



THE CONSTITUTION OF KENYA

REFUSAL TO ASSENT TO THE PARLIAMENTARY PENSIONS (AMENDMENT) BILL, 2020

MEMORANDUM

By His Excellency the Honourable
Uhuru Kenyatta, President and
Commander-in-Chief of the Kenya
Defence Forces.

Submitted to the Speaker of the National
Assembly.

WHEREAS a Bill entitled "A Bill for An Act of
Parliament to amend the Parliamentary Pensions Act",
the short title of which is "The Parliamentary Pensions
(Amendment) Bill, 2020" was passed by the National
Assembly on the 5th August, 2020;

AND WHEREAS the Parliamentary Pensions
(Amendment) Bill, 2020, was presented to me for
assent in accordance with the provisions of the
Constitution, on the 4th September, 2020;



NOW THEREFORE, in exercise of the powers conferred on me by Article 115 (1) (b) of the Constitution, I refer back the Parliamentary Pensions (Amendment) Bill, 2020, for reconsideration by the National Assembly for the reasons set out hereunder:

CLAUSE 2

Clause 2 of the Bill seeks to amend section 8 of the Act by inserting the following new subsection—

(3) Notwithstanding subsection (2), a former Member of Parliament who, having served in Parliament between 1st July, 1984 and 1st January, 2001 and is entitled to pension under this section and whose monthly pension amounts to less than one hundred thousand shillings shall be entitled to a monthly pension of one hundred thousand shillings.



Members' pensions under the Act are calculated according to the contributions paid into the Scheme during their parliamentary term. The proposed amendment does not provide for such calculation, and makes no reference to the Members' contributions. It is therefore, not clear as to the source of the additional monthly payment.

In addition, the Bill overlooks the mandate of the Salaries and Remuneration Commission under the Constitution, which comprises, among other things, the setting and review of remuneration and benefits for all State officers, who include Members of Parliament.

The proposed pension payment will result in an annual cost implication of four hundred and forty-four million shillings. Added to this will be the almost certain demand for similar upward review of pension benefits by other retired State and public officers, which is within their rights to demand. The resultant ripple effect is unaffordable and fiscally unsustainable.



RECOMMENDATION:

For the foregoing reasons, I recommend that clause 2 of the Bill be deleted.

Dated the 7th of September, 2020.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, followed by a smaller, more stylized signature.

**UHURU KENYATTA,
President.**