officers are now properly qualified to advise Permanent Secretaries and other top administrators in the field of manpower acquisition, development, utilization and retention.

205. We have arrived at the conclusion that the main problem of the personnel function in the Civil Service cannot be attributed entirely to the calibre of Personnel Officers, rather it is their inadequate utilization, deployment and the attitude of the top administrators towards Personnel Officers. It is noted that a greater number of Personnel Officers who are professionally qualified are in Job Groups "H" and "J" and a few on Job Group "K".

These are the officers who handle routine establishment work in their ministries and they are not at the level at which they can be called upon to advise the top administrators.

206. It would appear that sufficient attention has not been paid to the problem of proper utilization of the available skills in the personnel cadre. Professionally qualified Personnel Officers continue to perform routine duties. Because of the lack of challenge in the routine function and lack of motivation many of the qualified Personnel Officers have left the Government service.

207. The Ndegwa Commission recommended the replacement of the Scheme of Service for Personnel Officers with a more professional-oriented scheme of service which was implemented through introduction of a new Scheme of Service for Personnel Officers—Personnel Circular No. 5 of 1st April, 1973. Although this new Scheme of Service introduced professionalism into the personnel cadre, there are a few dissatisfactions connected with it. It has been represented that the scheme is very rigid and demanding especially when it is compared with that of the Administrative Officers. The Scheme of Service for Personnel Officers requires that before promotion to any grade of Personnel Officers, one has to pass a part of C.P.S. mostly requiring a year's spell at the K.I.A. and two to three years in one grade. Due to the limited vacancies in the Personnel Officers cadre, promotions do not normally take place on completion of three years in one grade or even after passing a part of C.P.S.

208. It is recognized that there are Personnel Officers, especially in the ministries who cannot be developed further. They have long experience in the routine duties of the personnel function. They should be allowed to continue performing those duties, while the professionally qualified ones and the graduates, should be assigned more challenging professional personnel duties and responsibilities.

209. The Directorate of Personnel Management should, in collaboration with departments, see how best to assign more professional aspects of the personnel function, to proficient Personnel Officers. Such duties, we envisage, should include, training needs analysis, manpower planning, deployment, and utilization. When this has been achieved, consideration should be given to the up-grading of the Personnel Officers, who have successfully undertaken the new role. The Scheme of Service should reward individual achievement and recognize academic and professional qualifications in order to reduce the levelling effect.

210. C.P.S. should be made more relevant to the needs of the personnel function in the Civil Service. It is recommended that a paper on Personnel Management should be introduced in Part I and II levels of C.P.S. Apart from C.P.S., the Scheme of Service should recognize other management

qualifications obtained from such institutions as the Kenya Institute of Management and East African Management Institute.

211. Provincial personnel branches should be strengthened in view of the heavy responsibilities handled by Personnel Officers at the provincial level. It is recommended that Office of the President continues to offer agency service to ministries with few staff in the provinces.

The Role of the Directorate of Personnel Management

212. The Ndegwa Commission recognized the key role the Directorate of Personnel played and continues to play in the areas of organization development and human resource management. The Commission recommended structural changes which would make the Directorate of Personnel Management an integral part of a Central Management Machinery located in the Office of the President and the Director of Personnel Management becoming the chief adviser to the Head of Civil Service in all personnel management functions in the Civil Service. The Commission felt that the recommended organizational structure would ensure consistency in the formulation and implementation of personnel policies and procedures. The Central Management Office (C.M.O.) recommended by the Commission would replace the Directorate of Personnel Management. They were of the opinion that for the various management practices as well as organizational changes to be successfully implemented, there was need for the creation of an authoritative and professionally staffed organ in which wide powers would be vested. This recommendation, would if accepted, structure the Central Management Office into three main divisions namely the Personnel, Management Services, and the Management Development divisions. The head of the new Central Management Office would be designated, Director, Central Management Office and reporting directly to the Head of the Civil Service.

213. However in Sessional Paper No. 5 of 1974, the Government, whilst accepting the proposed restructuring of the Directorate of Personnel, did not accept the redesignation of the organization and its head. The Government preferred that the Directorate of Personnel be reconstituted and renamed, the Directorate of Personnel Management and headed by the Director of Personnel Management at the Permanent Secretary level. Following its restructuring and adequate staffing, the Directorate of Personnel Management would assume the functions recommended for the proposed Central Management Office. The Director of Personnel Management would operate with wide delegation of authority.

214. In April 1978, a reorganization of the Directorate of Personnel Management was undertaken and resulted in structuring it into four divisions namely:

(1) Management Consultancy Services.

(2) Manpower Development.

(3) Personnel Administration.

(4) Finance and Establishment Section.

At the time of introducing these organizational changes the Government was increasingly becoming aware of the need to make the Directorate of Personnel Management respond to the changes both in the increased volume in the service as well as the required changes in the modern management techniques.

215. The essence of achieving this situation was of prime importance if the challenges of the 1980s were to be successfully faced and accomplished by the Civil Service, and indeed, the Public Service. It was becoming urgent that the Directorate of Personnel Management should be structured and staffed adequately so as to enable it to render professional advisory services to ministries and parastatal organizations, so as to sustain and increase their productivity. Increase in productivity would result from the provision of new dimensions in the management of human resources and the introduction of improved management techniques necessary for growth and development.

216. In the course of our deliberations we got the impression that the process of restructuring which began in 1978, is not completed. The Directorate of Personnel Management still needs to be adequately staffed so that it can effectively perform the functions entrusted to it. From the evidence submitted to us, it appeared that there was a backlog of work submitted to the Directorate of Personnel Management by ministries, which needed attention but in view of staff shortage, it has not been possible to do so. There was evidence to indicate that national manpower plans for the Public Service had not been completed. The transfer of the Pensions Division to the Directorate of Personnel Management was not complete; the Government's participation through the Directorate of Personnel Management in the Training Levy, as an employer, had not been implemented. Overall, we came to the conclusion that the full impact of the functioning of the restructured Directorate of Personnel Management has not been felt throughout the Government machinery.

217. We consider that the future role of the Directorate of Personnel Management is crucial in bringing about the necessary organizational changes within the Government machinery geared towards making effective and optimum use of the human resource. We consider that the Directorate of Personnel Management can achieve this by providing a professional and effective Personnel Management function in the Civil Service, and to a considerable extent, in the Public Service in situations where certain parastatal organizations cannot afford the services of professionally qualified personnel specialists.

218. The Directorate of Personnel Management will be expected to spearhead the introduction of modern management techniques and practices

in the Civil Service. It will also be expected to utilize modern techniques in identifying areas where organizational changes are necessary as well as devising methods and techniques for motivating the civil servants to contribute their best in the process of nation building. It will be expected to offer advice, on a consultancy basis, to other ministries and departments on operational methods and systems.

219. For the Directorate of Personnel Management to be effective, we recommend the following:

(1) Adequate staffing of the Directorate must be achieved as a matter of urgency as at the moment it is apparent that it is grossly understaffed thereby making it difficult for the Directorate to discharge its functions effectively. We have received voluminous representations from ministries and departments regarding their internal organizational problems, staffing, job gradings and other matters that we could not have dealt with in the time available. We therefore recommend that the Directorate should carry out a survey of these problems and resolve them on an in-house basis.

(2) The following management practices and techniques should be properly documented and implemented without further delay as they will enhance better utilization of the human resources:

(i) *Manpower Planning and Utilization in the Civil Service.*—This is very essential especially in view of the fact that the Civil Service is overestablished. By the formation and implementation of these techniques, operational departments, with the assistance of the Directorate of Personnel Management will be able to raise the productivity of personnel under their control. From the analysis of information gathered in the course of formulating the manpower plans and utilization schedules, it will be possible to draw programmes on manpower development and planning.

(ii) *Performance Evaluation.*—This practice was recommended by the Ndegwa Commission but from the evidence submitted to this Committee its introduction has not been successful. We were told of difficulties experienced arising from the appraisal form to be used and reluctance on the part of a large number of ministries and departments to undertake the exercise. However, we have noted that a revised performance appraisal form has now been reintroduced and we must emphasize the essence of undertaking the exercise as a matter of urgency. We further recommend for staff on Job Group "G" and above annual increments should be awarded on the basis of their individual level of performance. We believe that by adopting this practice, encouragement will be given to those who are proficient and

deligent in the execution of their duties and poor performers will realize that without achieving a satisfactory level of performance, they would not get automatic annual salary increases. Complementary to the introduction of the performance appraisal scheme, is the need to give detailed clear job objectives to individual officers so that they are aware of what is expected of them. These objectives should be updated from time to time in face of operational requirements.

(iii) *Career Planning.*—From the evidence submitted to us, it was clear that there is no career planning programme in the Civil Service. There were claims of *ad hoc* and intermittent postings of personnel within the Civil Service and, on occasions, from Civil Service to parastatal organizations. These postings, we were led to believe, were based on personal considerations, rather than on merit. Whilst these claims might not all be true, it is difficult to dismiss them when there is no clearly defined career plan based on assessment of an individual's background, training and experience. We are of the opinion, therefore, that the formation and adoption of a rational career plan will lead to better manpower utilization in the Civil Service.

(iv) *Management by Objectives.*—The Ndegwa Commission recommended the introduction of Management by Objectives in the Civil Service. The Government accepted this recommendation and it was anticipated that when fully staffed, the Directorate of Personnel Management will implement the technique. However, as mentioned hereinbefore, adequate staffing of the Directorate of Personnel Management has not been achieved. When this has been done, we recommend the introduction of this technique which as indicated earlier, can act as an agent of change. It would lead to higher achievement of organizational and individual goals and objectives. Complementary to this, the Organization Development technique as recommended by the Ndegwa Commission can also be introduced.

CHAPTER IX—DEPLOYMENT AND UTILIZATION OF PROFESSIONAL AND TECHNICAL PERSONNEL

Introduction

220. Elsewhere in this Report we have made a series of recommendations aimed at strengthening the Public Service and thus enable it to make a more effective contribution to national development. One of the critical factors which will determine the extent to which the country achieves its development goals and one to which the Government must accord special attention is manpower planning and management. While national socio-economic planning has traditionally concerned itself with the overall allocation of resources to achieve stated objectives, very little attention seems to have been paid to manpower resources budgeting which clearly should be one of the most important components of any planning. Needless to say, it is the human beings who create and destroy, who manage or mismanage all other resources. Government policies and objectives as well as the plans and projects formulated to achieve them would therefore be meaningless if they were not reduced and specified into an expression of the manpower required in terms of numbers, type and level of skills.

221. Since independence, Kenya has published four national development plans and, with the exception of the current 1979-83 Development Plan, these other plans tended to treat manpower planning as a peripheral issue by ignoring the fact that no project, however well designed, will get off the ground unless the required personnel with the necessary skills are also budgeted for. We raise this matter here because it is of utmost importance to the economic development of this country. All too often in the past, projects have not been launched on schedule and others have been abandoned for the simple reason that, even after funds have been voted and all other resources set aside, the personnel to manage the projects could not be found. Indeed, it has not been uncommon for voted funds to be returned to the Treasury largely because the manpower requirements in a given project are never budgeted for. The long-term solution to this problem lies in the formulation of a comprehensive manpower resources policy capable of forecasting needs and adjusting to the social, economic, and technological changes that go hand in hand with development.

222. That the Government now acknowledges the importance of human resources planning is evidenced by the fact that, for the first time, a full chapter on manpower, training and development of institutions has been included in the current 1979-83 Development Plan. Although the Government did carry out a manpower survey in 1972, and recently in 1979, these surveys proved unsatisfactory and the findings were not accurate enough to

serve their intended purpose. We have been told, however, that plans are in hand to carry out another survey which, it is hoped, will more accurately reflect the country's manpower requirements over the current plan period and, perhaps, beyond. Further indication of the Government's commitment to manpower planning is its intention, as stated in the 1979-83 Development Plan, to set up a Co-ordinating Unit in the Ministry of Economic Planning which will have the responsibility of co-ordinating training activities at the national level, and its intention to have a greater regulation of private sector training to ensure harmonization between the interests of industry, the requirements of the individual and the needs of the economy.

223. Having broached generally on the concept of manpower planning, we now turn to our specific term of reference which requires us to "examine the present deployment and utilization of professional and technical personnel in the Public Service and to recommend how best such personnel could be utilized in the promotion of Kenya's economic and social development". In order to indicate the scope of our inquiry into this particular subject, it is necessary to explain our understanding of the terms "professional" and "technical" personnel. Whereas it would be easy to give a precise definition of what constitutes a "profession" in purely pedagogical terms, in our situation, we are concerned about certain specific occupations which may or may not qualify as professions in the classical sense. As used in Civil Service parlance, the terms "professional" and "technical" are prefixed to certain occupations which constitute a combination of duties, tasks and functions whose performance requires acquisition of specified knowledge and/or training to a certain specified level and which ultimately lead to a qualification recognizable as "professional" or "technical". For our purposes, therefore, we define as "professional" those personnel with a university degree or equivalent training leading to an approved professional qualification, and "technical" as those personnel with institutional training leading to an approved diploma or certificate and having acquired the necessary technical proficiency to support professional personnel effectively.

Supply and Demand

224. In approaching this important and somewhat complicated subject, we have found it necessary first to establish briefly the existing situation with regard to the supply of, and demand for, professional and technical personnel in the country. The evidence we have gathered indicates that the question of supply and demand for professional and technical personnel in the Public Service has never been examined critically with a view to meeting the rapidly changing needs. In 1970, the Ndegwa Commission found that:

> "the position with regard to the professional cadres of the service is far from satisfactory and in some crucial areas important development projects are held up because of lack of qualified staff. There are not enough

doctors to staff our hospitals, engineers to build our roads or economists to plan and advise on our overall development particularly at district level. These are obivous areas of deficiencies but there are others where the problem is just as great. For the time being some of these deficiencies can be met with the help of overseas aid donors and the international agencies but even that help, welcome though it is, does not match the problem because of world shortages in key professions".

225. Nearly a decade after the Ndegwa Commission, this assessment is still valid and has in fact deteriorated in some areas. Although the Ndegwa Commission recommended that Kenya should, to the greatest extent possible, and as soon as possible, meet its requirements from among its own people by encouraging young men and women to follow professional careers and providing the necessary educational facilities, very little success has been recorded in this respect. One possible explanation for this would appear to be historical. At independence, the greatest single challenge that faced the Government was to localize the Civil Service and, eventually, the whole economy. While the localization of administrative posts in the Civil Service was accomplished with relative ease, localization of professional and technical fields posed a much greater challenge because there were very few Kenyans at that time who had the necessary qualifications and therefore the capability to take up these positions without loss of efficiency. Since then, and despite the considerable success the Government has achieved in reducing dependence on expatriate personnel, an undesirable trend has persisted whereby manpower training and development has been geared more to the fulfilment of the Africanization objective than to meeting the ever-changing needs of the economy. Thus in the engineering field, for instance, greater effort has been directed to the production of more engineers, than to the production of technicians and artisans who the economy needs much more than engineers.

226. In purely quantitative terms, and considering the present and anticipated demand for professional and technical services, it will be a long time before the country can achieve near-sufficiency in the supply of the required personnel. This is due to a host of factors, some of which we consider important enough to highlight here. These are: population growth, increased demand for services, industrialization, and research requirements.

227. The growth of the population has meant that the already limited facilities in our hospitals should be expanded, which in turn dictates that the number of doctors, nurses, medical technologists and technicians, pharmacists and all other medical personnel should similarly be increased. In addition to the medical facilities provided by the Government, the Harambee movement has led to the construction of several dispensaries and health centres which need to be staffed with qualified personnel, not only

to achieve a wider spread and access to medical services in the rural areas but also to ensure that people's initiative in self-help is sustained. Rapid population growth has also meant an increase in the number of mouths to be fed and therefore the need to intensify agricultural production. Expansion of the agricultural sector in turn requires the services of qualified planners, botanists, veterinarians, horticulturalists, plant breeders and technically trained extension staff.

228. Expansion of commercial and industrial activities has meant an increased demand for more lawyers to do conveyancing, more accountants to keep the books, more architects, more auditors, more town planners and in view of the social problems that come with growth and development, more social workers, court officers and magistrates. Similarly, expansion of urban and rural supplies has been a major aim of the Government and as more efforts are made in this direction, the result is a greater need for more geologists, hydrologists and an even greater number of maintenance technicians.

229. From the foregoing, it is obvious that the supply of professional and technical personnel is, and will continue to be, one of the most significant factors that will determine the extent to which the nation's development goals are achieved. In the course of our inquiries, we have tried to establish what efforts the Government has made in meeting the need for these specialized personnel and what plans it has for the future. The Government does not appear to have accurate statistics to show the supply of professional and technical personnel for the whole economy and no evidence is available to indicate the critical areas of shortage and how it is intended to redress the situation. For the Public Service, however, the Government has done some projections, up to 1983, showing the anticipated supply of personnel in a variety of categories, the additional needs, and the resulting deficit over the 1979-83 Plan Period. The projections, which we reproduce in Table 9.1 below, are themselves approximations taken from Government and non-Government studies, and in some cases may overstate the size of the public sector shortage.

230. An analysis of the statistics at Table 9.1 shows that, with the exception of such cadres as the Family Health Field Educators, Physical Scientists and Engineering Technicians whose supply will show a surplus by 1983, all the other categories will have large deficits. The situation in the Civil Service itself will continue to be similarly unsatisfactory. As can be seen from the figures in Table 9.2 and despite a projected reduction in the size of shortfalls, most cadres will still show deficits by the end of the plan period. The manpower projections giving requirements and deficiencies have not taken into account the national requirement other than the Public Service.

Table 9.1—Public Sector Manpower Projections—1979/83

	Currently Employed 1978/79	Additional Requirements	Additional Supply 1979/83	Surplus (+) or Deficient (−) 1979/83
Medical Doctors	542	724	428	(−) 296
Dentists	22	138	110	(−) 28
Pharmacists	30	148	92	(−) 56
Clinical Officers	1,002	835	552	(−) 283
Registered Nurses	1,223	1,037	690	(−) 347
Enrolled Nurses	4,009	3,891	2,236	(−)1,655
Public Health Officers	250	140	107	(−) 33
Public Health Technicians	642	2,099	497	(−)1,602
Pharmaceutical Technologists	221	669	138	(−) 531
Laboratory Technicians	284	1,400	264	(−)1,136
Radiographers	217	933	122	(−) 811
Physiotherapists	116	544	101	(−) 443
Occupational Therapists	45	555	668	(−) 487
Laboratory Technologists	180	540	77	(−) 463
Dental Technologists	15	115	13	(−) 102
Orthopaedic Technologists	12	138	35	(−) 103
Family Health Field Educators	430	930	1,012	(+) 82
Nutrion Field Workers	210	280	248	(−) 32
Jurists	217	527	250	(−) 277
Engineers	421	999	325	(−) 674
Professional Agronomists/Veterinarians (Graduates)	841	1,478	900	(−) 578
Physical Scientists	107	297	300	(+) 3
Graduates Level Teachers	2,864	3,829	3,700	(−) 129
Semi-professional Agronomists/Veterinarians (Diplomates)	1,399	1,864	1,500	(−) 184
Other qualified workers in Agric./Veterinary (Certificated)	4,399	8,404	2,250	(−)6,154
Engineering Technicians	1,760	3,365	3,600	(+) 235
Printing Technicians	183	325	200	(−) 125
Scientific Technicians	429	677	540	(−) 137
Other Technicians/Artisans	523	1,225	900	(−) 325

SOURCE: Development Plan 1979–83, Page 482.

Table 9.2—Manpower Situation by 1983—Kenya Civil Service

Cadre	Deficit/ Surplus Mid–1979	Additional Supply Required by 1983	Projected Training Output 1979/80 1982/83	Projected Shortfall/ Surplus by 1983	Improvement (+) * / Deterio-ration (−)
Doctors	−496	912	539	−373	+
Clinical Officers ..	−451	874	491	−383	+
Registered Nurses	−295	1,132	867	−265	+
Enrolled Nurses ..	−1,691	3,827	3,127	−700	+
Dentists	−126	177	128	−49	+
Dental Technologists	−103	180	22	−158	−
Pharmacists ..	−121	209	145	−64	+
Pharm. Technologists	−440	804	138	−666	−
Public Health Officers	−34	61	105	+44	Surplus
Public Health Technicians ..	−62	2,049	579	−1,470	−
Agricultural Officers	−298	706	582	−124	+
Asst. Agricultural Officers ..	−1,443	2,252	532	−1,720	−
Agricultural Assistants	−7,847	17,736	1,258	−16,478	−
Veterinary Officers	−51	503	211	−292	−

*A positive sign does not mean that manpower requirement will have been met by 1983 but rather that the shortfall will have been narrowed.

KENYA CIVIL SERVICE—(*Contd.*)

Cadre	Deficit/ Surplus Mid–1979	Additional Supply Required by 1983	Projected Training Output 1979/80 1982/83	Projected Shortfall/ Surplus by 1983	Improvement (+) * / Deterio-ration (−)
Building Inspectors	−129	282	146	−136	−
Water Engineers ..	−101	161	161	0	Requirement
Water Insectors	−84	35	228	−97	−
Telecom. Engineers	−70	435	112	−323	−
Technicians ..	−889	2,675	598	−2,077	−
Mechanics ..	−583	1,707	341	−1,366	−
Artisans	−1,128	1,316	1,056	−2,260	−
Architects.. ..	−194	397	41	−356	−
Draughtsmen ..	−80	217	86	−131	−
Lab. Technologists	−538	1,024	345	−679	−
Lab. Technicians..	−879	1,460	448	−1,012	−
Legal Officers ..	−73	127	53	−74	−
Economists/Planners	−26	91	64	−27	−
Statisticians ..	−7	20	16	−4	+

*A positive sign does not mean that manpower requirement will have been met by 1983 but rather that the shortfall will have been narrowed.

KENYA CIVIL SERVICE—(*Contd.*)

Cadre	Deficit/ Surplus Mid–1979	Additional Supply Required by 1983	Projected Training Output 1979/80 1982/83	Projected Shortfall/ Surplus by 1983	Improvement (+) * / Deterio-ration (−)
Animal Husbandry Officers ..	−88	300	58	−242	−
Asst. Animal Husb. Officers ..	−1,902	2,901	145	−2,756	−
Animal Health Assistants ..	−1,233	7,100	400	−6,700	−
Surveyors/Photogrametrists ..	−82	352	264	−88	−
Survey/Photogram. Assistants ..	−320	869	701	−168	−
Cartographers ..	−82	314	93	−221	−
Mechanical Engineers	−48	108	80	−28	+
Mechanical Inspectors	−107	147	133	−14	+
Civil/Roads Engineers	−91	407	92	−315	−
Civil/Roads Inspectors	−77	190	94	−96	−
Electrical Engineers	−62	141	89	−52	+
Electrical Inspectors	−112	251	52	−199	−
Material Engineers	−12	22	9	−13	−
Structural Engineers	−7	28	28	0	Requirements

*A positive sign does not mean that manpower requirement will have been met by 1983 but rather that the shortfall will have been narrowed.

KENYA CIVIL SERVICE—(*Contd.*)

Cadre	Deficit/ Surplus Mid–1979	Additional Supply Required by 1983	Projected Training Output 1979/80 1982/83	Projected Shortfall/ Surplus by 1983	Improvement (+) * / Deterio-ration (−)
Accountants ..	−56	85	47	−38	+
Auditors	−116	169	90	−79	+

*A positive sign does not mean that manpower requirement will have been met by 1983 but rather that the shortfall will have been narrowed.

SOURCE: Manpower Survey conducted by the Directorate of Personnel Management, February, 1980.

NETWORK OF TRAINING INSTITUTIONS AND CAPACITY (1978)

Sector	Institution/Ministry/Agency	Approximate Number of Institutions	Estimated Number of Places	Actual Proposed Co-ordinating Body	Reference Relevant Chapter of Plan
Basic Needs—University Education.	Nairobi University, Kenyatta University College.	2	6,250	University Council/MOE/ MEPCA Co-ordinating Unit.	5
Teacher Training	Primary Teacher Training College, KSTC, KTTC.	19	9,570	MOE/TSC/MEPCA Co-ordinating Unit.	5
Health Manpower Training ..	MOH Institutions	39	3,780	Manpower Planning Unit MOH/MEPCA.	5
Family Planning	Private/MOH..	30	N/A	NFWC/MEPCA	5
Nutrition Training	Karen College, MOH, MOA MHSS, Private.	7	N/A	Nutrition Planning Unit, MEPCA.	5
Vocational Rehabilitation and Handicapped Schools.	MHSS/MOE/Private ..	25	4,000	Kenya National Council of Social Services/MEPCA.	5
Literacy and Adult Education..	MHSS/Institute of Adult ..	1,500	N/A	Board of Adult Education/ MEPCA.	5
Family Life Training	MHSS	8	N/A	MEPCA	5
Water Training..	Water Training School ..	1	3,700	Ministry of Water Development.	5
Primary Production Agriculture Manpower and Extension.	Ministry of Agriculture Institutions, Farmers Training Centres.	39	2,050	Ministry of Agriculture/ MEPCA.	6
Co-operative Education ..	Co-operative College ..	1	140	Ministry of Co-operatives/ MEPCA.	6
Forestry Training and Extension	Forest Training College, Forest Training School, Londiani.			Ministry of Natural Resources/ Co-ordinating Unit, MEPCA.	6
Primary Production Training in Export Crops.	KTDA, Coffee Board, Cotton Lint Board, etc.	N/A	N/A	Ministry of Agriculture/ MEPCA.	6

NETWORK OF TRAINING INSTITUTIONS AND CAPACITY (1978)—(*Contd.*)

Sector	Institution/Ministry/Agency	Approximate Number of Institutions	Estimated Number of Places	Actual Proposed Co-ordinating Body	Reference Relevant Chapter of Plan
Industrial, Commercial and Vocational Modern Public Sector.	Polytechnics/DIT/MOW/ MTAC/KTTI/NYS/HITS.	20	28,000	DIT/Co-ordinating Unit, MEPCA.	5, 7, 8
Private Company-operated ..	Private Firms	14	2,000		
Private or Commercial Sector..	Private Firms	136	N/A		
Quasi-Government and Parastatal Corporations.	Ministry of Power and Communications, Other.	7	N/A		
Tourist Sector	Utalii College, Ministry of Tourism and Wildlife.	1	470	Catering Levy Board of Trustees/Co-ordinating Unit MEPCA.	7
Informal Government Assisted Voluntary Organizations.	Village Polytechnic/RIDC/ NCCK/PF/etc.	220	22,000	Co-ordinating Unit, MEPCA	5
Other Government Services, Preservice and In-service Training.	Government Ministries/KIA/ GTIS/etc.	35	2,000	Co-ordinating Unit, MPCA/ DPM.	5

Note:—The abbreviations used are defined in an appendix to the plan. N/A means "Not Available".

SOURCE Development Plan 1979/83.

231. Given the ambitious development goals the Government has set for itself during the plan period and considering the fact that population will continue to increase unabated, our unavoidable conclusion is that the targeted development will be difficult to achieve unless more aggressive measures are taken to reduce the projected shortfalls in the supply of these personnel whose contribution will be essential.

232. Elsewhere in this chapter, we have stated the weaknesses we see in the whole question of manpower planning and human resources development in this country. While most of these weaknesses have resulted from the failure by Government to formulate a comprehensive policy of manpower resources, lack of funds and poor identification of priorities have also been contributory factors.

233. Since independence, the traditional sources of professional and technical personnel have been the University of Nairobi, the Kenya and Mombasa Polytechnics, various departmental training institutions, and to a limited extent, foreign universities and training institutions. Despite the persistent shortages that have been experienced and the ever-growing demand, little effort seems to have been made to expand and improve the existing facilities so as to increase their output. With regard to the supply of professional personnel, the University has been producing the numbers indicated by the Government. The practice has been for each ministry to indicate its short-term requirements, based on the budgeted funds, without taking into account future needs. The number of professionals thus produced have proved inadequate for the national needs. It is our view that, once the national manpower requirements are rationally established, the University should be able to increase intake in the more critical fields of study.

234. Besides the national university, another source of professional personnel has been foreign universities where Government-sponsored and privately-sponsored Kenyans have been trained in various fields. In trying to establish the extent to which this source has been exploited by Government, our finding is that the Government has had no deliberate strategy for making use of this outlet. Our impression is that a large number of the Kenyans studying abroad have gone there on their own and are taking courses in fields of their own choice and therefore not necessarily related to the needs of the Kenya economy. A great number of these Kenyans tend to remain and practise in foreign countries. We do not have up-to-date statistics on how many qualified Kenyans are still living and working abroad but their absence aggravates the present shortage. Where the Government has taken positive steps to send its nationals for overseas training, this has been limited to a few sectors and therefore not as part of a co-ordinated effort to meet the critical areas of need of the economy.

235. One group of professional personnel which has so far received very little attention in terms of training, deployment and utilization is research

scientists of all specializations. Until the collapse of the East African Community, important research institutions were under the Community. As problems mounted on the Community, such research scientists as were still employed by the Community became frustrated and output declined considerably. Elsewhere in the country, research career did not have as good a prospect in the Public Service as an administrative career. Thus except in the University, Kenyan research scientists of all shades moved out into other fields with better prospects at the earliest opportunity. The net result of this prolonged period of lack of attention is that the national pool of trained, active research scientists is too small to be effective.

236. The problems that Kenya will have to solve in the future, such as increased food production, efficient use of all available energy resources, and improved industrial productivity, require dedicated and long-term research at the national level. This Committee therefore considers it necessary that urgent attention be given to building up a viable national research capability through the training of research personnel and the provision of necessary research infrastructure. In this regard, it is gratifying to note that a National Council for Science and Technology, and a number of research institutes have been established. These institutions, together with the University and the relevant ministries should be required to work out definite training programmes of research scientists on a continuing basis, taking into consideration the long-term needs of the country.

237. Having reviewed the position with regard to the supply of and demand for professional personnel, we now turn to semi-professional, technical and auxilliary personnel where the situation is even more critical. Unlike the professions, technical and artisan training has a longer history and a wider spread in terms of the occupations it covers. Indeed, Kenya has more training facilities for this type of personnel. As will be seen from the statistics reproduced at Table 9.3 areas of training are extensive and cut across all sectors of the economy, i.e. government, industry and voluntary services, etc. In spite of these training outlets and many others that the economy has yet to tap, there have been persistent shortages in some categories of this type of personnel and indications are that the demand for them will grow even bigger in the future. The problem of meeting the country's demand for technical skills is rooted in historical development which dates back to pre-independence era.

238. The main recruiting ground for technical and artisan training has been the primary and secondary schools. Before and well after independence, our primary and secondary education system has traditionally emphasized the teaching of general academic subjects with very little or no regard for technically-oriented knowledge. This in turn has reinforced the aspiration in our young men and women that the sole aim of going to school is to

prepare oneself for a white-collar job. Thus the technically-oriented occupations have been loathed and looked down upon.

239. The Government has taken measures to increase the supply of technicians and articians. At the formal education level, curricula have been changed to reflect the new emphasis on technically-oriented knowledge. Many secondary schools are now teaching technical subjects and a few others are fully fledged technical schools. But in spite of such efforts, the problem has persisted because of insufficiency of technical teachers, lack of proper career guidance, and lack of opportunities for further skill training and productive employment.

240. Closely allied to technical education in schools is the more recent emergence of Harambee institutes of technology. These have been built on self-help basis and they are acutely short of appropriately trained teachers. We can do no better in this regard than to reiterate the relevant recommendations of the Training Review Committee 1971/72. In paragraph 112 of their Report they said:

> "We cannot stress too strongly the urgency of producing technical teachers. They are essential to existing programmes, and without a greatly increased supply the new self-help technological institutes will not be able to function effectively and may even become 'white elephants'."

241. Besides the secondary schools and self-help institutes of technology, the Government has its own network of technical training facilities which cater for the individual needs of ministries and departments. Although these have had a more noticeable impact, there has been almost no co-ordination of their activities. The resultant duplication of effort has made their operation unnecessarily expensive without producing the desired results.

242. The Government showed its interest in economy-wide approach to technical training when it introduced the Training Levy Scheme and the Directorate of Industrial Training. The aim of the Training Levy was to help the industrial sector—as well as Government—to meet their needs for technical skills through a common training pool. Evidence given to us indicates that the scheme has not been effective in certain sectors and most private sector contributors see it as an unnecessary liability. Its major problem has been poor administration.

243. The foregoing paragraphs depict an unsatisfactory state of a sector which is vital to national development. This, however, should not be taken to mean that the acute shortage of professional and technical skills being experienced in some sectors has seriously affected the overall achievement of national aims. Indeed, time is not foreseen when a country like Kenya can be fully self-sufficient in these skills. The corollary solution has therefore

been found in achieving effective deployment and utilization of the scarce skills as and when they become available.

Deployment and Utilization

244. For all that this country has achieved in meeting her needs for specialist services, evidence given to us suggests serious weaknesses in the way the scarce professional and technical personnel have been deployed and utilized. In a sample survey that we conducted in a few selected districts, our findings were—

(*a*) that the greatest number of professional personnel is concentrated in urban centres, especially in Nairobi and the municipalities;

(*b*) that in the rural areas, professional services are concentrated in district headquarters and almost none at divisional or locational levels;

(*c*) that the ratio of professionals to technicians is worse in the rural areas than in the urban centres;

(*d*) that a large number of professional personnel are engaged on assignments quite different from their academic specializations, i.e. a Medical Officer of Health in a district is more of an administrator than a doctor; and

(*e*) that lack of support facilities such as transport, fuel, tools, drugs, and other equipment, hinders the optimum utilization of professional personnel.

These observations have led us to conclude that professional and technical personnel are not properly utilized. We have indicated above that there is a shortage of this type of manpower in the country. We cannot therefore overemphasize the need to have the few that there are performing duties strictly relevant to their specializations.

245. We have considered the wider issues regarding the remuneration of professionals *vis-à-vis* that of the non-professionals. We are aware that the Ndegwa Commission salary structure made a differential by allowing the professionals to enter their respective cadres at Job Group "J" instead of Job Group "H". In the context of the Civil Services salaries, that level of entry is better than that which obtains for the non-professional cadres but in the context of the prevailing local-market remunerations, it is not competitive. For continued motivation and improved productivity, it is essential to establish a progressive career structure, coupled with attractive remuneration. We therefore recommend that there be established salary structures which will enable professionals to progress up to Job Group "Q" in their respective areas of specialization and for this purpose, the Directorate of

Personnel Management in consultation with ministries concerned should devise appropriate schemes of service. We further recommend:

(1) That the Government should maintain comprehensive and up-to-date statistics of the supply and demand of professional and technical personnel, on a countrywide basis.

(2) That the intention by Government to carry out a manpower survey be implemented as soon as possible and that, in future national manpower surveys be conducted on a continuous basis.

(3) That the Kenyanization objective should not be the main determinant of the type and level of professional and technical personnel to be produced.

(4) That production, deployment and utilization of professional and technical personnel should aim at achieving an optimum ratio.

(5) That Harambee institutions should be staffed with qualified personnel in order to sustain the spirit of self-help.

(6) That Government ministries should plan for both their short-term and long-term needs for professional and technical personnel.

(7) That planning of university education should be done on a national basis and not through bilateral arrangements with ministries.

(8) That Government should co-ordinate training on a national basis and thus ensure that all idle capacity for technical training is fully utilized. Should this not suffice, the Government should make use of training opportunities in foreign countries.

(9) That the Co-ordinating Committee on Harambee institutes of science and technology be reactivated.

(10) That professional and technical personnel be provided with the necessary facilities to ensure their optimum utilization.

(11) That the National Council for Science and Technology should undertake to co-ordinate the training of research personnel in the country. The Council should additionally establish a post-graduate fellowship programme to complement other existing schemes.

(12) That a substantial number of scholarships and fellowships be made available for post-graduate and post-doctoral training in the University and abroad and in suitable research institutes in the country.

CHAPTER X—THE PUBLIC SERVICE COMMISSION

246. The history of the Public Service Commission dates back to 1954 when it was established as a result of the Holmes Commission Report of 1948. Titled then as "The Civil Service Commission", it played an advisory role to the Governor on filling posts that did not require approval of the Secretary of State. It assumed its present executive role and title of "Public Service Commission" on Kenya's attaining internal self-government on 1st June, 1963. During the interim "Majimbo Constitution" there were Public Service Commissions for each of the regions, as well as the Central Government; these were abolished and the single Public Service Commission that exists today was created under the Republican Constitution of 1964.

247. The Commission consists of a Chairman, a Deputy Chairman and five other members. The seven members are appointed by the President and are paid out of moneys provided by Parliament. The Commission draws its powers and authority from the Constitution. It does not form part of the Civil Service, and, in the exercise of its functions, it is not controlled by Parliament or by the Executive. The relevant part of the Constitution is section 106 (12) which reads:

> "Subject to this chapter, the Commission shall, in the exercise of its functions under this constitution, not be subject to the direction or control of any other person or authority."

248. The functions of the Commission are clearly defined in the Service Commission's Act, Cap. 185, of the Laws of Kenya and the regulations made thereunder. It makes, confirms and translates appointments and acting appointments, authorizes promotions and retirements and exercises disciplinary control over the Civil Service. Its power of appointment does not extend to several public offices in which the power to appoint is vested in the President by the Constitution. These include the office of the Chief Justice, the offices of Puisne and Appeal Judges, the office of the Attorney-General, the office of the Controller and Auditor-General, the office of the Commissioner of Police and the office of the Permanent Secretary. The powers of the Public Service Commission also do not extend to the offices that fall under the purview of the Judicial Service Commission which is established under Chapter IV of the Constitution. The Public Service Commission does not appoint teachers as these come under the purview of the Teachers Service Commission established under the Teachers Service Commission Act, Cap. 212, of the Laws of Kenya.

249. The need for the Public Service Commission is briefly that there ought to be an independent body which has the power to "hire and fire" in the Civil Service. It would otherwise be dangerous if this function were to be left to individual ministries. The Commission therefore serves as a safeguard against nepotism, favouritism and sectionalism in the Civil Service. It therefore ensures fairness and shields civil servants against undue influences. The Commission acts impartially and is thus part of the democratic process that is enjoyed by all Kenyans.

250. There are three main reasons why we have decided to devote this chapter to the Public Service Commission. First the Ndegwa Commission Report regarded the Public Service Commission and the Teachers Service Commission as "special cases" but did not explain why and how the two bodies were special. During our inquiry, we received evidence that clearly pointed out how it would be difficult to discuss the Civil Service without at the same time commenting on the functions of the Public Service Commission as they affect civil servants. Secondly, we are convinced that time has come when the term "Public Service Commission" as currently used should be re-defined particularly because there exists other service commissions such as the Judicial Service Commission and the Teachers Service Commission which are concerned with the affairs of public servants. Finally, we have received evidence which tends to show that, despite the clear definition and statement of the functions and powers of the Public Service Commission, there is a general misunderstanding on the part of a large section of the Civil Service regarding the position of the Public Service Commission *vis-à-vis* the Permanent Secretaries.

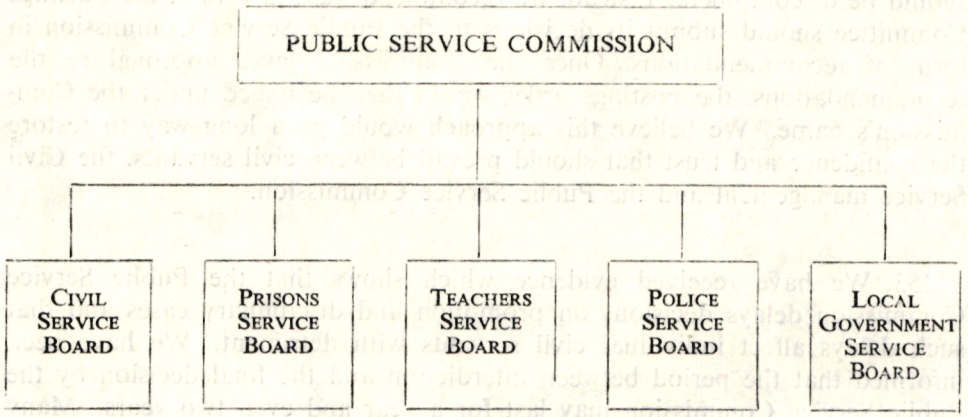
251. In the course of our investigations, allegations have been made to the effect that the Central Government Postings Committee has made inroads into the powers and duties of the Public Service Commission under the guise of administrative deployment of personnel. While it is accepted that normal posting of civil servants is an administrative function of the Civil Service management, it has been represented to us that some postings imply promotions and therefore pre-empt the power of the Public Service Commission to authorize promotions. However unfounded, these allegations and fears point to a potential area of conflict between the Commission and the Central Government Postings Committee. In our deliberations, we have noted that the Postings Committee only deals with the administrative cadre and not the entire Service. We have also noted that any posting decided by the Postings Committee must subsequently be sanctioned by the Public Service Commission in the normal course of events. To that extent, the fears that the powers of the Commission are being usurped are unfounded.

