

Statement Tabled by the
Vice Chair, DC - on Energy,
Communication & Information
on Wed.
16/10/2013 at
2:30pm

RESPONSE TO A STATEMENTS REQUESTED BY
THE HON. DAVID OUMA OCHIENG, MP, MEMBER FOR UGENYA CONSTITUENCY,
TO THE ENERGY, COMMUNICATION AND INFORMATION COMMITTEE

Hon. Speaker,

The Hon. David Ouma Ochieng, MP, Member for Ugenya Constituency requested a statement to the Committee on Energy, Communications and Information, "*Regarding the state of affairs at the Kenya Broadcasting Corporation (KBC) Report tabled before the House on June 14, 2012*".

Hon. Speaker, the Committee invited the Cabinet Secretary and the Principal Secretary in charge of Information, Communication and Technology (ICT) on the 09th October, 2013 to deliberate on the statement by the Member for Ugenya Constituency.

Hon. Speaker, the Statement by the Member requested the Committee to report on the following.

- 1) The status of implementation of the report of the joint committees on Energy, Communication & Information and House Broadcasting Committee on the public petition on the state of affairs at the Kenya Broadcasting Corporation (KBC) tabled before the House on 14th June 2012.
- 2) Plans that have been put in place by the Government to restructure and reform KBC to a National Public Broadcaster fully funded by the Exchequer and the current level of Government funding to KBC.
- 3) The current scheme of service for KBC employees and what steps have been taken to review the scheme of service of staff at KBC since 1979.
- 4) Policy for engagement of short-term artistes and casual staff at KBC and how does it compare with that of permanent staff.
- 5) That on the 5th day of March 2012, the KBC staff and management signed a return-to-work formula after a lengthy strike that nearly shut down the operations of the Corporation and therefore what has been done to implement this return-to-work formula.
- 6) About those who sit in the Board of KBC and what steps have been taken to restructure the KBC Board to comply with the previous recommendations by Parliament on the same.

Response by the Chairperson Energy, Communication and Information
October 15, 2013



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TO THE ENERGY, COMMUNICATION AND INFORMATION COMMITTEE**

- 7) KBC management developed a code of regulations in 2009, the same having been presented to parliament, is KBC implementing this code of regulations and finally,
- 8) Steps that have been taken by the Government to make the KBC Act responsive to the contemporary developments in broadcasting and to the new constitution?

On behalf of the Committee I wish to report as follows;

1. On The status of implementation of the report of the joint committees on Energy, Communication & Information and House Broadcasting Committee on the public petition on the state of affairs at the Kenya Broadcasting Corporation (KBC) tabled before the House on 14th June 2012.

The Committee established that;

The report was not presented to KBC however a number of issues addressed in the report have been addressed.

2. Plans that have been put in place by the Government to restructure and reform KBC to a National Public Broadcaster fully funded by the Exchequer and the current level of Government funding to KBC.

Hon. Speaker, the Committee established that a Cabinet paper on the theme of restructuring KBC was prepared and presented to the Cabinet for deliberation and approval and the Ministry is awaiting the outcome of deliberations on the same.

We did ask the CS to fast track the process
The key deliverables of the Cabinet paper were outlined as follows:

- a) Technical equipments modernization
- b) Workforce restructuring
- c) Settlement of pending bills
- d) Government institutions to channel 70% of their advertising spend to KBC

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e) Development of Public Private Partnerships (PPPs) utilizing some of KBC's parcels of land and authority to dispose off some of the parcels.

Further to that, subsidiary entity of KBC has been incorporated called SIGNET to provide infrastructure platform under Digital Television transmission. The Ministry of Information, Communication and Technology is in the process of constituting a Board of Directors of SIGNET in order to fully operationalize it.

