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## PRESS RELEASE

## DEMANDS BY MEMBERS OF COUNTY ASSEMBLIES ARE NOT A PRIORITY AMIDST THE HARSH ECONOMIC REALITIES IN KENYA

**Nairobi, Kenya- 20<sup>th</sup> February 2021:** On 9<sup>th</sup> February 2021, The Salaries and Remuneration Commission (SRC) approved the conversion of an existing car loan facility to a car grant worth KSh4.5 billion for Members of County Assemblies (MCAs) and county assemblies' speakers.

In light of the country's economic challenges including, debt servicing obligations that continue to raise public expenditure amidst low and underperforming tax collection as stated by the Parliamentary Budget Office (PBO) in a report, 'Evading recessionary pressure under a mounting debt burden'; we the undersigned civil society organizations, strongly express our reservations on further public spending such as the allocation of the car grant to MCAs and county assemblies' speakers.

We acknowledge the need for fairness in the allocation of resources to both members of the National Assembly and County Assemblies. However, the optics of the car grant approval, especially at a time when county assemblies are in the process of considering the Constitutional Amendment Bill 2020 raises concerns as to whether the car grant is a 'quid pro quo' by the state to oblige the MCAs to pass the Bill.

Further, the KSh4.5 billion shillings car grant to 2,224 MCAs casts doubt on the state's priorities to the more than 47 million Kenyans and the government's pecuniary responsibility in a fiscal year that the country's debt ceiling is projected to stand at Ksh9 trillion up from Ksh6 trillion in 2019.

Additionally, the car grant approval by the SCR coming after a raft of demands by a section of MCAs were presented at a meeting attended by the President, also calls into question the independence of the commission which is mandated by the Constitution of Kenya 2010 under Article 230 (5) to bring order and sanity in setting of wages and to ensure that the total public compensation bill is fiscally sustainable.

We are deeply concerned about the feasibility of the decision to allocate a car grant to MCAs and other <u>monetary demands</u> by the county legislators against the current harsh economic realities and priorities, for them to further the Constitutional Amendment Bill 2020 (BBI).

As such, we caution the proponents of the Constitutional Amendment Bill 2020 from incentivisation of the process.

As a matter of urgency, we call upon the government to slow down on recurrent expenditure by reducing the bloated legislative wage bill, as proposed by National Taxpayers Association in a report, <u>A Comparative Analysis of Legislators' Salaries, Remuneration and Benefits.</u>

We also urge the Salaries and Remuneration Commission (SRC) to decisively review the remuneration and benefits of the legislative bodies and advise the government accordingly on unattainable wages considering the increasing public expenditure, just as it acted against the Parliamentary Service Commission (PARLSCOM) in awarding and paying house allowance to MPs and Senators in 2020.

Finally, we reiterate the need for government to plug the gaps that enable corruption to thrive in Kenya particularly in the public sector and seal other loopholes that hemorrhage public funds, to firmly place the country towards a path of recovery from the socio-economic impact of Covid-19 pandemic.

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