252. Having regard to the legal status of the Commission and in order to remove all suspicion that the Commission has been used as a rubber-stamp for decisions made elsewhere, we consider that the present practice whereby posting orders are issued by the Central Government Postings Committee should be discontinued. Instead, we recommend that, in future, the Postings Committee should submit its decisions to the Public Service Commission in form of recommendations. Once the Commission gives approval to the recommendations, the postings order would then be issued under the Commission's name. We believe this approach would go a long way to restore the confidence and trust that should prevail between civil servants, the Civil Service management and the Public Service Commission.

253. We have received evidence which shows that the Public Service Commission delays decisions on promotion and disciplinary cases and that such delays affect individual civil servants with detriment. We have been informed that the period between interdiction and the final decision by the Public Service Commission may last for a year and even two years. Many heads of department have complained that even after such long delays, the officers so interdicted are subsequently reinstated on purely technical grounds. We have examined a sample of these complaints and we are convinced that though few they may be, they cause untold misery to individual officers; and when a person is reinstated on a technicality, the working relationship between him and his head of department becomes strained. We therefore recommend that the Public Service Commission should design a method which will facilitate speedy processing of the cases referred to it. We further recommend that the Public Service Commission delegates more of its powers to Permanent Secretaries and that the power so delegated should be subject to audit by the Commission.

254. It has been pointed out to us that the title of the Public Service Commission is inaccurate. The term "public service" should embrace the entire public sector including parastatal bodies but excluding the Judiciary for reasons we have explained in Chapter XII. There exists the Teachers Service Commission which deals with only a part of the Public Service, and a Bill was recently tabled in Parliament to provide for a Local Government Service Commission. We are satisfied that the Public Service Commission is a misnomer and that "Civil Service Commission" would be a more appropriate title. However, we see greater merit in enlarging the Public Service Commission with a view to bringing the Teachers Service Commission under it. We therefore recommend that the Teachers Service Commission Act be repealed and that the duties and powers of the Teachers Service Commission be vested in the Public Service Commission. The enlargement of the Public Service

Commission that we have proposed could be achieved by having "service boards" to deal with the various sections of the Public Service as shown below:



255. We have considered the position, authority and dignity of the members of the Public Service Commission. We have particularly taken into account that in carrying out their duties, the commissioners face a lot of social risks, and they therefore have to lead restricted social lives. We recommend that commissioners should be appointed from amongst the senior members of our public and that their emoluments should reflect their seniority in the society. The commissioners should be dignified personalities who distinguish themselves by standing over and above other members of society. We have made our recommendations on their salaries in Chapter XVI.

CHAPTER XI—PHILOSOPHY OF THE PUBLIC SERVICE

Introduction

256. Our Term of Reference No. 3 requires us to study the philosophy of the Civil Service and to recommend reforms which may be necessary for greater efficiency and productivity. In approaching this subject, one fundamental question that came to our minds was whether it would be realistic or even tenable to discuss the basic principles that should guide the Civil Service in playing its role in society without first establishing the philosophical or ideological foundations of the society itself. Public institutions are the main instruments through which society achieves its goals and the extent to which these goals are realized largely depends on the nature of interaction between and among these institutions; its efficiency, its productivity and indeed its ability to fulfil its mission therefore depends significantly on the nature of environmental influences that it must continuously cope with.

257. Although our term of reference was specific to the Civil Service, we have extended our deliberations on this subject to cover the entire Public Service. We firmly believe that it would be presumptuous of us to suggest a workable philosophy for the Civil Service unless such a philosophy derives and is seen to derive from a nationally defined and accepted standard of behaviour for all Kenyans. We therefore make no distinction between the ethical standards that should be set for the civil servant and those that should be observed by all other public servants. Where we stress certain matters that are specific to the Civil Service, we do so always bearing in mind that there should be a common code of conduct for all public servants to which they ascribe in the spirit of mutual social responsibility.

258. We are aware that the term "public servant" is open to many interpretations and that it conveys different notions to different people. Thus for our purpose here, we have taken a page from the national Development Plan 1973-83* which defines public servants as those in leadership roles in county, town and municipal councils, Members of Parliament, senior civil servants, leaders of co-operatives and welfare associations, the directors and management of statutory boards and corporations, the organizers of Harambee efforts, and the leaders of KANU at all levels. These are the people who are expected to lead the way and set an example of high standards in efforts to strengthen ethical standards and to make the concept of mutual social responsibility a practical and effective code of behaviour for all Kenyans.

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* Development Plan 1979-83, page 23.

Philosophy

259. Kenya has adopted as her national philosophy a system termed "African Socialism". This is defined in Sessional Paper No. 10 of 1965. The system is African because it has its origin in Africa and has not been imported from outside. The system draws on the best African traditions and it seeks to adapt to new and rapidly changing circumstances. African Socialism recognizes equality amongst members of the society where each individual enjoys rights which are available to all other individuals. At the centre of the society is the individual and the society is composed of individuals who are equal one to the other. This equality ensures political democracy which avoids group interests and which does not place some people above others. Rights of the individual are not based on economic wealth or on any enhanced social status. The system recognizes the fact that freedom and human dignity are meaningful only when enjoyed by all.

260. African Socialism provides for equal opportunities to all citizens within the framework of a mixed economy. It thrives in a state of mutual social responsibility for all members of the society in the full realization that the society flourishes as a result of co-operation by all for the benefit of all. The system is truly Harambee. African Socialism is deliberately flexible. This enables it firstly to cope with the complex nature of modern economy and secondly, to adapt to the ever-changing circumstances. Finally, African Socialism as defined in Kenya seeks to borrow and accept what is good to Kenya from any part of the world. The system allows the adoption of techniques and knowledge perfected by others without having to adopt foreign ideologies.

261. National aspirations can only be achieved through leadership. The role of a public servant in the formulation and execution of Government policies is that of leadership. Civil servants and all other public servants who form the executive arm of the Government play a leadership role not only in the practical application of Government policies but also in the conception and formulation of those policies. They must not only see that policies are implemented but must also develop policy options for those who make policies at the political level. They are the instrument through which national goals are attained and their role is a decisive factor in the development of the country. They must therefore understand the basic philosophy and definitions of the policy, they must identify themselves fully with the aspirations of those who formulate the policies and at the same time identify themselves with those they serve.

Ethics

262. Ideally, the public servant must be what is envisaged in the codes of ethics that are expected to guide the Public Service. In these codes of ethics, and indeed in the Code of Regulations for the Civil Service, a public servant

is visualized as a leader who is disciplined. He must at all times recognize that he holds a position of trust which requires the highest standards of self-denial in the service to others. Viewed in the light of African Socialism, the public servant must ensure that he enforces discipline for himself and others like him and that he upholds the rights of the individual in the interests of protecting the society. The other factor that is envisaged in our definition of the ethics of a public servant is integrity. The public servant is required to observe absolute honesty in all his official acts. He must never allow his personal interests to conflict with his public duty. This extends to moral obligations as well as to legal obligations. The public servant must further be a dedicated person who serves his country with devotion and consistency to the best of his ability. He must be loyal to the Government and the people that he serves. He must advance, develop and defend the policies of the Government at all times. He must be impartial in the execution of his duties and in so doing he must demonstrate professional objectivity and he must at all times be prepared to account for his official actions.

263. The picture of the ideal public servant that we have created in the preceding paragraph must be what the Ndegwa Commission had in mind when they addressed themselves to the extent to which a public servant can involve himself in private interests. Indeed, when we tested the provisions in paragraphs 29 to 35 of the Ndegwa Commission Report on several members of the Public Service and of the general public, we were told that the Ndegwa Commission must have been thinking of angels. The pertinent paragraph is paragraph 31 in the Ndegwa Commission Report which states:

"We consider that all those who serve the Republic—

(i) should give it their undivided loyalty wherever and whenever it has a claim on their services;

(ii) should not subordinate their duties to their private interests nor put themselves in a position where there is a conflict between their duty to the State and their private interests;

(iii) should not outside their official duties be associated with any financial or other activities in circumstances where there could be suspicion that their official position or official information available to them was being turned to their private gain or that of their associates;

(iv) should not engage in any occupation or business which might prejudice their status as members of Public Service or bring any such service into disrepute; and finally

(v) should at all times maintain the professional and ethical standards which the nation expects of them in transacting Government business with efficiency, integrity and impartiality."

As indicated, both the members of the Public Service and those in the private sector that we interviewed were of unanimous view that the public servant referred to in the preceding paragraph cited from the Ndegwa Commission Report was the ideal public servant that we should strive to create.

Private Interests

264. It is evident that people who have aired opinions on what the Ndegwa Commission recommended in regard to private interests have not read the relevant part of the Ndegwa Commission Report, and if they have, they have not understood the importance of these recommendations. The Ndegwa Commission Report set out in paragraphs 29 to 35 the principles of conduct relating to private interests to which all public servants should adhere. We have above stated paragraph 31 as being the most pertinent. In paragraph 34 the Ndegwa Commission Report stated that:

> "The Government Code of Regulations contains a section which lays down rules of conduct which are in general consistent with the principles we have stated. The essence of these rules is that officers acquiring certain private interests should bring them to the notice of higher authority and where appropriate seek approval of their actions; we regard it as essential that these provisions which are in fact designed to protect the individual civil servant should be rigorously observed. We have the impression that this has not always been the case in the past and if this is so we suggest that the Government should consider requiring at some specific future date that all senior officers should make a complete statement of their interests as required by the amended Rules on the basis that failure to have done so hitherto will not of itself count against them. We realize this suggestion may be repugnant to the majority who have acted impeccably but we hope it would go far to convince public opinion that laxity or worse will not be tolerated."

All the paragraphs 29 to 35 in the Ndegwa Commission Report were accepted by the Government in Sessional Paper No. 5 of 1974. Attempts were made to implement these recommendations. In Circular No. 6 of 1973, the Permanent Secretary/Director of Personnel required civil servants to declare their interests.

265. This is the only overt attempt to implement the recommendations that has been brought to our notice. Indeed, we have tried to obtain official explanation as to why the code of ethics recommended by the Ndegwa Commission was not implemented and why the Code of Regulations which was never amended and which therefore remained in force was also not enforced. Our finding may be summarized simply as lack of the will—political or otherwise—to enforce the regulations. Evasive explanations by civil servants have been offered to us. We have been told that civil servants were unwilling to declare their interests since Ministers and Assistant Ministers were not

inclined to declare their private interests. We have found this attitude of "I am innocent because there are others who are equally to blame" to be untenable.

266. We have been told that one of the justifications for allowing limited and conditional participation in business by public servants was that, like all other citizens, public servants were entitled to take advantage of the available opportunities for self-advancement. It has also been argued that at the time the Ndegwa Commission made its recommendations, the Government was actively engaged in the Kenyanization of the private sector and that most of the Kenyans who had the necessary skills and capital to take over foreign-owned businesses were in the Public Service. While it is generally felt that public servants should continue to be allowed to engage in clearly defined businesses, it has also been urged that whatever conditions pertaining during the Ndegwa Commission inquiry are now gone and there is no need to continue with the practice which creates conflict of interests in the Public Service.

267. There is ample evidence that the Ndegwa Commission recommendations have been abused. There is in particular the erroneous but popular belief that the Ndegwa Commission allowed free-for-all participation in business by public servants. Majority of those who testified before us went as far as to blame the participation in business for the considerable erosion of discipline, integrity and devotion to duty.

268. We have received overwhelming evidence to the effect that some public servants utilize Government facilities in order to benefit themselves. Some are said to tender for Government supplies and to see to it that their tenders are always successful. Others are said to be in the habit of accepting rewards for work that they are paid to do by the Government. We have been told that most salesman particularly in the field of the now popular turn-key projects offer reward to public servants who thus become obliged to see that decisions are made in favour of those who offer reward. It has also been suggested that in the field of purchasing, commissions are paid into bank accounts maintained by public servants abroad. Reward for work that the public servant is already paid to do and receiving of bribes are acts of wanton corruption. We are aware that these offences are difficult to detect and also that the number of public servants involved in these activities may not be large. We, however, are of the strong view that when detected, these offences should attract heavy punishment. Defrauding the very public who are taxed in order to provide salaries and wages for the public servants is highly immoral.

269. In considering what recommendations to make on the whole issue of private interests, we have been guided by the need to ensure that the Public Service develops into an institution to which Kenyans can aspire to join because of career satisfaction as well as prospects that its members enjoy. It

is hoped that the Service will in future be very selective in its recruitment practice, and that those selected who have duly proved their ability will be reasonably well rewarded. We were concerned about the trend which seems to be developing particularly amongst the younger members of the Service, as discerned from the interviews, of treating the Service merely as an interim occupation through which one gains experience, starts and nurses some business undertaking and then as soon as possible moves away to either run ones own business or into the private sector.

270. We have also taken into consideration the fact that safeguards and the code of ethics recommended by the Ndegwa Commission and accepted by Government were not implemented. As a result, the temptation to use one's position to enhance one's financial gain is always there and members of the Service therefore need to be assisted and protected from exposure to undue temptation in the interest of the welfare of the nation as a whole. We consider that the Civil Service must have its own code of ethics to ensure discipline without which it will not have the character necessary for efficient service to the nation. Such a code must be adhered to by all members of the Public Service from the highest level and should indeed be able to protect public servants from any undue pressure from the public. We therefore recommend:

(1) That all public officers be immediately required to declare their interests, and that implementation of changes in any aspects of their terms of service arising from our recommendations should be conditional on presentation of acceptable declaration by the individual concerned.

(2) That all public officers be immediately required to resign from all directorships in any private and public companies, unless they hold such directorships on behalf of the Government. We make this recommendation particularly because it is in these directorships that public servants are more likely to use their official positions or official information available to them for the benefit or private gains by the companies in which they serve as directors.

(3) That any public servant who is unwilling to declare his interests or to resign from directorships should be required to resign from the service immediately he indicates he is unwilling to declare his interests and/or resign from the directorships.

(4) That areas of investment in which members of the Public Service and their families can participate with the approval of the appropriate authority be clearly defined to be investments in public companies provided that the public servant will not acquire controlling interest in such companies; purchase of a farm or property.

(5) That any public servant whose private interests extend beyond the areas recommended be given six months from the date of declaration during which time he should either conform to the new conditions or leave the service.

(6) That an appropriate authority be established to approve investments by public servants and to keep a record of all such investment which should be reviewed annually.

271. In making these recommendations, there is one point we have constantly kept in mind and one which we wish to stress here. The Public Service does not and cannot operate in a vacuum. The effectiveness and the impact of the high standards of behaviour we have set for the public servant will therefore heavily depend on the pattern of behaviour in the country as a whole.

272. We foresee a situation where lack of observance of equally high ethical standards on the part of all Kenyans would wholly negate the aims of our recommendations and consequently lower the morale of the Public Service which we would wish to see enhanced. Although the Public Service will be expected to give a lead in revitalizing the national ethic, the task calls for the entire national leadership to play its part in unison. At the National Leaders Conference held at K.I.A. in January, 1978, the need to restate national values was emphasized. Resolution No. 5 of that Conference stated, *inter alia*:

"That in order to avoid conflict of interest and the exploitation of their position for their own ends public officers, i.e. Ministers, M.P.s civil servants and senior executives in statutory bodies, shall be required to register their private interests, ..."

In addition to the Resolution quoted above, we note that the 1979-83 Development Plan sets out the efforts that the Government will direct to the strengthening of ethical standards in the country. Paragraph 2.12 of the plan states:*

"All of these leaders work in the Public Service and their conduct is naturally an example for others. That conduct should be subject to clear and established standards, and departures from those standards should be subject to clear and established sanctions. Hence, the Office of the President will establish a committee to formulate a 'leadership code of conduct' for all elected and appointed public servants. The committee will also be expected to define sanctions for behaviour that is contrary to this code and to specify the role of the party leadership in monitoring the conduct of all leaders in the Public Service. The committee will also define the disclosures of private interests and holdings which are appropriate of all candidates for election or appointment to senior positions of public trust."*

273. From the foregoing, it is clear that the need to restore the high ethical standards that once characterized the Kenya Public Service is fully appreciated. This committee agrees with the steps the Government intends to take in this direction and accordingly recommends that the above-quoted provision in the Development Plan 1979-83 be implemented as a matter of urgency.

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* Development Plan 1979-83, page 23.

CHAPTER XII—THE JUDICIARY

274. In paragraph 107 of the Sessional Paper No. 5 of 1974, the Government recognized that there was merit in the institution of a Kenya equivalent of the Ombudsman. The Government however considered that the office was unnecessary because amongst other reasons the Government and Government servants can be sued and prosecuted before courts in civil matters. This underlines the important role that is played by the Judiciary in the maintenance of law and order and in championing democracy. On plain reading of our terms of reference, it is not immediately clear whether they extend to the Judiciary. We have, however, considered that reference to "Public Service" is wide enough to include the Judiciary. We consider that the Ndegwa Commission made an omission in not examining the structure of the Judiciary. Indeed, perusal of our findings and recommendations of the Judiciary show it is desirable and necessary when setting up review committees or commissions of inquiry to appreciate the rather special nature and unique position of the Judiciary as an independent arm of the Government.

275. We have been urged to look into the Judiciary particularly because hitherto the Judiciary has been treated as an appendix of the executive. It has been assumed that everything that was good for the Civil Service was good for the Judiciary. It has been pointed out to us that the Judiciary is and should be an independent body not only because of the doctrine of separation of powers and functions as enshrined in the Constitution, but also because practically the Judiciary operates as a unit and is quite distinct from other organs of the administration. Previous commissions and committees that have been set up to look into the terms and conditions of service have ignored all the differences, and have merely mentioned the Judiciary in passing if at all. The doctrine of separation of powers proclaims that the Judiciary should be independent of the executive and the legislature and that each one of the three areas of administration should be independent of the other two. In the particular case of the Judiciary in its exercise of the judicial function, the independence must be seen to be real. Thus it is clearly desirable that judges should not only be independent of the Government but also free from liability to vexatious actions for acts done in the exercise of their duty.

276. Principles which ought to be observed in the maintenance of judicial independence are clear. The first one is that judges should not be influenced to however slight a degree in the dispensing of justice by fear of the consequences or by some favour promised to them. Secondly, it is essential that judges should be free from any fear of dismissal by the persons whom

they may be asked by a litigant to control. Section 62 of the Constitution provides that judges of the High Court and those of the Court of Appeal may only vacate their offices when they attain an age which is prescribed by an Act of Parliament. They may, however, be removed prior to that age but only for inability to perform their function or for misbehaviour. Removal of judges on these two grounds can only be by recommendation made to the President by a tribunal appointed for that purpose. The security of tenure which is thus safeguarded ensures that a judge can act without fear of dismissal because to the extent that the Judiciary is the final arbiter between litigants and between the individual and the State, its independence must be absolute. Independence of the Judiciary is seen as a necessary ingredient of the rule of law which proclaims that no one is above the law and that all are equal in the eyes of the law.

277. We therefore recommend that the independence of the Judiciary should be maintained and that the Judiciary should not be treated as an appendix of the Office of the Attorney-General.

278. Dispensation of justice is an onerous duty which demands high integrity, dedication, and sacrifice within the bounds of dignity. Judges and magistrates must as a consequence devote all their time and effort to this onerous duty, and for this to happen they should never be allowed to engage themselves in private business. Indeed, overwhelming evidence clearly shows that judges and magistrates should be paid well in order that they may be compensated for the restrictive life and independence that their work imposes on them. Another argument that has been advanced in favour of good remuneration for the judges and magistrates is that the Judiciary should seek to attract the best lawyers. These persons cannot be attracted to the Bench unless they can be guaranteed remuneration that is seen to be equitable in the context of their operating framework. It was indeed pointed out to us that Kenya finds it difficult to attract the best local advocates to positions on the Bench because of poor terms and conditions of service, and that patriotism and other such cliches would not replace good terms of service. It is therefore not surprising, we were told, that the Judiciary in Kenya is manned largely by expatriates who are on contract terms. We recommend that judges and magistrates should be offered attractive terms and conditions of service so as to reflect the restrictive life that they must lead. This should enable the Judiciary to attract the best lawyers within the country.

279. It is arguable that employment of judges and magistrates on contract terms is not in keeping with the principles of the independence of the Judiciary and the rule of law. Judges in particular should be employed until they retire as provided in the Constitution. The security of tenure which the Constitution champions ensures that judges are not susceptible to pressure from the executive for instance because they have to seek renewals of their contract.

280. We recommend therefore that judges and magistrates should be on permanent and pensionable terms of service in order that they may have security of tenure which is necessary to ensure their independence.

281. As regards housing, we were informed that judges and magistrates are not assigned to courts in their home areas and that they do not remain in one district for more than three years. We recommend that there must be Government housing set aside for them at every station where there is a court.

282. On the training of lawyers, we have been urged to recommend that the intake in the Faculty of Law at the University of Nairobi should be curtailed. It was argued that the market is just about to be flooded and that in the near future, the supply of lawyers will exceed demand. A contrary view has been voiced, that a university degree in law is just another academic qualification which can be utilized in many spheres of life. It should not therefore be necessary to curtail the intake at the Faculty of Law just in the same way that the intake in other disciplines is not curtailed. It was further argued that the anticipated flood of lawyers can only take place after all legal posts shall be manned by lawyers. Thus prosecution of cases in magistrates' courts is still in the hands of lay policemen, and as pointed out elsewhere, courts are still manned by expatriates. It was also pointed out that many posts in administration would be best occupied by qualified lawyers.

283. Our assessment of the manpower situation relating to the supply of lawyers is that there is and will continue to be a shortage of competent Kenyan lawyers. Kenya cannot forever depend on friendly Commonwealth countries to supply her with judges and magistrates. We recommend that all efforts should be made to train and recruit local lawyers who will fill positions of judges and magistrates.

284. It has been suggested that Judicial Service Commission should appoint all officers who serve in the Judiciary. This would include the subordinate staff up to the grade of executive officers who are currently appointed by the Public Service Commission. It was further argued that there should be training facilities for the training of court interpreters, and court clerks generally. This training could be done at the Kenya School of Law in the form of evening classes for those already in the Service or it could be done on full-time basis for the intake directly from schools. The training should be over a period of at least one year and those who are qualified should get certificates of proficiency. The objective of this training would be to make these officers efficient in carrying out their duties. This training will not be designed to enable them to become lawyers but they will gain some understanding of the basic legal requirements.

285. We have been urged to make proposals aimed at improving interpretation in courts. Judges have complained that people who are just out of school cannot be expected to master highly technical terms used by lawyers and then interpret them into vernacular languages. Executive officers and clerks are the backbone of the Judiciary. Clerk and executive officers can, with minimum of orientation, be transferred from one registry into another registry, whereas those that are transferred from other areas in the Public Service find great difficulty in understanding the work. Delays and mistakes occasion miscarriage of justice. The formal training that has been proposed coupled with training on the job will make these members of staff useful technicians in the Judiciary. The Council of Legal Education should set the examinations while the Kenya School of Law should set the basis of training courses. When qualified, they should be designated court officers, with an appropriate scheme of service.

286. We recommend that there should be established a training course for clerical staff, executive officers and interpreters in the Judiciary and that on completion of such training these officers should be appointed by the Judicial Service Commission.

287. The Government makes considerable financial allocations to the education of lawyers, firstly at schools and then at the university. The Kenya School of Law also costs the Government a lot of money. We have however been informed that the Government has not been able to attract and retain them in the Public Service. This is attributed to the relatively unattractive terms and conditions of service and to the popular belief that private practice by lawyers enriches quickly. There is also evidence which indicates that for some ill-conceived reason, local lawyers are resented. Thus for instance, the Government continues to issue entry permits to lawyers who are trained outside Kenya as if to show that there is a shortage of locally trained lawyers or that the local lawyers are less competent than those trained outside Kenya. We have also been informed that prosecution of cases before subordinate courts is still carried out by policemen. It is arguable that the use of policemen in both the investigation of crimes and in prosecution of those crimes compromises justice. It would be inconsistent for a policeman to be assessed for promotion on the number of convictions he has achieved because conviction of the accused person may be pressed at the expense of justice that there may be in the matter before the court. This danger is more likely when the case is before a lay magistrate. Most police prosecutors are more often than not junior officers while the investigating officers are usually of higher ranks. In such circumstances, the junior officers tend to believe everything that his superior officer says. There is also the complaint that there are many locally trained lawyers who have attained the necessary qualification period and yet there has been no effort to recruit them for the Bench. We have indeed been told that since the Kenya School of Law was established, the number of lawyers has trebled and yet they

seem not to have been attracted into the Public Service. It is evident that there is no projected plan of how professional lawyers can be utilized for the common good of the country.

288. We recommend that professionally qualified lawyers should be employed to man all legal posts and to prosecute all cases and that therefore employment of unqualified persons should be discontinued.

289. According to sections 60 and 64 of the Kenya Constitution the Chief Justice is a member of both the High Court and the Court of Appeal. We believe that the dignity of his office demands that he be made a member of the two courts, but that he only becomes an *ex officio* member of the Court of Appeal. History, the common law experience, and the principle of the matter support the interpretation that the Chief Justice's membership of the Court of Appeal must be ceremonial. The contrary interpretation and practice create two dangers. The first one is that the need for Court of Appeal arises from the purpose of giving a dissatisfied litigant a second or third chance, depending on whether the case commenced in the High Court or in a court subordinate to the High Court. If judges in the High Court were to sit in the Court of Appeal the aggrieved party may not appreciate that there is a need for an appeal, as the Court would operate as another High Court. The second danger is that the Chief Justice in hearing appeals from either his own decisions or those of his brother judges in the High Court would offend the rule against bias. It would offend the maxim that no man is to be a judge in his own cause and the rule that "justice should not only be done but should manifestly and undoubtedly be seen to be done".

290. The phenomenon of a judge either being at the same time a member of the two courts or hearing an appeal from either his own decisions in the lower court or those of other judges obtains in England. The practice adopted in England is such that only rarely can a judge of the Court of Appeal or High Court sit in court other than his own. The dual membership creates a relationship which, depending on the circumstances of the particular judge, he can disqualify himself from acting as a judge.

291. A judge disqualifies himself because of two main forms of bias. There is the bias that arises from financial interests that a judge may have and the bias that may arise from the judge's relationship to a party or a witness. The discretion to disqualify oneself is left to the judges. A party may, however, refuse to have his case heard by a particular judge and the party may allege bias of either type. The greater danger is posed by the sitting in the appellate court by the judge who decided the case in the lower court. In England, the practice of a judge sitting in the appellate court over his own decision has always been of rare occurrence. It is worthy of note that the Legislature in England has shown its dislike of the dual membership. Thus when the Court of Criminal Appeal was created by statute, the Legislature forbade the Lord Justices of Appeal to hear appeals from their own

previous decisions. We recommend that in Kenya, the dual membership of the High Court and Court of Appeal be limited to the Hon. the Chief Justice who would sit in the Court of Appeal as an *ex officio* member of that court in limited cases. Our recommendation is based on the consideration that—

(i) there is no second Court of Appeal for decisions made in the High Court sitting in her original jurisdiction;

(ii) the panel from which Justices of Appeal is selected is limited in numbers; and

(iii) we believe that the country cannot afford to have another Court of Appeal created or a larger panel of Justices of Appeal established.

Section 8 (2) of the Judicature Act, 1967, as amended by the Statute Law (Miscellaneous Amendments) (Court of Appeal) Act, 1977, indicates how the judges of Court of Appeal rank amongst themselves. It reads as follows:

The judges of appeal shall rank among themselves according to the priority of their respective appointments as judges of appeal:

Provided that—

(i) persons appointed as judges of appeal who were previously judges of appeal shall rank according to the date of their original appointment as judges of appeal;

(ii) the President, if he is of the opinion that there are sufficient reasons for so doing, may determine the precedence of judges of appeal irrespective of their respective appointments.

This provision supports our interpretation of section 64 of the Constitution. The Chief Justice has no priority over the judges of the Court of Appeal. When the first members of the Court of Appeal were appointed in 1977, the above provision was followed but the order that was established has not been followed. We recommend that in future all attempts be made to ensure that the Kenya Court of Appeal operates and is seen through its work to be operating as a truly appellate court following the law that established it and drawing on the best experience elsewhere where particular matters have not been provided for.

CHAPTER XIII—THE TEACHING SERVICE

292. The Ndegwa Commission devoted a large part of their report to a review of the objectives, problems and achievements of the educational system, including the teaching service, since independence. In Chapters XVI and XVII of its report, the Commission made a series of recommendations aimed at improving the planning and administration of the nation's development goals in the education sector. In Sessional Paper No. 5 of 1974, the Govern ment accepted the commission's recommendations but noted that some of them were far-reaching and would therefore require phased implementation. Our investigations indicate that most of those recommendations that were accepted by the Government have been implemented. In particular, the District Education Boards have been re-established, free primary education has been instituted and the Teachers Service Commission has been expanded from four to six members. The Commission now employs all teachers in Government-maintained schools, a number in Government-assisted schools. teacher training colleges, the Kenya and Mombasa polytechnics and the Kenya Institute of Education.

293. The Ndegwa Commission noted a serious shortage of qualified and experienced teachers at all levels throughout the educational system. While much has been done to train more teachers such as by establishing and expanding training colleges, unfortunately the demand for teachers has grown so much that the country still has and will continue to use a large number of untrained teachers. Thus the training of teachers and all other personnel involved in education remains an important issue which we would like to stress should be given urgent attention. As Table 9.1 shows, the number of unqualified teachers has increased from about 20 per cent in 1970 to about 31 per cent of primary school teachers in 1979. The Development Plan 1979-83 projects a total enrolment in primary teacher training colleges over the plan period of 48,300. Given the fact that the larger intakes into primary schools due to the introduction of free primary education policy is still to go through all the years of primary education, more primary school classes will continue to be added during the plan period. It is unlikely therefore that an additional 48,300 trained teachers will completely eliminate the employment of untrained teachers in the primary schools by 1983.

Table 13.1—Number of Teachers in Aided and Assisted Schools

	1970	1977	1979
PRIMARY SCHOOLS			
Qualified S1	291	2,164	2,330
P1	2,993	16,484	20,053
P2	8,476	22,592	25,722
P3	18,415	16,237	18,210
P4	2,457	1,701	725
Graduates	Nil	47	112
Others	236	424	—
TOTAL QUALIFIED	32,927	59,649	67,152
NON-QUALIFIED	8,550	30,124	30,848
GRAND TOTAL	41,457	89,773	98,000 97,006*
SECONDARY SCHOOLS			
Qualified	3,681	6,727	7,737
Non-qualified	2,020	5,969	7,297

*Projected by the Development Plan.

SOURCE: Ministry of Education Annual Reports.

294. For the graduate level teachers in secondary schools, the development plan envisages a shortfall of only 129 by 1983 in the public sector. However, as Table 9.2 shows, by 1977, the number of pupils enrolled in unaided secondary schools had already exceeded the number of those in aided secondary schools by over 63,000. These pupils are entitled to being taught by trained teachers. With the increasing demand for secondary education, it is likely that many more private secondary schools will have been established by 1983. Thus the demand for trained teachers will continue to grow.

Table 13.2—Total Enrolment in Schools

	1970	1977	1979
PRIMARY SCHOOLS			
Std. I–VII	1,427,589	2,974,849	3,697,586
SECONDARY SCHOOLS			
Form I–VI			
Aided	74,561	128,324	238,334
Unaided	52,294	191,986	139,976
TOTAL	126,855	320,310	378,310

SOURCE: Ministry of Education Annual Reports.

295. From this analysis, it is clear that there will be a great need for expansion of teacher training programmes for the large number of untrained teachers as well as in-service courses for the trained teachers. All this will pose greater challenges to the teaching service than at present and reinforces our conviction that the teaching service has to be made more attractive so as to draw in the best talent possible. Our recommendations on the salaries and other terms and conditions of service for teachers therefore were made with this background in mind.

296. The Ndegwa Commission structured the salaries of teachers into six main groups. These groups have continued, although two new salary scales have been introduced for heads of schools:

Group I was for the unqualified teachers. This applied to the untrained teachers serving mainly in the primary schools. As stated above, the number of these teachers has considerably increased since the introduction of free primary education, and many of them now have the East African Certificate of Education and the East African Advanced Certificate of Education. This group of teachers were appointed on a fixed salary which, however, depended on the teacher's qualification.

Group II was for the P4 teachers which the Ndegwa Report recommended should be phased out. However, they still do exist although their numbers are diminishing.

Group III was for teachers of Grades P3, P2 and P1. This was to form a unified scale for primary school teachers.

Group IV was for the S1 or non-graduate teachers. Some of these teachers were to be found in primary schools while the bulk of them were teaching in lower forms of secondary schools.

Group V was for graduate teachers, all teaching in secondary schools.

Group VI was for teachers in teacher training colleges and in polytechnics at Nairobi and Mombasa. Since the Ndegwa Report, a new group of teachers, the technical school teachers have come into being and have been assigned their own salary scale. It is important to record that although the salary scales rise from Group I to Group VI, the highest level that a school teacher can reach while teaching corresponds to Job Group "L", the top of the graduate scale. For the training colleges, it is Job Group "M" which is the salary of a Principal Lecturer.

297. The National Committee on Educational Objectives and Policies (N.C.E.O.P.) was appointed by the Government in 1975 to examine problems of education in the country. The N.C.E.O.P. examined educational problems on the basis of the national guidelines contained in the 1974-78 Development Plan.

298. Although the N.C.E.O.P. did not make specific reference to the Ndegwa Report, its comments on teachers and the teaching service as such were not contrary to those of the Ndegwa Commission. Regarding teachers salaries, Recommendation 339 of the N.C.E.O.P. required the Government:

> "To determine the levels of salaries of teachers within the context of a general income policy and not in isolation from the wages and salaries of other people with comparable qualifications and responsibilities."

On the grading of primary school teachers, Recommendation 231 of the N.C.E.O.P. required the Government:

> "To categorize primary school teachers' qualifications into four grades according to academic and professional performance during training in the teacher training colleges and use these in determining entry points and maxima for each grade in a unified salary scale for all primary school teachers."

Recommendation 232 asked the Government:

> "To promote primary school teachers on merit as well as on academic grounds. If a teacher passes an academic examination in the relevant subjects, the teacher should apply for inspection in order to verify the quality of his work."

Another important point was contained in Recommendation 221 which required the Government:

> "To offer promotion opportunities for teachers within the classroom which should be equivalent to promotion opportunities of senior administrative grades within the education service."

299. We have chosen to reproduce these four recommendations because they touch on issues that have been placed before us in the course of our deliberations. We do so in spite of the fact that since the N.C.E.O.P. submitted its report—December, 1976—no formal reaction to its recommendations has ever been issued by the Government. Indeed, the only recommendations the Government may be said to have accepted are those that have since been incorporated in the 1979-83 Development Plan. Without pre-judging the final decision of the Government with regard to the N.C.E.O.P. Report, we are in agreement with the substance of the recommendations quoted above and, indeed, we have based our own recommendations on teachers salaries and terms of service on the principles set out in those recommendations.

300. In 1978, the Deans Committee of the University of Nairobi set up a subcommittee to review the performance of graduate teachers in the light of frequent complaints which the University was receiving about inadequacy of the performance of B.Ed. graduate teachers. The subcommittee visited many secondary schools and interviewed many teachers and heads of schools. According to the findings of the subcommittee, the low level of performance

of graduate teachers was caused by, among other things, the lack of a uniform service structure which in terms of salary and promotional prospects would equate classroom teachers with their equivalents in the Civil Service and in teacher training colleges.

301. It is clear that only a small number of graduate teachers can hope to be appointed headmasters/headmistresses of schools. A new graduate teacher thus sees no clear promotional prospects for which he should strive, a situation which tends to stifle initiative and innovation in teaching, and leads to frustration. The Committee considers this to be one of the major causes of frustration amongst graduate teachers which results in the large number of this cadre of teachers seeking employment outside the teaching service as soon as opportunity arises. The Committee has therefore recommended that although the structure of grading of teachers designed by the Ndegwa Commission be retained, the graduate/approved teacher scale be segmented so that promotion from one segment to another is possible in the same manner that civil servants can be promoted from one job group to another.

302. The Teachers Service Commission Act empowers the Commission to register and discipline all teachers in the country. Elsewhere in this report, we have referred to the general deterioration of discipline and performance in the Public Service in the past. The teaching service has not been an exception in this. The Teachers Service Commission is empowered to de-register teachers whose conduct is considered to be unprofessional and such teachers have the right of appeal to the Teachers Service Appeals Tribunal.

303. Other professions have a professional body which plays a major role in guiding the professional conduct of its members. For teachers, the Kenya National Union of Teachers appears to concern itself mainly with trade union matters, and only to a small extent with professional development of its members. The report of the Subcommittee of the Deans Committee already referred to also found that the absence of a professional body for teachers tended to leave teachers without clear professional guidance despite the Teachers Code of Regulations administered by the Teachers Service Commission. The Committee therefore recommends that K.N.U.T. should consider transforming itself into a professional body and concern itself mainly with professional ethics, conduct and discipline of the teachers and that the part of the Teachers Service Commission Act which deals with registration and discipline of teachers should be incorporated into a legislation that would create such a professional body.

304. The employer of all teachers in the country, other than those in unaided and private institutions, is the Teachers Service Commission. This commission was established by an Act of Parliament in 1967 and the Ndegwa Commission fully supported its establishment. Representations have been made to this Committee that the scope of the responsibilities of the officers of the commission are now so wide that their grading should be comparable

to those of similar bodies in the Public Service. The officers of the commission, who now number about 400, are all employed on contract terms of service except the Secretary who is seconded from the Ministry of Education. Consequently, these employees enjoy no superannuation or pension facilities, a situation which creates instability in the management of the commission's functions.

305. In a similar situation is another category of personnel that are employees of boards of governors of schools and colleges. Although their terms of service generally correspond to Civil Service terms, they do not have pension or superannuation benefits. Unlike the Teachers' Service Commission employees, they are not on contract and do not thus enjoy regular gratuity payments. This marked difference in their conditions of service from the rest of the Public Service is anomalous and should be corrected. It is therefore recommended that the staff of the Teachers Service Commission and those of boards of governors in schools and colleges be placed in established posts and given similar conditions of employment, including superannuation benefits, like the rest of the Public Service.

306. Within the Teachers Service Commission Act, there is a provision for the creation of a Teaching Service Remuneration Committee which would examine from time to time the remuneration of members of the teaching service. Indeed, such a committee has been in existence since the establishment of the Teachers Service Commission. The committee enjoys wide powers to take decisions which would in practice be binding on the Government. The Ndegwa Commission recommended that while the committee should serve as an effective forum for discussion by representatives of the Ministry of Education, the Kenya National Union of Teachers and Teachers Service Commission, its recommendations should in no way be automatically binding on the Government. This recommendation was accepted by the Government in Sessional Paper No. 5 of 1974, but despite persistent efforts by the Ministry of Education, no change in the Teachers Service Commission Act has been made. We have carefully examined this matter and are in full agreement with the relevant recommendations of the Ndegwa Commission. Elsewhere in this Report we have recommended that the Teachers Service Commission Act be repealed and that the functions of the Teachers Service Commission be transferred to the Public Service Commission. If this is accepted, the need for the Teachers Service Remuneration Committee will not arise.

307. As already stated, the salary structure for the Teaching Service introduced by the Ndegwa Commission is basically sound and is retained by the Committee. However, in view of the continuing need for untrained teachers and as shown elsewhere in this Report, the Committee considers that untrained teachers need to be rewarded by way of annual increments during the years they are unable to gain admission into teacher training colleges. Accordingly the Committee recommends the addition of one incremental

salary point for untrained primary teachers of East African Certificate of Education standard and above. Since the Ndegwa Commission Report, a salary scale has been introduced for untrained technical teachers and we consider this to be a step in the right direction.

308. At present the graduate/approved teacher salary scale is one long scale with 17 points. This state of affairs tends to give the graduate teacher no incentives for promotion and is no doubt one of the contributing factors towards graduate teachers leaving the service. The Committee therefore recommends that the graduate approved teacher salary scale be segmented into three segments, and appropriate scheme of service be drawn out giving conditions for promotion from one segment to another. These changes together with the new salaries we have recommended for the Teaching Service are reflected in the conversion tables that follow.

309. The Ndegwa Commission recommended various additional responsibility payments to teachers in respect of additional responsibilities they perform in the schools. The Committee supports this and recommends that the practice should be extended to include heads of departments in secondary schools with two streams and above.

310. With respect to other terms of service, the Committee recommends that recommendations already made for the Civil Service should apply to the Teaching Service.