Govt
2011/12
In the financial year 2011/2012 KBC received Government funding as detailed below:

<u>Classification:</u>	<u>Amount (KSHS):</u>
Recurrent expenditure	200,000,000 to pay electricity bills
Development expenditure	<u>431,704,000</u> for digital television migration
TOTAL	<u>631,704,000</u>

We received Government funding in the financial year 2012/2013 as analyzed below:

<u>Classification:</u>	<u>Amount (KSHS).</u>
Recurrent expenditure	610,228,000 for electricity bills and public broadcasting expenses
Development expenditure	<u>405,000,000</u> for digital television migration
TOTAL	<u>1,015,228,000</u>

In the budget for the financial year 2013/2014 the Corporation has been allocated funds as tabulated below:

<u>Classification:</u>	<u>Amount (KSHS):</u>
Recurrent expenditure	598,500,000 for electricity bills and public Broadcasting expenses
Development expenditure	<u>306,375,000</u> for digital television migration
TOTAL	<u>904,875,000</u>

KBC HQ
✓ We developed a new strategic plan which envisions the Corporation's growth for the next five years 2012-2017.

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3. On the current scheme of service for KBC employees and what steps have been taken to review the scheme of service of staff at KBC since 1979.

The Committee established that;

A new organization structure was developed and implemented in 2010. Immediately after the staff strike in March 2012, Directorate of Personnel Management (DPM) was requested to conduct a staff audit, review the current scheme of service and organization structure of KBC. They have undertaken the work and are now compiling the final report. As soon as the Corporation receives the report, it will be tabled before the Board of Directors for further guidance

4. On whether there a policy for engagement of short-term artistes and casual staff at KBC and how it compares with that of permanent staff.

The Committee can confirm that indeed there is a policy in place for recruitment and development of short-term ^{employment in KBC} artistes and casual staff in KBC. ^{Three} ^{months} ^{renewable} ^{purpose} ~~Artists~~ are recruited for a period of three months renewable on successful performance and work necessitating continued stay. Those with necessary skills, qualifications and have proved to be good workers are absorbed into permanent employment on availability of vacancies in the organization structure.

Further to that Hon. Speaker, the Committee also established that Casual workers are hired to undertake specific work only and for a period of one week. They are paid in accordance with the minimum wages law.

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5. On the matter relating to the 5th day of March 2012, when the KBC staff and management signed a return-to-work formula after a lengthy strike that nearly shut down the operations of the Corporation. The Committee established that;

The following measures have been effected to implement the return-to-work formula. Management awarded staff salary increment as detailed as follows:

Date	Percentage increment in basic salary
1 st July 2011	9%
1 st July 2012	12%

The total number of permanent employees of the Corporation is **968** and **300** temporary (Artistes) employees. The wage bill per month is Kshs.65 million which translates to Kshs.780 million per year. The wage bill is more than 70% of the total income generated internally annually (Kshs.1 billion per annum).

Communication Workers Union was recognized and accepted as the official union to safeguard staff interests and welfare. We signed a collective bargaining agreement (CBA) with Communication Workers Union. We have held meetings with the union to discuss staff matters and iron out issues of some staff in the Corporation joining Kenya Union Journalists.

Communication Workers Union has presented to management a proposal for improved staff terms and conditions, the same was discussed at a meeting held at Utalii College with union officials and staff representatives and we are in the process of arranging for another meeting to agree on the proposal.

Management outsourced staff medical scheme with APA insurance in the year 2012/2013. In the year 2013/2014 Madison Insurance won the tender and they have commenced provision of medical cover to staff.

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Where vacancies were available, most of the non-permanent employees (artistes) were absorbed into permanent employment. Already a total of 82 artistes have been employed to fill available vacancies.

A new Radio Programmes Manager was recruited competitively following non-renewal of the contract of the previous holder of the position.

Permanent staffs are being promoted internally through a process of internal advertisements and interviewing. This exercise is still ongoing.

A refurbishment exercise to make the work environment better has also been undertaken. It aims to create open-offices as well as ensure that staff works in a conducive environment. This project is still ongoing.

