

REPUBLIC OF KENYA

THE SENATE

ELEVENTH PARLIAMENT - THIRD SESSION

VOTES AND PROCEEDINGS

THURSDAY, JUNE 18, 2015 AT 2.30 P.M.

- 1. The Senate assembled at thirty minutes past Two O'clock.
- 2. The Proceedings were opened with Prayer.

3. COMMUNICATIONS FROM THE CHAIR

a) <u>On the Visiting Members and Staff of Elgeyo Marakwet County</u> <u>Assembly, Siaya County Assembly and Kwale County Assembly.</u>

"Honorable Senators,

Hon. Members, I am pleased to acknowledge and to welcome to the Senate this afternoon, the Members and Staff of Elgeyo Marakwet County Assembly, Siaya County Assembly and Kwale County Assembly who are seated in the Speaker's Gallery.

I request that when their names are called out, they stand so that they may be acknowledged in our usual Senate tradition.

ELGEYO MARAKWET COUNTY ASSEMBLY

- 1. Hon. Gilbert Kaptugen Chairperson Delegated Legislation
- 2. Hon. Neddy Kiptoo Vice Chairperson Delegated legislation
- 3. Hon. Rose Cherop Member/ Chair Agriculture Livestock and Fisheries
- 4. Hon. Daniel Chirchir Member/ Chair ICT & Public Service
- 5. Hon. Charles Cherono Member/ Chair Sports, Gender and Culture
- 6. Hon. David Yego Member/ Chair Health
- 7. Hon. David Kipketer Member/ Chair Finance & Economic Planning
- 8. Mr. Joel Kimaiyo Deputy Clerk,
- 9. Mr. Bernard Yator Committee Clerk,
- 10. Mr. Edwin Cheseret Hansard Officer,
- 11. Mr. Willy Chepkole Research Office,
- 12. Mr. Phillip Cheon Serjeant At Arms
- 13.

SIAYA COUNTY ASSEMBLY

- 1. Hon. Sylvester Madialo Chairperson
- 2. Hon. Stephen Adera Member/Deputy Speaker
- 3. Hon. Peter Muhulah -Vice Chairperson
- 4. Staff: Charles Ochieng

KWALE COUNTY ASSEMBLY

- 1. Hon. Omar Boga Chairperson
- 2. Hon. Suleiman Nzalla Vice Chairperson
- 3. Hon. Michael Mutua Member
- 4. Hon. Hadija Hamisi
- 5. Hon. Anthony Lukuni
- 6. Hon. Juma Maone
- 7. Staff: Salya Mboto

Honorable Senators,

I take this opportunity on behalf of the Senate and on my own behalf, to wish the Members and Staff of the three County Assemblies a happy and fruitful visit.

I thank you".

b) On the Visiting Students and Teachers from Nginda Girls High School

"Honorable Senators,

I wish to recognize the presence of the Students and Teachers from Nginda Girls High School from Murang'a County seated in the Public gallery who are visiting the Senate today.

As you all know Hon. Senators, the tradition of receiving and welcoming visitors to Parliament is a long time tradition and one we shall endeavor to continue upholding.

On behalf of the Senate and on my own behalf, I extend a warm welcome to the Students and Teachers of Nginda Girls High School.

I thank you."

4. <u>THE KENYA NATIONAL EXAMINATIONS COUNCIL (AMENDMENT) BILL</u> (SENATE BILL NO. 7 OF 2015)

(Sen. David Musila)

Order for First Reading read;

Bill read a First Time and committed to the Standing Committee on Education, pursuant to Standing Order 130 (1).

5. <u>THE PRESERVATION OF HUMAN DIGNITY AND ENFORCEMENT OF</u> <u>ECONOMIC AND SOCIAL RIGHTS BILL (SENATE BILL NO. 8 OF 2015)</u>

(Sen. Hassan Omar Hassan)

Order for First Reading read;

Bill read a First Time and committed to the Standing Committee on Legal Affairs and Human Rights, pursuant to Standing Order 130 (1).

6. <u>THE NATIONAL HOSPITAL INSURANCE FUND (AMENDMENT) BILL</u> (SENATE BILL NO. 9 OF 2015)

(Sen. Martha Wangari)

Order for First Reading read;

Bill read a First Time and committed to the Standing Committee on Health, pursuant to Standing Order 130 (1).

7. PAPER LAID

Statement by the Senate Majority Leader regarding the Business of the Senate for the week commencing Tuesday, 23rd June, 2015. (The Senate Majority Whip, on behalf of the Senate Majority Leader)

8. STATEMENTS PURSUANT TO STANDING ORDER 45(2) (C)

The Senate Majority Whip, on behalf of the Senate Majority Leader, issued a Statement on behalf of the Senate Majority Leader on the Business of the Senate for the week commencing Tuesday, 23rd June, 2015.

9. THE COUNTY ALLOCATION OF REVENUE BILL (SENATE BILL NO. 5 OF 2015)

Order for Second Reading read;

Motion made and Question proposed.

THAT, the County Allocation of Revenue Bill (Senate Bill No. 5 of 2015) be now Read a Second Time.

(Chairperson, Standing Committee on Finance, Commerce and Budget – 16.06.2015)

Debate interrupted on Wednesday, 17thJune, 2015, resumed;

And there being no other Senator willing to contribute;

Raising a point of Order Pursuant to Standing Order No. 54 (3), the Nominated Senator (Sen Janet Ong'era) requested for deferment of putting of the Question to the following day.

And the Temporary Speaker (Sen. (Dr.) Machage) acceding to the request nominated Tuesday, 23rd June, 2015 when the Question shall be put.