TEACHERS SERVICE COMMISSION CONVERSION TABLES

CONVERSION TABLE No. 1

UNTRAINED TEACHER WITHOUT C.P.E.

Present Salary Scale: K£228 p.a. (Fixed)
Proposed Salary Scale: K£300 p.a. (Fixed)

Present Salary	*Proposed Salary*
K£	*K£*
228	300

CONVERSION TABLE No. 2

UNTRAINED TEACHER WITH C.P.E. (At least 15 points)

Present Salary Scale: K£246 p.a. (Fixed)
Proposed Salary Scale: K£339 p.a. (Fixed)

Present Salary	*Proposed Salary*
K£	*K£*
246	339

CONVERSION TABLE No. 3

UNTRAINED TEACHER WITH K.J.S.E./E.A.C.E.—IV

Present Salary Scale: K£282 p.a. (Fixed)
Proposed Salary Scale: K£399 p.a. (Fixed)

Present Salary	*Proposed Salary*
K£	*K£*
282	399

CONVERSION TABLE No. 4

UNTRAINED TEACHER WITH E.A.C.E.—1, 2 & 3

Present Salary Scale: K£399 p.a. (Fixed)
Proposed Salary Scale: K£531 × 21–552 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
399	531
—	552

CONVERSION TABLE No. 5

UNTRAINED TEACHER WITH ONE ACCEPTABLE SUBJECT AT "A" OR PRINCIPAL LEVEL

Present Salary Scale: K£525 p.a. (Fixed)
Proposed Salary Scale: K£618 × 24–642 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
525	618
—	642

CONVERSION TABLE No. 6

UNTRAINED TEACHER WITH TWO ACCEPTABLE SUBJECTS AT "A" OR PRINCIPAL LEVEL

Present Salary Scale: K£591 p.a. (Fixed)
Proposed Salary Scale: K£666 × 24–690 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
591	666
—	690

CONVERSION TABLE No. 7

P4 Teacher Scale

Present Salary Scale: K£276 × 12–288 × 15–453 p.a.
Proposed Salary Scale: K£384 × 15–399 × 18–489 × 21–594 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
276	384
288	399
303	417
318	435
333	453
348	471
363	489
378	510
393	531
408 423	552
438	573
453	594

CONVERSION TABLE No. 8

P3 Teacher Scale

Present Salary Scale: K£396 × 12–408 × 15–453 × 18–561 × 30–711 p.a.
Proposed Salary Scale: K£531 × 21–594 × 24–714 × 30–864 × 36–936 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
396	531
408 423	552
438	573
453	594
471	618
489	642
507	666
525	690
543	714
561	744
591	774
621	804
651	834
—	864
681	900
711	936

CONVERSION TABLE No. 9

P2 Teacher Scale

Present Salary Scale: K£471 × 15–561 × 21–603 × 30–813 p.a.
Proposed Salary Scale: K£618 × 24–714 × 30–864 × 36–1,044 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
471	618
486	642
501 }	666
516 }	
531	690
546	714
561	744
582	774
603	804
633	834
663	864
693	900
723	936
753	972
783	1,008
813	1,044

CONVERSION TABLE No. 10

P1 Teacher Scale

Present Salary Scale: K£666 × 24–714 × 30–864 × 36–1,044 × 42–1,170 p.a.
Proposed Salary Scale: K£864 × 36–1,044 × 42–1,254 × 48–1,494 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
666	864
690	900
714	936
744	972
774	1,008
804	1,044
834	1,086
864	1,128
900	1,170
936	1,212
972	1,254
1,008	1,302
1,044	1,350
1,086	1,398
1,128	1,446
1,170	1,494

CONVERSION TABLE No. 11

S1 Teacher Scale

Present Salary Scale: K£900 × 36–1,044 × 42–1,254 × 48–1,494 × 60–1,674 p.a.
Proposed Salary Scale: K£1,170 × 42–1,254 × 48–1,494 × 60–1,794 × 72–2,082 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
900	1,170
936	1,212
972	1,254
1,008	1,302
1,044	1,350
1,086	1,398
1,128	1,446
1,170	1,494
1,212	1,554
1,254	1,614
1,302	1,674
1,350	1,734
1,398 } 1,446 }	1,794
1,494	1,866
1,554	1,938
1,614	2,010
1,674	2,082

CONVERSION TABLE No. 12

Untrained Technical Teacher Scale

Present Salary Scale: K£900 × 36–1,044 × 42–1,170 p.a.
Proposed Salary Scale: K£1,170 × 42–1,254 × 48–1,494 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
900	1,170
936	1,212
972	1,254
1,008	1,302
1,044	1,350
1,086	1,398
1,128	1,446
1,170	1,494

CONVERSION TABLE No. 13

TRAINED TECHNICAL TEACHER SCALE

Present Salary Scale: K£1,170 × 42–1,254 × 48–1,494 × 60–1,794 p.a.

Proposed Salary Scale: K£1,494 × 60–1,794 × 72–2,154 × 90–2,244 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,170	1,494
1,212	1,554
1,254	1,614
1,302	1,674
1,350	1,734
1,398 / 1,446	1,794
1,494	1,866
1,554	1,938
1,614	2,010
1,674	2,082
1,734	2,154
1,794	2,244

CONVERSION TABLE No. 14

GRADUATE/APPROVED TEACHER III—SCALE

Proposed Salary Scale: K£1,494 × 60–1,794 × 72–2,010 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,170	1,494
1,212	1,554
1,254	1,614
1,302	1,674
1,350	1,734
1,398 / 1,446	1,794
1,494	1,866
1,554	1,938
—	2,010

CONVERSION TABLE No. 15

GRADUATE/APPROVED TEACHER II—SCALE

Proposed Salary Scale: K£1,794×72–2,154×90–2,424 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	1,794
—	1,866
—	1,938
1,614	2,010
1,674	2,082
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424

CONVERSION TABLE No. 16

GRADUATE/APPROVED TEACHER I—SCALE

Proposed Salary Scale: K£2,154×90–2,604×108–2,928 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	2,154
—	2,244
—	2,334
—	2,424
2,010	2,514
2,082	2,604
2,154	2,712
2,244	2,820
2,334	2,928

CONVERSION TABLE No. 17

Assistant Lecturer Scale

Present Salary Scale: K£1,446 × 48–1,494 × 60–1,794 × 72–1,938 p.a.

Proposed Salary Scale: K£1,794 × 72–2,154 × 90–2,424 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,446	1,794
1,494	1,866
1,554	1,938
1,614	2,010
1,674	2,082
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424

CONVERSION TABLE No. 18

Lecturer Scale

Present Salary Scale: K£1,794 × 72–2,154 × 90–2,334 p.a.

Proposed Salary Scale: K£2,154 × 90–2,604 × 108–2,928 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	2,154
1,794	2,244
1,866	2,334
1,938	2,424
2,010	2,514
2,082	2,604
2,154	2,712
2,244	2,820
2,334	2,928

CONVERSION TABLE No. 19

1. Senior Lecturer Scale

2. Headmaster Grade II Scale—Secondary and Technical Schools

Present Salary Scale: K£2,154 × 90–2,604 × 108–2,820 p.a.

Proposed Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,154	2,712
2,244	2,820
2,334	2,928
2,424	3,036
2,514	3,144
2,604	3,276
2,712 2,820	3,408
—	3,540

CONVERSION TABLE No. 20

Deputy Principal Grade II Scale—Primary Teachers Colleges

Present Salary Scale: K£2,244 × 90–2,604 × 108–2,820 p.a.

Proposed Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	2,712
2,244	2,820
2,334	2,928
2,424	3,036
2,514	3,144
2,604	3,276
2,712 2,820	3,408
—	3,540

CONVERSION TABLE No. 21

1. Headmaster Grade I—Secondary and Technical Schools
2. Principal Lecturer Grade I Scale
3. Principal Grade II Scale—Primary Teacher Colleges
4. Deputy Principal Grade II Scale—Other Institutions

Present Salary Scale: K£2,712 × 108-3,144 × 132–3,540 p.a.

Proposed Salary Scale: K£3,408 × 132–3,804 × 156–4,428 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,712 2,820	3,408
2,928	3,540
3,036	3,672
3,144	3,804
3,276	3,960
3,408	4,116
3,540	4,272
—	4,428

CONVERSION TABLE No. 22

Principal Grade I Scale—Other Institutions

Present Salary Scale: K£3,276 × 132–3,804 × 156–3,960 p.a.

Proposed Salary Scale: K£3,804 × 156–4,584 × 186–4,956 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	3,804
3,276	3,960
3,408	4,116
3,540	4,272
3,672	4,428
3,804	4,584
3,960	4,770
—	4,956

CHAPTER XIV—LOCAL GOVERNMENT

311. In Chapter XX, the Ndegwa Commission stated that local government ensures participation by the people at the local level in the policy making machinery of the Government. It is a system in which local people can decide on matters of local nature while at the same time carrying out certain functions on behalf of the Government because of convenience. We are in full agreement with this definition of local government's role in public affairs and also with the statement that this forms the very essence of democracy. We are also in agreement with the objectives of local government as listed in paragraph 625, of the Ndegwa Commission Report.

312. We have found that the main problems facing local authorities continue to be those that the Ndegwa Commission summerized in paragraphs 629 to 645 of their Report. The major ones are that most local authorities are unable to obtain and retain services of sufficient high level staff and the Ministry of Local Government itself continues to be understaffed at the professional and technical levels. Further, the ability of some councillors to discharge their duties is questioned in that they allow their personal interests to take precedence over their duty to the councils.

313. One of the main problems that face local authorities is the lack of adequate revenue. That this problem is historical is evidenced by the need which prompted the Government in 1969 to transfer several functions and services from the local authorities to the Central Government. Primary education, public health and roads were transferred to the Central Government in order to alleviate the financial burden placed on the councils. Together with these services were also transferred to the Central Government the two principal sources of the councils' revenue, namely graduated personal tax and the general grants. It was thought at the time that the remaining services could be financed from the residual revenues of the councils. In 1973 the Government announced the abolition of the graduated personal tax with effect from the 1st January, 1974, and promised the councils that they would receive compensating grants in progressively declining order for five years during which period the councils were to find alternative sources of revenue for themselves. In 1973, the Nyaga Committee was appointed "to examine the whole mechanism of revenue collection of local authorities and to recommend ways and means of improving the revenue and methods of collection". The Nyaga Committee recommended far-reaching measures on how to raise revenue and how the Central Government was to share financial responsibilities with the local authorities.

314. Another major problem that faces particularly the town councils is that of uncontrolled influx of people into the towns. The rural/urban migration is aggravated by the expectations of the rural workers, of better amenities such as housing, water and medical services. In addition to normal population growth, this influx has imposed an additional financial burden on the towns without bringing a matching revenue to town councils.

315. It has been suggested to us that the Government should either increase grants towards free medical services undertaken by municipalities or take over these services. As regards financial mismanagement by the councils, it has been pointed out to us that some councils have not produced annual accounts over a long period of time. Some of the councils have resorted to their reserves in order to finance deficits and others now look towards bank overdrafts having liquidated all general fund assets. Most of the councils do not collect their debts and do not seem to take revenue collection seriously.

316. The Ministry of local government lacks adequate professional and technical personnel. It has for example been suggested that the failure of the ministry to approve local authorities' budgets in good time is mainly due to lack of sufficient/qualified accountants. From a different dimension, accountants need to be professionally qualified because their work entails investigation of local government finances and scrutiny of estimates submitted by all the local authorities. The need to train all categories of local government staff calls for training facilities that are geared to the needs of local authorities. It has therefore been urged that there is need to establish a local government training institute, to facilitate the training of local government officers in management skills. Seminars, workshops, and conferences would also be held at such an institute for staff and councillors. We support this proposal. We have received evidence which shows that Kenya's local government system is not suited to the needs of the country. It has been argued that the local government system in Kenya was borrowed from Britain and that it is not suited to the needs of a developing country. The existing system is particularly over-politicized, and although there is a need to have local people participating in local affairs, those who do so must be qualified to be on the councils for the contribution that they may give in debates and in actual work. Yet, we have found that the greater part of the Ndegwa Commission recommendations that were accepted have never been implemented, especially those pertaining to financial management in the councils. The 1976 International Monetary Fund Report on "Analysis of Local Government Finances in Kenya with Proposals for Reform", is still being studied by the Government.

317. We cannot but reiterate the recommendations that were made by the Ndegwa Commission and the Nyaga Committee. There is no need to reproduce all their recommendations in this Report. We however wish to

touch on three areas of concern as far as local authorities are concerned, in order to emphasize the need for adoption and implementation of the recommendations that have been made in the two reports. We wish to deal with financial problems faced by the councils. Secondly, we shall briefly discuss the lack of qualified personnel in the councils and at the Ministry of Local Government. Finally, we shall discuss personnel policies which have been adopted by the councils and the need for reform.

318. Evidence before us strongly suggests that drastic action needs to be taken in order to alleviate the problems that are faced by the councils. Some of these problems arise from inadequate sources of revenue. Other problems are due to inappropriate financial management systems and procedures adopted by the councils. It was suggested to us that a proper system of Government grants should be established to supplement the revenue resources of local authorities. Delays are alleged in payment of contributions in lieu of rates and in approving budgets for the councils. It has also been suggested to us that Government should pay directly the salaries of primary school teachers instead of the existing system whereby municipal councils pay and are reimbursed quarterly. In a developing country such as Kenya, a local government must be development orientated. It cannot exist for the sole purpose of providing services. In a developing country the services rendered by local authorities have first to be developed. Facilities such as houses, water, sewerage, roads, hospitals and schools must exist before they can be administered. In the chapter on management of planned development, we have examined and made recommendations that local authorities should be an integral part of the district development process.

319. A large number of councillors in Kenya are ill-equipped to cope with the requirements of development. Suitable people have to be attracted to local authorities if the necessary development is to be achieved. They should be persons who do not look upon their elective offices as their sole source of livelihood. Suitable candidates do not for example offer themselves for elections to local authorities because they cannot promise impossibilities. At one time teachers were allowed to seek election to the councils. We have been told that standards of debate and of performance then improved considerably.

320. We have been urged to reiterate the recommendation on the establishment of the Local Government Service Commission. The establishment of this commission was first recommended by the Hardacre Commission of 1966. The Government accepted the recommendation. In paragraph 653 the Ndegwa Commission reiterated what the Hardacre Commission had recommended. Paragraph 101 in the Sessional Paper No. 5 of 1974 accepted the establishment of the Local Government Service Commission to determine appointments, promotion, discipline and terms and conditions of service for all local authority employees.

321. In our chapter on the Public Service Commission, we have proposed that the Commission be enlarged and that one of the boards under it should concern itself with local authorities employees. This will obviate the need to have a separate Act of Parliament for the Local Government Service Commission. We have found that there is a measure of harmonization of salaries and fringe benefits in local government. This has been achieved through creation of four categories of local authorities. Those that are similar in their sizes and functions are placed in the same category.

322. Thus, Nairobi City Council and Mombasa Municipality are in the same category referred to as Committee No. 1. Indeed, the salaries paid to the staff in the two councils are almost identical, except for the Town Clerk of Nairobi who earns slightly more than that of Mombasa. These two factors facilitate mobility of staff between the two councils. The second category of councils is that referred to as Committee No. 2. The committee deals with salaries and fringe benefits in all other municipalities. Committee Nos. 3 and 4 deal with terms and conditions of service for staff in county and town councils, respectively. Again, the superannuation scheme for local authorities staff is the same for all participating councils, including Nairobi and Mombasa.

323. The levels of salaries and fringe benefits are determined through negotiation between the Association of Local Government Employers (A.L.G.E.) and the Kenya Local Government Workers Union (K.L.G.W.U.). Agreements reached between the two bodies have to be ratified by the Minister for Local Government. If ratified, they are sent to the Industrial Court for registration. Ratification of these agreements by the Minister ensures that the agreements are realistic and within the ability of the councils to pay salaries, wages and other benefits.

324. We have found that local authorities' staff are generally better paid than are civil servants. We have also found that the fringe benefits available to local authorities staff are higher than those enjoyed by civil servants. Thus, for example a chief officer of a council gets 42 days' leave in a year while a Permanent Secretary gets only 30 days. The fact that local government employees earn comparatively more than the civil servants may be attributed to an anomaly that exists in local government negotiation machinery. The K.L.G.W.U. recruits its members from all council employees including the chief officers.

325. Negotiations for salaries and other terms are between K.L.G.W.U. and A.L.G.E. Members of A.L.G.E. are comprised of chairmen to councils, clerks to councils and treasurers. Consequently during negotiations the K.L.G.W.U. is always in a better position than the A.L.G.E. because chief officers of the councils who are members of the union sit on the same side as the employer. Clerks to the councils and the treasurers can therefore hunt with the hound and run with the hare. This position tends to compromise

the objective evaluation of union demands. It is indeed ironical that councils which claim they have inadequate sources of revenue should pay more than the Government. We however consider that this anomaly will be resolved once local government is brought under the purview of the Public Service Commission as we have recommended. We make the following recommendations—

(1) that the Ndegwa Commission conclusions and recommendations that the Government accepted in Sessional Paper No. 5 of 1974, should be now implemented. We make other recommendations below that may have the effects of adding to, and modifying some of the Ndegwa Commission recommendations. Indeed, some changes have occurred since 1971 such as the abolition of graduated personal tax with its resultant effect of removing a source of revenue for local authorities. The changes that have taken place have however not removed the need to have the far-reaching Ndegwa Commission recommendations implemented;

(2) that the report of the Committee on Revenue Collection appointed under Cabinet Minute No. 44 of 1973 (which we have referred to as the Nyaga Committee) should be read together with the 1976 International Monetary Fund Report on "Analysis of Local Government Finances in Kenya with Proposals for Reform";

(3) that the Government takes an urgent decision on the functions and usefulness of local authorities;

(4) that in view of the fact that most councils have no reserve funds and that those that have are quickly depleting their reserves, the Government should establish grants to supplement their revenue resources; and

(5) that harmonization of terms and conditions of service for both the Civil Service and local authorities should be done and that a committee should be established for this purpose.

CHAPTER XV—THE OMBUDSMAN

326. The Ndegwa Commission recommended creation of the Ombudsman or Parliamentary Commission. The Ndegwa Commission felt that there was a need for greater accountability and openness among public servants. The Commission argued that accountability, which depends on the responsibility of ministers to the Parliament, on Parliamentary Questions, and on the supervision of the Public Accounts Committee, is limited in that it leaves a large area of administrative behaviour unsupervised. The resultant immunity from criticism and inspection leaves the public officer to depend almost entirely on self criticism. The relevant part of the Ndegwa Commission report reads:

> "Immunity to outside evaluation and criticism while making it possible for the public servant to pursue his duty without interruptions also makes it possible for him to neglect his work or even abuse his powers. . . . Perhaps even more importantly, immunity to outside criticism means that the Civil Service is entirely dependent on self-criticism for the continuing reform and improvement of its development capability."*

327. The Ndegwa Commission recommended the creation of the Ombudsman which would deal with the danger that fear and favour may operate behind the wall of official secrecy and with the danger that powers may be abused. The Ombudsman as an institution is described in Chapter XXII of the Ndegwa Commission Report.

328. "Ombudsman" is an old Swedish word which means a person who acts and speaks on behalf of someone else. The word has been adopted in international vocabulary to mean the special institution for the protection of the rights of the citizen against abuse of power, error and neglect by the authorities. The basic idea behind the creation of the Ombudsman is that the courts and administrative agencies would be less inclined to disregard or abuse or misuse the laws. The rights of the people would be better safeguarded if the activities of the authorities were watched by a people's tribunal which is independent of the Government. The Ombudsman should be appointed by the Head of State on the recommendation of the Parliament. This would contrast with the appointment of the Controller and Auditor-General who is appointed by the Head of State on the advice of the Government. Requests for investigations made to the Ombudsman would come mainly from the citizens, some of whom may also wish to exercise their right to make requests through their members of Parliament. Every citizen should have the right to complain to the Ombudsman. Very often the Ombudsman would have the right to start investigations on his own

*Ndegwa Commission Report, page 23, paragraph 52.

initiative. The Government or the Parliament should not have powers to stop investigations by the Ombudsman. He should report annually to the Parliament. This is the reason why the Ombudsman is also referred to as Parliamentary Commissioner.

329. The main duty of the Ombudsman is to protect the individual citizen against injustice arising from misconduct, errors of judgement, abuse of office or encroachment by people in authority. His jurisdiction should be wide and it may overlap the jurisdiction accorded to courts. Thus for instance he should recommend prosecution of a public officer who has committed a fault or neglected his duty. He should recommend amendments of the laws. The Ombudsman's actions should not exclusively aim at pointing out errors. The intention should also be to make certain that those who suffered injury because of the errors by public servants get due compensation. Where there is a fault, and the Ombudsman does not wish to press for prosecution, he should give the erring party an opportunity to give redress to the wronged party. The Ombudsman may also appeal to the Government for compensation to a complainant. The Ombudsman should not be restricted to formal procedures. He ought to be free to adopt such procedure as he may think fit in conducting an investigation. He ought to possess the power to require any person to furnish information and produce documents to an investigation and to give evidence on oath. The only exceptions to this power should be when the information required might prejudice security, defence, international relations or the investigation or detection of crimes. The Ombudsman should not ask for information that would involve disclosure of deliberations of the Cabinet or a Cabinet Committee. The Ombudsman should take an oath of secrecy regarding information disclosed to him, and should be protected from legal proceedings in respect of things done or said in the course of his official duties. From the foregoing it will be seen that the Ombudsman would be part of the Administration. He should be an officer of the Parliament.

330. Paragraph 107 of the Sessional Paper No. 5 of 1974, contains the Government's views on the Ombudsman. The Government considered that the office of the Ombudsman was unnecessary in a Parliamentary democracy where the Government and the Government servants can be sued and prosecuted in civil matters. A citizen injured by an abuse of office by public servants can also have the matter raised in Parliament by means of a Parliamentary Question. The Government also feared that the Ombudsman may be misused by unscrupulous elements in society for witch-hunting and undue victimization.

331. During our inquiry, we have sought to assess whether there has been a change in the needs to establish the office of the Ombudsman. In regard to the right to sue the Government in courts of law, it has been explained to us that there is no legal redress for many of the wrongs which

the individual may suffer at the hands of those in authority. Thus when a public servant fails, neglects or refuses to do that which he is employed to do the matter may be difficult to question in a court of law. Quite often the aggrieved person has not suffered any damage. It is impracticable to question the merits of every discretionary decision in a court of law. What is more, judicial inquiry merely penetrates to the merits of the exercise of administrative discretion and it does not penalize errors of fact. Indeed, injustice suffered by the aggrieved person ought to be widely interpreted to cover not only the injury redressible in a court of law, but also the sense of outrage aroused by unfair or incompetent administration even where the complainant has suffered no actual loss. Most of the wrongs which may be done by public servants are not challenged in courts. Majority of the ordinary citizens cannot afford litigation, which is protracted and costly. In the minds of the ordinary Kenyan, courts are identified with the Government and the ordinary man does not understand how the Government can be sued in her own courts. Thus judges and magistrates are seen as the people who enforce the authority of the Government. This is partly due to the ordinary man's misconception of criminal law. The ordinary man sees public servants prosecuting in criminal cases and he does not clearly distinguish between the role of the public servants and that of the courts. We have indeed been told that ordinary men and women would hesitate to complain against the Government through courts.

332. It appears to us that there are some advantages enjoyed by the Government in litigation. For instance, there are provisions in the Public Authorities Limitation Act (Cap. 39), which allow shorter periods within which litigation against the Government may be brought. Thus proceedings founded on tort cannot be brought against the Government after the end of twelve months from the date when the cause of action accrued, whereas the period of limitation against an individual person is three years from the date on which the cause of action accrued. Further, there are methods through which judgement can be enforced which can be used against the Government. These advantages give the Government favourable treatment in comparison with private persons. This Committee recognizes the need for such a situation, but considers that the individual should have the facility to seek redress, if he considers that this has resulted in an infringement of his rights, through the Ombudsman.

333. The efficiency of proceedings in the Parliament as a means of restraining abuses of power and securing rectification of individual grievances cannot be exactly measured. Many cases of alleged injustice or hardship caused to individuals by Government action or inaction are raised at question time by Members of Parliament only after private letters to, or interview with Ministers, have not yielded satisfactory response. Parliamentary Questions and informal approaches have a part to play in a democracy. There is however a need for other machinery for the investigation and rectification of

individual grievances. Ombudsman offers means for investigating complaints against administrative acts and decisions where there are no statutory procedures available for dealing with complaints. Where an individual considers that he may have suffered injustice arising out of maladministration including corruption, bias, and unfair discrimination, misleading a member of public, failure to notify a person of his rights, loss of public documents, unreasonable delays in decisions or an answer to a request for information for an inordinate length of time, he should have the facility to seek redress in addition to his right to have his grievance raised in Parliament. Parliamentary Questions do not afford adequate method of checking on the acts of public servants. Replies to Parliamentary Questions are normally prepared by those against whom the complaints may be lodged. It is therefore possible to hedge questions, and to suppress necessary information sought by the questions.

334. Whether or not the Ombudsman might be misused by unscrupulous elements in the society for witch-hunting and undue victimization will depend on the public standing of the Ombudsman. The conditions under which the Ombudsman will be appointed will be similar, if not identical to those under which judges or the courts are appointed. Judges are not misused for witch-hunting and undue victimization, and there is no reason why the Ombudsman should be misused.

335. In paragraph 697 of their report, the Ndegwa Commission stated:

> "Whatever the form, it is imperative that persons appointed to this important office should be of the highest integrity, capable of discharging their responsibility with utmost impartiality."

At the National Leaders Conference held at the Kenya Institute of Administration from 17th to 19th January, 1978, it was suggested that one way of eradicating corruption and of providing machinery for members of the public to register their complaints was the creation of the position of an Ombudsman. The relevant resolution passed at that conference reads:

> "That corruption is strongly condemned and that legal proceedings should be instituted against those who practise it and that in addition an office should be established through which members of the public and leaders alike can get redress for wrongs done against them to ensure the efficiency of Government administrative practices."

We are pursuaded that there is still a case for the creation of the Ombudsman and we suggest that the Government considers and determines whether this is the right time for the establishment of the office of the Ombudsman.

CHAPTER XVI—CIVIL SERVICE SALARIES

Introduction

336. Before the Ndegwa Commission inquiry, salary administration in the Kenya Civil Service was based on a structure designed and modified over the years by several previous commissions of inquiry, notably the Lidbury Commission of 1954 and the Flemming Commission of 1960. Unlike the Ndegwa Commission which was the first to review the Kenya Civil Service as an independent entity, the other Commissions were concerned with the Civil Service of East Africa as a whole. The salary structure was therefore not particularly suited for the Kenya Civil Service as it did not take account of the specific conditions obtaining in Kenya such as her ability to pay, her development needs and other competing demands in the economy. The structure was also unsuitable because before independence, the majority of civil servants in senior posts were expatriates and their remuneration tended to be patterned after salary scales in the United Kingdom. Thus the Ndegwa Commission had the onerous task of not only revising individual salary scales but also restructuring the entire salary system.

337. The pre-Ndegwa Commission salary structure consisted of 78 separately stated salary scales containing 193 separate and inconsistent salary points. Many of the scales were repetitive, producing definite patterns within the salary structure; some scales, while essentially the same, were irregular and inconsistent in their incremental progression. In short, the structure was too complex, illogical and seriously incompatible with the requirement of sound personnel management.

338. In place of the Lidbury/Flemming structure, the Ndegwa Commission evolved a new 15-tier system based upon not only the concepts of job analysis and evaluation, but a single salary structure for the entire Civil Service. The 95-point salary structure divided into 15 segments for job groups was to be a single continuum from the lowest entry point for a new recruit (Job Group "A") to the maximum of the highest post in the Civil Service (Job Group "Q"). The Commission identified representative posts in the service which seemed, on the basis of task analysis, to fall within each of the 15 job groups. It also developed the basic specifications for these jobs and the basic qualifications required for appointment to the posts.

339. In making recommendations for salary increases, the Ndegwa Commission envisaged that its proposals for a new management structure would be one of the justifications for the improved remuneration. As we have stated elsewhere in this Report, while the Ndegwa Commission recommendation on improved remuneration was promptly implemented, that Commission's most

basic recommendations for a radical restructuring of the Civil Service are still far from being fully implemented. Indeed, the Ndegwa Commission proposals called for a regular review of salaries on a continuous basis as part of the recommended management process; yet, as far as we have been able to ascertain this aspect of the recommendations has not been fully and systematically implemented. It therefore became necessary in subsequent years to institute salary revisions in response to inflationary pressures which have kept the cost of living rising on a fairly steep curve. The first of such revisions was carried out in 1973 and covered civil servants in Job Groups "A" to "H"; the second and third revisions were carried out in 1975 and 1977 covering the entire Civil Service.

Proposals for Salary Increases

340. In Chapter III, we have examined the growth of the economy, changes in its structural relationships and made an assessment of the contribution made by the Civil Service in the overall effort leading to the growth recorded during the decade under review. We have also examined the trends in employment and wages for the period 1970-79 as well as changes in cash earnings for the various sectors of the economy by broad job categories covering low, medium and high income groups. Our analysis shows that efforts to narrow the gap between rural and formal urban sector incomes have met with a measure of success and that similar efforts to narrow the gap between the low and high income groups in the formal sector have probably been even more successful. It is not considered, however, that the success recorded would justify any major departure from the general policy of narrowing the gap and, in reaching the recommendations on improved remuneration for the public services, we have had to bear this in mind among other factors.

341. As indicated in our analysis of the 1970s and particularly where we touched on the current problems of financing Central Government operations and the outlook of the economy, reaching a decision as to whether to increase remuneration for the Civil Service and if so by how much will always have to be a question of choice between competing needs. It is difficult to foresee a time when the bulk of other needs would have been satisfied and excess resources left over for increases of Civil Service salaries. We are aware, therefore, that in making recommendations for increases in Civil Service remuneration we are giving rise to a situation whereby the funds applied to this function will not be available to other possible alternative uses. As indicated at paragraph 339 the salaries established by the Ndegwa Commission have been revised three times. The benefits of these revisions were felt differently by different civil servants. Those who had reached the end of their scales and did not move to higher scales during the period suffered the greatest erosion in their real income while those who were still moving within scales had a bit of relief through the annual increments which amount to

something between 4 and 5 per cent of the basic salary. Meanwhile, the inevitable upward changes in the cost of living continued at considerably higher rates. Increases in consumer prices in Nairobi between the time Civil Service salaries were adjusted upwards in 1977 and April 1980, reveal the following picture:

Table 16.1 **(1975 = 100)**

Income Group	July 1977	April 1980	Change in Points	% Change
Lower income	133·8	187·7	53·9	40·2
Middle income	125·8	160·2	34·4	27·3
Upper income	130·4	170·5	40·1	30·8

SOURCE: Central Bureau of Statistics.

For the Civil Service we take the lower income group to mean Job Groups "A" to "D", middle income Job Groups "E" to "J" and upper income Job Groups "K" to "Q". The number of establishments in these groups during 1979/80 financial year was 120,652 for lower income, 35,948 for middle income and 3,309 for the upper income groups. Relative cost at current rates for each of the groups was K£45,562,677 for lower, K£35,528,340 for middle and K£8,188,122 for higher income groups respectively. Besides, there were 2,571 employees not fitted within the job groups consisting of Government teachers and trainees with a relative cost of K£2,966,261.

342. It would probably be useful at this point to examine how the non-Government employees in the formal sector have fared during the period under review from the point of view of compensation against cost of living increases. Terms and conditions of service of employees in the formal sector are, in a large majority of cases, dealt with through collective bargaining by trade unions. Consequently, the terms and conditions are normally the subject of collective agreements which in all cases have a proviso for regular periodic revisions. While the Civil Service has had a Union, their Union does not appear to have entered into a collective agreement with the civil servants' employer. They would appear, therefore to have been denied the opportunity afforded to other workers of reviewing their remuneration on a regular basis and have, as a result, tended to lag behind in so far as compensation on the cost of living is concerned. In cases where collective agreements are in force, awards for cost of living or any other upward adjustments in remuneration have not been left to free collective bargaining *per se*. Since 1972 they are governed by wage guidelines issued from time to time by the Minister at the material time responsible for Finance. These wage guidelines are issued by the Minister to the Judge of the Industrial Court. The wage guidelines currently in operation were issued on 1st February, 1979, and they apply to the private sector wage claims as well as those organizations in the public sector by virtue of Government ownership but which are party to a collective agreement and,

hence, could be taken to the Industrial Court by the Unions they deal with. The guidelines currently in operation state, *inter alia,* that:

"(i) Productivity increases in 1979 and beyond cannot be used to justify wage increases.

(ii) (*a*) Overall wage increases shall average no more than one half of the rise in the cost of living. However, higher increases should be allowed for lower paid groups.

(*b*) Compensation for price increases will be spread in equal instalments so that later year(s) of the contract period are not left without any increase."

343. Direct application of these guidelines to the Civil Service on the basis of the cost of living changes shown at Table 16.1 between July 1977, and April 1980, would result with increases of 20.1 per cent for the lower income group; 13.7 per cent for the middle income group; and 15.4 per cent for the upper income group. As of 30th June, 1980, corresponding figures are 36.3 per cent for the lower income group, 19 per cent for the middle income group and 22.8 per cent for the upper income group. When projected to 31st December, 1980, on the basis of the monthly averages over the first six months of 1980, the figures indicate a firm, although mild, upward trend.

344. Having regard to the circumstances relating to Civil Service remuneration reviews, direct application of the wage guidelines is not considered appropriate. This is particularly because, as already indicated earlier, whether the wage guidelines form a fair basis or not depends on whether employees whose remuneration is being assessed have had their previous revisions dealt with in the context of the wage guidelines and especially with regard to regular periodic revisions over a period of time. We have taken this basic factor into account in reaching the new levels of remuneration being recommended. On this point of periodic revisions related to collective agreements it is worth noting that the normal duration of these agreements varies between one and two years but in some cases it extends to three years provided this longer period is approved by the Industrial Court. In this latter case there is normally a reopener clause applicable after the end of the second year.

345. Our considerations have also taken into account the percentage change resulting from adjustment of the minimum wage and the fact that wage guidelines provided for higher compensation for the lower income wage guidelines provide for higher compensation for the lower income group.

346. Finally, we have given due consideration to the impact the implementation of the recommended salary scales will have on the financing of Government operations and the economy generally and we are satisfied that the implementation of these recommendations can be carried out without causing undue distortions to the provision of other planned services and programmes.

347. In the overall reviewing of Civil Service remuneration, we would like to reiterate the recommendations of the Ndegwa Commission referred to earlier in this chapter. The Ndegwa Commission recognized the need for regular periodic reviews of the levels of remuneration in order to take into account changes in the cost of living and, when necessary, to institute re-grading of certain jobs in the light of changed circumstances on a systematic and well reasoned basis, subject to the Government's ability to pay. The exercise was to be undertaken regularly as a part of the overall personnel and economic development management process. This practice appears to be followed in the private sector as a part of the management process and following it systematically in the Civil Service could not be anything but beneficial.

348. We would propose, therefore, that this be made an integral part of the personnel management function and that at least once after every two years, Civil Service remuneration levels should be reviewed on a systematic and logical basis with a view to effecting adjustments to cover changes in cost of living and to effect such job reclassification or regradings as would be necessary, not to accommodate individuals but for improving efficiency and effectiveness of the Service. The exercise will be undertaken in the first instance by the Directorate of Personnel Management in liaison with the Treasury and the ministry responsible for Economic Planning in so far as the remuneration aspect is concerned. With regard to job regrading and/or reclassifications, there must be liaison with the Public Service Commission who must approve the regradings and reclassifications before they are implemented. Once periodic regular reviews are in force, the adjustments will have to be strictly within the wage guidelines in force and, needless to say, subject to the Government's ability to pay. After the initial exercise on remuneration levels and such regradings or job reclassifications as are considered necessary has been completed, then a paper setting out all the various reasons and incorporating definite recommendations should be prepared for consideration by a body external to the Civil Service. Such a body would have to be appointed by the President for that specific purpose and their terms of reference would be to examine the recommendations and advise Government on the line of action. This procedure would make it possible to have Civil Service remuneration regularly reviewed without, at the same time, leaving the matter to the civil servants themselves.

349. The application of such upward adjustments as are agreed from time to time should not in any way be related to or affect a civil servant's movement within the scale. Instead, the scales themselves should move up by the appropriate percentage so that both the minimum and the maximum points move. Increments within the scales should cease to be automatic except probably for officers in Job Groups "A" to "F". This will remove the undesirable practice whereby annual increments are really a reward for just being in the service for an extra year. For officers in Job Group "G" and

above, annual increments must be earned and should, therefore, only be awarded on the basis of merit as determined by a fair appraisal of an officer's performance which must be the central point of annual reports. Putting this system into effect will ensure that the civil servant earns his increment. We are aware that for this proposal to work, and we do not see another way to be fair to the Civil Service on their remuneration, personnel management particularly the annual reporting and appraisal system will have to be improved in ministries and departments. All must be done in time to enable the accounting officer to take the earned increments into account when finalizing the estimates for a given ministry. Once this system is in force then external commissions/committees appointed from time to time to review the Civil Service would be more concerned with structural and operational reviews rather than up-dating levels of remuneration.

The Grading Structure

350. Prior to the Ndegwa Commission, there were 78 Civil Service salary grades which the Commission rationalized and placed into 15 job groups. The 15-tier grade structure then introduced covered the entire Civil Service and included both the Police and Prisons services. In our examination, nearly a decade later, we are convinced that the structure was basically sound and it has stood the test of time. During the period under review, the only change to the structure was the addition of Job Group "ϕ" thus leading to the current position where there is a 16-tier grade structure. Our considered view is that the overall structure still remains basically sound and we shall not propose any basic or major change to it.

351. Slight changes, however, are considered necessary to adjust for situations which have arisen over the years in the process of operating the Ndegwa Commission Salary Structure. It was expected that the addition of Job Group "ϕ" just below Job Group "P" and above Job Group "N" would solve the problem of accommodating certain officers—mostly heads of department—who it was considered ought to be above "N" but could not rank as Permanent Secretaries at "P"; this has not met with success. For a variety of reasons a number of officers were appointed to positions which were graded at "P". As a result the situation was reached whereby in the 1979/80 Financial Year there were three officers in Job Group "Q", 95 officers in Job Group "P", 31 in Job Group "ϕ" and 113 in Job Group "N". This does not appear to correspond to the generally accepted pyramidal structure and as a result there is lack of clarity in the reporting structure which could lead to a position whereby certain officers feel "equal" to their superiors. The slight changes that we have recommended on the salary grading structure will, therefore, only affect the top end of the structure where we have added two new Job Groups "R" and "S" at the top of the pyramid.

352. The creation of the two new job groups and the salary scales attaching to them is intended to not only remove the anomalies that exist in the top echelons of the Civil Service but also to reflect the immense responsibilities shouldered by officers at that level. The new Job Group "R" has therefore been added to formalize the special positions of the Permanent Secretary to the Treasury, the Controller and Auditor-General and the Chairman of the Public Service Commission. While we reiterate the principle of a special rate for the Permanent Secretary to the Treasury as was reinforced by the Ndegwa Commission, we consider that it is more appropriate to place the post in a job group separate from that of other Permanent Secretaries. We are convinced that apart from the Head of the Civil Service, this is the most demanding job in the Civil Service, considering its legal responsibilities and its accountability to the country. We therefore do not recommend the addition into this category of any other Permanent Secretaries as their responsibilities and accountability are not comparable. Indeed, the special position of the Permanent Secretary to the Treasury was recognized back in 1950 when it was graded at K£1,850 as compared with K£1,435 for Permanent Secretaries to other Portfolios. Moreover, the powers vested in that post by the Permanent Secretary to the Treasury (Incorporation) Act, 1962, and its responsibilities in the direction and control of all matters relating to the financial affairs of the Republic far surpass those of any other Permanent Secretary. We have placed the Controller and Auditor-General and the Chairman of the Public Service Commission in Job Group "R" in order to reflect their relationship with the Civil Service and the constitutional status of their positions. We fully endorse the Ndegwa Commission's assessment of the onerous burden carried by the Head of the Civil Service and their conclusion that apart from the President and Ministers, this is probably the most important and exacting appointment in the country. We have therefore recommended the creation of a new Job Group "S" for the Head of the Civil Service alone, in order to reflect his high responsibilities. Briefly, the changes we have introduced comprise:

(*a*) Absorption of officers in Job Group "ϕ", other than heads of major departments, into the new Job Group "N". Heads of major departments now at "P" will remain there while those who head major departments and are currently at "ϕ" will move to "P".