- 6. On who sits in the Board of KBC and what steps have been taken to restructure the KBC Board to comply with the previous recommendations by parliament on the same?**

The Committee established that the following people sit in the Board of Directors of KBC:

- a) **Mr. Charles Muoki-Chairman**
- b) **Rev. Symon Kiuta**
- c) **Dr. Violet Chesang**
- d) **Mr. Steve Areba**
- e) **Ms. Joanne Mwangi**

The was also informed that a Taskforce on Parastatal Reforms appointed by H. E. the President will address issues pertaining to restructuring of all Parastatal Boards.

- 7. The Member also inquired to be informed about the implementation status of the Code of regulation developed by the management of KBC having been presented to Parliament.**

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The was informed that the code of regulations was fully implemented and it is used as a guide administrative matters, code of conduct, discipline, staff welfare and staff development matters.

8. Finally the steps that have been taken by the Government to make the KBC Act responsive to the contemporary developments in broadcasting and to the new constitution.

The Ministry of Information, Communication and Technology is handling this aspect. Provision of the KBC Act are responsible to contemporary development in broadcasting and do not contradict **Sections 34 and 35** of the constitution of Kenya.

Hon. Speaker,

Attached to this response statement is:

1. Copy of the statement as was requested by the Member.
2. Copy of original response from the Ministry.

Thank you Hon. Speaker I beg to lay this report.



The Hon. Jamleck Kamau, MP
Chairperson Energy, Communication and Information

Date:.....

REPUBLIC OF KENYA

ELEVENTH PARLIAMENT – (SECOND SESSION)

THE NATIONAL ASSEMBLY

SEEKING STATEMENT FROM CHAIRMAN OF THE COMMITTEE ON
ENERGY, COMMUNICATIONS AND INFORMATION

BY The Hon. David Ouma Ochieng – Ugenya Constituency

- A. What is the Status of implementation of the Report of the Joint Committees on Energy, Communication & Communication and House Broadcasting Committee on the Public Petition on the State of Affairs at the Kenya Broadcasting Corporation (KBC) tabled before the House on 14th June 2012?
- B. What plans have been put in place by the Government to restructure and reform the KBC to a National Public Broadcaster fully funded by the Exchequer? What is the current level of Government funding to KBC?
- C. What is the current Scheme of Service for KBC employees and what steps have been taken to review the Scheme of Service of Staff at KBC since 1979?
- D. Is there a Policy for engagement of short-term artistes and casual staff at KBC and how does it compare with that of the Permanent staff?
- E. On the 5th day of March 2012, the KBC staff and management signed a Return-to-Work Formula after a lengthy strike that nearly shut down the operations of Corporation; What has been done to implement this Return-to-Work Formula?
- F. Who sits in the Board of KBC and what steps have been taken to restructure the KBC Board to comply with the previous recommendations by Parliament on the same?

G. KBC Management developed a Code of Regulations in 2009, the same having been presented to Parliament, is KBC implementing this Code of Regulations?

H. What steps have been taken by the Government to make the KBC Act responsive to the contemporary developments in broadcasting and to the new Constitution? How

SIGN

THE HON. DAVID OUMA OCHIENG

Approved by SNA

KBC

19/9/13

- CS - make history.

→ KBC - official broadcaster for Parliament
→ 70% of expenditure - wage bill.

- Political problems require political solutions.

(Historical firing of C.E.O. was at 100ppm)



**MINISTRY OF INFORMATION, COMMUNICATIONS &
TECHNOLOGY**

**RESPONSES TO PARLIAMENTARY QUESTIONS RAISED BY MEMBER FOR
UGENYA CONSTITUENCY HON. DAVID OUMA OCHIENG:**

QUESTION A:

What is the status of implementation of the report of the joint committees on Energy, Communication & Information and House Broadcasting Committee on the public petition on the state of affairs at the Kenya Broadcasting Corporation (KBC) tabled before the House on 14th June 2012?