10. <u>THE REPRODUCTIVE HEALTH CARE BILL (SENATE BILL NO. 17 OF</u> 2014)

Order for Second Reading Read;

Motion made and Question proposed-

THAT, the Reproductive Health Care Bill (Senate Bill No. 17of 2014) be now read a Second Time.

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(Sen. Judith Sijeny– 30.09.2014)
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Debate interrupted on Tuesday, 26thMay, 2015, resumed;

And there being no other Senator willing to contribute;

The Mover Replied;

Raising a point of Order Pursuant to Standing Order No. 54 (3), the Nominated Senator (SenJudith Sijeny) requested for deferment of putting of the Question to the following day.

And the Temporary Speaker (Sen. (Dr.) Machage) acceding to the request nominated Tuesday, 23rd June 2015 when the Question shall be put.

11. MOTION - ESTABLISHMENT OF A SELECT COMMITTEE TO CONDUCT AN INQUIRY INTO THE AFFAIRS OF KENYA AIRWAYS LIMITED

Motion made and Question proposed-

THAT, aware that the Government of Kenya has a 29.8% shareholding in Kenya Airways Limited thereby being the largest single shareholder in the company;

COGNIZANT of the fact that Kenya Airways Limited, the National Flag carrier, has been experiencing tremendous delays and cancellation of flights;

AWARE that each delay and or cancellation has led to grave losses to the airline thereby worsening the debt burden of the corporation;

REALIZING that the airline is now in debt to the tune of 18 Billion Kenya Shillings;

FURTHER AWARE that the current business plan of the airline does not seem to take into full account necessary measures to turn the company around;

CONCERNED that the situation, if left unchecked, may lead to the collapse of the company and great loss to the nation, investors and the Kenyan taxpayers;

NOW THEREFORE, the Senate resolves to establish a select committee to conduct an inquiry into the affairs of Kenya Airways Limited and its subsidiaries, and report to the Senate within three months, taking into account the following-

- i) The leasing and buying arrangement of aircrafts since 1996;
- ii) The role of off-shore companies in the investment affairs of the airline;
- iii) The identity of the shareholders of these off-shore companies and their relationship with the management of Kenya Airways Limited;
- iv) The employment policies and practices of personnel, including engineers, pilots, cabin crew and ground personnel;
- v) The reason for delayed and cancelled flights, their frequency and the magnitude of losses attendant therein; and
- vi) Any other matter that may shed light on the financial and management crisis currently facing the airline;

AND FURTHER that the Members of the Select Committee are:-

- 1. Sen. (Prof.) Anyang' Nyong'o
- 2. Sen. MutahiKagwe
- 3. Sen. Hassan Omar
- 4. Sen. Daniel Karaba
- 5. Sen. (Dr.) BoniKhalwale
- 6. Sen. (Dr.) Agnes Zani
- 7. Sen. LesuudaNaisula
- 8. Sen. Peter Mositet
- 9. Sen. (Prof.) Wilfred Lesan
- 10. Sen. Billow Kerrow
- 11. Sen. James Orengo

(Sen. Peter Anyang' Nyong'o-27.05.2015)

Debate interrupted on Wednesday, 27thMay, 2015 resumed;

And there being no other Senator willing to contribute;

Mover Replied;

Before the Question was put, and pursuant to Standing Order No. 72, the Temporary Speaker (Sen. (Dr.) Machage) informed the House that the Motion did not affect Counties.

Question put and agreed to.

RESOLVED ACCORDINGLY

THAT, aware that the Government of Kenya has a 29.8% shareholding in Kenya Airways Limited thereby being the largest single shareholder in the company;

COGNIZANT of the fact that Kenya Airways Limited, the National Flag carrier, has been experiencing tremendous delays and cancellation of flights;

AWARE that each delay and or cancellation has led to grave losses to the airline thereby worsening the debt burden of the corporation;

REALIZING that the airline is now in debt to the tune of 18 Billion Kenya Shillings;

FURTHER AWARE that the current business plan of the airline does not seem to take into full account necessary measures to turn the company around;

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- i) The leasing and buying arrangement of aircrafts since 1996;
- ii) The role of off-shore companies in the investment affairs of the airline;
- iii) The identity of the share holders of these off-shore companies and their relationship with the management of Kenya Airways Limited;
- iv) The employment policies and practices of personnel, including engineers, pilots, cabin crew and ground personnel;
- v) The reason for delayed and cancelled flights, their frequency and the magnitude of losses attendant therein; and
- vi) Any other matter that may shed light on the financial and management crisis currently facing the airline;

AND FURTHER that the Members of the Select Committee are:-

- 1. Sen. (Prof.) Anyang' Nyong'o
- 2. Sen. MutahiKagwe
- 3. Sen. Hassan Omar
- 4. Sen. Daniel Karaba

- 5. Sen. (Dr.) BoniKhalwale
- 6. Sen. (Dr.) Agnes Zani
- 7. Sen. LesuudaNaisula
- 8. Sen. Peter Mositet
- 9. Sen. (Prof.) Wilfred Lesan
- 10. Sen. Billow Kerrow
- 11. Sen. James Orengo

Pursuant to Standing Order 30 (2) the Temporary Speaker (Sen. (Dr.) Machage) interrupted the business and adjourned the Senate twenty six minutes past Six O'clock without question put.

12. **SENATE ROSE** - at twenty six minutes past Six O'clock.

MEMORANDUM

The Speaker will take the Chair on Tuesday, June 23, 2015 at 2.30 pm ----xx---