(*b*) Removal of Permanent Secretaries from Job Group "P" to Job Group "Q" which is the new job group only for Permanent Secretaries, Financial Secretary (formerly Deputy Permanent Secretary to the Treasury), Provincial Commissioners, Commissioner of Police.

(*c*) Creation of a new Job Group "R" applicable only to the Permanent Secretary to the Treasury, Controller and Auditor-General and the Chairman of the Public Service Commission.

(*d*) Creation of Job Group "S" exclusively for the Head of the Civil Service, Secretary to the Cabinet and Permanent Secretary in the Office of the President. For purposes of clarity and simplicity it is proposed this position shall be referred to as Chief Secretary.

353. It will be seen that in Job Group "P" we have included ambassadors who are already appointed. This is necessary because the officers concerned are already in that grade and there would be no justification to grade them otherwise. In the course of our inquiry, however, it came out very clearly that the practice followed so far of automatically grading an officer in the Permanent Secretary rank if he is appointed an ambassador leaves a lot to be desired. This has resulted in what we consider serious problems particularly when an ambassador finishes his tour in the foreign service and is posted back home into the Civil Service. There have been people who by virtue of their basic salary were in the same rank as Permanent Secretaries but yet the availability of posts did not make it possible for them to be appointed as such. As a result, there has been a feeling of frustration among the ambassadors posted back home and at the same time officers who were otherwise of the same seniority but had not had the chance to use the ambassadorial appointment as a short-cut to the "P" scale have not looked kindly to their colleagues who are enjoying higher remuneration than they would otherwise have if at some point in time they had not been appointed ambassadors.

354. We have given due consideration to this position and reached the conclusion that a serving officer who is appointed ambassador should take that apointment without automatically changing his rank. Thus if an undersecretary was appointed ambassador he should remain in the rank. Since it appears already established that ambassadors must be remunerated at a certain level, the differential should then be paid to the officer by way of a duty allowance after which he receives the normal foreign service allowance applicable to heads of missions. During his posting abroad, like other officers who serve in the foreign service, he will be considered for promotion in the normal manner. This arrangement will ensure that an officer's career progression is not unduly accelerated purely by his appointment to head a mission abroad. Application of this approach will remove the problem described earlier with regard to the stresses and strains that have arisen when ambassadors have been posted back home into the Civil Service.

355. We also strongly recommend a revision of the current practice whereby ambassadors are all seen as equal at least from the point of view of the grading within job groups and remuneration. While some missions might require to be headed by an officer in the rank of Permanent Secretary, it does not necessarily follow that all heads of missions should be ranked as Permanent Secretaries. Grading of missions and fitting the positions of their heads within the overall Civil Service structure appears to be long

overdue. What is stated here applies to Civil Service career officers and would not necessarily apply to non civil servants appointed ambassadors as their terms would be governed by a specific contract.

356. Positions so far designated as Deputy Permanent Secretary at "P" scale should no longer be created and should be phased out with their current holders who in the proposed salary structure would remain in Job Group "P". This, however, does not apply to the Deputy Permanent Secretary to the Treasury whom we have classified together with Permanent Secretaries in charge of ministries at new Job Group "Q" which should be exclusive for Permanent Secretaries, Provincial Commissioners, Commissioner of Police and the Deputy Permanent Secretary to the Treasury. Reasons for the Deputy Permanent Secretary to the Treasury being classified along with the Permanent Secretaries of the other portfolios are well founded and they include, among others, the fact that he, like Permanent Secretaries of other portfolios is the accounting officer of the Ministry of Finance.

357. In making these recommendations resulting in the slight changes in the grading structure we have largely been guided by what we consider to be practical. We have sought to clear the rather cloudy position pertaining within the top echelons of the Civil Service and in so doing we have had to introduce new grades which have increased the existing number of job groups from 16 to 17. The number of job groups is considered still manageable but we must emphasize that in operating the system any subjective regrading of jobs and placing them on higher scales should be completely avoided. A situation whereby it again becomes necessary to create a new job group because a certain category of officers have found their way into the Permanent Secretary's job group should not be allowed to recur. To avoid the problem of having to create the equivalent of Job Group "ϕ" in future, it is emphasized that upward movements from one job group to another shall be by promotion only and not by job regrading or re-classification to suit individual officers. As already stated in our review of the 1970s job reclassifications and regrading must be kept to a minimum and should only be done in the interest of improving efficiency in the service. Once this is accepted and followed systematically, we believe the Ndegwa Commission grading structure as now slightly revised should continue to form a sound base upon which gradual and consistent improvements can continue to be made.

Other Public Services

358. In Chapter X we have recommended that the Public Service Commission should be enlarged so as to cater for more sectors of the Public Service. We have also recommended that the Commissioners should be appointed from amongst senior and distinguished citizens and that their remuneration should reflect this seniority. We therefore recommend that

the Chairman of the Public Service Commission should be placed in Job Group "R" and that the other Commissioners and chairmen of the proposed service boards and the Secretary to the Commission should be in Job Group "Q" while Members of the service boards are placed in Job Group "P".

359. Besides the review of the Civil Service, we have also examined other sectors of the Public Service which are dealt with in separate chapters. We have made new and separate recommendations on the Judiciary which constitute a major departure from the past.

360. There are, however, certain sectors of the Public Service, which are not covered in this review, whereby those who serve there enjoy tax-free allowances or have access to tax-free or partially tax-free consumer goods and consumer durables within their remuneration package. It is our seriously considered view that to those in the Public Service who fit within this category our recommendations would not directly apply. It is arguable, and it might be argued, that erosion of real incomes by rises in the cost of living takes place uniformly across all income earning groups. This argument would hold in so far as it is applied to income earners who have a common starting point in all aspects and particularly with regard to mandatory deductions and payment of indirect taxes on goods and services. This common starting point does not exist between those in the sectors of the Public Service where tax concessions form part of the total remuneration package on the one hand and the rest on the other. In view of this, we are convinced that our recommendations can be used as a point of reference only in connection with those sectors of the Public Service not covered in our report but where no tax concessions are available. In case of those in the Public Service who enjoy tax concessions one way or another it must be appreciated that the tax concessions have the effect of cushioning the impact of rises in cost of living and this cushioning effect is not available to the rest of the Public Service. It follows, therefore, that if our recommendations are by any chance used as a point of reference in relation to those in the cushioned category, then it will be absolutely necessary to make appropriate adjustments to take cognisance of the beneficial effects of the tax concessions. Finally we would wish to underline the fact that our recommendations on remuneration should not, in any way, be used as an excuse to trigger new rounds of wage negotiations. Formal sector wages should continue to be dealt with in the normal way under the appropriate collective agreements and any attempts ever to bring revision dates forwarded should be disallowed.

LIST OF PROPOSED JOB GROUPS AND SALARY SCALES

JOB GROUP A: K£300×12–324×15–399×18–453 p.a.

JOB GROUP B: K£354×15–399×18–489×21–531 p.a.

JOB GROUP C: K£435×18–489×21–594×24–642 p.a.

JOB GROUP D: K£531×21–594×24–714×30–774 p.a.

JOB GROUP E: K£690×24–714×30–864×36–972 p.a.

JOB GROUP F: K£834×30–864×36–1,044×42–1,170 p.a.

JOB GROUP G: K£1,128×42–1,254×48–1,494×60–1,554 p.a.

JOB GROUP H: K£1,494×60–1,794×72–2,010 p.a.

JOB GROUP J: K£1,794×72–2,154×90–2,424 p.a.

JOB GROUP K: K£2,154×90–2,604×108–2,928 p.a.

JOB GROUP L: K£2,712×108–3,144×132–3,540 p.a.

JOB GROUP M: K£3,408×132–3,804×156–4,428 p.a.

JOB GROUP N: K£3,804×156–4,584×186–4,956 p.a.

JOB GROUP P: K£4,584×186–5,514 p.a.

JOB GROUP Q: K£5,328×186–5,514×216–6,378 p.a.

JOB GROUP R: K£6,162×216–6,594×252–7,350 p.a.

JOB GROUP S: K£6,846×252–7,854×288–8,142 p.a.

CONVERSION TABLE No. 1

JOB GROUP A

Present Salary Scale: K£219 × 9–264 × 12–324 p.a.

Proposed Salary Scale: K£300 × 12–324 × 15–399 × 18–453 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
219	300
228	312
237	324
246	339
255	354
264	369
276	384
288	399
300 312	417
324	435
—	453

CONVERSION TABLE No. 2

JOB GROUP B

Present Salary Scale: K£255 × 9–264 × 12–324 × 15–384 p.a.

Proposed Salary Scale: K£354 × 15–399 × 18–489 × 21–531 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
255	354
264	369
276	384
288	399
300 312	417
324	435
339	453
354	471
369	489
384	510
—	531

CONVERSION TABLE No. 3

JOB GROUP C

Present Salary Scale: K£324 × 15–399 × 18–489 p.a.

Proposed Salary Scale: K£435 × 18–489 × 21–594–642 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
324	435
339	453
354	471
369	489
384	510
399	531
417	552
435	573
453	594
471	618
489	642

CONVERSION TABLE No. 4

JOB GROUP D

Present Salary Scale: K£399 × 18–489 × 21–594 p.a.

Proposed Salary Scale: K£531 × 21–594 × 24–714 × 30–774 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
399	531
417	552
435	573
453	594
471	618
489	642
510	666
531	690
552	714
573	744
594	774

CONVERSION TABLE No. 5

JOB GROUP E

Present Salary Scale: K£531 × 21–594 × 24–714 × 30–744 p.a.

Proposed Salary Scale: K£690 × 24–714 × 30–864 × 36–972 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
531	690
552	714
573	744
594	774
618	804
642	834
666	864
690	900
714	936
744	972

CONVERSION TABLE No. 6

JOB GROUP F

Proposed Salary Scale: K£642 × 24–714 × 30–864 × 36–900 p.a.

Proposed Salary Scale: K£834 × 30–864 × 36–1,044 × 42–1,170 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
642	834
666	864
690	900
714	936
744	972
774	1,008
804	1,044
834	1,086
864	1,128
900	1,170

CONVERSION TABLE No. 7

JOB GROUP G

Present Salary Scale: K£864 × 36–1,044 × 42–1,212 p.a.

Proposed Salary Scale: K£1,128 × 42–1,254 × 48–1,494 × 60–1,554 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
864	1,128
900	1,170
936	1,212
972	1,254
1,008	1,302
1,044	1,350
1,086	1,398
1,128	1,446
1,170	1,494
1,212	1,554

CONVERSION TABLE No. 8

JOB GROUP H

Present Salary Scale: K£1,170 × 42–1,254 × 48–1,494 × 60–1,554 p.a.

Proposed Salary Scale: K£1,494 × 60–1,794 × 72–2,010 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,170	1,494
1,212	1,554
1,254	1,614
1,302	1,674
1,350	1,734
1,398 1,446	1,794
1,494	1,866
1,554	1,938
—	2,010

CONVERSION TABLE No. 9

JOB GROUP J

Present Salary Scale: K£1,446×48—1,494×60—1,794×72—1,938 p.a.

Proposed Salary Scale: K£1,794×72—2,154×90—2,424 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,446	1,794
1,494	1,866
1,554	1,938
1,614	2,010
1,674	2,082
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424

CONVERSION TABLE No. 10

JOB GROUP K

Present Salary Scale: K£1,734×60–1,794×72–2,154×90–2,334 p.a.

Proposed Salary Scale: K£2,154×90–2,604×108–2,928 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424
2,010	2,514
2,082	2,604
2,154	2,712
2,244	2,820
2,334	2,928

CONVERSION TABLE No. 11

JOB GROUP L

Present Salary Scale: K£2,154 × 90–2,604 × 108–2,820 p.a.

Proposed Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,154	2,712
2,244	2,820
2,334	2,928
2,424	3,036
2,514	3,144
2,604	3,276
2,712 / 2,820	3,408
—	3,540

CONVERSION TABLE No. 12

JOB GROUP M

Present Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Proposed Salary Scale: K£3,408 × 132–3,804 × 156–4,428 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,712 / 2,820	3,408
2,928	3,540
3,036	3,672
3,144	3,804
3,276	3,960
3,408	4,116
3,540	4,272
—	4,428

CONVERSION TABLE No. 13

JOB GROUP N

Present Salary Scale: K£3,144 × 132–3,804 × 156–3,960 p.a.

Proposed Salary Scale: K£3,804 × 156–4,584 × 186–4,956 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
3,144	3,804
3,276	3,960
3,408	4,116
3,540	4,272
3,672	4,428
3,804	4,584
3,960	4,770
*4,116 *4,272	4,956

*Salary points in the abolished Job Group "ø" added to Job Group "N".

CONVERSION TABLE No. 14

JOB GROUP P

Present Salary Scale: K£3,804 × 156–4,584 p.a.

Proposed Salary Scale: K£4,584 × 186–5,514 p.a.

Present Salary	*Proposed Salary*
K£	K£
3,804	4,584
3,960	4,770
4,116 4,272	4,956
4,428	5,142
4,584	5,328
—	5,514

CONVERSION TABLE No. 15

JOB GROUP Q

Present Salary Scale: K£4,584 × 186–5,514 p.a.

Proposed Salary Scale: K£5,328 × 186–5,514 × 216–6,378 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
4,584	5,328
4,770	5,514
4,956	5,730
5,142	5,946
5,328 } 5,514 }	6,162
—	6,378

CONVERSION TABLE No. 16

JOB GROUP R

Proposed Salary Scale: K£6,162 × 216–6,594 × 252–7,350 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	6,162
—	6,378
—	6,594
—	6,846
—	7,098
—	7,350

CONVERSION TABLE No. 17

JOB GROUP S

Proposed Salary Scale: K£6,846 × 252–7,854 × 288–8,142 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	6,846
—	7,098
—	7,350
—	7,602
—	7,854
—	8,142

CHAPTER XVII—SALARIES FOR THE JUDICIARY

361. In Chapter XII we have stressed the importance of adequate remuneration for the judges and magistrates in order to preserve the independence and impartiality of the Judiciary in recognition of the heavy responsibilities which they bear as final arbiters between litigants and between the individual and the State. We have also urged that more Kenyans should be recruited as judges and magistrates. This will depend increasingly on the ability of the Judiciary to attract senior members of the local Bar. If this is to be achieved, salaries in the Judiciary must be attractive. Kenya recognizes the accepted principle that a former judge should not return to practice as an advocate in Kenya. This being so, judge's remuneration on the Bench should take account of his restricted ability to earn a living after he retires. We know that these matters have not been carefully considered as yet particularly because judges have been recruited mainly from overseas, and we recommend that time has now come when rcruitment of local advocates to the Bench must now be given very serious thought.

362. Our stand on this matter should not be mistaken for a case to isolate the Judiciary from the other sections of the public sector. Members of the Judiciary must be identified with the social framework within which they perform their duties. Their salaries must therefore be founded on the same general principles as are applied elsewhere in the public sector. We cannot therefore recommend that they should receive salaries of a wholly different structure to that which we have proposed for the Civil Service. However we recommend that they should be placed in the higher income categories. We accordingly recommend that the Chief Justice should be placed in the Job Group "S", Justices of Appeal in Job Group "R" and Puisne Judges in Job Group "Q". Emoluments of Judges of the Court of Appeal and the High Court are determined by an Act of Parliament and not by the executive. Our recommendations must therefore receive the approval of the Parliament before they can be applied. We therefore recommend that the Constitutional Offices Remuneration Act be amended to put our recommendations into effect.

363. Administration in the Judicial Department is a duty carried out by the Registrar of the High Court. Judiciary is comprised of the Court of Appeal, the High Court, the magistracy which consists of the Resident Magistrate Courts and the District Magistrate Courts. Judiciary is therefore a large organization. The status of the Registrar of the High Court as the administrative head of the Judiciary should be recognized and appropriately remunerated. If our recommendation that the Judiciary should be a separate

entity is accepted, the Registrar of the High Court should then become the accounting officer for the department. Consequently, he would have to be placed in Job Group "Q" with other accounting officers.

364. We have failed to identify the post of the accounting officer in the Attorney-Generals' Chambers. When the post of the Solicitor-General existed, the holder thereof was the accounting officer. We recommend that when the post is identified, the holder should become the accounting officer for the Attorney-General's Chambers and he should similarly join the other accounting officers in Job Group "Q".

365. We have been informed that the employment of lay magistrates is being phased out and that in due course the courts will be manned by qualified advocates. We fully endorse this step which we are convinced will improve the administration of justice in this country. However, in order for the Judiciary to be able to recruit and retain qualified and experienced advocates in the magistracy a more realistic remuneration policy will need to be adopted. We therefore recommend, as we have done for other professional cadres, that the Government should undertake, as early as possible, a job analysis and evaluation exercise with a view to devising a career plan for magistrates so as to attract and retain the best lawyers in the Judiciary.

366. In making these proposals for improvement in the remuneration of the members of the Judiciary, we also wish to emphasize that no concession should be made for them to engage in any business whatsoever, except in ownership of land, building or any quoted public shares.

367. In Chapter XII we have recommended that there should be a formal training programme for the interpreters, judicial department executive officers, and the clerical staff. It will be for the Registrar of the High Court to agree with the Directorate of Personnel Management on a scheme of service for those technical officers who will receive the training which we have recommended. We consider the training which we have proposed for these officers to be of vital importance in the administration of justice and their salaries should be determined bearing in mind the important work which they will be required to execute. We recommend that after receiving the training they should not be transferred outside the Judiciary and that they should serve the Judiciary all over the country. This should reduce wastage and encourage them to make a career in the Judiciary.

JUDICIAL SERVICE

PROPOSED SALARY CONVERSION TABLES

TABLE NO. 1

DISTRICT MAGISTRATE III—SCALE

Present Salary Scale: K£1,170 × 42–1,254 × 48–1,494 × 60–1,554 p.a.

Proposed Salary Scale: K£1,494 × 60–1,794 × 72–2,010 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,170	1,494
1,212	1,554
1,254	1,614
1,302	1,674
1,350	1,734
1,398 1,446	1,794
1,494	1,866
1,554	1,938
—	2,010

TABLE NO. 2

DISTRICT MAGISTRATE II—SCALE

Present Salary Scale: K£1,446 × 48–1,494 × 60–1,794 × 72–1,938 p.a.

Proposed Salary Scale: K£1,794 × 72–2,154 × 90–2,424 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,446	1,794
1,494	1,866
1,554	1,938
1,614	2,010
1,674	2,082
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424

TABLE NO.3

DISTRICT MAGISTRATE I, RESIDENT MAGISTRATE AND DEPUTY REGISTRAR-SCALE

Present Salary Scale: K£1,734 × 60–1,794 × 72–2,154 × 90–2,334 p.a.

Proposed Salary Scale: K£2,154 × 90–2,604 × 108–2,928 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
1,734	2,154
1,794	2,244
1,866	2,334
1,938	2,424
2,010	2,514
2,082	2,604
2,154	2,712
2,244	2,820
2,334	2,928

TABLE NO. 4

SENIOR RESIDENT MAGISTRATE AND SENIOR DEPUTY REGISTRAR—SCALE

Present Salary Scale: K£2,154 × 90–2,604 × 108–2,820 p.a.

Proposed Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,154	2,712
2,244	2,820
2,334	2,928
2,424	3,036
2,514	3,144
2,604	3,276
2,712 } 2,820 }	3,408
—	3,540

TABLE NO. 5

CHIEF MAGISTRATE—SCALE

Present Salary Scale: K£2,712 × 108–3,144 × 132–3,540 p.a.

Proposed Salary Scale: K£3,408 × 132–3,804 × 156–4,428 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
2,712 } 2,820 }	3,408
2,928	3,540
3,036	3,672
3,144	3,804
3,276	3,960
3,408	4,116
3,540	4,272
—	4,428

TABLE NO. 6

REGISTRAR SCALE

Present Salary Scale: K£3,144 × 132–3,804 × 156–3,960 p.a.

Proposed Salary Scale: K£3,804 × 156–4,584 × 186–4,956 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
3,144	3,804
3,276	3,960
3,408	4,116
3,540	4,272
3,672	4,428
3,804	4,584
3,960	4,770
—	4,956

TABLE No. 7

PUISNE JUDGE SCALE

Proposed Salary Scale: K£5,328 × 186–5,514 × 216–6,378 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	5,328
—	5,514
—	5,730
—	5,946
—	6,162
—	6,378

TABLE No. 8

JUDGE OF APPEAL SCALE

Proposed Salary Scale: K£6,162 × 216–6,594 × 252–7,350 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	6,162
—	6,378
—	6,594
—	6,846
—	7,098
—	7,350

TABLE NO. 9

CHIEF JUSTICE SCALE

Proposed Salary Scale: K£6,846×252–7,854×288–8,142 p.a.

Present Salary	*Proposed Salary*
K£	*K£*
—	6,846
—	7,098
—	7,350
—	7,602
—	7,854
—	8,142

CHAPTER XVIII—SALARIES AND TERMS OF SERVICE FOR THE UNIVERSITY OF NAIROBI

368. On the 6th September, 1979, the University Council set up a committee to review the conditions and terms of service for the University staff. The committee was chaired by Mr. Isaac Lugonzo who was then the Vice-Chairman of the University Council. We shall therefore refer to that committee as "the Lugonzo Committee". But before we comment on the Lugonzo Committee, it is pertinent to mention the place of the University in the Public Service. The University may be considered as belonging to a category of the parastatals whose functions and role are quite different from most of the other parastatals except perhaps the newly created research institutes. The three functions of a university, namely the development and promotion of knowledge through research, the storing of that knowledge in such a manner that it is available to the world at large and, the transmission of that knowledge through training, makes a university an institution which must have a special atmosphere conducive to these activities. The right kind of atmosphere in a university community will attract both scholars and students even though there may be other more rewarding financial openings elsewhere. Although such an atmosphere is common to universities the world over, the universities are nevertheless national institutions which have to exist within the socio-economic conditions of the countries concerned. Thus in examining salaries and terms of service for the University of Nairobi, we have considered those conditions such as adequate facilities for teaching and research, opportunities to participate in international academic conferences which would contribute much to the generation of the right academic atmosphere in the University but within the capability of Kenya's economy to pay.

369. The Lugonzo Committee was appointed following the announcement which H. E. the President made on the 1st June, 1979, to the effect that there was to be appointed a committee to review terms and conditions of service for the Civil Service. We were appointed early in October 1979, and there was therefore an overlapping period when we worked parallel with the Lugonzo Committee. The terms of reference for the Lugonzo Committee were not dissimilar to our own, and although our terms of reference covered a wider perspective of the Public Service, the Lugonzo Committee covered the area which our Committee would have covered had our terms of service covered the University.

370. When the Lugonzo Committee report was finalized the University Council recommended that the report should be referred to this Committee so that we may compare our findings and those of the Lugonzo Committee

and seek to harmonize where possible the terms and conditions of service in the public sector. One of the terms of reference of the Lugonzo Committee was in fact relevant in that it required the Lugonzo Committee to examine and make recommendations on:

> "The salaries and conditions of employment in other organizations in Kenya that are potential employers of the kind of person suitable for university teaching."

371. We have studied the Lugonzo Report and we have found that although there exists differential in actual levels of salaries, the differential is minimal and can be accounted for by the fact that the University staff are on a superannuation scheme that is contributory whereas civil servants are on free pension. Consequently and although the University salaries and wages are slightly higher than those that obtain in the Civil Service, we have decided not to tamper with the salaries that were recommended by the Lugonzo Committee. We recommend that the University Council adopts the Lugonzo Committee salaries and wages proposals. In addition, since actual salary awards to different members of the University community must be consistent with the tasks and functions of the staff concerned, the Committee recommends that the levels of emoluments of the staff of the University be looked at from time to time by the University Council. The Committee therefore mainly concerned itself with evaluating the general levels of emoluments; that they are within the range that the country can afford and are not too inconsistent with the levels of remuneration for other services in the country. In the light of the Committee's recommendation on new salary scales for the Civil Service, the proposed level of remuneration for University staff is reasonable. We further recommend that the Vice-Chancellor's salary should be within the range of the proposed scale "S".

372. As regards housing and house allowances, the findings of the Lugonzo Committee are similar if not identical to our findings. Thus for instance, we have found that the Government policy on housing should not have meant that the Government should have discotinued building institutional and pool houses. We have recommended as has the Lugonzo Committee that institutional houses should be built in greater numbers. The Lugonzo Committee has found that the rates for house allowance for both the owner-occupier and for privately rented accommodation are too low. This is identical to our finding. We have recommended a formula which relates the allowances to the earning capacity of the recipient and which will therefore rise following the rise in emoluments. We recommend that the University should adopt the formula we have designed.

373. We have recommended that a married woman should be entitled to housing allowance when the exigencies of work require that she should live separately from the joint home and when she is separated or is about to be separated from the husband legally. We recommend to the University

Council that they adopt what we have recommended for the Civil Service with regard to housing for married women. This will remove the element of discrimination that exists and that is wrongfully based on the marital status of women.

374. In regard to the allowances and other terms of service we have recommended that the house to office mileage allowance should be abolished. We have adopted the reasoning expressed by the Ndegwa Commission Report in paragraph 785 of their report which reads as follows:

> "An employee cannot accept employment unless he presents himself at the place of work. Officers must be allowed to live where they will, having been provided with a housing allowance, and present themselves at the place of work."

375. We have also found that in the Civil Service the house to office allowance is discriminatory in that it is given only to those who possess cars, and it restricts the distance to 8 km. We recommend that the University Council should not accept the Lugonzo Commission recommendation and that the house to office mileage allowance should be abolished.

376. The other terms of service should in general be in line with those recommended for the Civil Service elsewhere in this Report.

377. The Committee has already emphasized the importance of appropriate academic atmosphere at the University. Such an atmosphere cannot exist if members of staff engage excessively in private businesses and other non-academic activities and in this regard we draw the attention of the Uni-University Council to our chapter on the national philosophy and private interests. We recommend that the principle laid down on private interests should apply to the University staff. The Committee therefore strongly supports the proposal to establish consultancy units within departments and faculties through which academic staff can offer their expertise to the nation and receive some financial reward in return. The Committee stresses that only issues requiring genuine consultancy service should be dealt with by these units so that both the research work of the departments and the teaching process can also be served by such consultancy work. It is vital that such units do not concern themselves with bread and butter problems that can be dealt with by relevant Government or public institutions or other professional bodies outside the University.

CHAPTER XIX—CIVIL SERVICE: OTHER TERMS AND CONDITIONS OF SERVICE

HOUSING

378. Housing is a very significant element in the civil servants' terms and conditions of service. At present, civil servants are eligible for housing provided by Government or for an allowance in lieu. Married women are also eligible for housing but under certain conditions which appear discriminatory. It has never been possible for Government to provide housing for all the civil servants owing to the fact that supply of Government houses has always been well below demand and hence, while some civil servants have been housed in Government quarters, others have been housed in Government rented houses, privately rented houses and in owner-occupied houses.

379. Previous commissions from Lidbury through Ndegwa examined the question of housing civil servants and they all appear to have taken the view that Government should eventually aim at "paying a clean wage" and divesting itself of the responsibility of housing civil servants. It is significant, however, that while they took this view they never came out boldly with a recommendation that civil servants be paid a consolidated salary and be left to look for accommodation wherever they find it. This, we consider, was because of the various practical problems related to such things as transferability, and more basically the overall supply position for housing. While civil servants still remain transferable, the supply position with regard to housing is now worse than at any time before. It had been hoped that development of houses by local authorities and other developers would improve the supply situation and thus make it possible for most of the civil servants to be housed away from Government-owned or rental quarters. The Government shared this hope and endorsed it in Sessional Paper No. 5 of 1966/67, the 1970/74 Development Plan, Sessional Paper No. 5 of 1974, and in the 1974/78 Development Plan which stated at paragraph 21.38 that:

> "Institutional and pool housing for civil servants will be provided only where essential for those working in Government institutions or in remote stations. The Government does not intend to provide housing for all its staff and will encourage civil servants to own their own houses through mortgage institutions."

380. As stated in the 1974/78 Development Plan, the policy appears reasonable but what appears to have happened is that there was no carefully and systematically assessed approach to the policy leading to a

sustained house construction programme over time. Not much has been done to encourage civil servants to acquire their own houses either. The same policy is reflected in the current development plan 1979/83 in which it is stated at paragraph 5.168 that:

> "The Ministry of Housing and Social Services, in conjunction with the Office of the President, will continue to formulate the overall policy on pool housing for Government servants. In line with the general theme of the plan, the main part of the resources available for pool housing will be channelled towards houses for the junior cadres in the Civil Service. Government will also encourage civil servants to own their own houses through staff mortgage schemes so as to ease the pressure on pool housing. Schemes will be designed to cater for the needs of civil servants in the lower income brackets. The planning and implementation of institutional housing will remain the responsibility of individual ministries. However, the Ministry of Housing and Social Services will have overall responsibility for policy guidance and the standards applicable to housing."

381. While this is sound as a general policy, it appears that Government has, over the years, not really made any attempt to quantify the problem of housing civil servants both in terms of the overall numbers required and in terms of the geographical spread. Since the actual magnitude of the problem has not been quantified and Government policy as reflected in various sessional papers and development plans aims at the Government eventually divesting itself of responsibility of housing civil servants, a situation has arisen whereby Government is already "divesting" itself of the responsibility before ensuring that the position with regard to housing is such that the divesting process could start. Local authorities, and such other developers as National Housing Corporation whom it was expected would over the years turn out houses in sufficient numbers to make this policy practical, have not lived up to those expectations. At the same time, Government effort in the field of increasing houses for civil servants has not been impressive. Information available reveals that while in December 1969, there were 24,383 Government housing units, there were 29,833 units in December 1979, an increase of only 5,450 units over a period of 10 years. Meanwhile, the civil service establishment increased from 73,072 employees in December 1969 to 163,885 in December 1979. Tables 5.28 and 5.30 on pages 179 and 181 of the current development plan show that during the current plan period, Government will spend K£7,358,800 to provide 1,660 pool housing units, K£12,520,000 to provide 2,600 institutional housing units and K£2,450,000 to provide 843 mortgage housing units for civil servants. These figures appear small compared to the size of the Civil Service. On the average they will introduce only some 1,020 new housing units for the Civil Service per year during the current plan period. Provided these figures can be met, however, there will be a total of 5,103 new units over the plan period which

would be a real improvement over the 5,450 units introduced into the Civil Service housing stock over the period 1969-1979 although far from meeting the requirements.

382. While it is not possible to disagree with the stated long-term policy, experience has shown that it will be long before the stock of housing in the country is sufficiently large to enable Government to divest itself of the responsibility of housing civil servants. Pressure on available housing is heavier than ever before and prices and rents have multiplied almost three-fold over the last decade. The Civil Service today is more desperate for housing than it ever was. The time when Government would pay a "clean wage" and divest itself of the responsibility of housing civil servants with a clear conscience is farther away now than it was when the Ndegwa Commission reinforced the Millar Craig views nearly a decade ago. Probably, this could be illustrated by a look at the overall housing requirements for the country as spelt out in the Fourth Development Plan 1979–83 which indicates that during the plan period, 90,000 new housing units will be required annually in the rural areas while a further 125,000 units will need to be constructed each year to replace existing houses which are beyond repair; thus the total estimated requirement for the rural areas during the plan period is 1,075,000 housing units. In the urban areas the total housing requirement for the period is 290,000 units. This includes the current shortfall of some 140,000 units and an annual requirement of 30,000 units to cater for the expected increase in urban households during the plan period 1979–1983. What the Committee has not been able to do due to time constraints and difficulties in obtaining properly analysed data is to isolate that part of the national requirements relating to the Civil Service. It is recommended that this should be done and, once the figures are accurately established they should then form the target or basis of what should be the Government's contribution towards increasing the housing stock within the declared long-term policy of increasing pool and institutional houses and encouraging civil servants to acquire their own houses.

Government Owned Houses

383. Notwithstanding the wisdom in the long-term policy, we consider that Government, like any other employer, is nonetheless obliged through the Employment Act to provide housing for its employees. Government should in fact set the pace in this regard. Factors such as the fast growth rate of the Civil Service and the transformation of some old district centres like Embu and Kakamega into provincial headquarters have led to a pressing need for pool housing. At times posts have remained unfilled in the rural areas for lack of accommodation. It is therefore important that as a matter of urgency, provision of pool and institutional housing be taken as a priority.

384. We recommend that Government should immediately embark on an ambitious building programme aimed at reaching near self-sufficiency in Government-owned housing for civil servants, with priority being given to housing development in the provinces and districts. The large sums of money spent on leasing houses should progressively be diverted to construction of more Government pool houses. As indicated earlier, the requirements in terms of numbers and types as well as the geographical distribution must be accurately assessed and the Government should then draw up a housing programme to be implemented over a specified period on a sustained basis. We further recommend that the responsibility of building and maintaining houses for civil servants be left with the Ministry of Works after the priorities have been decided upon and the building programme seen through by the appropriate authority as defined in the Development Plan. We see merit in recovery of rent for Government quarters at current rates to provide funds for maintenance of the quarters. Accordingly, we recommend that this practice should continue.

Owner-Occupied Housing

385. The Ndegwa Commission recommended that Government should explore ways and means of providing assistance towards civil servants' house ownership. Government accepted the recommendation *vide* paragraph 109 of Sessional Paper No. 5 of 1974, but while a start was made with 19 houses at Kileleshwa in 1971 and 310 houses at Racecourse Road between 1971 and 1976, there has been no sustained effort. It is, however, understood that 261 houses are being planned for Langata and 35 at Mombasa to be purchased by civil servants under the Government Staff Mortgage Scheme. Taking into account the fact that overall supply situation with regard to housing continues to deteriorate, and since self-sufficiency in Government housing is inevitably a long-term objective, we recommend that a reasonably sized scheme for owner-occupied housing be sponsored by Government for its employees. The introduction of such a scheme should be seen in the overall context of Civil Service housing requirements and a definitive position should be reached whereby a sustained programme catering for different grades of civil servants is undertaken without the sort of lapses recorded between 1976 and 1980 being repeated. To have a sustained programme with an agreed minimum of housing units per year, careful planning is required to ensure the availability of serviced land, appropriate plans reasonably priced for the target income groups of civil servants to be catered for and, finally, the availability of resources to fund the long-term loans.

386. Previous experience shows that funding of this type of programme from annual budgets is not conducive to having a sustained programme. There is the basic problem of competing needs and with the type of planning indicated above which could take time, the financial year could end before a given housing project had reached a stage where the funds for the given

year had been drawn. To reach the situation whereby such a programme could be funded on a continuous basis, it is recommended that a revolving fund be set up to be administered by an agency specialized in mortgage finance on behalf of Government with the sole aim of ensuring that Government Staff Mortgage Schemes are carried out on a continuous basis. It is not possible to give an indication as to what the size of the fund should be because the provision of mortgage housing is one of the three ways of solving the civil servant housing problem along with the increase in pool and institutional houses.

387. Meanwhile, as a start in this direction, the funds required for the two schemes currently being planned for Langata and Mombasa, the amount of which will be established when the planning is completed, could be considered as the starting point if the proposal to set up a revolving fund is accepted. Resources applied to the proposed fund could be obtained from such sources as commodity loans, provided these are of a long enough duration to allow long-term lending on normal mortgage terms. Terms of loans given to civil servants under this scheme would have to be clearly defined and could be made beneficial from the point of view of assisting the civil servants in overcoming such difficulties as the raising of the down-payment. It would have to be a basic requirement that an officer who gets a house under this scheme stays in that house unless he is posted to a different station. He should, therefore, not be considered for Government pool or institutional housing at the station where his house is.

388. House allowance for owner-occupants is calculated on the basis of 15 per cent of the capital cost of the property less the rental payable for equivalent Government quarters, subject to specified ceilings. The Ndegwa Commission had recommended that this percentage should be reduced to 10 per cent five years after 1971 but this was not done clearly owing to the turbulence in the housing market. Although these ceilings have been revised from time to time, they have not kept pace with the escalation in the cost of building materials and purchase prices of houses in the open market. We consider that the owner-occupier should be encouraged to stay in his house through payment to him of an adequate house allowance. In this connection, we recommend that for officers who acquire houses through their own initiative and without Government assistance, a reasonable rate of house allowance should be paid so as to persuade the owner-occupier to desist from leasing the house in the private market. Those who acquire houses through Government arranged financial assistance must stay in the houses and be disqualified from acquiring Government pool or institutional houses at the same station. The system of fixing ceilings on capital cost could be, and normally is, valid at a time when a given house is acquired within the operative ceiling. It, however, tends to get out of gear with the passage of time particularly given the continuous rises in the cost of construction and prices of houses. Applying a ceiling fixed in 1975 to an officer who acquires

a house in 1980, for instance, will inevitably place him at a disadvantage *vis-à-vis* an officer who had acquired an identical house in 1975. An examination of cost movements in the various housing estates reveals that a house which had a capital cost of £5,000 in 1975, for instance, would require nearly twice as much to construct or buy in 1980. It is quite clear, therefore, that notwithstanding regular revisions of the ceilings officers who acquire houses sometime after a new ceiling has been fixed are inevitably disadvantaged.

389. Examination of owner-occupied house allowance due to officers in a random sample of some job groups on the basis of current capital ceilings reveals that this allowance as a percentage of basic salary, varies from 25.9 per cent through 66.67 per cent to 101.23 per cent working on the maximum points of the current scales. Similar percentages for the same sample but taking the figures at mid point of the scales are 32 per cent, 80.65 per cent and 124.06 per cent respectively. In all cases the privately rented house allowance is below 50 per cent of the owner-occupied house allowance. The divergence of these percentages clearly shows the complete absence of any logic in reaching the various levels of house allowance. This in turn, adds to the problem of dealing with housing which we are seeking to streamline by introducing a logical basis on which these allowances would be worked in future.

390. To resolve this problem it is considered that assessment of owner-occupied house allowance should cease to be related to fixed ceilings and, instead, should be related to the officer's income from employment as any officer's ability to acquire a house for owner-occupation is in fact a function of his or her income. In this context, only income from employment in the Civil Service will be considered. By so doing we shall establish a logical definition of a house which a given officer could afford to live in if the supply position in the housing market so permitted. When any person, including a civil servant, wishes to purchase a house the maximum loan he can raise under the most favourable terms from mortgage institutions is equivalent to three times the person's annual income subject to the total amount not exceeding 90 per cent of the cost or valuation of the house whichever is lower. It follows, therefore, that in the ordinary course of business, a person can buy a house on mortgage provided three times his annual income is equivalent to 90 per cent of the cost. A loan granted on these terms over a fifteen-year period would then require the borrower to apply approximately 35 per cent of his monthly income towards servicing the mortgage. Having regard to this formula which in effect defines the cost of a house, an officer can be able to buy on the basis of his income, and in this context taking income to mean the officer's salary, then it is proposed that fixed capital ceilings which tend to get out of date with the passage of time be discontinued and, instead, the owner-occupier house allowance be assessed on the basis of 12.5 per cent of three times an officer's basic salary multiplied by a factor of 10/9. The current practice whereby rent deduction is effected as it would have been if

the officer was occupying Government quarters should be discontinued since the owner-occupier is responsible for the maintenance of his house. We strongly recommend that this formula should also be applied to assess the house allowance payable to officers who live in privately rented houses to remove the currently inequitable system which leaves the civil servants who uses this type of accommodation grossly disadvantaged.

391. The application of this formula could, in some cases, give an officer a house allowance below what he is receiving today particularly in cases in the lower job groups where a person is in receipt of owner-occupied house allowance. This is possible because of the percentage relationship showed earlier on between owner-occupier house allowance and basic salary. In such cases, those affected should continue to receive the house allowance they have been receiving until such time as the figure fits in the new scheme of things. For all other cases, the formula should apply.

Privately Rented Housing

392. Available information indicates that Government pays £13,925,788 annually as house allowance for privately rented and owner-occupied accommodation to some 77,054 civil servants. It has not been possible to split this number into the two categories.

393. In a situation where there is an acute shortage of housing stock, it is not difficult to imagine the plight of the group of civil servants who rent accommodation privately. A survey of the open market rents for the type of houses which officers would normally be expected to occupy leaves no doubt that the current rates of house allowance are grossly inadequate. This forces civil servants to live in sub-standard housing and sometimes in downright undesirable premises with consequential loss of morale and efficiency. Until the stock of housing in the country is sufficiently large, the market rents will keep rising with demand. It should be appreciated that the officer who lives in privately-rented accommodation only does so because he or she has not been able to find accommodation in Government quarters or has not been able to obtain owner-occupied housing normally because of the inadequacy of supply. As was clearly indicated by the Ndegwa Commission in their subsidy approach, the officer using this type of accommodation was and continues to be the most disadvantaged. Since the officer normally takes this type of accommodation as the last resort, and usually with a measure of desperation, making conditions of paying this officer's house allowance difficult, and they are difficult by present practice, really just stops short of adding insult to injury. He already feels desperate at the failure to have access to the other two more reasonable forms of accommodation available to those of the civil servants who had more points and more luck.