ANSWER:

The report was not presented to KBC. We read about it in the newspapers and obtained copies on the internet. However, we have addressed a number of issues raised as documented below under specific questions.

QUESTION B:

What plans have been put in place by the Government to restructure and reform KBC to a National Public Broadcaster fully funded by the Exchequer? What is the current level of Government funding to KBC?

ANSWER:

A cabinet paper on the theme of restructuring KBC was prepared and presented to the cabinet for deliberation and approval. We are awaiting the outcome of deliberations on the same.

The key deliverables of the cabinet paper are as outlined below:

1. Technical equipments modernization
2. Workforce restructuring
3. Settlement of pending bills
4. Government institutions to channel 70% of their advertising spend to KBC
5. Development of Public Private Partnerships (PPPs) utilizing some of KBC's parcels of land and authority to dispose off some of the parcels.

A subsidiary entity of KBC has been incorporated called SIGNET to provide infrastructure platform under Digital Television transmission. The Ministry of Information, Communication and Technology is in the process of constituting a Board of Directors of SIGNET in order to fully operationalize it.

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We developed a new strategic plan which envisions the Corporation's growth for the next five years 2012-2017.

QUESTION C:

What is the current scheme of service for KBC employees and what steps have been taken to review the scheme of service of staff at KBC since 1979?

ANSWER:

A new organization structure was developed and implemented in 2010.

Immediately after the staff strike in March 2012, Directorate of Personnel Management (DPM) was requested to conduct a staff audit, review the current scheme of service and organization structure of KBC. They have undertaken the work and are now compiling the final report. As soon as the Corporation receives the report, it will be tabled before the Board of Directors for further guidance.

QUESTION D:

Is there a policy for engagement of short-term artistes and casual staff at KBC and how does it compare with that of permanent staff?

ANSWER:

We have a policy in place for recruitment and development of short-term artistes and casual staff in KBC. Artistes are recruited for a period of three months renewable on successful performance and work necessitating continued stay. Those with necessary skills, qualifications and have proved to be good workers are absorbed into permanent employment on availability of vacancies in the organization structure.

Casual workers are hired to undertake specific work only and for a period of one week. They are paid in accordance with the minimum wages law. We have enclosed the policy document on this.

QUESTION E:

On the 5th day of March 2012, the KBC staff and management signed a return-to-work formula after a lengthy strike that nearly shut down the operations of the Corporation; what has been done to implement this return-to-work formula?

ANSWER:

The following measures have been effected to implement the return-to-work formula. Management awarded staff salary increment as detailed below.

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A refurbishment exercise to make the work environment better has also been undertaken. It aims to create open-offices as well as ensure that staff work in a conducive environment. This project is still on going.

QUESTION F:

Who sits in the Board of KBC and what steps have been taken to restructure the KBC Board to comply with the previous recommendations by parliament on the same?

ANSWER:

The names of KBC Board of Directors are expressed below:

1. Mr. Charles Muoki-Chairman
2. Rev. Symon Kiuta
3. Dr. Violet Chesang
4. Mr. Steve Areba
5. Ms. Joanne Mwangi

The Taskforce on Parastatal Reforms appointed by H. E. the President will address issues pertaining to restructuring of all Parastatal Boards.

QUESTION G:

KBC management developed a code of regulations in 2009, the same having been presented to parliament, is KBC implementing this code of regulations?

ANSWER:

The code of regulations is fully implemented. It guides administrative matters, code of conduct, discipline, staff welfare and staff development matters.

QUESTION H:

What steps have been taken by the Government to make the KBC Act responsive to the contemporary developments in broadcasting and to the new constitution? How.

ANSWER:

The Ministry of Information, Communication and Technology is handling this aspect. Provision of the KBC Act are responsible to contemporary development in broadcasting and do not contradict Sections 34 and 35 of the constitution of Kenya.

FRED MATIANG'I, PhD

**CABINET SECRETARY FOR INFORMATION, COMMUNICATIONS AND
TECHNOLOGY**