394. It is our considered view, therefore, that house allowance for an officer living in privately-rented accommodation should be assessed on exactly the same basis as we have recommended for those officers living in owner-occupied houses. In reaching this conclusion, we have been influenced by the fact that in virtually all cases officers using privately rented accommodation would have liked to be accommodated either in Government quarters or in owner-occupied houses if the supply position had so permitted. Representations have been made to us against the current practice with regard to payment of allowances to officers occupying privately-rented houses. Current requirements whereby rent receipts and books must be produced does amount, as indicated earlier on, to adding to difficulties of an officer who is already subject to strain because of the category of accommodation he has had to take as a last resort. Our inquiries indicate that current practice can and probably does encourage cheating whereby officers enter into some arrangements with landlords to be issued with "appropriate" receipts; besides, the amount of clerical time taken on this exercise appears to have very little justification. It is our considered view, therefore, that the requirement that an officer living in privately-rented accommodation must produce receipts should be discontinued and such officers should be paid their house allowance without having to produce receipts once that allowance has been determined on the basis of the formula applicable to owner-occupiers.

Housing for Married Women

395. The current regulations regarding housing for married women officers are in our view somewhat discriminatory. While we do not consider it appropriate to extend eligibility for housing to a married woman officer who lives together with a husband who is already housed out of public employment, we recommend that a married woman officer whose husband is not a public servant should be eligible for housing privileges in respect of her employment. Where both husband and wife are in the Public Service, we recommend that their housing benefits be determined on the basis of the spouse who qualifies for the better allowance. We also recommend payment of house allowance to a married woman officer who is divorced or separated from her husband following a Court Order, or when she lives separately awaiting for determination of divorce or separation proceedings actually pending before a court of law which has jurisdiction to hear and finally determine the matter.

296. In reaching our conclusion and recommendations on the housing of civil servants, we have taken into account the fact that whether the Government moves to the point where it "pays a clean wage" or not there is no question of Government effecting savings on this front. This is so because, as indicated earlier, housing is one of the most important elements in the civil servant's terms and conditions of service and the Government commitment either to house the civil servants or, pay them an allowance in lieu, continues. As already shown, the problem is one of supply of housing units

rather than whether Government should house civil servants or not. It follows from this, therefore, that while we have made recommendations on how to reach what we consider fair rates of housing allowance, the most basic recommendation we have made is that the problem with regard to the supply of housing to civil servants should be accurately identified and quantified so that a sustained programme to improve the supply position on all three fronts, namely institutional, pool and owner-occupied housing, could be undertaken. Unless this is done as a matter of high priority, the situation with regard to the housing of civil servants will continue to deteriorate even at a faster rate than recorded in the decade just ended.

LEAVE

Annual Leave

397. The Ndegwa Commission considered the leave enjoyed by civil servants at that time to be excessive and recommended that it be reduced to 30 calendar days for officers earning £690 per annum and above, and 21 calendar days for officers earning less. With regard to the Kenya Police and Kenya Prisons Service, the Commission, recognizing the special nature of their duties, recommended 30 calendar days' leave for non-commissioned officers and 36 calendar days' leave for all other officers of the rank of Inspector and above. The Commission also discouraged the practice of accumulating leave and recommended that each officer should spend his entire leave entitlement within a "leave year" (1st January to 31st December). In the course of implementation, it was realized that the system caused hardships to many officers, particularly when they found it necessary to be away on leave due to unforeseen circumstances, after having exhausted their leave entitlements. Consequently, Personnel Circular No. 9 of 1974, was issued which made a provision that an officer could carry forward from one leave year to another, not more than one-half of his annual leave.

398. We have not found sufficient cause to make us recommend leave of more than 30 working days. For those earning 21 working days, however, we propose that they be granted 24 working days instead. With regard to accumulation of leave, although we have been urged to recommend the lifting of the present restriction, we are satisfied that there exists provision for considering special cases which might arise as a result of exigencies, and this provision should therefore continue unaltered.

399. We have examined the present arrangement where an officer who has taken his/her annual leave is required to come back and serve for a minimum period of three months before he could retire or resign. This arrangement in our view, does not serve any useful purpose as that officer will not be productive but will only be waiting for the time to elapse. We therefore recommend that this arrangement should be discontinued.

400. We have also been urged to increase the number of travelling days when one is proceeding on leave from North-Eastern Province. We consider that as the transport system continues to improve countrywide, three days should be enough for one to travel from his station to any destination in the Republic. We therefore find the present six days to be adequate.

401. Lastly we recommend that the provision in the Code of Regulations that leave is not a right should be removed. The Employment Act provides for leave for all persons in wage employment and Government as a leading employer should not be seen to imply a denial of this right to its employees.

Leave Allowance

402. The current practice as spelt out in Personnel Circular No. 1 of 1973, and amended by Personnel General Letter No. 15 of March, 1976, provides for what is termed as "Travelling Privilege and Baggage Allowance" for an officer on his annual leave. An officer's wife and children under 22 years of age are covered under this privilege. Free transport is provided, and for this purpose it means transport by rail or by bus or both, to an officer's home. When an officer travels by rail, he is issued with a return railway warrant and when he travels by bus, he is refunded, on production of bus tickets, the cost of transport by bus. If he uses his own car he is reimbursed his travelling expenses subject to a maximum amount which it would have cost the Government had he travelled by rail or by bus. In this event an officer is required to produce satisfactory evidence of having travelled to the leave destination. We have received numerous representations to the effect that this privilege is easily abused and that the procedure for reimbursement is cumbersome. We therefore recommend replacement of this Travelling Privilege and Baggage Allowance with a new allowance to be called "Leave Allowance".

403. Leave Allowance would be paid to each officer, once a year, when proceeding on annual leave of a duration of at least half his leave entitlement. The allowance would be non-accountable and in this case destination while on leave would not be of any consequence. The allowance would also subsidize for any baggage expenses an officer might incur.

404. We recommend the following rates:

Job Group	*Leave Allowance*
	K.Sh.
"Q" and above	1,400
"L" to "P"	1,200
"H", "J" and "K"	1,000
"F" and "G"	800
"C", "D" and "E"	600
"A" and "B"	400

405. We further propose a provision that an officer may opt to make use of a railway warrant or road requisition for purposes of travelling on leave to any destination in Kenya, in lieu of Leave Allowance, provided that any travelling expenses over and above what the warrant or requisition allows would be the responsibility of the officer.

Maternity Leave

406. The Ndegwa Commission held the view that female officers should not be granted paid Maternity Leave. They pointed out that although women have to be given equal opportunities in employment, that could only be justified where the overall cost of female labour was equal to cost of male labour. The Commission felt that where the cost of female labour was higher because of the provision of the paid maternity leave, there would be a tendency to look for male labour. They further argued that where service was broken because of maternity leave, efficiency suffered.

407. The Employment Act recommends two months maternity leave with full pay and forfeiture of annual leave for that year. However, the practice in the Civil Service is that female officers are granted two months maternity leave and in addition, they are granted annual leave in that particular year. The Government in this case has been very generous. We consider that female officers in the Civil Service should not be treated differently from those in the other sectors.

408. In view of this, and having regard to the provisions of the Employment Act, we recommend that female officers in the Civil Service should continue to be granted two months maternity leave but forfeit the annual leave.

Sick/Convalescent Leave

409. Before the Ndegwa Commission, officers were granted six months sick leave with full pay and six months on half pay. Ndegwa Commission found it to be out of line with the modern practice and reduced it to three months sick leave with full pay and three months with half pay in any one year.

410. We propose no changes in the present rates but where an officer is injured whilst on duty he should continue being paid full salary until he is medically declared unfit for continued employment, and consequently retired.

Special Terminal Leave

411. This type of leave is granted to those officers on permanent and pensionable terms or officers on contract. We have not found satisfactory reasons why this type of leave was introduced and we therefore recommend

that it be discontinued. We propose that the officer who retires should be granted his annual leave which will be calculated, as a proportion of the part of the year he will have worked.

LOANS AND ADVANCES

Loans Advanced to Civil Servants

412. We have been urged to look into the loan system that is followed in granting advances to civil servants. Officers have particularly complained that the principles followed in granting loans are those that prevailed before independence when the majority of civil servants were expatriates. In those days almost all civil servants were housed by the Government. The size of the Civil Service was such that the Government could afford to house all of them. The local employees who were in the Civil Service at that time were in the lower echelons of the Service and as a policy they were housed in institutional houses or they lived near their places of work. It was therefore not necessary for Government to grant loans for the purchase of houses. The main item for which civil servants required loans was a motor vehicle.

413. Looking at fringe benefits generally, a motor vehicle commands a very important place in the facilities accorded to civil servants. It is the only item for which there is a formal loan scheme organized by the Government. We have consequently been asked to arrange priorities in their correct order. Most of the civil servants that we interviewed gave house loans as the top priority. This was followed by a loan for the purchase of land. We were told that sometimes it is necessary for an officer to buy a piece of land before he can think of building a home. Other times it becomes necessary for an officer to buy a piece of land in the rural areas where he constructs a modest dwelling house in order to provide security on retirement or for settling dependent relations. Third in the list of priorities are goods which for want of a better term we have called "consumer durables". These are furniture, cookers, refrigerators, television sets, bicycles or motor cycles and purchase of quoted stocks and shares. An item entitled "home improvement" is also included in this category. The loan would then be used for painting the house or for actual extension of the house.

414. The evidence we have received tends to show that where an officer buys a house or occupies a pool or institutional house for the first time, he experiences great hardships in trying to get these important items of modern living. The only category of officers presently entitled to only one item of the consumer durables, i.e. refrigerators are those who live in North-Eastern Province and adjoining areas. We have been urged to do away with this system as it is confined to the so-called hardship areas.

415. We have considered the evidence tendered before us and we believe that Government should give strong consideration to a more widespread loan system. Officers should have a sense of belonging in the Civil Service. Security of tenure coupled with this sense of belonging is what would give civil servants an incentive to remain and to make a career in the Civil Service. In considering whether or not to extend loan facilities to cover more items than hitherto Government should formulate rules which will ensure that loans are granted—

(i) in accordance with an officer's ability to repay; and

(ii) to those who have given loyal service for a definite period of time.

416. In some type of loans, the Government should not insist on security for the loan as indeed for those in the lower echelons security may not exist. This therefore is the time when the officer's loyalty and length of service should be carefully scrutinized in order to ascertain the likelihood of loan repayment. In the majority of cases, the item purchased could serve as the security for the loan. Thus for instance when an officer purchases a house and he requires a loan to cater for the deposit required by the building society, the Government should accept a second mortgage over the house. It has also been suggested that the Government should look for funds which can be lent to its officers at low rates of interest. After considering all the foregoing factors, we recommend that the Government should strongly consider instituting house loans for its employees. The Government could enter into arrangement with any or all of such institutions as the Kenya Commercial Bank Ltd., National Bank of Kenya Ltd., and Savings & Loan Kenya Ltd. whereby the institutions shall lend money to civil servants for the purpose of purchasing a house or a piece of land on which to construct a house on the following terms, amongst others—

(1) the officer who is to borrow money must have been in the service for a minimum period of three years;

(2) the lending institution could lend up to 100 per cent of the valuation of the property to be purchased. If the lending institution has a rule that it does not lend 100 per cent of the valuation of the property to be purchased, it could lend over and above the limit but the amount so lent over and above the limit should be guaranteed by the Government;

(3) the property to be purchased must be valued by a qualified valuer nominated by the lending institution and the cost of the valuation must be met by the loan applicant;

(4) the loan shall be secured by a legal mortgage of the property to be purchased and where the Government is giving a guarantee to meet the difference between the lending limit of the institution and the total purchase price, the Government should take a second mortgage;

(5) the property purchased must be comprehensively insured and the interest of the lending institution and the Government, as the case may be, shall be noted on the policy;

(6) interest on the loan should be low and related to the officer's ability to pay.

(7) loans for the purchase of a house or of a piece of land are granted on the condition that officers will live in the houses purchased or houses constructed on the piece of land purchased; except where an officer may wish to buy a piece of land and construct thereon a house in the rural areas.

417. Loans for consumer durables should be granted only for the following purposes:

(1) Consumer durables including furniture, curtains, refrigerators, cookers and television sets.

(2) Bicycles or motor cycles.

(3) Home improvement loan provided this will not exceed a sum of K.Sh. 50,000.

418. To qualify for this type of loan an officer must have worked for a minimum of one year and the Government must first ascertain that he is a person who is likely to continue in the service for longer than three years. The loan to be advanced should be a maximum of six months' salary before deductions and the officer must provide at least 10 per cent of the cost of goods or shares to be purchased. The officer must also produce invoices and receipts as evidence of the purchase and where shares are purchased share certificate and transfer form signed in blank is to be held as security. Loans for these items are to be repaid within 30 months and a personal loan must be paid off completely before another personal loan will be granted. We suggest that the small personal loans for consumer durables and other items specified above should be charged interest at 3 per cent per annum.

Advances for Purchase of Motor Vehicles

419. We have considered the existing scheme for the purchase of motor vehicles and are satisfied with the arrangements. We have, however, received representations to the effect that the present levels of advances are too low to enable an officer to buy a good motor vehicle which is less than three years old. It is true that prices of motor vehicles have in the last few years gone up considerably. The last review of the car loan advances was done in April 1978, during which the amount of the advance was restricted to a maximum of K.Sh. 48,000 for officers in Job Group "L" and above, a maximum of K.Sh. 36,000 for officers in Job Groups "J" and "K" and K.Sh. 24,000 for officers in Job Group "H" and below.

420. In view of this escalation in the cost of motor vehicles, we recommend that the levels of advances be adjusted upwards as follows:

Job Group	*Maximum Loan Advance*
	K.Sh.
"L" and above	60,000 to 90,000
"J" and "K"	48,000 to 72,000
"H" and below	36,000 to 48,000

We also recommend that an officer should be advanced a loan equivalent to one and a half years' his basic salary or the maximum loan applicable to his job group, whichever is less, and that the loan repayment period be increased from four to five years.

Overhaul of Motor Vehicles

421. The Ndegwa Commission maintained that assistance from Government should be limited to the initial purchase of the vehicle and that its maintenance should be the sole responsibility of the owner. This recommendation was however rejected by the Government in Sessional Paper No. 5 of 1974, on the grounds that it was inconsistent with the spirit under which the Government grants advances for the purchase of motor vehicles.

422. We have considered evidence presented to us in this connection and we find that there is merit in making available such advances to officers. Indeed, the older the car the more mechanical problems it is likely to develop and the more expensive it becomes to maintain. And as we have argued above, officers would have a sense of belonging if the Government considers all the requirements of the civil servants however small they may be. We accordingly recommend that this scheme should not only continue but should also be extended to cover even those cars for which owners have no loan liabilities. We also recommend that in view of the increase in the cost of spare parts, the amount that can be advanced for overhaul of motor vehicles be increased to K.Sh. 10,000.

ALLOWANCES

Accommodation Allowance

423. Before the Ndegwa Commission, there were three separate allowances, namely, Travelling, Transfer and Hospitality Allowances. Ndegwa Commission abolished the three and in their place introduced "Accommodation Allowance". Today, this allowance is payable at a flat rate to those who travel on duty and are unable to produce hotel receipts.

424. We have considered the evidence presented to us that the present rates which are payable are inadequate and that they should be revised

upwards. We are in agreement with these sentiments and we therefore recommend that the current rates should be reviewed as indicated below:

Job Groups	*Amount per diem*
	K.Sh.
"P" and above	300
"L" to "N"	275
"K"	250
"H" to "J"	225
"F" to "G"	200
"E"	175
"C" to "D"	150
"A" to "B"	100

Hotel Allowance

425. Hotel Allowance is payable in lieu of Accommodation Allowance when an officer who is necessarily absent from his permanent station travelling on duty within Kenya is obliged to stay overnight at a hotel or club. The officer may claim the cost of reasonable charges in respect of board and lodging plus 10 per cent to cover out-of-pocket expenses. He may also be refunded the reasonable cost of meals, including a service charge of not more than 10 per cent, taken at a hotel or club other than the one in which he spent the night, if supported by vouchers.

426. It has been represented that the requirement for receipted claims causes inconvenience to officers who have to keep on looking for receipts whenever they stay or take a meal in a hotel. It has been suggested that the allowance should be made non-accountable. In our view, there is adequate provision for officers who do not wish to claim this accountable allowance, to claim Accommodation Allowance instead. We have recommended increase of the rates of Accommodation Allowance and officers can opt for these if they so wish in order to avoid the inconvenience of keeping receipts. With this alternative arrangement, we recommend that hotel allowance should remain in its present form, if only to cover cases where officers are compelled to stay in very expensive hotels for which fixed rates of a non-accountable allowance would not be sufficient to cover the charges.

Special Accommodation Allowance

427. Before 1st January, 1974, provision for this allowance existed in Section J of the Code of Regulations under the heading "Allowances when Unable to Occupy Quarters on First Appointment or Transfer and when Required to Vacate Quarters". It was re-designated "Special Accommodation Allowance on First Appointment or Transfer" with effect from 1st January

1974, when Section J of the Code was revised. It is payable to an officer on first appointment who is posted to a station other than that at which he was recruited or an officer who is transferred from one station to another and is compelled to stay in a hotel or club pending occupation of a Government quarter or a privately rented house. The allowance is payable for a period not exceeding ten days from the date of arrival at the new station.

428. Representations have been made that the period of 10 days during which this allowance is payable is too short to allow an officer to find alternative accommodation at a new station. We recommend that the period be increased to thirty (30) days to allow for reasonable time to find alternative accommodation.

Entertainment Allowance

429. The Ndegwa Commission recommended that Government should keep this matter under constant review, laying down from time to time and as necessary a specific entertainment budget, and deciding whether the allowances or a proportion thereof should be unaccountable.

430. We have been urged to recommend increases to the entertainment allowance rates payable; we have given considerable thought to the matter but we are of the view that the present rates should continue.

Subsistence Allowance when Travelling on Duty Outside Kenya

431. It has been represented that the current rates of this allowance are out of date and should be revised upwards. Although such a review would appear a necessary consequence of the recent world-wide escalation in the cost of living, we consider the exercise of revision to be an administrative matter which the Directorate of Personnel Management should undertake from time to time in consultation with the Central Bank. We therefore recommend that the Directorate of Personnel Management should regularly review this allowance to ensure that the rates payable are not below the cost of living in the respective countries.

House to Office Transport Allowance

432. The Ndegwa Commission recommended that payment of this allowance should be discontinued on the grounds that it was the responsibility of an officer to present himself at his place of work. In our review, we have found that the Government was silent about it in Sessional Paper No. 5 of 1974, and officers have continued receiving this allowance.

433. Evidence given to us indicates that this allowance is discriminatory in that, it is only paid to those few officers who own cars and live more than 8 km. from their places of work. We endorse the Ndegwa Commission's views on this matter and recommend the abolition of this allowance.

Bicycle Allowance

434. In view of the general increase in maintenance costs, and since bicycles are useful for extension services, we recommend an increase of this allowance from the current rate of K.Sh. 25 per month to the rates indicated below:

(1) K.Sh. 40 per month in rural areas.

(2) K.Sh. 35 per month in towns.

Safari Outfit

435. We have noted that Ndegwa Commission recommended the issue of all essential safari outfit departmentally, instead of paying Safari Outfit Allowance. We have received representations that apart from the items which were mentioned by Ndegwa Commission there is a need to supply other items such as gumboots and protective clothes. We agree with this observation, and recommend that ministries should review their respective safari outfit requirements. We note that most outfit items are durable and we are of the view that they should be treated like any other Government stores and be accounted for.

Acting Allowance

436. The Ndegwa Commission recommended that acting allowance could be paid to an officer who is required to carry out duties and responsibilities for a higher post at the full difference between the officers salary and the minimum salary attached to the higher post.

437. We have received representations that where an officer draws a salary equal to or more than the minimum salary of the job group he acts on, he does not get any acting allowance although such an officer continues to carry out the full duties and responsibilities of that particular post.

438. We are not convinced that there would be merit in proposing a new formula to cater for such cases. We therefore recommend that the present practice should continue unaltered as in our view any change would introduce anomalies. We would also wish to endorse the rule that an officer should not be paid acting allowance if he acts for less than 30 days and that he should not continue to act for more than six months as we consider six months an adequate period to advertise and fill the vacant post.

Special Duty Allowance

439. Prior to the Ndegwa Commission, Special Duty Allowance, was called Duty Allowance and Ndegwa Commission changed the name in order to highlight the fundamental difference between an officer's normal duties and the distinctly higher or more onerous duties which would make him eligible for

the allowance. It has been represented to us that this allowance be abolished and any officer who is called upon to undertake duties of a higher post be paid acting allowance regardless of his qualification. It has been argued that the determining factor should be duties performed but not the qualifications.

440. We are satisfied with the present practice and do not agree with the idea that these officers be paid acting allowance since they are not fully qualified to undertake full responsibility of the post. We therefore recommend that special duty allowance should continue to be paid on the basis of the existing formula.

Security Allowance

441. There is a provision in the Code of Regulations for payment of Security Allowance to officers in the clerical cadre who are required to handle classified material in a secret registry at the rates of 17½ per cent, 15 per cent and 10 per cent of basic salary to Clerical officers, Higher Clerical Officers and Senior Clerical Officers, respectively.

442. When we considered the type of duties these officers perform, we were convinced that work in a secret registry requires personnel with special attributes. We therefore recommend that a cadre of Secret Registry Officers be created and that this allowance be phased out.

Overtime Allowance

443. The present practice is that an officer in Job Group "G" and below may be required to work overtime and where it is not possible to allow him equivalent time off in lieu of overtime an allowance may be granted to him as stipulated in the Code of Regulations. We have received representations that overtime should be paid to all officers regardless of their job groups. In our view, those in Job Group "H" and above are doing supervisory duties, and they should not therefore qualify for payment of overtime. We therefore recommend that the existing arrangement should continue.

Disturbance Allowance

444. Ndegwa Commission saw no ground for changing the rates of Disturbance Allowance which was payable at that time. They, however, raised the minimum rate to K.Sh. 50.

445. It has been represented to us that the present rates of this allowance are low compared to expenses an officer incurs as a result of a transfer. We note that currently when an officer is transferred from one station to another he is paid disturbance allowance at the rate of one-fiftieth (1/50) of his basic salary.

446. We have considered this allowance against the present cost of living and we propose that the rate payable should be changed from one-fiftieth (1/50) to one fortieth (1/40) of one's basic salary.

Hardship Allowance

447. This allowance was introduced by the Ndegwa Commission to replace what used to be termed "Remote Area Allowance". Their argument, which we consider valid even today, was that, to a local Civil Service, no place in the Republic is really remote. The Ndegwa Commission further held the view that in the longer term and as the country continues to develop, the ultimate aim of the Government should be a total withdrawal of this allowance once amenities are available in these areas.

448. We have noted that the rates of Hardship Allowance payable were adjusted, effective from 1st July, 1977, so that the allowances were thereafter paid at the rate of 30 per cent of basic salary, subject to a maximum of K.Sh. 500 per month for married officers and K.Sh. 250 per month for single officers, and to minimum of K.Sh. 60 per month for married officers and K.Sh. 30 per month for single officers.

449. We have carefully examined both the arguments for this allowance and the current rates payable, and we have come to the same conclusion as the Ndegwa Commission that, in the longer term the Hardship Allowance should be abolished. However, the stage of development in the affected areas does not justify immediate withdrawal of the allowance. We recommend that the Directorate of Personnel Management should constantly review the areas with a view to deleting from the list any areas they may find having reasonable amenities. In the meantime, we do not recommend any change in the existing Hardship Allowance rates.

Refund of Tuition and Examinations Fees

450. We support the recent decision by Government to pay "Examination Bonus" to officers who study on their own and pass approved relevant examinations. We recommend that in addition to the bonus, Government should refund the full tuition and examinations fees as this would still be cheaper than sponsoring officers for residential training. We also recommend that officers who travel to sit approved relevant examinations should be deemed to be travelling on duty at Government expense.

Instructors Allowance

451. We have been urged to create a new allowance to be called "Instructors Allowance" to be paid to officers doing training duties. We note that the Government has already recognized the extra responsibilities shouldered by

these officers when they assume the role of instructor and has provided for payment of a remunerative special duty allowance at 12½ per cent of officer's basic salary. In our view this arrangement is quite adequate and therefore we do not support creation of a new allowance as suggested. We consider, however, that the arrangement should be seen as only temporary. As a long-term solution, we recommend the stand taken by the Wamalwa Committee on Training that the Government should create a cadre of trainers and provide a scheme of service for them.

Special Allowances for Police and Prisons

452. It has been represented that we consider increasing the rates of the Special Allowance payable to police and prisons officers. We recognize the special skills and knowledge acquired by some police and prisons officers and recommend that Government should continue to pay extra allowances to encourage the acquisition and use of the skills and knowledge. We note that in the past these allowances have been reviewed by Government from time to time. As no valid reasons were given to provide the basis for further revision at this stage, we are unable to support the suggested increases.

453. We were also urged to consider increasing the rates of Flying Allowance payable to police officers of the Kenya Police Airwing. This allowance was reviewed with effect from 1st January, 1979, and we are satisfied that the current rates are adequate and should continue to apply for the time being. We recommend that these rates of Flying Allowance be applied across the board for all pilots employed by Government including those serving under the Directorate of Civil Aviation.

Motor Mileage Allowance

454. It was impressed on us that Government transport is seriously inadequate and this affects movement of officers and materials adversely. To alleviate the situation, officers are allowed to use their own vehicles where necessary for official duties and claim motor mileage allowance.

455. While we are of the view that this practice should continue, it has nevertheless been represented to us that the current rates are low and should be adjusted upwards. In this regard, we have looked at the mileage rates recommended by the Automobile Association of Kenya, as at April 1980, which are based on such running costs of fuel, oils, road licences, driving licences, and depreciation. In our view the rates, which are reproduced hereblow for ease of reference, are realistic and more up to date, and we recommend them to the Government for adoption for the present. The rates should be reviewed frequently.

RECOMMENDED MILEAGE RATES

Engine Capacity	*Recommended Mileage*
	Sh. Per Km.
1000 c.c.	1.55
1100 c.c.	1.70
1200 c.c.	1.80
1300 c.c.	1.90
1400 c.c.	2.05
1500 c.c.	2.15
1600 c.c.	2.35
1700 c.c.	2.50
1800 c.c.	2.60
1900 c.c.	2.75
2000 c.c.	2.90
2100 c.c.	3.05
2200 c.c.	3.25
2300 c.c.	3.45
2400 c.c.	3.65
2500 c.c.	3.85

Allowances Attaching to the Foreign Service

456. Representations were made for improvement in some existing allowances and creation of an additional allowance to be called "Representation Allowance". We have seen no justification for creation of additional types of allowances for the foreign service. We therefore recommend that the present arrangements should continue in respect of the following privileges:

(1) *Baggage Allowance.*—There would be no justification for diplomats to transport their cars at public expense every time they return to Kenya on vacation.

(2) *Domicile Allowance.*—No satisfactory reason was given for the suggested increase of this allowance.

(3) *Outfit Allowance.*—There would be no justification for varying the current arrangement whereby the allowance is paid once every three years.

(4) *Travelling Privileges.*—Dependent children under the age of 21 who do not accompany their parents are entitled to two visit passages in a tour of duty of not less than 36 months. We consider these visit passages for children to be adequate.

457. We were urged to recommend that Education Allowance for children of foreign service officers should be extended to cover education at university level in officers' countries of accreditation. We see no justification for treating these children differently from the rest in this country with regard to university education.

458. We therefore recommend that when they gain admission to foreign universities or similar institutions of higher learning, they should continue to seek bursaries or scholarships from the Ministry of Higher Education in the normal way, through competition with the rest of Kenyans. We do not, however, find any merit in the present educational contribution of K.Sh. 100 per annum in respect of each child of a foreign service officer. Accordingly we recommend that it should be waived.

459. Foreign Service Allowance was last reviewed and an increase of 20 per cent awarded with effect from 1st July, 1978. We recommend that the rates payable should continue to be revised from time to time on the basis of the cost of living in the countries of accreditation, subject to ability of Government to meet additional expenditure. We were urged to consider payment of the allowance to officers while spending their vacational leave in Kenya. We see no justification for this proposal but instead recommend that the Ministry of Foreign Affairs should provide institutional houses to accommodate foreign service officers when on leave or in transit on transfer.

MEDICAL PRIVILEGES

Out-patient Treatment at Non-Government Hospitals

460. Government introduced an experimental scheme to reimburse expenses incurred by officers and their dependants who obtain treatment at non-government hospitals recognized under National Hospital Insurance Fund Act up to a maximum of K.Sh. 1,000 each year as from 26th August, 1970. Ndegwa Commission recommended that the scheme be extended to specified medical practitioners. This was done, but we have been told, it had to be discontinued afterwards, as it was abused by some unreliable officers.

461. The practice today is that such expenses are reimbursed if an officer and his dependants are treated in a recognized non-Government hospital up to a maximum of K.Sh. 3,000 per year. Where the officer exceeds his maximum entitlement before the end of the financial year there is provision that the Director of Medical Services may authorize, on request, *ex gratia* assistance to him up to a maximum of K.Sh. 2,000 per year and that further assistance beyond this figure may be authorized by the Director of Personnel Management when necessary.

462. We have received representations that officers would like the ceiling of reimbursement payable by Ministries raised substantially. It is argued that

if this is done the *ex gratia* requests would be minimized. We see no merit in the request that the ceiling of K.Sh. 3,000 per annum be raised as there exists a provision for reimbursing officers their medical bills over and above their current maximum. We recommend instead that in future *ex gratia* payments which are currently approved by the Ministry of Health or the Directorate of Personnel Management should be approved and effected by the Permanent Secretaries of respective ministries. This will ease the delay which apparently occurs as a result of numerous requests from officers in the service. The Director of Medical Services, should spell out the conditions for approving such *ex gratia* assistance.

463. The current practice whereby an officer meets his hospital bills and then Government reimburses him, in our view is only convenient to those who have ready cash. It appears that where the officer does not have cash in hand, he has no choice but to go to a Government hospital for treatment. It has been argued that this is one of the contributory factors to the congestions at the Government hospitals. We recommend that Government should take over the responsibility of paying directly to recognized non-Government hospitals where its employees attend as out-patient, i.e. on arrangement similar to that existing between these hospitals and the Naional Hospial Insurance Fund (N.H.I.F.). This arrangement should also be extended to payment of in-patient bills.

In-patient Treatment

464. An officer who is a contributor to N.H.I.F. receives benefits towards the cost of in-patient treatment received in a recognized hospital, based on daily rates which range from K.Sh. 35 to K.Sh. 75. The balance of hospital charges after deducting the benefits paid by the N.H.I.F. is reimbursable by Government on production of receipted accounts subject to maximum of Sh. 150 per diem for officers in Job Group "L" and above and Sh. 100 per diem for all other job groups. It is further provided that where this reimbursement is insufficient to cover the cost of specific hospital expenses, e.g. in respect of x-ray, laboratory examinations and physiotherapy treatment the officer may claim the balance in respect of such specific hospital expenses from his out-patient entitlement. Very often, officers are called upon to pay something from their pockets after all these reimbursements.

465. It has been suggested that the benefits from the N.H.I.F. scheme and the Government should be sufficient to meet all the expenses. We accept these representations and recommend that Government's reimbursement of in-patient expenses should always cover the difference between charges in a general ward and the benefits accruing from the N.H.I.F. scheme.

466. Ndegwa Commission recommended introduction of a contributory medical scheme (paragraph 754 of Ndegwa Commission Report). This was accepted by the Government *vide* the Sessional Paper No. 5 of 1974, but was

never implemented. We endorse the views taken by Ndegwa Commission and the Government regarding the contributory medical scheme. We are convinced that if the scheme had been introduced, reimbursement in respect of both in-patient and out-patient treatment would have been covered fully and such problems as now prevail would have been reduced. We therefore strongly recommend that Government should introduce a contributory medical scheme in the Civil Service.

467. The National Hospital Insurance Fund Act provides that officers whose income is above K.Sh. 1,000 per month are required compulsorily to be members of N.H.I.F. The arrangement whereby officers whose incomes were below K.Sh. 1,000 per month could opt to be members of N.H.I.F. voluntarily has since been suspended. It has been represented that the Act should be amended to include the large number of employees who are left out. We recommend that Government should amend the Act to include all employees earning K.Sh. 600 per month and above.

Medical Boards

468. It has been represented that officers are kept in the payroll for unnecessarily long periods awaiting decisions of Medical Boards. We recommend that the Director of Medical Services should always make sure that cases for medical boarding are attended to urgently, and in any case, in not more than six months during which an officer is on paid sick leave.

Dental and Optical Treatment

469. The practice in the Civil Service is that Government provides free dental and optical treatment. Where an officer is required by a doctor to buy dentures or spectacles, he does not get reimbursed. We recommend that, in addition to free dental and optical treatment provided for, Government should meet expenses for standard dentures and spectacles provided such medical appliances are recommended at a Government hospital.

NUMBER OF WORKING DAYS PER WEEK

470. A five-day working week is now widely adopted, especially in the private sector. We have been urged to consider recommending the same practice in the public sector, on the grounds that the four hours of Saturday morning that civil servants remain in their offices are not economically viable.

471. In our view, the nature of the work of the Civil Service is such that the offices should be open to the public for as long as possible. Therefore, although we see some logic in the arguments for a five-day working week, we are restrained from such a recommendation by the above observation and by the complications likely to arise in implementing such a move.

RETIREMENT

Retirement on Attaining the Age of 55 Years

472. Representations have been made to us that the present compulsory retirement age should be raised from the present age of 55 years as life expectancy has improved due to better standard of living in the country. Whereas this is sound argument for raising the compulsory retirement age, raising the age would deny young and promising officers opportunities for promotion and this could lead to frustrations and low morale. We therefore recommend that compulsory retirement age be retained at 55 years.

Retirement on Attaining the Age of 50 Years

473. Suggestions have been made to us that voluntary retirement age should be reduced from the present age of 50 years. We recognize that there is a need to allow an officer who wishes to retire early to do so especially when he sees no further prospects of promotion. However, actuarially the cost of free pension scheme would become prohibitive if retiring age is too low. It should be further recognized that, pension is a reward for serving the Government for a long period. We are therefore satisfied that the present voluntary retirement age limit of 50 years is realistic and recommend that it should be retained.

Premature Retirement

474. The Government had introduced on an experimental basis a scheme whereby superscale officers who served for at least ten years or attained the age of 45 years could retire with full benefits. Ndegwa Commission recommended that it be abolished on the grounds that Government has a right to retire any officer in the public interest irrespective of his period of service.

475. The scheme has now expired but it has been suggested to us that it should be reintroduced. It has been argued that the scheme does not only allow senior officers who wish to leave the service to do so without loss of benefits, but also creates room for advancement of junior officers. Fears have been expressed that if the scheme is extended or made a permanent feature the staffing of the Civil Service will be adversely affected. Our investigations however indicate that these fears are unfounded because since the scheme was instituted very few senior officers have made use of it. In light of this, we recommend that the scheme be extended for another period of five years. We also recommend that the Government should use the same scheme to remove ineffective officers who cannot be appropriately retired under any of the other retirement schemes.

PENSIONS

Calculation of Pension

476. The present method of calculating pension is based on a constant factor of 1/600 of pensionable emoluments for each completed month of pensionable service. This constant has been used in computation of pension since 1946 when it was changed from 1/480. Representations have been made to us that since economic conditions have changed it should be revised. We realize that inflation has adversely affected the real value of pension. We also recognize that attractive retirement benefits act as inducement to qualified personnel not only to join the Civil Service but also to stay. We therefore recommend that the constant be revised from 1/600 to 1/500 of pensionable emoluments. We also recommend that the formula of $12\frac{1}{2}$ for multiplying commuted pension as provided for by Regulation 27 of the Pensions Regulations, First Schedule, should be increased from $12\frac{1}{2}$ to 15.

Payment of Pension

477. Representations have been made that there have been inordinate delays in effecting payment of retirement benefits owing to poor co-ordination between ministerial personnel branches which compile the relevant pensions particulars and the Treasury where the pensions and gratuities are calculated. We have been informed that a decision had already been taken to transfer the Treasury responsibility over pensions to the Directorate of Personnel Management. We note that this has not been implemented and recommend that it now be effected as a matter of urgency.

WORKSPAID STAFF

478. Concern has been expressed by the Public Service Commission and more recently by the Permanent Secretary/Director of Personnel Management that due to lack of clear directives regarding the employment of workspaid staff, some ministries have taken the omission as an excuse to engage more and more staff on workspaid terms for indefinite periods and without any indication as to whether they are usefully employed.

479. We appreciate the efforts of the Government to introduce some measure of control over the recruitment and utilization of workspaid staff. We endorse the view that such serving staff should be given preference for appointment to the regular establishment as and when vacancies occur. However, since the need for casual employment will always arise to cope with implementation of development projects or performance of other works of a temporary nature, we recommend that any additional requirements of workspaid staff be assessed and determined by the Permanent Secretary/ Director of Personnel Management when need arises. We recommend further that workspaid staff be employed on Local Agreement terms of service for the duration of such projects or works of a temporary nature.

CHAPTER XX—STATUTORY BOARDS, CORPORATIONS, ADVISORY AND CONSULTATIVE BODIES

480. The Ndegwa Commission dealt with the subject of these organizations, which are now commonly known as parastatals, in considerable depth as demonstrated in Chapters XVIII and XIX of the Commission's report. In the first of the two chapters, the Commission made an in-depth analysis and classification of the various organizations involved, preceded by a historical background covering their origins, legislative provisions, functions and mandates. The second of the chapters dealt with salary scales and other terms and conditions of service. Far-reaching observations and recommendations were made which we consider still basically valid and relevant notwithstanding the passage of a whole decade.

481. Our terms of reference touch on this section of the Public Service firstly in a general way insofar as we were required to assess the extent to which the recommendations of the Ndegwa Commission were implemented and secondly in a more specific way insofar as we were required to examine salaries and other fringe benefits in the public sector and to seek to harmonize them where appropriate. As far as the implementation of recommendations is concerned, this has been dealt with in Chapter II which covers that aspect of our terms of reference in general. While we will briefly touch on it in this chapter, we shall be more concerned with the implications of non-implementation on this latter point. Before we come to recommendations, however, we will give a summary of the salient points contained in the Ndegwa Commission Report.

Background

482. In Chapter XVIII of their report, the Ndegwa Commission classified the various parastatal organizations into five broad categories namely Regulatory, Commercial, Developmental, Finance and Consultative/Advisory, Professional and Miscellaneous. The Commission analysed and commented on methods of management applicable to the various organizations listed at Appendix 6 of their report. Due partly to the transfer of certain Corporations from the defunct East African Community and partly to the creation of such new organizations as the Kerio Valley Development Authority and the Lake Basin Development Authority the number of parastatals has increased. Functions, responsibilities, and management methods are defined in very broad terms either in the specific legislation or in such other documents as the memoranda and articles of association, where these bodies are set up under the Companies Act. Detailed procedures, controls and management practices were to be developed by the Board of

each organization to suit that organization's type of function or activity. The Ndegwa Commission, however, reached some conclusions and made broad recommendations as to the management methods that should be applied to these organizations and the salient ones were that:

(1) Government or Civil Service should only give guidelines to these organizations insofar as what is expected of them is concerned but in doing so the Civil Service must avoid confusing guidelines with directives as well as avoid excessive control of these organizations' operations.

(2) The Board of each organization was to determine specific policy objectives within the guidelines provided by the Government or Civil Service.

(3) The Chief Executive of each organization and his management team were to implement the policies as enunciated by the Board within the guidelines issued by Government or Civil Service and thereafter provide a constant feed-back to the Board and through the Board to Government as to the achievements, problems and related matters.

483. The Ndegwa Commission was deeply concerned about the quality and, in some cases, the size of the membership of some of the boards. The point was clearly and emphatically made that in appointing people to these boards, Government should be concerned about suitability and merit and must avoid convenience, political considerations and patronage in assessing various individuals for appointments to boards of these organizations. Both this concern and the remedy with regard to appointment of board members would also apply to the appointment of chief executives and other senior officers but it is logical to take it that if the membership of a given Board was right, then it would follow that the appointment of that Board's senior officers would be right. The Commission very strongly recommended against appointments of executive chairmen which recommendation we have noted is being currently followed.

484. During the period 1971 to 1979, the Ndegwa Commission recommendations with regard to parastatal bodies received very little attention, if at all. Our inquiries reveal that appointments to the membership of these boards continued to be made on the basis of convenience, political considerations and patronage rather than on the basis of merit and suitability. Other than in extremely few cases, chief executives continued to be appointed from among those civil servants who had reached such top positions as Permanent Secretary or Provincial Commissioner and who had not necessarily excelled themselves in their performance at the top position in the Civil Service. In some cases their appointment to head a statutory board, corporation, or authority was done not to place a person of proven ability at the top of the organization concerned but rather to remove a not-so-good performer from the Civil Service. By and large, the results of these practices

in appointments, which the Ndegwa Commission had strongly cautioned against, were disastrous for the organizations concerned. As the disastrous effects of these appointments became more visible and widespread it became necessary for the Government to try to arrest the situation and as the first step they appointed a committee under the chairmanship of Mr. Philip Ndegwa to review the statutory boards. The report on the first part of the review was presented to His Excellency the President in May 1979. This report, we were given to understand, was accepted by Government and its recommendations are currently being implemented.

485. One of the recommendations was that there should be a standing committee on parastatal organizations, which committee has been established under the name of Parastatals Advisory Committee. It is expected that the standing committee will address itself to what the Philip Ndegwa Report on Statutory Boards called the second stage of the review and which "would involve comprehensive management and policy studies on all parastatals starting with those playing important roles in the key sectors of the economy". Probably, priority should be given to those parastatals which are causing most concern from the point of view of poor management and hence bad results and massive losses of public funds.

486. In our view, there would be little urgency in conducting comprehensive management studies on parastatals which play important roles in key sectors of the economy but are soundly managed. In this connection, it is our considered view that those parastatal organizations which have been able to qualify for loans or lines of credit from the International Bank for Reconstruction and Development should not necessarily have to be subjected to the "comprehensive management and policy studies" as the World Bank would normally have carried out an in-depth and thorough appraisal of an organization before they extend a loan or line of credit. The World Bank sends out supervision missions to the borrowing organization and thus keeps the organization under constant surveillance to ensure that both the structure and the management of the borrower remain basically sound. Both the appraisal and the supervision reports are normally made available to Government. In such cases, the Parastatal Advisory Committee, or whoever will be commissioning the comprehensive management and policy studies, might wish to pay due attention to the World Bank appraisal and/or supervision reports on such parastatal organizations as might have a borrowing relationship with that Bank. Recommendation No. 111 in the Review of Statutory Boards envisages seeking assistance from the World Bank on the corporations providing what are called basic services. In the event that any of the corporations named already have a borrowing relationship with the World Bank, then what is suggested above should apply.

487. We do not intend to make any detailed comments on the Report of the Review of Statutory Boards particularly because the Parastatal Advisory Committee has been established and is already addressing itself to problems

arising from poor management of parastatal organizations. One point we are constrained to note, however, is that the Review of Statutory Boards hardly made any reference to the Ndegwa Commission Report which, as indicated previously, made very basic and sound recommendations on these organizations. It can be said without dispute that if the Government had meticulously and systematically implemented the recommendations of the Ndegwa Commission, particularly where they pertained to appointments, the near-disastrous situation that existed in 1979 when the review was conducted might never have arisen. Yet Sessional Paper No. 5 of 1974 indicates that Government accepted virtually all recommendations of the Ndegwa Commission on this subject. We recommend Chapters XVIII and XIX of the Ndegwa Commission Report to whoever might have anything to do with solutions to problems of parastatal organizations and particularly to the Parastatal Advisory Committee who should, in our view, treat these two chapters as a basic point of reference.

488. As indicated earlier, it is not intended to comment extensively on the operations of the organizations under discussion. Before we leave the operational aspects of these organizations, however, one or two observations arising out of our inquiries need to be made. The Ndegwa Commission Report clearly stated and demonstrated that both the mandates and the functions of parastatal organizations are diverse and while an element of uniformity in so far as the establishing legislation could be attempted, it would not be a practical proposition to even attempt to standardize the methods of operation and remuneration. Government acknowledged this when they stated in Sessional Paper No. 5 of 1974, *inter alia,* that "emphasis will be placed on harmonization of salary scales and other benefits particularly at the middle and lower levels and not on standardization". Probably the magnitude of this problem of diversity is bigger today than it was in 1970/71 if only because of the increase in the numbers of the organizations concerned. In the course of our deliberations we received representations to the effect that Government has recently tended to want to influence the management of parastatals to an unacceptable extent. While we were not able to establish exactly the extent to which such representations were accurate, they could be seen as a reaction to a point made several times by senior Government officers to the effect that parastatal organizations have tended to be too independent. What appears to be the cause of these two apparently contradicting positions is the presence of ambiguity and lack of clear delineation of authority and functions. The Ndegwa Commission cautioned against this ambiguity and Government undertook to take action in Sessional Paper No. 5 of 1974 where it was stated, *inter alia,* that:

> "The Government further agrees that clarity of enabling legislation, observance of the management precepts proposed by the Commission, proper management capabilities and unambiguous delineation of authority are necessary in making parastatal bodies efficient."

489. What needs to be done now is to reach a sharper classification of parastatal organizations so that Government can determine exactly how to deal with each category. This way most of the current misunderstandings could be wiped out. In this context the Parastatal Advisory Committee should remain advisory and avoid developing into an instrument through which overcentralized control of parastatal organizations is introduced. Its presence should not be used by parent ministries to abdicate responsibility for boards or corporations under their umbrella.

490. As one of the devices to clear misunderstandings and promote a healthy management atmosphere, Government might consider setting up a forum whereby chief executives of parastatals, particularly those who are required to make profits or at least provide a service without making losses, would get together at least once a year under the chairmanship of the Permanent Secretary to the Treasury and review the overall performance of the parastatal sector. Permanent Secretaries of parent ministries should also be in this forum and so should the Inspector of Statutory Boards. Subjects to be covered would include various linkages in the operations of different parastatals, co-operation, and such other matters as fall within the general ambit of performance reviews. This forum would eventually develop on the lines of meetings between shareholders and their managers, and could eventually yield real benefits for the parastatal sector. The forum should be serviced by the Investments Division of the Treasury.

491. With regard to those parastatal organizations which are expected to operate either at a profit or provide a service without making a loss, one very basic problem was brought to our attention. This problem appears to arise out of lack of commitment to the fact that State companies or such other State corporations and boards as are required to make profit or surplus in their operations, or are expected to provide a service without making losses, should be run to make a profit or to provide the service without making losses. State companies and parastatal organizations in this category have at times been used to solve social or political problems. This situation has arisen, for instance, when a Government bank or a development corporation has been requested or directed to invest in an area where it would not have invested on purely business or investment criteria; another corporation or company might be requested to extend telephone services or electricity to areas where economic justifications would not have allowed; or a transport corporation might be required to carry goods or passengers at a tariff which could be even lower than the cost of carrying such goods or passengers. Similarly, situations could also arise in cases where Government might wish to use some of these organizations for such other purposes as reduction of unemploment, solving problems of regional or industrial restructuring, as well as other socially or politically desirable ends which might not necessarily be commercially viable. In all these cases, the company or corporation concerned is faced with a situation whereby it is required by Government to

undertake operations geared towards the solution of social or political problems. The effect of the requirement or directive to solve social or political problems eventually surfaces in the form of a negative impact on the results of the company or the corporation concerned. It will be reflected as an increase in a loss, a decrease in profit, or it could introduce a loss where a profit might otherwise have been recorded.

492. To solve this problem which can, and does cause considerable distortions to the results of State companies or corporations in this category which is not supposed to make losses, we recommend that in the event that the Government decides to use one of the State companies or a parastatal organization in this category, then the socio-political project or aspect should carry a price tag which the State must meet. A clear distinction must be made between those parastatal organizations or their operations which must be run on a strictly commercial basis and the others on which Government imposes social or political obligations. The latter should then be managed in a system whereby there is a price put on the cost of an unprofitable activity. Once such a price has been agreed then the manager of the parastatal organization concerned should be left to get on with the job and political interference should stop. When publishing their results and accounts the organizations concerned should show separately their achievements on the normal commercial operations and those on operations where Government had imposed social or political obligations.

493. In commending the Ndegwa Commission analysis of parastatals to those concerned with the operations of these organizations, and particularly to the Parastatal Advisory Committee, we are only underlining the already acknowledged urgent need to have these organizations operating properly. To the extent possible, we have supplemented the Ndegwa Commission recommendations which, as already stated, remain basically valid and relevant even today. We have also briefly commented on some aspects of the Review of Statutory Boards and cautioned against movement towards any excessively centralized control of parastatals. What the Government must ensure is that their undertaking on parastatals in Session Paper No. 5 of 1974, as supplemented by recommendations of the Review of Statutory Boards and our recommendations in this chapter are impartially and systematically implemented with all honesty and seriousness of purpose.

494. With regard to the Inspectorate of Statutory Boards, the Ndegwa Commission quite clearly and succinctly defined the role and the functions of this unit in paragraph 609 of their report. They went on to recommend that the Inspectorate should be provided with the necessary capacity to perform the functions as defined so that it could report periodically on the various boards, corporations and authorities. Our observations indicate that the capacity envisaged by the Ndegwa Commission has not yet been fully developed. Meanwhile, the number of organizations coming under the purview

of the Inspectorate has continued to increase. From some of the evidence presented to us it appears that at times the work of the Inspectorate tends to be seen as an extension of audit functions which clearly belong to the Controller and Auditor-General. Probably this is a reflection of the way the staff of the inspectorate have been dealing with the organizations concerned. We recommend that steps be taken to give the Inspectorate the required capacity and at the same time the Inspector should ensure that the unit carries out its duties as defined in such a way that their function is seen to be positive and useful to the various boards, corporations and authorities.

Salaries and Other Terms and Conditions of Service

495. The appropriate part of our terms of reference requires us to examine structures of salaries and other fringe benefits in the public sector and seek to harmonize them where appropriate bearing in mind the need to attract and retain qualified personnel within the Public Service. The Ndegwa Commission addressed themselves to this question in two parts namely (*a*) the possibility of standardization of salaries and terms and conditions of service as between the various boards and corporations; and (*b*) the establishment of closer relationship between salaries and terms and conditions of service between the parastatal and other public sectors. They made note of the special position with regard to the University of Nairobi and the Central Bank of Kenya. As regards the University we have examined their salaries and other terms and conditions of service and these are the subject of a separate chapter. As far as the Central Bank of Kenya is concerned we would only wish to restate and endorse the position and the recommendations of the Ndegwa Commission.

496. In their analysis and examination of this subject the Ndegwa Commission made various points the most salient of which were—

(*a*) that salaries for employees in parastatals, indeed as elsewhere in the economy, should be determined principally by the domestic cost of living, internal labour market forces and the ability of the employers individually and the country as a whole to pay;

(*b*) that meaningful comparisons of even salary scales between the Civil Service and parastatals, as well as among different parastatals, were not possible because of differences not only in job titles but also because of differences in responsibilities attached to various jobs;

(*c*) that the Commission was unable to recommend a common salary structure for all parastatal organizations;

(*d*) that the training, experience and the subject-matter, expertise required in the management of statutory boards and corporations is not necessarily the same as that required in the Civil Service. Here the

Commission emphasized that for a senior civil servant like a Deputy or Under-Secretary to effectively do a job at management level in a board or a corporation, he would have to be retrained;

(*e*) that the Commission did not recommend standardization of the levels of earnings and terms and conditions of service of top and senior management personnel in the parastatal and public sectors. They, however, recommended that the Directorate of Personnei Management should undertake an exercise to assess the extent to which an element of harmonization rather than standardization could be introduced in salaries and terms and conditions of service for staff in the middle and lower levels; and

(*f*) that reviews of salaries and terms and conditions of service for the staff of boards and corporations should normally be undertaken when appropriate by each board or corporation individually and cleared with the appropriate authority in Government.

497. In Sessional Paper No. 5 of 1974, the Government agreed with the various points made by the Commission and accepted the Commission's recommendations. That we were called upon to address ourselves to this question of salaries and terms and conditions of service, particularly as it pertains to harmonization reveals that during the past decade the recommendations of the Ndegwa Commission have apparently not solved the problems they were supposed to have solved. We have deliberately said "apparently" because, as will be shown later, our findings are that the absence of harmony in salaries and other terms and conditions of service between the Civil Service and other public sectors is no longer the problem it was in 1971.

498. In addressing ourselves to this question of harmonization of salaries and other terms and conditions of service between the various branches of the Public Service, we have started by reaffirming the principles and recommendations as enunciated in the Ndegwa Commission Report. They remain basically sound and relevant; they were accepted by Government in Sessional Paper No. 5 and we urge those who manage the Civil Service to give due attention to those principles and recommendations particularly where they concern difficulties on job comparability between the Civil Service on the one hand and statutory boards and corporations on the other.

499. From the evidence presented to us it was quite clear that differences in job content, required qualifications, training and experience as between the Civil Service on the one hand and the parastatal organizations on the other, as analysed and illustrated by the Ndegwa Commission, are acknowledged. It was equally clear that notwithstanding this acknowledgement senior civil servants regard the presence of any differentials in salaries and fringe benefits as something entirely unacceptable. We do not intend to make any attempt to reconcile these two positions because the question as to job comparability

and standardization of terms and conditions of service between parastatal organizations was extremely well analysed by the Ndegwa Commission who reached the conclusions and recommendations briefly summarized earlier in this chapter. We only wish to associate ourselves with that Commission's conclusions and recommendations on this matter. It is considered necessary, however, to briefly analyse some of the points made in the course of our receiving evidence before we present our conclusions on this subject of harmonization.

500. In the course of taking evidence it became clear that there was a consistent effort, particularly by senior civil servants, to assert what was described as the need for rationalization of salaries and fringe benefits of top managers in public sector and private sector. It was repeatedly argued that there should be a general rationalization of salaries right across the economy. This we considered going beyond our terms of reference but since it is reflective of the thinking of the high levels of the Civil Service, we are constrained to comment. Besides, it is arguable that salaries for the public sector cannot be dealt with in total isolation from those in the private sector and we have borne this particular point in mind in the course of our deliberations.

501. Arguments making the case for overall rationalization of salaries of top managers in both public and private sectors can be summarized in six points namely—

(*a*) that the cost of salaries whether in the private or public sector is ultimately borne by the Kenya economy;

(*b*) that rationalization would attract and retain efficient managers in the Civil Service who otherwise might be attracted to the higher paying private sector;

(*c*) that management of Government business had increased in complexity and was just as demanding as in the private sector and particularly in view of the increasing orientation towards management rather than administration thus requiring, as it does in the private sector, a result-oriented style of management;

(*d*) that the impact of the work of ministries and Government departments was more crucial to the nation than that of any single company or parastatal;

(*e*) that in any case the staffing of the parastatals was mainly by ex-civil servants not particularly gifted in business practices and that a large number of these organizations were not making any profits;

(*f*) that since Government ministries are organizationally bigger than State-owned corporations or companies, in terms of numbers of employees, annual expenditure, turnover or revenue collected, they require managers who are more qualified than those managing smaller units

like statutory boards and corporations which in any case form part of a ministry; then the remuneration of these managers of smaller units should not be higher than those of the heads of ministries.

502. These arguments for rationalization of salaries of top managers were formally put on record in the Review of Statutory Boards where the committee chaired by Philip Ndegwa stated in Recommendation No. 8 that:

"As Permanent Secretaries carry wider responsibilities than managing directors of parastatals urgent consideration should be given to the position arising from the present disparity between the emoluments of managing directors and other senior officers of parastatals and those of Permanent Secretaries and senior civil servants."

503. This recommendation differed with the assertions that have been made on this subject only to the extent that it left out senior managers in the private sector. The statement, however, is too general to be correct. It ignores all the in-depth analyses and illustrations put forward by the Ndegwa Commission leading to the conclusion that meaningful comparisons even in salary scales were not possible. Comparison of organizations which vary considerably in such aspects as size, nature and scope of operations as well as powers and responsibilities, could lead to wrong conclusions. Salaries and other terms and conditions of service for the Civil Service should be examined in their own right but not necessarily from the point of view of equality with what pertains in the parastatals or in the private sector. In reviewing Civil Service salaries and other terms and conditions of service, therefore, we have desisted from being unduly influenced by the wishes of the Civil Service to have the salaries of their top officers equated with those of top managers elsewhere in the economy. We have, however, taken due regard of what pertains elsewhere in the economy.

504. As regards the assertions summarized above and the clearly related Recommendation No. 8 of the Review of Statutory Boards, we were not particularly impressed with that approach and we wish to caution against the tendency to make comparisons between jobs in Central Government and others in parastatals or the private sector which are not necessarily comparable. The various assertions we have referred to appear to overlook some basic points. Presence of differentials in salaries and fringe benefits should not be seen as a mistake we have lived with over the years and has suddenly come to light. It should be appreciated that the private sector and the production areas of the parastatal sector are made up of production units or companies where remuneration is assessed on the basis of what is produced and sold. The production units then finance Government operations through payment of taxes in various forms. Some Government ministries might handle more money than companies or corporations but that money is first produced by the non-Government sector and all the Government does is to collect it in the form of taxes. The test with regard to the performance of Government

ministries should be on the basis of how well they utilize the money paid to them in the form of taxes to provide infrastructure and other services required to induce growth. It should not be seen in terms of how much money a ministry spends over a given period of time as that money comes to them through budgetary allocations rather than through production and sales. In the case of a production unit, on the other hand, financial turnover has a direct bearing on the efforts of that unit in producing and marketing their commodity.

505. It should also be appreciated that while some Government ministries might be larger than some Government companies and corporations in terms of the staff employed, this position is not generally true. There are some Boards and Corporations which are much larger than some Government ministries; other than in very few cases, the average size of individual Government ministries has tended to become smaller with the passage of time as ministries split. Naturally the size of responsibility carried by the heads of ministries, except in very few cases, has also tended to reduce as ministries increase and individual ministerial units become smaller. As regards the assertion that the Civil Service is required to change their working orientation from administration to result-oriented type of management, it would have been possible to look at this point sympathetically if only those who manage the Civil Service had attempted to effect this change which was recommended by the Ndegwa Commission a decade ago. We urge them to start the process now.

506. The assertion that the staffing of the parastatals was mainly by ex-civil servants and that a large number of these organizations do not make any profits is at best a sad comment on the Civil Service itself. Indeed, the poor selection of civil servants who have been appointed to head parastatal organizations has been the root cause of poor management in most of these organizations. This practice has also generated misunderstandings leading to the current attitudes among senior civil servants in as far as the remuneration of parastatal chiefs and their senior officers are concerned. While comparing their remuneration with that of managing directors of parastatals, senior civil servants have tended to see the individuals in those jobs, whom they know not to have been very good performers in the Civil Service, rather than the job content and the sort of person who should hold the job. Little wonder, therefore, that the Civil Service has tended to see those managing directors as being overpaid. It should be noted, however, that this has not applied to all cases. There are a few cases where officers at levels lower than the Permanent Secretary or Provincial Commissioner have moved to parastatal organizations and performed well. This has been so because the officer concerned was good and left the Civil Service not because he was eased out but because he genuinely wanted a change. Those in that category have normally not moved directly to the top of the parastatal organizations concerned, but rather have started somewhere below the top and moved up

from within and they have been more effective and successful than the other type. As indicated earlier, not all parastatal organizations are poorly managed.

507. In general it appears that those whose chief executives were appointed other than by direct transfer from the top levels of the Civil Service tend to be better managed than others. We recommend, therefore, that positions of managing directors of parastatal organizations and Government associated companies should cease to be seen as retiring points for top civil servants who would normally not be particularly well armed with the management tools and techniques required to effectively manage these organizations. Such jobs should be filled either through advertisement, in which case even those civil servants who wish to be considered would apply, or through a more widely based head-hunting process provided in both cases the selection is impartial and fair. For the selection to be impartial and fair, there must be a clear job description from which the requirements for the person to be appointed must be derived.

508. We shall now turn to that aspect of harmonization which relates to the actual position in cash earnings for various income groups in the Central Government to other public sector and to the private sector. The comparative position with regard to cash earnings for the Civil Service, the other public sector, and the private sector is shown in Chapter III where trends on employment and wages for the period 1972 to 1978 are analysed. Movements in cash earnings for employees in the Central Government, other public sector and the private sector for the period 1972 to 1978 are shown at Tables 3.12 and 3.13 and detached analyses given in paragraph 61 through paragraph 66.

509. The analysis in these paragraphs is based on a detailed study of employment and cash earnings covering the period 1972 to 1978 and, as already demonstrated, there were dramatic changes during that period. Central Government employees in the unskilled or lower income group have moved from a position where in cash terms they earned 30 per cent less than their counterparts in parastatals, or the other public sector, to a position where they are now out-earning their counterparts in the other public sector by 24 per cent. Their real wages have improved by 7.9 per cent per year while those of their counterparts in the other public sector have declined by 4.3 per cent per year. With the semi-professionals or middle income group their relative positions did not change as much but the gap between the Central Government and the other public sector employee saw some narrowing with the real income of the Central Government semi-professional declining by 2.1 per cent a year while that of the counterpart in the other public sector declined by 4.3 per cent a year.

510. As regards the professionals, the position of those in Central Government improved markedly over the six-year period covered by the study. It moved from the position in 1972 whereby the Central Government professional earned 42 per cent of his counterpart in the other public sector to a

position where he earned 21 per cent more in 1978. Real income for the Central Government professional increased at an average annual rate of 11 per cent while that of the professional in the other public sector declined at an annual rate of 6.8 per cent. On the basis of the data presented at Tables 3.12 and 3.13 and our analysis of the same, we have reached the conclusion that the gap between the salaries paid by parastatal organizations and those in the Civil Service has been either sharply reduced or reversed. It follows, therefore, that broadly there is no longer any need to consider any general harmonization of earnings between the employees of the two sectors. This is even more so when account is taken of the fact that the Civil Service has a non-contributory superannuation scheme.

511. Our deliberations leading to the award we have recommended for the Civil Service have therefore been undertaken in full recognition of this position. We must restate here what we have stated previously that as already shown by both the analysis and the illustrations of the Ndegwa Commission, jobs in parastatals, particularly those who are supposed to either make profit or provide a service without making a loss, are not comparable with jobs in the Civil Service. Their terms also should not be seen as comparable. Remuneration for top positions and other senior positions in the parastatal organizations should be determined by the Parastatals Advisory Committee on the requirements of each specific organization. In cases where an organization operates in a clearly defined sector of the economy, what pertains in that sector will naturally have to be taken into account.

512. In the case of certain advisory, regulatory or consultative bodies, we recommend that they should be serviced by the Civil Service. It should be possible, as has been done in the past, to have the duties of an executive officer or secretary for bodies in this category performed by a civil servant as a part of his schedule. The tendency to appoint "chief executives" for this category of organizations should be discontinued as it just creates highly paid jobs where there is no work.

513. We have already shown that appointment of top civil servants as chief executives of Government companies, corporations, or boards has been unsuccessful and mainly accounts for poor management of these organizations. We have also recommended that recruitment to these positions should be done on the basis of merit and that these positions should cease to be used as retiring points for senior civil servants. We have at the same time acknowledged that where selection was properly done, some ex-civil servants have turned out to be good managers of some of these organizations. We now wish to underline the fact that for proper and fair appointments to be made for these positions, there must be proper and comprehensive job descriptions prepared, if necessary, with the assistance of consultants. Once there is a proper job description, then a description of the person suitable

for the job should be made covering the required qualifications and experience and this should form the basis on which selection for the job is done. These descriptions as well as the selection should be done on an impartial and fair basis for this is the only way to introduce sound management to those of the parastatal organizations which are poorly managed. We also wish to emphasize the fact that even if the chief executive was properly selected but left the work with a board whose selection was not properly done, it will be difficult for him to perform at his best. Selection of board members, therefore, must be seen as an important factor in the process of attempting to bring sound management to Government companies and parastatal organizations.

Fringe Benefits

514. Our examination of the fringe benefits enjoyed by chief executives in parastatal organizations indicates wide variations which may or may not be justified on the basis of the nature or size of the organization concerned. Some chief executives enjoy facilities which by all standards are unjustifiable. We therefore recommend that, subject to all the arguments we have advanced for not equating parastatal organizations with the Civil Service, the determination of the fringe benefits to be enjoyed by chief executives of parastatal organization should be based on what obtains in the Civil Service.

CHAPTER XXI—SUPERANNUATION

515. The Ndegwa Commission Report dealt with the subject of superannuation from the point of view of facilitating mobility between the Civil Service and other public services. They examined the philosophical basis of pension and other superannuation arrangements on the lines of "deferred pay", discussed the current practice in Kenya and finally made recommendations for change both in the short term and in the long term. It is not intended even to summarize the Ndegwa Commission position in this chapter but the reader is invited to read chapter XXI of the Ndegwa Commission Report for a background to this chapter which will be basically concerned with the examination of the developments on this subject in the post-1971 period and putting forward proposals for further action.

516. Our terms of reference require us to study the existing superannuation arrangements and provide for a scheme which could facilitate mobility of personnel within the Public Service and which could accommodate private sector employers who may wish to join it. Basically the underlying factor continues to be seen as the need to facilitate mobility.

517. Inclusion of this subject in our terms of reference specifically calls for a follow-up to paragraphs 682 through 690 of the Ndegwa Commission Report. Recommendations contained in these paragraphs were accepted by Government in Sessional Paper No. 5 of 1974. In the course of our inquiry we have reached the conclusion that, besides making mobility of personnel possible, there are other basic needs which call for establishment of a comprehensive superannuation arrangement on national basis. Before we analyse these other basic factors, however, we shall first examine what has been done on this subject subsequent to the Ndegwa Commission recommendations.

518. Subsequent to the Ndegwa Commission recommendations on superannuation a task force was set up within Government to examine the recommendations and eventually develop a comprehensive superannuation arrangement whose basic aim was still being seen in terms of facilitating mobility. Through the task force, considerable work and thought was directed towards this subject. This included examination of various possible methods of approach, the question of how to deal with the already existing occupational schemes, legislative requirements, and the employment of the British Department of Actuary to carry out an actuarial survey and work out projections and analyses on which a national pension plan could be based. This survey was carried out and still constitutes part of the necessary background work although it would need to be up-dated before it could be put into use. In the

process of examining the Ndegwa Commission recommendations on superannuation, Government appears to have reached the conclusion that there is need to establish a national pension scheme as indicated in the Fourth Development Plan 1979-83 where it is stated in paragraph 9.12 at page 453 that:

> "The National Social Security Fund is the programme which provides for the old age retirement benefits for Kenyan workers in the modern sector. Contributions are calculated at 10 per cent of the basic wage and are shared equally between the employer and the employee, subject to a maximum monthly contribution of K.Sh. 160. Women employees who prior to 1977 were not contributors, have now been registered. During this plan period, all employers irrespective of number of employees, will be registered and become contributors. For improved benefits, the Fund will be converted into a pension scheme."

519. The statement above to the effect that the National Social Security Fund would be converted into a pension scheme is, in fact, a reaffirmation of what was already stated in the Third Development Plan 1974-78, where it was stated, *inter alia,* that the National Social Security Fund would be changed from a provident fund to a pension plan for the elderly and the invalid. These references from both the 1974-78 and the 1979-83 Development Plans clearly show that Government is committed to establishing a national pension scheme. This position has come about as a logical development from deeper examination of the Ndegwa Commission recommendations in the process of which factors more basic than just the need to facilitate mobility of personnel came to play. We shall now examine these other basic factors as we consider they need to be highlighted to illustrate not only the need but also the urgency for the establishment of a national pension scheme.

520. We see that part of our terms of reference relating to superannuation as an index of a much bigger social reform which, as history of the development of social protection normally starts with salaries of wage earners in a developing society and eventually spreads even to the self-employed with the passage of time. Once we consider superannuation arrangements at a level beyond individual occupational schemes, then we enter into an area of social protection which must cease to be seen only in economic terms. We have to consider the relationship between superannuation and mobility of personnel and this brings into play matters related to old age, incapacitation, and retirement; this moves from purely economic considerations to the area of mutual social responsibility. References to superannuation in previous reports have tended to echo the general attitude towards this subject in this country whereby superannuation arrangements have tended to be seen narrowly as a fringe benefit. In the past, this has tended to blur the accurate way of looking at superannuation as a solution to social problems that must inevitably arise as a result of old age and incapacity. Recent developments,

however, indicate a realization of the need to establish a national pension scheme which is considered a significant branch of social security to which members of the society should generally have access.

521. This change has had to come about as a result of various structural changes in our society which have been progressively eroding the traditional system of mutual aid and support which, over the years, has been the cornerstone of social insurance operated within the extended family in the rural African communities. Development into a modern society brings new technology, industrialization and subsequently urbanization which result with structural changes in our society and in the process some of the good old things like the social insurance within the extended family get lost. Here success in development into modern society creates a social problem which must be faced and solved the modern way. Notwithstanding the very fast rate of urbanization in this country, pressures to provide an alternative to the traditional extended family social insurance have not been very evident because so far it has been possible for the big majority of workers in the urban areas to retire to a "shamba" in the rural areas. Time when this will no longer be possible is coming very fast and hence, the urgency for making arrangements now which will cover those in the next one or two decades who will constitute the first group in visible numbers without land holdings in the rural areas to retire to. While this applies to those in continuous employment until they reach retirement age, urbanization also does create other problems relating to those who have lost employment for some reason or another and find themselves without any resources to cater even for some of their most basic needs. It would appear, therefore, that while a national pension scheme would cater for the needs arising out of old age and such other events as would be included in the scheme, there is need to consider some form of national insurance scheme to assist individuals in the event when they have no resources to fall back to and they have lost their regular means of subsistence.

522. Besides these basic factors arising from structural changes in society, twentieth century social thought sees social security as one of the human rights. Article 25 of the Universal Declaration of Human Rights adopted by the United Nations in 1948 states, *inter alia,* that: "everyone has a right to social security in case of old age or loss of the means of subsistence on account of circumstances beyond his control".

523. This thinking is reinforced by the International Labour Organization's Convention No. 118 of 1962 dealing with equality of treatment on social security. Kenya is a party to both the Universal Declaration of Human Rights and the I.L.O. Convention No. 118 which, in Article 2, lists old age benefits, survivor's benefits, employment injury benefit, unemployment benefit, family benefit, invalidity and sickness benefit, medical care and maternity benefit as branches of social security in which each member

country should accept obligation and have effective and operational legislation covering either all or some of these benefits for its own nationals within its own boundaries. Kenya has so far accepted obligation for old age, invalidity and survivor's benefits under its social security system through a national provident fund approach. As work progressed on the Ndegwa Commission's recommendations on superannuation, shortcomings of this approach became evident and this eventually led to the decision to establish a national pension scheme as already recorded in the development plan. The other basic change in approach was brought about by the realization that, besides providing for mobility of personnel between the civil service and the other public sector, there were other more basic needs which dictated the establishment of a superannuation system at the national level. This realization led to a shift from the Ndegwa Commission view that the Local Government Officers Supperannuation Fund could be used as the nucleus organization and a decision was taken to use the National Social Security Fund as the nucleus organization.

524. While considerable work and thought has been directed to this subject quite a lot still remains to be done before the national pension scheme can be launched. It appears that a point was reached in August 1978, when a report from the task force, including the proposals of the Actuary on transformation of the National Social Security Fund to a national pension scheme, was considered by the National Social Security Advisory Council. The council, however, did not reach a final position as in the course of examining the report the council raised various points which the Permanent Secretary for Labour was to look into and report back to the council before it could reach a final position on the Actuary's proposals. Employers' representatives in the council wished to be allowed time to consult with their boards and report back to the council on the question of abolishing the present contribution ceiling of Sh. 160 per month. As of now it appears that the follow-up required by the National Social Security Advisory Council has not been completed and consequently no decision has been reached on the Actuary's proposals. This cannot be done until the points raised by the council are cleared to allow further deliberation leading to decision.

525. Given the position of the Government on the establishment of a national pension scheme, as stated in the development plan and the dire need for such a scheme as illustrated above on the basis of both contemporary social thought and structural changes in our society as a result of modernization, such decision as the National Social Security Advisory Committee would reach will have to be more on how the scheme is to be modelled rather than whether it should be established or not. Exactly how the national pension scheme is finally established will have to be a result of further work and thought leading to agreement between all the parties concerned, namely Government, employers' and employees' representatives. They, in turn, will have to bear in mind that when fully developed the scheme would have to

be flexible enough to cater for self-employed persons. In developing the national pension scheme through conversion of the N.S.S.F., it should be borne in mind that the scheme should be self-supporting and it should not cause embarrassment to the Exchequer.

526. In view of the decision already taken, and further having regard to the extra grounds reinforcing the need to establish a national pension scheme that we have established, we have reached the firm conclusion that further work should be undertaken on a sustained basis with a view to developing the National Social Security Fund into a national pension scheme. This work is to be undertaken by Government in full and continuous consultations with all the interested parties as represented in the National Social Security Advisory Council and we recommended that the scheme as eventually evolved should include, among others, the following features:

(1) The National Social Security Fund should be the nucleus organization from which the basic national pension scheme should be developed.

(2) The transformation of the Fund to the national pension scheme is a very basic and significant exercise which must be approached with due care and in-depth research must be carried out in aspects of the proposed national pension scheme.

(3) The basic national pension scheme should be modelled in such a way that it should have positive effects for the economy and the Exchequer and the possibility of the scheme causing any embarrassment must be avoided by ensuring, for instance, that benefits the scheme undertakes to provide can always be met without having any recourse to the Exchequer.

(4) The scheme should be able to positively contribute to the country's population policy particularly in the field of family planning.

(5) The scheme, as a self-supporting social security programme, should be clearly distinct from social services provided from the Government budget.

(6) The scheme should have a considerable amount of autonomy to ensure that it is efficiently managed but always bearing in mind the fact that while the scheme's investment must aim at the highest returns, safety is paramount; in this connection close liaison would have to be maintained with the Treasury.

(7) The scheme as currently proposed is basic and it should not in any way interfere with existing occupational schemes including those provided for under the Pensions Act but future occupational schemes will naturally take account of the existence of the national pension scheme.

(8) The establishment of the national pension scheme should not, as indicated at seven above, provide any reason for winding up

existing occupational schemes as the two, i.e. the proposed national pension scheme and the occupational scheme must be seen as complimentary.

(9) The scheme will take into account the need to facilitate mobility and in so doing consideration will be given to the inherent flexibility the terms of the occupational schemes offer to participants who wish to change employers. In order to facilitate mobility a federated superannuation arrangement should be initiated to facilitate continuity of pension benefits even when a participant changes jobs so that if, for instance, a participant moves from employer X to employer Y without qualifying for benefits, he would join the scheme with employer Y but employer X would pay the pension rights due to the participant to a federated superannuation account. Employer Y would do the same if the participant moves to employer Z and when the participant eventually qualifies for the basic national pension he would receive it along with a supplementary pension from the federated superannuation account.

(10) The scheme should, besides providing for basic pension, initially also provide for work injury in place of current provisions under the Workmans Compensation Act.

527. The various points listed above are in no way exhaustive. Instead they are meant to be indicative of what we consider the line of action to be followed in completing the exercise already started and aimed at developing the National Social Security Fund into a basic national pension scheme. We have deliberately used the word developing here because in the course of our inquiries we have become aware that this is a subject which must be approached with absolute care and thoroughness and calls for considerably more research and thought before amendments to current legislation are effected to initiate the proposed scheme. Where civil servants are concerned, for instance, Government would have to decide exactly at what point in time the process of conversion would start and in reaching the decision financial implications to the Exchequer would have to be taken into account. Pointing out the complexity of the matter and the fact that more work is called for, however, is not in any way meant to suggest that this exercise cannot be undertaken or that there will be unsurmountable difficulties. In fact we have already pointed out that the national pension scheme must be established. All we are trying to put across is the fact that a thorough approach must be adopted to ensure that a firm and realiable foundation is established building on the existing machinery in the form of the National Social Security Fund. Finally, we wish to emphasize that a definitive programme must be entered into with a view to ensuring that the exercise will be completed within the current plan and thus avoid re-stating the intention as was the case between the Third and the Fourth Development Plans.

CHAPTER XXII—IMPLEMENTATION

528. We have attempted to cover our terms of reference in full, to take account of all the evidence presented, to make precise recommendations which can be translated into action and to explain the background to and give reasons for the conclusions we have reached. Whether our recommendations prove acceptable or not, we are confident that the arguments behind them will be understood.

529. We believe that we have succeeded in proposing a degree of rationality and simplification in salaries and conditions of service. We believe also that our proposals constitute a viable compromise between economic exigency and the need for stability, continuity and efficiency in the Public Service. We believe we have taken adequate account of the rise in the cost of living since the last salary review and that we have provided sufficient material incentive to careers in the Public Service. We have done our best to rectify the anomalies that have arisen from the implementation of recommendations of the last review and we trust that we have not created any of our own.

530. We have throughout our Report pointed out that the Ndegwa Commission Report was not properly implemented and that the implementation of those parts that were accepted was piecemeal. We are fully aware that some parts of our recommendations would have to be implemented before others. We are also aware that some others can only be implemented gradually and over a period of time. We hope that those of our recommendations which shall be accepted will be speedily and thoroughly put into effect.

531. The implementation of our recommendations on conditions of service as opposed to salaries and wages must, of course, be decided administratively. Detailed administrative instructions for implementation will have to be prepared and it is not for us to say what precise provisions these should contain. In regard to the recommendations that we have made on salaries, we have endeavoured to prepare conversion tables so that if the recommendations are accepted the implementation of our salary proposals can be effected immediately.

532. As indicated above, the recommendations on changes in remuneration will be implemented before others. This has been the case in the past and we do not expect the present Report to be dealt with differently. We wish to underline, therefore, the fact that our recommendations on the

increase in remuneration must be seen into as a part of the overall recommendations which cannot be implemented at the same time as some will require longer than others to implement. In acknowledging that recommendations on remuneration will be implemented before others we are at the same time expressing an act of faith. Faith in the fact that those who manage the Public Service will accept that they are duty-bound to ensure implementation of other recommendations particularly those relating to improvement in management of public affairs geared towards increased productivity through efficient use of the resources at the country's disposal.

SUMMARY OF MAIN RECOMMENDATIONS

Economic Background

Paragraphs

35 That since soft options in the form of import substitution appear to be wearing out, more effort will require to be directed towards export-oriented industries.

37 That it should be a goal to have industry develop to a point where it becomes a close competitor with agriculture, both from the point of view of contribution to G.D.P. as well as export earnings.

44 That in the face of aggravated pressure on balance of payments as a result of increased oil prices those who manage the economy should exercise every caution to safeguard the proportion of G.D.P. being applied to investment to ensure that at least the moderate rate of growth planned for the early years of this decade is achieved.

45 That, to safeguard the country's position in future, particular efforts should be directed towards creating a more diverse and stable base for exports. External funds borrowed to supplement domestic savings in investment should, therefore, as much as possible be applied to areas geared to increasing earnings in exports.

47 That the country must address itself to the question of the rate of population increase, which is becoming a problem.

71 That in view of the fact that real incomes for the Public Service have been eroded by rises in the cost of living, there is a case to revise their remuneration upwards to at least compensate them for such erosion.

75 That commitments of unplanned expenditure must be kept under constant review and every effort made to avoid them.

80 (1) That expansion of the Civil Service must be kept to a minimum.

(2) That restructuring must be confined to essential job re-definitions, up-grading in very special schemes, transfers of civil

servants already in employment, and only such other measures as are designed to improve morale and efficiency.

(3) That minimum qualifications for various jobs should be up-graded as more people acquire advanced academic and professional qualifications.

The Challenges of the 1980s

97 That the Government and the Civil Service should make the right demands on themselves rather than just responding to demands explicitly made on them, in the 1980s.

99 That the Government should continue to strive to create appropriate administrative and managerial capabilities in the Public Sector to ensure the optimum utilization of the nation's scarce resources in the process of providing basic needs to the people, taking advantage of economic opportunities as they present themselves.

100 That there should be proper information and education of the population on anticipated short-term and long-term effects of the harsh economic challenges, in order to arrest panic and misunderstanding in the face of repercussions; and

That all members of the Public Service should avoid making statements which indicate or imply that the Government is in possession of infinite means of providing for needs.

101 That in order to exploit the scarce national resources for the benefit of all, more attention will have to be centred on the subject of human resources management.

110 That the question of population and its dynamics must be treated as central to the challenges which the public services must address themselves to, throughout the 1980s.

Future Role of the Civil Service

123 That a detailed study be undertaken of the working of the Ministry of Agriculture to determine how best the work of the various departments can be co-ordinated with the Ministry of Economic Planning and the Ministry of Finance, and how the money spent by the Crop Development and Land Development Divisions can be related to

the investments made in agriculture through the non-bank agricultural institutions.

132 That a thorough investigation be carried out to determine how a comprehensive integrated data collection system can be developed to serve the District Development Committees and operational Ministries.

134 That the Ministry of Economic Planning be strengthened to enable it to carry out long-term strategic planning which is capable of being continually revised in the light of external or internal changing economic conditions; and to undertake effective ranking of ministerial development bids and the preparation of project profiles.

Management of Planned Development

182 (1) That Ministries should structure and organize their Planning, Implementation and Administration Divisions, and that each division should be headed by a Deputy Secretary.

(2) That Permanent Secretaries should delegate more responsibility and authority to their deputies in order to have more time to concentrate on policy matters.

(3) That in Forward Planning, the techniques of preparing project data profiles be adopted.

(4) That Computer facilities should be used more extensively by functional ministries in order to facilitate rapid processing and transmission of data.

(5) That each functional ministry should undertake a review of its capability to implement responsibilities entrusted to it.

(6) That once Administration Divisions in Ministries are created to handle personnel and finance matters, the post of PF & EO should be discontinued.

(7) That, in addition to being the Chairman of D.D.C., the District Commissioner be the A.I.E. holder for those works undertaken by the D.D.C.

(8) That a secretariat to be headed by the District Development Officer be established for each D.D.C. and be manned by qualified technical personnel.

(9) That D.D.C.s be made responsible for co-ordinating all Harambee projects.

(10) That a monitoring mechanism be established to collate, analyse and evaluate information and data on employment and basic needs satisfaction arising from rural development projects.

(11) That the Rural Works Programme Co-ordinating Unit of the Ministry of Economiic Planning and Development be strengthened to cope with the bids of all D.D.C.s, advise them, inspect and monitor their projects.

(12) That the Monitoring Unit in the Office of the President should initiate a regular progress reporting system and convene inter-ministerial meetings to appraise all development activities.

(13) That the Monitoring Unit should be staffed with properly trained and experienced professional personnel.

Management Practices

188 (1) That the Training Review Committee's Report, 1971–72, and the K.I.A. Review Committee Report 1978–79, be implemented.

208 That graduates and professionally qualified Personnel Officers should be assigned more challenging professional personnel duties and responsibilities.

209 That the Scheme of Service for Personnel Officers should reward individual achievement and recognize academic and professional qualifications, in order to reduce the levelling effect.

210 That the C.P.S. syllabus should be made more relevant to the needs of the personnel function in the Civil Service.

211 That Provincial Personnel branches should be strengthened and that Office of the President should continue to offer personnel agency service to ministries with few staff in the Provinces.

219 (1) That adequate staffing of the Directorate of Personnel Management be achieved as a matter of urgency.

Paragraphs

(2) That the following management techniques be properly documented:

(i) Manpower Planning and Utilization.

(ii) Performance Evaluation.

(iii) Career Planning.

(iv) Management by Objectives.

Deployment and Utilization of Professional and Technical Personnel

245 (1) That the Government should maintain comprehensive and up-to-date statistics of the supply and demand of professional and technical personnel, on a country-wide basis.

(2) That the intention by Government to carry out a manpower survey be implemented as soon as possible and that, in future, national manpower surveys be conducted on a continuous basis.

(3) That the Kenyanization objective should not be the main determinant of the type and level of professional and technical personnel to be produced.

(4) That production, deployment and utilization of professional and technical personnel should aim at achieving an optimum ratio.

(5) That Harambee institutions should be staffed with qualified personnel in order to sustain the spirit of self-help.

(6) That Government Ministries should plan for both their short-term and long-term needs for professional and technical personnel.

(7) That planning of University education should be done on a national basis and not through bilateral arrangements with Ministries.

(8) That Government should co-ordinate training on a national basis and thus ensure that all idle capacity for technical training is fully utilized.

(9) That the Co-ordinating Committee on Harambee institutes of science and technology be reactivated.

(10) That professional and technical personnel be provided with the necessary facilities of the trade to ensure their optimum utilization.

Paragraphs

(11) That the National Council of Science and Technology should undertake to co-ordinate the training of Research Personnel in the country.

(12) That a substantial number of scholarships and fellowships be made available for post-graduate and post-doctoral training in the University and abroad and in suitable research institutes in the country.

The Public Service Commission

252 That the present practice whereby posting orders are issued by the Central Government Postings Committee should be discontinued, and that in future, the Postings Committee should submit its decisions to the Public Service Commission in form of recommendations for the latter to take action.

253 That the P.S.C. should design a method which will facilitate speedy processing of promotion and disciplinary cases referred to it; and

That the P.S.C. delegates more of its powers to Permanent Secretaries and that the powers delegated be subject to audit by the Commission.

254 That the Teachers Service Commission Act be repealed and that the duties and powers of the T.S.C. be vested in the Public Service Commission; and

That the term "Public Service" (of P.S.C.) should embrace the entire public sector, including parastatal bodies but excluding the Judiciary.

255 That Commissioners of the P.S.C. should be appointed from amongst the senior members of our public and that their emoluments should reflect their seniority in the society.

Philosophy of the Public Service

270 (1) That all public officers be immediately required to declare their interests.

(2) That all public officers be immediately required to resign from all directorships in any private and public companies, unless they hold such directorships on behalf of the Government.

Paragraphs

(3) That any public servant who is unwilling to declare his interests or to resign from directorships should be required to resign from the service immediately he indicates unwillingness to conform.

(4) That areas of investment in which members of the Public Service and their families can participate with the approval of the appropriate authority be clearly defined.

(5) That any public servant whose private interests extend beyond the areas recommended be given six months from the date of declaration during which time he should either conform to the new conditions or leave the service.

(6) That an appropriate authority be established to approve investments by public servants and to keep a record of all such investments which should be reviewed annually.

272–273 That the proposed committee be established to formulate a "Leadership Code of Conduct", for all elected and appointed public servants.

The Judiciary

277 That the independence of the Judiciary should be maintained and that the Judiciary should not be treated as an appendix of the Office of the Attorney-General.

278 That judges and magistrates should be offered attractive terms and conditions of service so as to reflect the restrictive life that they must lead.

280 That judges and magistrates should be on permanent and pensionable terms of service in order that they may have security of tenure which is necessary to ensure their independence.

281 That there must be Government housing set aside for judges and magistrates at every station where there is a court.

283 That all efforts should be made to train and recruit local lawyers who will fill positions of judges and magistrates.

286 That there should be established a training course for clerical staff, executive officers and interpreters in the Judiciary and that on completion of such training, these officers should be appointed by the Judicial Service Commission.

Paragraphs

288 That professionally qualified lawyers should be employed to man all legal posts and to prosecute all cases and that therefore employment of unqualified persons should be discontinued.

291 That in future, all attempts be made to ensure that the Kenya Court of Appeal operates and is seen through its work to be operating as a truly appellate court, following the law that established it, and drawing on the best experience elsewhere where particular matters have not been provided for.

The Teaching Service

301 That the Graduate/Approved Teacher scale be segmented so that promotion from one segment to another is possible in the same manner that civil servants can be promoted from one job group to another.

303 That K.N.U.T. should consider transforming itself into a professional body and concern itself mainly with professional ethics, conduct and discipline of the teachers and that the part of the Teachers Service Commission Act which deals with registration and discipline of teachers should be incorporated into a legislation that would create such a professional body.

305 That the staff of the Teachers Service Commission and those of boards of governors in schools and colleges be placed in established posts and given similar conditions of employment including superannuation benefits, like the rest of the Public Service.

306 That in the event of the Teachers Service Commission being abolished and the functions of the T.S.C. being transferred to the Public Service Commission, the need for the Teachers Remuneration Committee should not arise.

Local Government

325 (1) That the Ndegwa Commission conclusions and recommendations which the Government accepted in Sessional Paper No. 5 of 1974 regarding Local Government should now be implemented.

(2) That the report of the Committee on Revenue Collection appointed under Cabinet Minute No. 44 of 1973 (which

we have referred to as the Nyaga Committee) should be read together with the 1976 I.M.F. Report on "Analysis of Local Government Finances in Kenya with Proposals for Reform".

(3) That the Government takes an urgent decision on the functions and usefulness of local authorities.

(4) That in view of the fact that most of the councils have no reserve funds and that those that have are quickly depleting their reserves, the Government should establish grants to supplement their revenue resources.

(5) That harmonization of terms and conditions of service for both the Civil Service and local authorities should be done and that a committee should be established for this purpose.

The Ombudsman

335 That there is a case for the creation of the Ombudsman and we suggest that the Government considers and determines whether this is the right time for the establishment of the office.

The Civil Service Salaries

347 That regular periodic reviews of the levels of remuneration be made an integral part of the personnel management function and that at least once after every two years Civil Service remuneration levels should be reviewed on a systematic and logical basis with a view to effecting adjustments to cover changes in cost of living and to effect such job reclassification or regradings as would be necessary.

348 That, with regard to job regrading and/or reclassifications, there must be liaison between the Directorate of Personnel Management, the Treasury, the Ministry of Economic Planning and the Public Service Commission. The P.S.C. must approve any regrading and reclassification proposals before they are implemented; and

That following the above, a body external to the Civil Service should be appointed for the purpose of considering all the recommendations regarding remuneration levels, job re-

gradings and job reclassifications. This body would examine the recommendations and advise the Government on the line of action.

349 That annual increments for officers in Job Group "G" and above must be earned and should, therefore, only be awarded on the basis of merit as determined by a fair appraisal of an officer's performance which must be the central point of annual reports.

350 That regrading of jobs and placing holders at a higher scale specifically towards the top end of the structure can only result with odd, undesirable situations and must be avoided.

351–352 That changes in salary grading structure should include: abolition of Job Group "ϕ"; removal of Permanent Secretaries from Job Group "P" to Job Group "Q"; creation of Job Group "R" for the Permanent Secretary to the Treasury, Controller and Auditor-General and the Chairman of the Public Service Commission; and creation of Job Groups "S" for the Head of the Civil Service, Secretary to the Cabinet and Permanent Secretary in the Office of the President.

353–355 That a serving officer who is appointed ambassador should take that appointment without automatically changing his rank; and that during his posting abroad, like other officers who serve in the foreign service, he should be considered for promotion in the normal manner; and

That the current practice whereby ambassadors are all seen as equal at least from the point of view of the grading within job groups and remuneration be revised, and that missions should similarly be graded to reflect their relative seniority.

356 That positions of Deputy Permanent Secretaries should no longer be created and should be phased out with their current holders.

357 That the Ndegwa Commission grading structure as now slightly revised should continue to form a sound base upon which gradual and consistent improvements can continue to be made.

Paragraphs

358 That the Chairman of the Public Service Commission should be placed in Job Group "R" and that other commisioners and chairmen of the proposed service boards and Secretary to the Commission should be in Job Group "Q", while members of the service boards should be placed in Job Group "P".

360 That our recommendations on remuneration should not in any way be used as an excuse to trigger new rounds of wage negotiations in the rest of the formal sector.

Salaries for the Judiciary

361 That, in view of the fact that a former judge cannot return to practice as an advocate in Kenya, judge's remuneration should take account of his restricted ability to earn a living after he retires; and

That the recruitment of local advocates to the Bench must now be given very serious thought.

362 That members of the Judiciary must be identified with the social framework within which they perform duties, and therefore their salaries must be founded on the same general principles as are applied elsewhere in the public sector. They should however be placed in the higher income categories; and

That the Constitutional Offices Remuneration Act be amended to put our recommendations on remuneration of judges of the Court of Appeal and the High Court into effect.

363 That if our recommendation that the Judiciary should be a separate entity is accepted, the Registrar of the High Court should be the accounting officer for the Judiciary and should therefore be placed in Job Group "Q" together with other accounting officers.

364 That the accounting officer for the Attorney-General's Chambers should similarly be placed in Job Group "Q"

366 That in making proposals for improvement in the remuneration of the members of the Judiciary, we also emphasize that no concession should be made for any of them to engage in any business whatsoever, except ownership of land, buildings or any quoted public shares.

Paragraphs

367 That the Registrar of the High Court should agree with the Directorate of Personnel Management on a scheme of service for officers of the Court; and

That after undergoing a formal training programme for interpreters, Judicial Department executive officers and the clerical staff, these officers should serve the Judiciary all over the country, thus making a career in the Judiciary.

Salaries and Terms of Service for the University

368 That the right kind of atmosphere conducive to the functions of a University be promoted so as to attract both scholars and students. This is to be achieved by way of having adequate facilities for teaching and research and creation of opportunities to participate in international academic conferences.

371 That the University Council adopts the Lugonzo Committee's salaries and wages proposals; and

That the levels of emoluments of the staff of the University should be looked at from time to time by the University Council; and

That the Vice-Chancellor's salary should be within the range of the proposed salary scale "S".

372 That the University should adopt the formula we have recommended, which relates house allowance to the earning capacity of the recipient, and which will therefore rise following the rise in emoluments of the recipient.

373 That the University Council should adopt the formula we have recommended for the Civil Service, regarding house allowance for married women.

375 That House to Office Mileage Allowance should be abolished.

376 That other terms of service for the University staff should in general be in line with those recommended for the Civil Service.

377 That the principle laid down on private interests should apply to the University staff; and

That the proposal to establish Consultancy Units within departments and faculties, through which academic staff can offer their expertise to the nation, be implemented.

Civil Service: Other Terms and Conditions of Service

382 That the problem with regard to the supply of housing to civil servants should be accurately identified and quantified.

384 That the Government should immediately embark on an ambitious building programme aimed at reaching near self-sufficiency in Government-owned housing for civil servants, with priority being given to housing development in the provinces and districts; and

That the responsibility of building and maintaining houses for civil servants be left with the Ministry of Works after priorities have been decided upon; and

That recovery of rent for Government quarters at current rates should continue so as to provide funds for maintenance of the quarters.

385 That a reasonably sized scheme for owner-occupied housing be sponsored by Government for its employees.

386 That a fund be set up to be administered by an agency specialized in mortgage finance on behalf of Government with the sole aim of ensuring that Government Staff Mortgage Schemes are carried out on a continuous basis.

387 That once the civil servants mortgage housing scheme is established, it should be a basic requirement that an officer who gets a house under the scheme stays in that house, unless he is posted to a different station.

390 That fixed capital ceilings in respect of owner-occupier house allowance be discontinued and instead, the owner-occupier house allowance be assessed on the basis of 12.5 per cent of three times an officer's basic salary, multiplied by a factor of 10/9; and

That the current practice whereby rent deduction in owner-occupier house allowance is effected as it would have been if the officer was occupying Government quarters should be discontinued.

394 That house allowance for an officer living in privately-rented accommodation should be assessed on exactly the same basis as we have recommended for those officers living in owner-occupied houses; and

That the requirement that an officer living in privately-rented accommodation should produce rent receipts should be discontinued and such officers should be paid their house allowance once that allowance has been determined on the basis of the formula applicable to owner-occupiers.

395 That a married woman officer whose husband is not a public servant should be eligible for housing privileges in respect of her employment; and

That where both husband and wife are in the Public Service, their housing benefit should be determined on the basis of the spouse who qualifies for the better allowance; and

That house allowance should be paid to a married woman officer who is divorced or separated from her husband following a court order, or when she lives separately awaiting determination of divorce or separation proceedings pending before a court of law.

398 That those earning 21 working days leave should in future earn 24 working days instead.

399 That the arrangement whereby an officer on leave pending retirement or resignation should come back and serve for a minimum of three months before he retires or resigns, should be discontinued.

401 That the provision in the Code of Regulations that leave is not a right should be removed.

402–404 That Travelling Privilege and Baggage Allowance be replaced with a new allowance to be called "Leave Allowance", which will be paid to an officer once a year when proceeding on annual leave for a duration of at least half his leave entitlement.

408 That female officers in the Civil Service should continue to be granted two months maternity leave but forfeit the annual leave.

411 That Special Terminal Leave be discontinued. The officer who retires should be granted his annual leave which will be calculated as a proportion of part of the year he will have worked.

415–416 That Government should give strong consideration to a more widespread loan system; in some types of loans for "consumer durables", Government should not insist on

security for the loan as indeed for those in the lower echelons security may not exist; provided that an officer fulfils the conditions we have recommended to be attached to these loans.

420 That, in view of the escalation in the cost of motor vehicles, levels of advances for purchase of motor vehicles should be adjusted upwards to new suggested rates, and that loan repayment period should be increased from four to five years.

422 That loans for overhaul of motor vehicles should be extended to cover those vehicles which have no loan liabilities, and that the amount that can be advanced for such overhaul should be increased to Sh. 10,000.

424 That Accommodation Allowance rates be adjusted upwards as per suggested rates.

428 That the period during which an officer would be entitled to Special Accommodation Allowance be increased from 10 to 30 days.

431 That the Directorate of Personnel Management should regularly review the Subsistence Allowance payable when an officer is travelling on duty outside Kenya, to ensure that the rates are not below the cost of living in the respective countries.

433 That House to Office Transport Allowance be discontinued.

434 That Bicycle Allowance be increased from the current rate of K.Sh. 25 p.m. to K.Sh. 40 p.m. in rural areas and K.Sh. 35 p.m. in towns.

435 That Ministries should review their respective Safari Outfit requirements, and that durable items in this category should be treated like any other Government Stores and be accounted for.

442 That instead of continuing to pay Security Allowance to Clerical Officers working in secret registries, a cadre of Secret Registry Officers should be created.

446 That Disturbance Allowance should be paid at a higher rate of one-fortieth (1/40) of one's basic annual salary.

449 That the Directorate of Personnel Management should constantly review the hardship areas with a view to

deleting from the list any areas they may find having reasonable amenities.

450 That in addition to "Examination Bonus" Government should refund the full tuition and examinations fees to officers who study on their own and pass approved, relevant examinations.

451 That as a long-term solution, the Government should create a cadre of trainers and provide a scheme of service for them.

453 That the Flying Allowance rates payable to police officers of the Kenya Police Airwing should be applied across-the-board for all pilots employed by Government including those under the Directorate of Civil Aviation.

455 That Motor Mileage Allowance be adjusted upwards as per the rates we have suggested, and that these rates should be reviewed frequently.

462 That in future *ex gratia* payments which are currently approved by the Ministry of Health or the Directorate of Personnel Management should be approved by the Permanent Secretaries of respective Ministries and that the Director of Medical Services should spell out the conditions for approving such *ex gratia* assistance.

463 That Government should take over the responsibility of paying hospital bills directly to recognized non-Government hospitals on the same basis as the N.H.I.F. pays for its contributors.

466 That Government should introduce a contributory medical scheme in the Civil Service, as was recommended by the Ndegwa Commission.

467 That Government should amend the National Hospital Insurance Fund Act to include those employees earning K.Sh. 600 and above.

469 That in addition to free dental and optical treatment provided for, Government should meet expenses of standard dentures and spectacles.

475 That the scheme whereby superscale officers who have served for ten years or have reached the age of 45 years may retire with full benefits, be extended for a further five

years, and that the Government should use this scheme to rid itself of ineffective officers, who cannot be retired under other retirement schemes.

Statutory Boards, Corporations, Advisory and Consultative Bodies

485 That the Parastatals Advisory Committee should give priority to those parastatals which are causing most concern from the point of view of poor management and hence bad results and massive losses of public funds.

487 That Chapters XVIII and XIX of the Ndegwa Commission Report should be treated as a basic point of reference when seeking solutions to problems of parastatal organizations.

490 That the Government should consider setting up a forum whereby Chief Executives of parastatals, particularly those expected to make profits, would get together at least once a year under the chairmanship of the Permanent Secretary to the Treasury and review the overall performance of the "parastatal sector"; and that Permanent Secretaries of parent ministries and the Inspector of Statutory Boards should also be in the forum.

492 That in the event the Government decides to use one State company or a parastatal organization which is normally expected to operate at a profit, to undertake a socio-political project, that project should carry a price tag which the State should meet.

494 That steps should be taken to give the Inspectorate the required capacity and that the Inspector should ensure that the unit carries out its duties as defined in such a way that their function is seen to be positive and useful to the various boards, corporations and authorities.

499 That with regard to harmonization of salaries and other terms and conditions of service between the various branches of the Public Service, due attention should be given by the Government to the principles and recommendations enunciated in the Ndegwa Commission Report, which remain basically sound and relevant, and which were accepted by Government in Sessional Paper No. 5 of 1974.

Paragraphs

507 That positions of managing directors of parastatal organizations and Government-associated companies should be filled either through advertisement, or through a more widely based head-hunting process, provided in both cases the selection is impartial and fair.

512 That advisory, regulatory and consultative bodies should be serviced by the Civil Service.

513 That for proper and fair appointments to be made for top positions in Government companies, corporations or boards, there must be proper and comprehensive job-descriptions prepared, if necessary, with the assistance of consultants.

514 That the determination of the fringe benefits to be enjoyed by chief executives of parastatal organizations should be based on what obtains in the Civil Service.

Superannuation

526 That further work be undertaken by the Government in consultation with all the interested parties as represented in the National Social Security Advisory Council, to develop the N.S.S.F. into a self-supporting national pension scheme, and that this be done within the life of the current development plan. The eventual scheme should include the various features we have suggested.

LIST OF PERSONS AND ORGANIZATIONS INTERVIEWED

Nairobi—5th October, 1979 to 6th June, 1980

Hon. Mwai Kibaki, E.G.H., M.P., Vice-President and Minister for Finance.
Hon. Charles Njonjo, E.G.H., M.P., Attorney-General.
Hon. Dr. Robert Ouko, M.P. Minister for Foreign Affairs.
Mr. J. G. Kiereini, E.B.S., Permanent Secretary, Office of the President, Head of Civil Service, and Secretary to the Cabinet.
Mr. J. A. Gethenji, Permanent Secretary/Director, Directorate of Personnel Management, Office of the President.
Mr. A. K. Kandie, Permanent Secretary, Ministry of Home Affairs, later Permanent Secretary/Director, Directorate of Personnel Management, Office of the President.
Hon. Sir James Wicks, Chief Justice.
Mr. N. Ng'ang'a, E.B.S., Permanent Secretary, Office of the Vice-President and Ministry of Finance.
Mr. H. M. Mule, Permanent Secretary, Ministry of Economic Planning and Development, later Permanent Secretary, Office of the Vice-President and Ministry of Finance.
Mr. G. R. M'Mwirichia, Permanent Secretary, Ministry of Education.
Mr. J. Muliro, Permanent Secretary, Ministry of Agriculture.
Mr. D. M. Mbela, Permanent Secretary, Ministry of Housing and Social Services.
Mr. L. D. Galgalo, Director of Aerodromes.
Mr. W. N. Mbote, Deputy Secretary, Ministry of Power and Communications.
Mr. J. B. Wanjui, Chairman, East Africa Industries Ltd.
Mr. F. G. Maina, General Manager, A.F.C.
Mr. B. S. Rihal, Acting Chief Housing Officer, Ministry of Housing and Social Services.
Mr. B. R. Vora, Chief Accountant, K.T.D.A.
Mr. P. M. Echaria, Chief Executive Officer, H.C.D.A.
Mr. P. M. Waweru, Managing Director, I.C.D.C.
Mr. J. D. Ochoki, Acting Deputy Director, Wildlife Conservation and Management Department.
Mr. N. Odero, Director of Fisheries.
Mr. P. M. Ogola, Acting Chief Tourist Officer, Ministry of Tourism and Wildlife.
Mr. D. M. Sure, Administrative Secretary, Catering Levy Trustees.
Mr. W. K. Martin, General Manager, National Cereals and Produce Board.
Mr. T. Owuor, Executive Director, F.K.E.
Mr. J. K. Gecau, Chairman, East African Power & Lighting Company Limited.
Mr. E. C. Kotut, Managing Director, K.N.T.C.
Mr. C. S. Mbindyo, Managing Director, Kenya Industrial Estates (K.I.E.).
Mr. J. W. Ichangi, Personnel Manager, K.I.E.
Mr. D. A. Edebe, Regional Manager, K.I.E., Mombasa.
Mr. P. Ndegwa, Chairman, Kenya Commercial Bank.
Mr. A. M. Nyakundi, Secretary-General, Union of Kenya Civil Servants.
Mr. S. M. Jefwa, National Treasurer, U.K.C.S.
Mr. L. O. Kibinge, Permanent Secretary, Ministry of Foreign Affairs.
Mr. J. S. Mathenge, Permanent Secretary, Ministry of Water Development.
Mr. L. M. Kabetu, Permanent Secretary, Ministry of Commerce and Industry.
Mr. G. M. Matheka, Permanent Secretary, Ministry of Information and Broadcasting.
Mr. S. D. Gathiuni, Permanent Secretary, Ministry of Local Government.

Mr. J. H. O. Omino, Permanent Secretary, Ministry of Natural Resources.
Mr. F. N. Ondieki, Permanent Secretary, Ministry of Health.
Mr. A. Mbogoh, Permanent Secretary, Ministry of Lands and Settlement.
Mr. S. J. Mbugua, Permanent Secretary, Ministry of Works.
Mr. D. Mwiraria, Permanent Secretary, Ministry of Power and Communications.
Mr. J. G. Kibe, Permanent Secretary, Ministry of Tourism and Wildlife.
Mr. G. K. Kariithi, C.B.S., former Permanent Secretary, Office of the President, Head of Civil Service and Secretary to the Cabinet.
Mr. F. M. Njuguna, Permanent Secretary, Office of the President.
Mr. D. T. Wanjuki, Deputy Secretary, Ministry of Agriculture.
Mr. W. M. Njoroge, Deputy Director, Veterinary Services.
Mr. J. K. Muthama, Director of Agriculture.
Mr. J. Adamba, Deputy Secretary, Ministry of Labour.
Mr. S. K. Kiara, Acting Chief Inspector of Factories.
Mr. N. T. Muta, Deputy Secretary-General, U.K.C.S.
Mr. M. J. K. Muasya, Branch Secretary, U.K.C.S.
Mr. F. J. Aomo, National Chairman, U.K.C.S.
Mr. S. Getonga, Town Clerk, Nairobi City Council.
Hon. Mr. Justice S. F. Cockar, Judge of the Kenya Industrial Court.
Mr. N. Muriuki, General Manager, Kenya Shell Ltd.
Mr. P.S. Brar, Registrar, High Court of Kenya.
Mr. J. Gatuiria, Managing Director, Industrial Development Bank.
Mr. J. K. arap Koitie, Chairman, Public Service Commission.
Mr. D. G. Kimani, Secretary, Public Service Commission.
Mr. Duncan N. Ndegwa, C.B.S., Governor, Central Bank of Kenya.
Mr. R. Wooton, Nairobi.
Mr. P. B. Armitage, Consulting Actuary, Kenya Reinsurance Corporation.
Mr. D. Mbai, Senior Personnel Officer, Directorate of Personnel Management.
Mr. T. S. Chana, Head of Housing Research Unit, University of Nairobi.
Mr. N. K. Mwara, Government Computer Manager.
Prof. J. M. Mungai, Vice-Chancellor, University of Nairobi.
Mr. W. N. Wamalwa, Chairman, Chemilil Sugar Company.
Mr. D. Ngini, Managing Director, Kenya Railways.
Mr. P. K. Boit, Provincial Commissioner, Nairobi.
Mr. S. K. Mbugua, Inspector of Statutory Boards.
Mr. Parmeet Singh, Director, Central Bureau of Statistics.
Mr. J. Karugu, Deputy Public Prosecutor, Attorney-General's Chambers.
Mr. L. O. Musiga, Director, National Social Security Fund.
Mr. J. M. Mutugi, Labour Commissioner.
Mr. J. Waiboci, Director of Kenyanization of Personnel Bureau.
Mr. D. G. Njoroge, Controller and Auditor-General.
Mr. S. W. S. Muchilwa, Government Printer.
Mr. E. M. Wanjau, Under Secretary, Ministry of Foreign Affairs.
Mr. G. K. Raichenah, Assistant Secretary, Ministry of Foreign Affairs.
Mr. H. J. Nyamu, Principal, Kenya Institute of Administration, Lower Kabete.
Mr. L. M. Mucemi, Commissioner for Co-operatives.
Mr. J. W. Githuku, Deputy Permanent Secretary, Office of the Vice-President and Ministry of Finance.
Mr. F. W. Muraya, Under Secretary, Ministry of Water Development.
Mr. A. N. Ndiho, Under Secretary, Ministry of Water Development.
Mr. R. C. Shikwe, Deputy Secretary, Ministry of Water Development.
Mr. F. M. Mureithi, Deputy Director of Water Engineering, Ministry of Water Development.
Mr. D. M. Kirori, Director of Water Resources, Ministry of Water Development.

Mr. P. C. Shalat, Superintending Engineer, Ministry of Water Development.
Mr. W. J. Odhiambo, Deputy Director of Water Engineering, Ministry of Water Development.
Mrs. M. W. Karugu, Under Secretary, Ministry of Commerce and Industry.
Mr. J. K. Mucoki, Director of Trade and Supplies.
Mr. J. M. Njoroge, Director, Management Training and Advisory Centre.
Mr. A. G. Barve, Executive Director, K.E.T.A.
Mr. P. A. Ayata, Director, Weights and Measures.
Mr. D. L. A. Ochieng', Principal, Kenya Industrial Training Institute.
Mr. L. Kabiro, Acting Director of Information.
Mr. L. D. Nguru, Principal, Kenya Institute of Mass Communication.
Mf. J. R. Kangwana, Director of Broadcasting.
Mr. J. A. Mwangi, Deputy Secretary, Ministry of Information and Broadcasting.
Mr. S. N. Macharia, Chief Engineer, Voice of Kenya.
Mr. J. J. Karanja, Deputy Permanent Secretary, Ministry of Local Government.
Mr. M. M. Muhashamy, Deputy Secretary, Ministry of Locan Government.
Mr. J. K. arap Kirui, Under Secretary, Ministry of Local Government.
Mr. A. Denge, Principal Finance Officer, Ministry of Local Government.
Mr. G. H. Omondi, Senior Assistant Secretary, Ministry of Local Government.
Mr. C. M. Mbuthia, Assistant Secretary, Ministry of Local Government.
Mr. O. M. Mburu, Chief Conservator of Forests, Ministry of Natural Resources.
Mr. C. M. Kamau, Planning Offiver, Ministry of Natural Resources.
Mr. C. Y. O. Owayo, Chief Mining Engineer, Ministry of Natural Resources.
Dr. W. K. Koinange, Director of Medical Services.
Mr. J. Ndoto, Deputy Permanent Secretary, Ministry of Health.
Dr. M. R. Migue, Principal, Medical Training Centre.
Mr. C. M. Wambua, Chief Personnel Officer, Ministry of Health.
Mrs. R. N. Musangi, Senior Assistant Secretary, Ministry of Health.
Mr. A. N. Ligale, Director of Physical Planning.
Mr. W. J. Absaloms, Assistant Director of Surveys.
Mr. G. C. O. Opundo, Under Secretary, Ministry of Lands and Settlement.
Mr. E. M. Karagania, Principal Land Adjudication Officer.
Mr. E. A. Idwasi, Assistant Director of Land Adjudication.
Mr. J. R. Njenga, Commissioner of Lands.
Mr. P. K. Gota, Director of Settlement.
Mr. P. D. Swan, Chief Mechanical Engineer, Ministry of Works.
Mr. A. A. Ngotho, Chief Architect, Ministry of Works.
Mr. W. P.O. Wambura, Chief Engineer (Roads), Ministry of Works.
Mr. K. A. Maina, Under Secretary, Ministry of Works.
Mr. H. M. Waithanji, Chief Personnel Officer, Ministry of Works.
Mr. J. M. Wachira, Senior Personnel Officer, Ministry of Home Affairs.
Mr. S. T. Torome, Principal Probation Officer, Ministry of Home Affairs.
Mr. A. K. Kiptanui, Registration of Persons Bureau, Ministry of Home Affairs.
Mrs. F. M. Otete, Deputy Secretary, Ministry of Home Affairs.
Mr. J. K. Mutua, Principal Immigration Officer, Ministry of Home Affairs.
Mr. R. N. Mutua, Commissioner of Prisons, Ministry of Home Affairs.
Mr. A. L. Alusa, Acting Director, Meteorological Department.
Mr. David Coward, Registrar-General, Attorney-General's Chambers.
Mrs. E. N. Ngugi, Chairman of the Committee on Terms and Conditions of Service of Nurses.
Miss Muhoho, Lecturer, University of Nairobi.
Sister Stanislaus, Nursing Sister, Mater Misericordiae Hospital.
Mrs. Murigo, Enrolled Nurse.
Mr. J. Khachina, Head of Nursing Department, Medical Training Centre.

Mr. A. A. Adongo, Secretary-General, K.N.U.T.
Mr. P. L. Lubulelah, Senior Executive Officer, K.N.U.T.
Mr. J. K. Karago, Executive Officer, K.N.U.T.
Mr. D. Mulindi, National Chairman, K.N.U.T.
Mr. W. Baraka, Vice-Secretary-General, K.N.U.T.
Mr. J. arap Ronoh, First Vice-National Chairman, K.N.U.T.
Mr. W. arap Letting, Second Vice National Chairman, K.N.U.T.
Mr. J. Mboga, Acting Treasurer, K.N.U.T.
Mr. J. Kathuka, Vice-Treasurer, K.N.U.T.
Mr. E. N. Gitonga, Deputy Secretary, Directorate of Personnel Management.
Mr. F. M. Mulaki, Under Secretary, Directorate of Personnel Management.
Mr. J. Karebe, Secretary-General, Kenya Local Government Workers Union.
Mr. D. Mwangi, Secretary, Teachers Service Commission.

Kakamega—29th October, 1979

Mr. S. Mwakisha, Provincial Commissioner, Western Province.
Mr. C. P. Okech, Deputy Provincial Commissioner, Western Province.
Mr. G. W. Werugia, Provincial Surveyor, Western Province.
Mr. J. S. Kagiri, Surveyor, Provincial Surveyor's Office, Western Province.
Mr. G. Onyiro, Provincial Physical Planning Officer, Western Province.
Mr. F. M. Mbiti, Provincial Statistics Officer, Western Province.
Mr. N. H. Opiyo, Provincial Local Government Officer, Western Province.
Mr. R. Kituyi, Provincial Director of Agriculture, Western Province.
Dr. H. K. Mwangi, Provincial Medical Officer of Health, Western Province.
Mrs. A. M. Adote, Provincial Senior Nursing Officer, Western Province.
Mr. J. Shiraku, Provincial Hospital Secretary, Western Province.
Mr. D. Esiaba, District Clinical Officer, Kakamega District.
Mr. H. Juma, Radiographer, Provincial General Hospital, Kakamega.
Mr. N. E. W. Ochieng', Biochemist, Provincial General Hospital, Kakamega.
Mr. R. Obonyo, Supplies Officer, Provincial General Hospital, Kakamega.
Dr. N. N. Agata, Provincial Medical Officer, Provincial General Hospital, Kakamega.
Mr. P. Nyanguti, Provincial Commissioner's Office, Western Province.
Mr. J. J. Njuguna, Provincial Commissioner's Office, Western Province.
Mr. S. T. Watuma, Provincial Education Officer, Western Province.
Mr. J. K. E. Chemoiywa, Provincial Director of Social Services, Western Province.
Mr. B. A. O. Ng'ong'a, Provincial Auditor, Western Province.
Mr. J. M. Kamich, Provincial Registrar of Births, Deaths and Marriages, Western Province.
Mr. G. Wabuke, Provincial Engineer, Western Province.
Mr. H. O. Miyienda, Deputy Principal, Kakamega Approved School.
Mr. E. Mwangi, Provincial Social Welfare Officer, Western Province.
Mr. J. W. Mareka, Provincial Prisons Commander, Western Province.
Mr. T. Alukonga, Provincial Children's Officer, Western Province.
Mr. F. C. M. Simiyu, Provincial Housing Officer, Kakamega.
Mr. D. S. Kisiangani, Provincial Housing Officer, Western Province.
Mr. B. C. K. Mandu, Clerk, Kakamega County Council.

Kisumu—30th October, 1979

Mr. B. Ombuna, Provincial Personnel Officer, Nyanza Province.
Mrs. B. W. Mwai, Labour Officer, Provincial Labour Office, Nyanza Province.
Mr. F. B. K. Were, Provincial Planning Officer, Nyanza Province.
Mr. J. Mwange, Branch Chairman, Union of Kenya Civil Servants, Kisumu.
Mr. G. Walobwa, Deputy Provincial Education Officer, Nyanza Province.
Mr. W. Obiero, Provincial Commissioner's Office, Kisumu.

Mrs. M. E. Mwasi, Provincial Commissioner's Office, Kisumu.
Mrs. E. O. Jonathan, Provincial Director of Social Services, Nyanza Province.
Mr. H. O. Amolo, Subordinate Staff, Provincial Commissioner's Office, Kisumu.
Mr. H. M. O. Alolo, Higher Clerical Officer, Provincial Commissioner's Office, Kisumu.
Mr. T. O. Ayim, Higher Clerical Officer, Provincial Commissioner's Office, Kisumu.

Nakuru—31st October, 1979

Mr. I. M. Mathenge, Provincial Commissioner, Rift Valley Province.
Mr. A. N. Njuguna Ndoro, Deputy Provincial Commissioner, Rift Valley Province.
Mr. J. G. Gatutha, Exchequer and Audit, Nakuru.
Mr. E. K. M'Mbijiwe, Assistant Commissioner of Police, Rift Valley Province.
Mr. A. S. Papa, Provincial Surveyor, Rift Valley Province.
Mr. O. J. N. Cholue, Provincial Physical Planning Officer, Rift Valley Province.
Mr. J. B. Achieng', Office of the Provincial Settlement Controller, Rift Valley Province.
Mr. J. P. K. Mbandi, Provincial Director of Agriculture, Rift Valley Province.
Mr. D. J. M. Mwasaga, Provincial Trade Development Officer, Rift Valley Province.
Mr. H. M. Ambaka, Water Development, Rift Valley Province.
Mr. D. M. Mureithi, Provincial Education Officer, Rift Valley Province.
Dr. B. J. Mwanjirani, Ministry of Health, Rift Valley Province.
Mr. J. K. Kihonge, Project Manager, F.I.T.C., Nakuru.
Mr. S. K. Maina, Provincial Roads Engineer, Rift Valley Province.
Mr. N. P. W. Ings, Ministry of Works, Rift Valley Province.
Mr. J. S. Onguko, Senior Assessor of Income Tax, Nakuru.
Mr. M. P. Olunga, Price Inspector, Nakuru.
Mr. N. G. Kimani, Provincial Probation Office, Rift Valley Province.
Mr. N. Valai, Provincial Prisons Commander, Rift Valley Province.
Mr. S. L. Jumba, Provincial Children's Officer, Rift Valley Province.
Mr. F. W. Nabichenje, Provincial Co-operative Officer, Rift Valley Province.
Mr. N. J. W. Mulwa, Provincial Personnel Officer, Rift Valley Province.
Mr. S. O. Mbita, Acting Area Director, Union of Kenya Civil Servants, Rift Valley.
Mr. M. O. Abwao, Branch Treasurer, Union of Kenya Civil Servants, Nakuru.
Mr. N. Misango, Branch Chairman, Union of Kenya Civil Servants, Nakuru.
Mrs. R. W. Githua, Physical Planning Officer, Nakuru.
Mr. S. B. Nyakundi, Department of Social Services, Nakuru.
Mr. S. W. Kariuki, Provincial Accountant, Rift Valley Province.
Mr. P. S. Muthui, Provincial Planning Officer, Rift Valley Province.
Mr. R. R. Arigi, Provincial Registrar, Rift Valley Province.
Dr. Muriithi, Provincial Veterinary Officer, Rift Valley Province.
Mr. P. J. G. Waithaka, District Commissioner, Nyeri.
Mr. S. Z. Ambuka, District Commissioner, Samburu.
Mr. H. N. Oyugi, District Commissioner, Turkana.
Mr. B. M. K. Ogol, District Commissioner, Nakuru.
Mr. B. J. O. Makosewe, District Commissioner, Nandi.
Mr. J. K. Ing'ong'a, District Commissioner, Elgeyo-Marakwet.
Mr. S. E. Oburu, District Commissioner, Narok.
Mr. A. M. Waituika, District Commissioner, Kericho.
Mr. F. K. Waiganjo, District Commissioner, Baringo.
Mr. S. R. Shakombo, District Commissioner, Uasin Gishu.
Mr. M. Maina, Personal Assistant to Provincial Commissioner, Rift Valley.

Mombasa—5th November, 1979 to 6th November, 1979

Mr. E. M. Mahihu, Provincial Commissioner, Coast Province.
Mr. J. K. Etemesi, Deputy Provincial Commissioner, Coast Province.
Mr. B. P. Kubo, Town Clerk, Mombasa.
Mr. C. G. Muhoya, Provincial Education Officer, Coast Province.
Mr. H. Mbui, Airport Manager, Moi International Airport, Mombasa.
Mr. Z. Ondicho, Area Director, Union of Kenya Civil Servants, Mombasa.
Mr. G. A. Okumu, Provincial Engineer, Coast Province.
Mr. A. B. S. Wanyonyi, Senior Auditor, Coast Province.
Mr. J. K. Gatheru, Provincial Director of Agriculture, Coast Province.
Mr. S. D. Mwamburi, Headmaster, Shimo-la-Tewa Secondary School, Mombasa.
Mr. C. S. Mataya, Provincial Education Office, Mombasa.
Mr. J. M. Muiah, Union of Kenya Civil Servants, Mombasa.
Mr. J. C. Mugwi, Union of Kenya Civil Servants, Mombasa.
Mr. T. Muya, Provincial Co-operatives Office, Mombasa.
Mr. P. M. Kinuthia, Provincial Inspector of Weights and Measures, Coast Province.
Mr. C. S. Nzioka, Principal, Matuga Development Centre.
Mr. R. O. Ogina, Provincial Trade Development Officer, Coast Province.
Mr. J. H. Obaso, Principal, Government Training Institute, Mombasa.
Mr. T. Muranja, Office Superintendent, Provincial Commissioner's Office, Mombasa.
Mr. M. N. Badi Hamisi, Provincial Personnel Officer, Coast Province, Mombasa.
Mrs. P. N. Njoka, Provincial Matron, Coast General Hospital, Mombasa.
Mr. D. K. Mbului, Senior Executive Officer, Judicial Department, Mombasa.
Mr. D. F. Mallingi, District Public Health Officer, Kwale.
Mr. M. Ngoto, Public Health Officer, Malinga Centre.
Mr. M. Skanda, Public Health Office, Mombasa.
Mr. L. M. Wandao, District Public Health Officer, Lamu.
Mr. J. W. Murakaru, Lecturer, Matuga Development Centre.
Mr. V. N. Ludindi, Acting Public Health Officer, Mombasa.
Mr. N. K. Nzulu, Senior Probation Officer, Coast Province.
Mr. J. G. Muturi, Deputy Managing Director, Kenya Ports Authority, Mombasa.
Mr. F. M. Kasyi, Provincial Surveyor, Coast Province.
Mr. I. L. Roberts, Managing Director, Bamburi Portland Cement, Mombasa.
Mrs. Rose Munzala, Teacher, Mombasa.
Mrs. M. A. Oganga, Teacher, Aga Khan School, Mombasa.
Mrs. M. N. Karanja, Teacher, Aga Khan School, Mombasa.
Mrs. M. Gitonga, Teacher, Mombasa.
Mrs. G. N. Waiyaki, Teacher, Aga Khan Girls School, Mombasa.
Mrs. A. L. A. Okumu, Nursing Officer I, Coast General Hospital, Mombasa.
Mr. J. D. Omolo, District Traffic Superintendent, Kenya Railways, Mombasa.
Mr. H. Mwaura, District Labour Officer, Mombasa.
Mr. J. S. Mumba, Assistant Director of Fisheries (Marine), Coast Province.
Mr. J. A. A. Mwinamo, Provincial Planning Officer, Coast Province.

Nyeri—12th November, 1979

Mr. S. Nyachae, Provincial Commissioner, Central Province.
Mr. D. Musila, Deputy Provincial Commissioner, Central Province.
Mr. Z. Orwa, District Commissioner, Kirinyaga.
Mr. M. Macharia, Forester, Nyeri.
Mr. C. W. Kaimiri, Forester, Nyeri.
Mr. J. Githae, National Social Security Fund, Nyeri.
Mr. O. M. Imanene, Higher Clerical Officer, Judicial Department, Nyeri.

Mr. F. Z. M. Mungai, Probation Department, Nyeri.
Mr. S. N. Kiiyuru, Probation Department, Nyeri.
Mr. D. T. Gogo, National Social Security Fund, Nyeri.
Mr. C. M. Thuo, Ministry of Co-operative Development, Nyeri.
Mr. J. K. Gachanja, Clerical Officer, Ministry of Co-operative Development, Nyeri.
Mr. F. M. Gichuki, Inspector of Weights and Measures, Nyeri.
Mr. E. W. Muchira, Physical Planning Draughtsman, Nyeri.
Mr. J. K. Kiboi, Subordinate Staff, Physical Planning Office, Nyeri.
Mr. T. F. Rading, Acting Area Director, Union of Kenya Civil Servants, Nyeri.
Mr. S. Mugambi, Divisional Forest Officer, Nyeri.
Mr. S. J. Karanja, Chairman, Union of Kenya Civil Servants, Kiambu District.
Mr. S. M. Mwangi, Area Director, Union of Kenya Civil Servants, Central Province.
Mr. G. J. Muremi, Ministry of Works, Nyeri.
Mr. P. N. Waweru, Senior Tea Officer, Ministry of Agriculture, Nyeri.
Mr. F. G. Meta, District Trade Development Officer, Nyeri.
Mr. N. L. O. Owaga, District Trade Development Officer, Nyandarua.
Mr. S. Obondi, Provincial Trade Development Officer, Central Province.
Mr. B. C. K. Kimani, Provincial Local Government Office, Central Province.
Mr. F. T. Ndiritu, Provincial Auditor, Ministry of Local Government, Central Province.
Mr. C. G. Ruggu, Provincial Inspector of Weights and Measures, Central Province.
Mr. G. W. Nderi, Personnel Officer, Ministry of Works, Nyeri.
Mr. K. Kimani, Forest Assistant, Nyeri.
Mr. M. Gigundu, Survey Clerk, Nyeri.
Mr. S. M. G. Githinji, Registrar of Births and Deaths, Nyeri.
Mrs. M. P. Marangu, Probation Officer, Nyeri.
Mr. L. K. Ng'ang'a, District Probation Officer, Kirinyaga District.
Mr. P. G. Karuthiru, Acting Senior Probation Officer, Central Province.
Mr. J. K. Gitau, District Probation Officer, Nyandarua District.
Mr. E. K. Wachira, Forester, Rural Afforestation Extension Scheme, Nyeri District.
Mr. A. A. Ingati, Forester, Ontulili Forest Station, Nyeri.
Mr. G. Mwara, Forester, Gathiru Forest Station, Nyeri.
Mr. D. M. Mwangi, Provincial Housing Office, Nyeri.
Mr. P. G. Ndungu, Auditor, Ministry of Local Government, Nyeri.
Mr. P. Wanjohi, Auditor, Ministry of Local Government, Nyeri.
Mr. J. K. Wanyeki, Provincial Director's Office, Ministry of Agriculture, Nyeri.
Mr. C. Waigwa, Office of the Provincial Director of Social Services, Central Province.
Mr. M. Kamwaro, Auditor, Office of Controller and Auditor-General, Nyeri.
Mr. E. Mbeu, Auditor, Office of Controller and Auditor-General, Nyeri.
Mr. D. G. Mwangi, Deputy Provincial Education Officer, Central Province.
Mr. M. K. Wachira, Forester, Kabaru Forest Station, Nyeri.
Mr. D. B. A. Ray Canute, Auditor, Office of the Controller and Auditor-General, Nyeri.
Mr. H. G. Nyoro, Forester, Zaina Forest Station, Nyeri.
Mr. J. N. Gathanga, Forester, Ragati Forest Station, Nyeri.
Mr. J. M. Githae, District Agricultural Office, Nyeri.
Mr. J. Nyakwara, Deputy Provincial Settlement Officer, Central Province.
Mr. C. M. Wanjama, Forester, Muringato Forest Station, Nyeri.
Mr. E. M. Muchai, Forester, Kiandongoro Forest Station, Nyeri.
Mr. S. W. King'ori, Forester, Chehe Forest Station, Nyeri.
Mr. F. T. Murunda, Rent Control Inspector, Ministry of Co-operative Development, Nyeri.
Mr. M. N. Muindu, Auditor, Office of the Controller and Auditor-General, Nyeri.

Mr. N. G. Wangungu, Provincial Water Officer, Central Province.
Mr. I. M. Makuthi, Deputy Provincial Water Officer, Central Province.
Mr. E. G. Mugera, District Water Officer, Nyeri.
Mr. P. M. Wambua, Provincial Personnel Officer, Nyeri.
Mr. A. S. Ogah, Provincial Inspector of Weights and Measures, Central Province.
Mr. A. F. Ondieki, Provincial Children's Officer, Central Province.
Mr. J. K. Jonah, Union of Kenya Civil Servants, Nyeri Forest Division.
Mr. J. J. Mwangi, Clerical Officer, District Agricultural Office, Nyeri.
Mr. J. M. Mutinda, District Trade Development Office, Nyeri.
Mr. Ngugi, Provincial Surveyor, Central Province.

Embu—13th November, 1979

Mr. P. Mwangi, Deputy Provincial Commissioner, Eastern Province.
Mr. S. Mungala, District Commissioner, Embu District.
Mr. M. M. Tsuma, Planning Officer, Ministry of Economic Planning and Community Affairs, Eastern Province.
Mr. P. H. K. Kinyanjui, Physical Planning Officer, Embu.
Mr. John D. Mwangi, Provincial Weights and Measures Officer, Eastern Province.
Mr. J. S. Kabubi, Acting Provincial Personnel Officer, Provincial Commissioner's Office, Embu.
Mr. C. C. Wekullo, Provincial Planning Officer, Eastern Province.
Mr. J. R. W. Mwakugu, Acting Provincial Director of Social Services, Eastern Province.
Mr. J. W. Mwatui, Provincial Probation Officer, Eastern Province.
Mr. J. M. Khamoni, Resident Magistrate, Embu.
Mrs. B. M. Njagi, Provincial Matron, Embu.
Mr. A. K. Mwaura, Principal, Embu District Development Centre.
Mr. D. M. Mwangi, Provincial Planning Office, Embu.
Mr. S. W. Ndiang'ui, Land Adjudication Officer, Embu.
Mr. J. Mutie, Provincial Area Director, Union of Kenya Civil Servants, Eastern Province.
Mr. E. K. M. Rukungu, Senior Land Adjudication Officer, Embu.
Mr. E. K. Njali, Chief, Ngandori Location, Embu District.
Mr. J. K. Njeru, Chief, Kangawi Location, Embu District.

Garissa—19th December, 1979

Mr. N. Ngugi, Provincial Commissioner, North-Eastern Province.
Mr. C. K. Githinji, District Commissioner, Garissa District.
Mr. J. R. Hieatt, Provincial Engineer, Ministry of Transport and Communications, North-Eastern Province.
Mr. M. M. E. Mwangi, Clerical Officer, Office of the President, Police Department, Garissa.
Mr. M. W. Wahome, Provincial Director of Social Services, North-Eastern Province.
Mr. S. S. A. Mangala, Provincial Co-operatives Office, Garissa.
Mr. G. M. Miriti, Office of the Provincial Surveyor, Garissa.
Mr. E. N. Nyaga, Meteorological Department, Garissa.
Mr. A. K. Kamau, Provincial Information Officer, North-Eastern Province.
Mr. J. B. M. Katungu, Personnel Officer, Provincial Commissioner's Office, Garissa.
Mr. S. M. Nduhiu, Administrative Officer, Provincial Commissioner's Office, Garissa.
Mr. E. K. Wamae, Personnel Officer, Ministry of Health, Garissa.
Mr. B. M. Muthiani, Accountant, Provincial Commissioner's Office, Garissa.
Mr. O. S. Farah, Provincial Education Officer, North-Eastern Province.

Mr. L. P. Nyamoto, Administrative Officer, Office of the Provincial Director of Agriculture, Garissa.
Mr. P. B. Mjambili, Provincial Planning Officer, North-Eastern Province.
Mr. A. Karanja, Audit Officer, Ministry of Local Government, Garissa.

Kiambu—7th February, 1980

Mr. M. M. Kabugi, District Commissioner, Kiambu District.
Mr. E. K. Holi, District Officer II, Kiambu.
Mr. Kibage, District Agricultural Officer, Kiambu.
Mr. P. M. Gichuki, District Veterinary Officer, Kiambu.
Mr. F. M. Kamau, District Information Officer, Kiambu.
Mr. G. Ngugi, Hospital Superintendent, Kiambu District Hospital.
Mr. J. K. Kiarie, Senior Inspector of Works, Kiambu.
Mr. M. N. Muridio, Superintendent of Roads, Kiambu.

Machakos—13th February, 1980

Mr. B. N. Kaaria, District Commissioner, Machakos District.
Mr. P. K. Muruatetu, District Officer I, Machakos.
Mr. G. K. Nzuva, District Agricultural Officer, Machakos.
Mr. T. O. Seda, District Auditor, Machakos.
Mr. Benson Mwaya, District Inspector (Roads), Machakos.
Mr. H. K. Kimani, District Forestry Officer, Machakos.
Mr. G. G. Githaiga, District Development Officer, Machakos.
Dr. D. C. W. Gichuhi, District Veterinary Officer, Machakos.
Mr. L. K. Ndeiti, District Water Officer, Machakos.
Mr. F. Ngaruiya, Water Inspector, Machakos.
Mr. D. G. Wambugu, District Community Development Officer, Machakos.
Mrs. M. Kilonzo, Machakos Girls' High School.
Mr. A. M. Marimi, Officer-in-Charge, Katumani Research Station.
Mr. Richard Mutiso, Clerical Officer, Machakos General Hospital.

LIST OF PERSONS AND ORGANIZATIONS FROM WHOM MEMORANDA WERE RECEIVED

Mr. F. M. Njuguna, Permanent Secretary, Office of the President.
Mr. S. K. Beri, Chief Personnel Officer, Office of the President.
Mr. P. K. Boit, Provincial Commissioner, Nairobi Area.
Mr. S. Nyachae, Provincial Commissioner, Central Province.
Mr. D. Musila, Deputy Provincial Commissioner, Central Province.
Mr. N. Ngugi, Provincial Commissioner, North-Eastern Province.
Mr. C. P. Okech, Deputy Provincial Commissioner, Western Province.
Heads of Departments, North-Eastern Province, Garissa.
Heads of Departments, Eastern Province, Embu.
Mr. T. A. A. Muranja, Office of the Provincial Commissioner, Mombasa.
Mr. Mathew Magio, Office of the Provincial Commissioner, Mombasa.
Mr. A. A. Kassamu, Office of the District Commissioner, Mombasa.
Mr. S. M. Mataara, Office of the Provincial Commissioner, Mombasa.
Mr. J. K. Ingonga, District Commissioner, Elgeyo/Marakwet.
District Heads of Departments, Elgeyo/Marakwet.
Mr. F. K. Waiganjo, District Commissioner, Baringo.
Mr. B. K. M. Ogol, District Commissioner, Nakuru.
Mr. S. E. Oburu, District Commissioner, Narok.
Mr. J. M. Tiampati, District Commissioner, West Pokot.
Mr. S. Z. Ambuka, District Commissioner, Samburu.
Mr. Z. Orwa, District Commissioner, Kirinyaga.
Mr. S. R. Shakombo, District Commissioner, Uasin Gishu.
Mr. M. Y. Haji, District Commissioner, Nyandarua.
Mr. George W. Onyango, Driver, District Commissioner's Office, Kisii.
Mr. Charles A. Ondieki, Secretary, Clerical Trainers' Committee, Nairobi.
Mr. G. N. Miingi, District Officer, Dagoretti, Nairobi.
Mr. M. M. Mwillu, Chief Supplies Officer, Supplies Branch, Nairobi.
Mr. P. G. Kamau, Officer-in-Charge, Secret Registry, Office of the President.
Mr. N. Muraguri, Government Chemist, Nairobi.
Mr. G. C. O. Opundo, Office of the President, Nairobi.
Mr. S. P. Mburu, Principal, N.Y.S. Secretarial School.
Mr. S. W. S. Muchilwa, Government Printer.
Mr. B. M. Gethi, Commissioner of Police.
Mr. J. O. Ochieng', Finger Print Staff (Police), Nairobi.
Mr. Peter Kipkoske, Crime Statistical Staff (C.I.D. Headquarters), Nairobi.
Mr. H. J. Nyamu, Principal, Kenya Institute of Administration, Lower Kabete.
Mr. J. H. Obaso, Principal, Government Training Institute, Mombasa.
Mr. A. M. Kilonzih, Department of Defence, Nairobi.
Mr. Omar Said Sawa, Civilian Employee, Armed Forces Ordnance Depot, Nairobi.
Mr. J. A. Gethenji, Permanent Secretary/Director, Directorate of Personnel Management, Office of the President.
Mr. E. N. Gitonga, Deputy Secretary, Directorate of Personnel Management, Office of the President.
Mr. D. N. Mbai, Directorate of Personnel Management, Office of the President.
Mr. E. M. Musyoka, Chief Personnel Officer, Directorate of Personnel Management, Office of the President.
Mr. D. N. Namu, Under Secretary, Directorate of Personnel Management.
Mrs. G. S. Wakhungu, Under Secretary, Directorate of Personnel Management, Office of the President.

Mr. J. N. K. Kagembe, Fisheries Department.
Mr. L. J. Ngugi, Clerk of the National Assembly.
Hon. C. Njonjo, E.G.H., M.P., Attorney-General.
Hon. Sir James Wicks, Chief Justice.
Mr. P. S. Brar, Registrar High Court of Kenya, Nairobi.
Mr. F. E. Abdullah, Chairman, Kenya Magistrates Association.
Mr. E. Okubasu, Senior Resident Magistrate, Kiambu.
Judicial Staff, Nairobi.
Mr. M. O. N. Odero, Senior Resident Magistrate, Meru.
Mr. M. J. Khamoni, Resident Magistrate, Embu.
Mr. J. Ombonya, Resident Magistrate, Nyahururu.
Mr. F. J. Awando, District Magistrate, Makadara, Nairobi.
Mr. O. M. Imanene, Judicial Department, Nyeri.
Non-professional Judicial Staff, Nairobi.
Mr. Moses H. S. Bwonya, Law Courts, Kisumu.
Mr. J. Mwera, Senior Deputy Registrar, Law Courts, Nairobi.
Mr. A. Collins, Senior Assistant Registrar (Mombasa Branch Office).
Mr. R. M. C. Mahiri, Trustee Officer, Office of the Public Trustee, Nairobi.
Mr. W. D. O. Mutakha, Judicial Department, Mombasa.
Process Section and Court Bailiff, Judicial Department, Nairobi.
Mr. Stephen Ndichu, Betting Control and Licensing Board, Nairobi.
Mr. Japheth M. Kamindi, Provincial Registrar of Births, Deaths and Marriages, Western Province.
Superintendent Registrar, Births, Deaths and Marriages, Kakamega.
Mr. Reuben Mutea, District Registrar of Births and Deaths, Meru.
Mr. S. A. Wako, Chairman, Law Society of Kenya.
Mr. A. K. Kandie, Permanent Secretary, Ministry of Home Affairs.
Mr. J. K. Mutua, Principal Immigration Officer, Ministry of Home Affairs, Nairobi.
Mr. W. L. Keya, Assistant Principal Immigration Officer, Mombasa.
Principal Probation Officer, Nairobi.
Kenya Association of Probation Officers.
Mr. B. K. arap Maiyo, Probation Office, Rift Valley Province, Nakuru.
Probation Staff, Central Province.
Mr. A. A. Ondieki, Provincial Children's Officer, Central Province.
Instructors and teachers in the Children's Department, Ministry of Home Affairs.
Mr. A. N. Simiyu, Principal, Kakamega Approved School.
Mr. T. Alukongo, Provincial Children's Officer, Western Province, Kakamega.
Mr. S. P. G. Thumi, Fingerprint Section, National Registration Bureau.
Mr. John N. Kagondi, G.K. Remand and Allocation Prison, Nairobi.
Dr. M. D. Kagombe, Director/Chief Archivist, Kenya National Archives.
Mr. N. Ng'ang'a, E.B.S., Permanent Secretary, Office of the Vice-President and Ministry of Finance.
Mr. J. W. Githuku, Deputy Permanent Secretary, Treasury.
Mr. G. G. Njoroge, Commissioner of Customs and Excise.
Mr. J. W. Ngundo, Income Tax Department, Nakuru.
Mr. J. G. Maina, Income Tax Office, Nyeri.
Mr. D. G. Njoroge, Controller and Auditor-General.
Mr. B. A. O. Ng'ong'a, Controller and Auditor-General's Department.
Mr. A. B. S. Wanyonyi, Senior Auditor, Coast Province.
Staff of Exchequer and Audit Department, Mombasa.
Mr. G. P. M. Gicheru, Senior Auditor, Eastern Province, Garissa.
Mr. H. M. Mule, Permanent Secretary, Ministry of Economic Planning and Community Affairs.

Mr. Parmeet Singh, Director, Central Bureau of Statistics.
Mr. J. A. A. Mwinamo, Provincial Planning Officer, Coast Province, Mombasa.
Mr. Mutua-Kihu, Planning Officer, National Environment Secretariat.
Mr. J. K. Koitie, Chairman, Public Service Commission.
Mr. D. G. Kimani, Secretary, Public Service Commission.
Mr. C. M. Kibunja, Chief Accountant, Ministry of Power and Communications.
Mr. J. K. Muriithi, Director, Meteorological Department.
Mr. G. Ngatu, Principal Surveyor, Directorate of Civil Aviation.
Staff of Aerodrome Department, Jomo Kenyatta Airport.
Mr. M. W. Khaemba, Senior Personnel Officer, Ministry of Transport and Communications.
Staff of Meteorological Department, Garissa.
Mr. Simon J. Mbugua, Permanent Secretary/Engineer-in-Chief, Ministry of Works.
Mr. G. A. Okumu, Provincial Engineer, Coast Province.
Mr. Elijah W. Khakame, Accounts Branch, Ministry of Works, Nairobi.
Mr. J. P. N. Ngolovoi, Graphic Designer, Ministry of Works.
Mr. A. M. Abreu, Government Coast Agent, Kilindini, Mombasa.
Staff of Ministry of Works, Garissa.
Mr. J. M. Ndiira, District Inspector of Roads, Ministry of Works, Kirinyaga.
Mr. J. G. Muremi, Senior Superintendent, Ministry of Works, Central Province.
Mr. W. O. Achieng, Housing Section, Ministry of Works, Nairobi.
Mr. J. Adamba, Ministry of Labour, Nairobi.
Mr. L. O. Musinga, Director of National Social Security Fund.
Mr. R. M. Raini, Senior Accountant, N.S.S.F.
Mr. Gilbert H. J. Onyango, Ministry of Labour.
Mr. Tom. D. Owuor, Executive Director, F.K.E.
Mr. I. K. Kimondo, Provincial Labour Officer, Central/Eastern and North-Eastern Provinces.
Mr. J. K. Muchemi, Permanent Secretary, Ministry of Housing and Social Services.
Mr. G. G. Maina, Ministry of Housing and Social Services.
Mr. T. S. Chana, Director, Institute of Housing Research and Development Unit, University of Nairobi.
Mr. E. A. Gikonyo, Provincial Housing Officer, Central/Eastern Provinces.
Provincial Housing Officer, Western Province.
Mr. J. K. E. Chemoiwa, Senior Community Development Officer, Western Province.
Staff of the Department of Social Services, District Headquarters, Narok.
Staff of Social Services Department, Nairobi.
Mr. J. K. Mutiga, Office of the Provincial Director of Social Services, Mombasa.
Mr. D. M. Mwangangi, Provincial Adult Education Officer, Central Province.
Kenya Library Association.
Mr. J. W. Njoroge, Head of Government Accountancy Services, Treasury.
Mr. F. N. Karanga, Provincial Accountant, Office of the Provincial Commissioner, Embu.
Mr. J. Muliro, Permanent Secretary, Ministry of Agriculture.
Dr. W. N. Masiga, Chairman, Kenya Veterinary Association.
Mr. S. O. Keya, Chairman, Kenya Agriculture Teachers' Association.
Dr. I. E. Muriithi, Director of Veterinary Services, Kabete.
Mr. J. W. S. Mburu, Provincial Director of Agriculture, Nyanza Province.
Mr. R. D. K. Kituhi, Provincial Director of Agriculture, Western Province.
Mr. Albert E. O. Chabeda, Senior Agriculture Research Officer, Machakos.
Mr. J. P. K. Mbandi, Provincial Director of Agriculture, Rift Valley Province.
Mr. J. J. Gichuki, Provincial Director of Agriculture, Central Province.
Mr. D. C. Nyaga, Provincial Coffee Extension Officer, Rift Valley Province.

Mr. P. W. Gachare, Personnel Officer, Ministry of Agriculture, Provincial Director's Office, Nyeri.
Mr. L. P. Nyamoto, Office of the Provincial Director of Agriculture, North-Eastern Province, Garissa.
Mr. H. M. Muhoro, Provincial Crops Officer, Rift Valley Province.
Mr. S. L. Koros, Provincial Range Officer, Rift Valley Province.
Tsetse Survey and Control Staff, Veterinary Department, Kisumu.
Mr. Stephen S. Wakape, Coast Agriculture Research Station, Kikambala, Mtwapa.
Mr. A. A. Busaka, Western Agriculture Research Station, Kakamega.
Mr. J. M. Mutinda, District Tea Officer, Nyeri.
Mr. J. O. Onyango, Ministry of Agriculture, Nairobi.
Mr. Tom C. Mkalama, Ministry of Agriculture, Kericho District.
Mr. Esrom N. Miringa, Chairman, Laboratory Technologists.
Mr. G. M. Mucai, Head of Crop Production Department, Institute of Agriculture, Embu.
Casual Workers, Ministry of Agriculture, Ngong Division.
Staff of the District Agriculture Office, Nyeri.
Mr. Wanjala Welime, Ministry of Tourism and Wildlife (Headquarters), Nairobi.
Mr. J. J. Karuku, Assistant Tourist Officer, Kenya Tourist Office West Germany.
Director, Kenyatta Conference Centre.
Mr. K. M. Kaittany, Senior Warden, Coast Division.
Mr. J. H. O. Omino, Permanent Secretary, Ministry of Natural Resources.
Mr. M. J. Njenga, Director, National Environmental Secretariat.
Mr. J. K. Kihonge, F.I.T.C. Management Staff, Forest Department, Nakuru.
Mr. O. M. Mburu, Chief Conservator of Forests.
Mr. F. M. Kamau, Chairman, Kenya Forestry Society.
Mr. A. N. Tunya, Forester, Rural Afforestation Extension Scheme, Kericho.
Junior Staff, Forest Department, Nakuru.
Mr. I. M. Makuthi, Office of the Provincial Water Officer, Nyeri.
Mr. A. Denge, Principal Finance Officer, Ministry of Local Government.
Mr. B. P. Kubo, Town Clerk, Mombasa Municipal Council.
Mr. S. K. arap Ng'eno, Provincial Local Government Officer, Central Province.
Mr. B. O. K. Mandu, Clerk to Kakamega County Council.
Mr. S. Gitonga, Town Clerk, Nairobi City Council.
Mr. H. F. Mtula, Permanent Secretary, Ministry of Co-operative Development.
Mr. J. M. Nzioka, Principal, Co-operative College of Kenya.
Diploma Students, Co-operative College of Kenya.
Mr. S. M. Mureithi, Credit and Finance Division, Ministry of Co-operative Development, Nairobi.
Mr. A. M. Miriti, Head of Development Planning Division, Ministry of Co-operative Development, Nairobi.
Victoria Mucai, Ministry of Co-operative Development, Nairobi.
Miss Ruth Wanjiku Thuo, Ministry of Co-operative Development.
Mr. J. M. Munyalo, Audit and Accounts Division, Ministry of Co-operative Development.
Mr. Abung'ang'a Khasiani, Training Officer, Ministry of Co-operative Development.
Mr. A. G. Thakura, Co-operative Training Officer, Nairobi.
Mr. D. O. Arende, Head of Training and Manpower, Ministry of Co-operative Development.
Matuga Development Centre.
Mr. P. O. S. Ratego, Assistant Auditor, Ministry of Co-operative Development, Nyanza Province.
Director of Settlement.

Mr. J. K. Kinyanjui, Director of Land Adjudication.
Mr. B. C. Murage, Chief Land Registrar, Department of Lands.
Mr. W. Werugia, Provincial Surveyor, Western Province.
Mr. P. N. Kinyanjui, Planning Officer, Kakamega.
Mr. Johnstone M. Kiamba, Provincial Physical Planning Officer, Western Province.
Miss Millicah W. Thairu, Land Registrar, Coast Province.
Mr. F. S. Muuthia, Provincial Surveyor, Garissa.
Staff of District Land Registries, Central Province.
Mr. Japheth Nyakwara, Department of Settlement, Nyeri.
Mr. J. S. K. Wambugu, Surveyor, Provincial Survey Office, Kakamega.
Permanent Secretary, Ministry of Commerce and Industry.
Mr. S. Ochiel Obura, Ministry of Commerce and Industry.
Mr. A. G. Barve, Executive Director, K.E.T.A.
Mr. P. A. Ayata, Director, Weights and Measures Department.
Mr. J. D. Mwangi, Provincial Weights and Measures Officer, Eastern/North-Eastern Province.
Mr. J. S. Waluchio, Provincial Inspector of Weights and Measures, Rift Valley Province.
Mr. F. P. C. Lobo, Weights and Measures Department, Nairobi.
Mr. P. M. Kinuthia, Provincial Director of Weights and Measures, Coast Province.
Mr. S. Obondi, Provincial Trade Development Officer, Central Province.
Mr. Tirius U. Musoma, Hon. Secretary, Trade Standards Administration.
Mr. J. B. Wanjui, Chairman, Kenya Association of Manufacturers.
Mr. S. K. Ngoloma, B.A.T. (Kenya) Limited.
Mr. J. A. Mwangi, Ministry of Information and Broadcasting, Nairobi.
Mr. E. M. Muthui, Ministry of Information and Broadcasting, Nairobi.
Mr. W. N. Munene, Provincial Information Officer, Rift Valley Province, Nakuru.
Mr. J. C. Allindi, Licensing Office, V.O.K. Nairobi.
Mr. J. M. Obuga, Voice of Kenya, Nairobi.
Mr. P. M. Nzioki, District Information Office, Kitale.
Mr. L. N. S. Kiome, Voice of Kenya, Nairobi.
Mr. Winston S. N. Wanjoku, Sales Executive, Voice of Kenya, Mombasa.
Mr. A. M. Nyakundi, Secretary General, Union of Kenya Civil Servants (U.K.C.S.).
Mr. Joe Mwangi, U.K.C.S., Harambee House, Nairobi.
Officials of the U.K.C.S., Government Press, Nairobi.
Officials of the U.K.C.S., Law Courts Branch, Nairobi.
Mr. Samson Onyango Obita, Acting Area Director, U.K.C.S., Rift Valley East Area.
Mr. J. Bwali, Area Director, U.K.C.S. South Nyanza/Kisii Area.
Union of Kenya Civil Servants, Provincial Area Office, Kisumu.
Mr. S. M. Mwangi, Area Director, U.K.C.S., Central Province.
Mr. J. E. Githaiga, Branch Secretary, U.K.C.S., Nyeri District.
Mr. R. K. Wallace, Murang'a District Branch, U.K.C.S.
Mr. E. W. Mwangi, U.K.C.S., Ministry of Agriculture, Central Province.
Union of Kenya Civil Servants, Exchequer and Audit Department Branch.
Mr. E. W. Muturi, U.K.C.S., Kenyatta National Hospital.
Mr. S. Oduor, U.K.C.S., West Pokot Branch.
Mr. N. J. Odhiambo, U.K.C.S., Kenya Air Force Local Branch.
Mr. Kibuthu Mahinda, U.K.C.S., Office of the Controller and Auditor-General.
Mr. F. N. Ondieki, Permanent Secretary, Ministry of Health.
Mrs. E. N. Ngugi, Chairman, National Nurses Association of Kenya.
Mr. W. M. Mbuvi, Director, National Hospital Insurance Fund.
Mr. S. K. Wanguru, Radio-Physicist In-charge, Kenyatta National Hospital.

Dr. M. R. Migue, Principal/Senior Deputy Director of Medical Services, Medical Training Centre, Nairobi.
Mr. J. C. Oloo, Chairman, Association of Radio-Graphic Film Processors.
Dr. Martin Luther Oduori, Chairman, Medical Practitioners and Dentists Board.
Mr. R. W. Walukano, Secretary, Association of Kenya Public Health Officers, Nairobi.
Mr. M. A. Skanda, Branch Secretary, Association of Public Health Officers, Coast Branch.
Mr. V. W. Sitati, Secretary-General, Kenya Medical Laboratory Technicians Association (K.M.L.T.A.), Nairobi.
Secretary, K.M.L.T.A., Rift Valley Branch, Nakuru.
Mr. S. Mwangi, Secretary, K.M.L.T.A., Central Province Branch.
Staff of the Ministry of Health, Central Province, Nyeri.
Mr. Markiso E. W. Ochieng', Secretary, K.M.L.T.A., Western Province Branch, Kakamega.
Mr. Philip Terer and Mr. Sammy Kariuki, Radiographers, Kenyatta National Hospital.
Mrs. A. M. Adote, Senior Nursing Officer, Western Province General Hospital, Kakamega.
Mr. J. J. Njuguna, Personnel Officer, Ministry of Health, Kakamega.
Mr. Samson Kombiro, Clerical Officer, District Hospital, Kericho.
Hospital Secretaries, Ministry of Health, Coast Province.
Mr. J. Osir, Medical Laboratory Staff, Kisumu.
Mr. P. P. Oyugi, Blood Donor Service, Kisumu, Nyeri and Mombasa.
Mr. J. M. Kimani, Narok District Hospital.
Medical Department Staff, Eastern Province.
Mr. J. T. arap Leting, Permanent Secretary, Ministry of Higher Education.
Mr. A. Mbogoh, Permanent Secretary, Ministry of Basic Education.
Mr. D. Mwangi, Secretary, Teachers Service Commission.
Mr. A. A. Adongo, Secretary-General, Kenya National Union of Teachers.
Mr. John Wamalwa, Ministry of Education, Nairobi.
Mr. J. D. Mambo, Executive Chairman, Joint Heads Committee, Kenya and Mombasa Polytechnics.
Mr. S. K. Kibe, Secretary, Kenya Secondary Schools Heads Association (K.S.S.H.A.).
Mr. J. D. Kimura, Principal, Kenya Technical Teachers College (K.T.T.C.).
Provincial Education Office, North-Eastern Province.
Mr. F. M. Gicala, Audit Examiner, Provincial Education Office, Coast Province.
Mr. J. O. M. Githinji, Audit Examiner, Provincial Education Office, Embu.
Mr. D. G. Ng'ang'a, Thika Technical School.
Mr. Boaz M. Oweke, District Education Office, Nandi.
Dr. P. T. Obwaka, Principal, Egerton College, Njoro.
Mr. S. R. K. Mwazige, Provincial Education Office, Nyeri.
Mr. J. B. M. Bukusi, Deputy Provincial Education Officer, Coast Province.
Provincial Education Officer, Rift Valley Province.
Mr. L. O. Kibinge, Permanent Secretary, Ministry of Foreign Affairs.
Mr. E. N. O. S. C. Wafula, Kenya Permanent Mission to United Nations.
Her Excellency Miss M. W. Kenyatta, Permanent Representative, Kenya Mission to U.N.E.P.
His Excellency J. Wanyoike, Ambassador, Kenya Embassy, Stockholm, Sweden.
Mr. M. M. Miheso, Narok District Hospital.
Mr. J. S. Maina, Ministry of Water Development, Central Workshop, Nairobi.
Mr. A. Mwugusi, Headmaster, Chepsaga Primary School, Hamisi.
Mr. H. Mulusa, Ministry of Agriculture, Hamisi, Maragoli.
Mr. Geoffrey Waweru, Kenya Meteorological Department, Nairobi.
Mr. J. K. Nzoka, P.O. Box 61, Embu.

Staff of the Associated Sugar Company, Hamisi.
Mr. G. E. Njung'e, Ministry of Power and Communications, Nairobi.
Mr. A. Gichohih, c/o Police Headquarters (Accounts Section), Nairobi.
Staff of the Ministry of Agriculture, Siaya District, Nyanza.
Mrs. Jemimah Wanjiru, Nairobi.
Mr. W. Ogada, Ministry of Water Development, Kakamega.
Mr. D. M. Mbuah, Registrar of Births and Deaths, Kiambu.
Mr. A. N. Karingi, Immigration Department, Nairobi.
Staff of the Approved Schools, Children's Department, Ministry of Home Affairs.
Mr. P.O. Nyaruoth, P.O. Box 30259, Nairobi.
Mr. K. Karinde, D.C.'s Office, Kiambu.
Mr. T. W. Wekulo, Chairman, Egerton Students Council, Njoro.
Mr. C. K. Ndua, P.O. Box 579, Thika.
Mrs. L. Rizgallah, Nairobi.
Mr. J. C. Oyucho, P.O. Kombewa, Via Kisumu.
Mr. J. Muriithi, c/o Timau Farm, Nanyuki.
Mr. J. W. O. Obuora, P.O. Box 72575, Nairobi.
Civilian Drivers, Kenya Army, Kahawa Barracks.
Mr. I. M. Kiboi, Oraimutia Scheme, Ol Joro Orok.
Mr. J. W. Machagua, P.O. Box 118, Kikuyu.
Mr. C. M. Ondieki, P.O. Box 58274, Nairobi.
Mr. J. M. Hinga, Lands Adjudication Department, Siaya.
Staff of Mathare Psychiatric Hospital, Nairobi.
Mr. S. Asewe and Mr. A. Kimathi, Settlement Department, Nairobi.
Mrs. A. Murage, P.O. Box 466, Nyeri.
Mr. B. Mangera, P.O. Box 1594, Kisumu.
Mr. S. Manduku, P.O. Box 837, Machakos.
Mr. P. M. Odenyo, P.O. Box 3, Busia.
Mr. T. M. Ongori, Land Adjudication Department, Siaya.
Mr. J. Musui, Kenya Cold Storage Ltd., Nairobi.
Mr. H. N. Iguiza, Meteorological Department, Nairobi.
Staff of Wajir District Hospital, Wajir.
N.A.S. Employees, P.O. Box 57750, Nairobi.
Mr. M. Ndirangu, Ministry of Works, Isiolo.
Mr. J. Kinyuru, Kiambu District Hospital, P.O. Box 39, Kiambu.
Mr. B. S. Kipruto, P.O. Box 1675, Kitale.
Mr. E. G. Muriithi, P.O. Box 291, Kerugoya.
Mr. G. Onyango, P.O. Box 1152, Eldoret.
Mr. W. D. M. Magoma, N.S.S.F., P.O. Box 30599, Nairobi.
Mr. W. J. O. Orege, P.O. Box 1050, Nakuru.
Staff of Michinda Boarding Primary School, Elburgon.
Mr. W. C. Okumu and Mr. A. P. Ayoo, P.O. Box 261, Kericho.
Mr. E. Achola Odera, Fisheries Department, Mombasa.
Mrs. E. I. Mudavadi, Vice-President's Office and Ministry of Finance, Nairobi.
Mr. S. M. Santa, P.O. Box 90, Ngong.
Mr. W. Kipkeemoy, G.S.C., P.O. Box 42243, Nairobi.
Mr. J. N. P. Kenyenya, Ministry of Works, Nairobi.
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Mr. J. I. Mwangi, P.O. 259, Nakuru.
Secretarial Staff, Ministry of Works, Garissa.
Mr. E. Mbinga, P.O. Box 1035, Wundanyi.
Mr. S. S. Onguso, P.O. Box 84, Suna, Migori.
Mr. F. M. Kagume, D.C.'s Office, P.O. Wundanyi.
Mr. S. J. Munene, District Clerk, Garissa.

Mr. C. O. Basweti, Veterinary Department, Kisii.
Mr. Jesse Waithaka, Githee Adult School, P.O. Box 1, Londiani.
Mr. W. Theuri, Ministry of Water Development, Ongata Rongai.
Staff of the Office of the Chief, Wamunyu Location, Machakos.
Mr. P. F. Kong'ina, Customs Audit Branch, Mombasa.
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Mr. S. K. Nguthari, Kurua Sub-Location, Meru.
Mr. J. W. Sikalabo, P.O. Box 634, Bungoma.
Mr. J. Mulembo, P.O. Box 40900, Nairobi.
Mr. S. Chege, Land Adjudication Department, Kwale.
Staff of the Government Press, P.O. Box 30128, Nairobi.
Mr. A. M. W.W. Nyongesa, P.O. Ainabkoy, Eldoret.
Mr. J. M. Gichu, P.O. Box 98640, Mombasa.
Mrs. N. L. Were, P.O. Box 30426, Nairobi.
Mr. F. R. Kandie, P.O. Box 45927, Nairobi.
Mr. A. Shemwama, P.O. Box 85, Sotik.
Engineering Staff, Directorate of Civil Aviation, Moi Airport, Mombasa.
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Mr. J. L. Wandabwa, P.O. Box 15, Turbo.
Employees of Kitiso Saw Mills Ltd., Elburgon.
Mr. W. O. Osike, P.O. Box 30007, Nairobi.
Mr. J. Mafubo, P.O. Box 205, Bungoma.
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