

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 9th November, 2004

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.412

DEPLOYMENT OF APs TO LOCATIONS IN BURA

Mr. Speaker: Mr. Wario not here? Let us move to the next Question by Mr. ole Metito!

Question No.919

HARDSHIP ALLOWANCES FOR CIVIL SERVANTS IN KAJIADO

Mr. ole Metito asked the Minister of State, Office of the President:-

- (a) whether he is aware that civil servants other than teachers do not get hardship allowances in Kajiado District; and,
- (b) when the anomaly will be corrected.

The Assistant Minister, Office of the President (Mr. Shitanda): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that civil servants in Kajiado District do not get hardship allowances unlike teachers.

(b) There is no anomaly in this because the teachers operate under the Teachers Service Act, while the civil servants operate under the Public Service Commission Act. The two commissions have different ways of identifying hardship areas.

Mr. ole Metito: Mr. Speaker, Sir, could the Assistant Minister read to this House the answer he is referring to, because I have a completely different answer?

Mr. Shitanda: Mr. Speaker, Sir, it is just the same answer, but I have only shortened it in my reply.

Mr. Bahari: Mr. Speaker, Sir, this is a very serious matter. When we talk about civil servants and their non-performance, it all has do with this kind of discrimination. A hardship area is a hardship area! Teachers work for this Government and they are paid by the Treasury. In fact, there is no money that the Teachers Service Commission (TSC) generates. The teachers, just as other civil servants, are paid from the Consolidated Fund. Could the Assistant Minister explain why there is this discrimination amongst the civil servants?

Mr. Shitanda: Mr. Speaker, Sir, there is no discrimination. You would agree with me that

teachers have to go deep into the interior to their duty stations. In most cases, schools are in very remote areas and the TSC does not provide transport or any other allowances, other than the hardship allowance.

On the other hand, civil servants operate in divisional headquarters. If they have to go and work out, they are normally facilitated through the provision of transport.

Mr. Kamama: Mr. Speaker, Sir, Kajiado District is categorised as an arid and semi-arid land (ASAL) district. We have 22 ASAL districts in this country. Could the Assistant Minister consider approving Kajiado District as a hardship district? In that district, you would walk for miles and miles to get water.

Mr. Shitanda: Mr. Speaker, Sir, currently, we are looking at the Kipkulei Report. We are not looking just at the aspect of hardship allowance alone, but also other allowances for civil servants. One of the areas being addressed is whether some areas can be reconsidered for hardship allowance. Maybe, Kajiado District will have to be looked at when the time comes.

(Dr. Galgallo stood up in his place)

Mr. Speaker: I can see I am inflicting misery on Dr. Galgallo! What is the misery, Dr. Galgallo?

Dr. Galgallo: Mr. Speaker, Sir, we want a clearer explanation from the Assistant Minister. What circumstances allowed the TSC to classify Kajiado District as a hardship area that the Public Service Commission (PSC) is blind to?

Mr. Shitanda: Mr. Speaker, Sir, most civil servants work at divisional headquarters and they are mainly housed there. On the other hand, teachers have to walk long distances to schools which are spread out in very remote areas of the district. So, while we may talk about the hardships that teachers go through - walking 15 kilometres to school - the same may not apply for civil servants.

Mr. ole Metito: Mr. Speaker, Sir, in his reply, the Assistant Minister said that prior to 1997, gazetted areas and rates of payment of hardship allowance were uniform for both civil servants and teachers. Why has the Ministry removed the hardship allowance civil servants in Kajiado District used to get prior to 1997?

Mr. Shitanda: Mr. Speaker, Sir, prior to 1997, hardship allowances were the same for both civil servants and teachers. After that period, the Teachers Service Commission Remuneration Board took over the determination of hardship areas for teachers. As at now, we have about 41 gazetted hardship areas for teachers, while there are only 14 for civil servants. As I said, we are reviewing the hardship areas for civil servants and when the time comes, Kajiado District may be reconsidered as a hardship area.

Mr. Speaker: Next Question by Mr. Mwanicha!

Question No.070

MEASURES TO CURB CONSTRUCTION
OF UNMARKED HIGH ROAD BUMPS

Mr. Mwanicha asked the Minister for Roads and Public Works:-

- (a) whether he is aware that the increase of accidents on Kenyan roads is partly due to erection of high bumps which are not marked; and,
- (b) what step he is taking to curb this unwarranted cause of deaths.

The Assistant Minister for Roads and Public Works (Eng. Toro): Mr. Speaker, Sir, I beg

to reply.

(a) I am not aware that the increase of accidents on Kenyan roads is partly due to erection of high bumps which are not marked. However, there could be a correlation between some accidents and bumps which are not marked.

(b) My Ministry has adopted a standard design bump with reflective paint which will be used with other road signs whenever necessary.

Mr. Mwancha: Mr. Speaker, Sir, many Kenyans are losing their lives because of the high bumps. I am surprised to hear that the Assistant Minister is not aware that some of the accidents occur because of such bumps. The Assistant Minister has said that they have designed a standard bump which will be erected on the roads. Along Kisii-Kericho Road, there is no such bump. Where are these standard design bumps erected?

Eng. Toro: Mr. Speaker, Sir, I said that we have designed a standard bump which will replace the various uncomfortable bumps that are all over the country. I wish the hon. Member gave examples of places where road bumps have caused road accidents. I know that most road accidents are as a result of careless driving and overspeeding. Potholes have also contributed to the accidents. Since the introduction of speed governors and proper regulations, those accidents have reduced. The bumps have always been there and I do not see a correlation between the bumps and the various road accidents that he is talking about.

Capt. Nakitare: Mr. Speaker, Sir, I am surprised to hear Eng. Toro dispute what hon. Mwancha is complaining about. There are no road signs along Kenyan roads. I will give an example of the Nakuru-Eldoret-Kitale Road which is a death road. Motorists are not able to see bumps erected along that road. They only encounter them and at that time an accident occurs and somebody dies. I have lost a mayor and a town clerk because of lack of road signs along our roads. Why did the Ministry not introduce a subject on road signs in driving schools instead of introducing speed governors?

Eng. Toro: Mr. Speaker, Sir, as I said before, the increase in road accidents cannot be attributed to road bumps. I must admit that road signs along our roads are very poor. We, however, will improve on them. Some road bumps are too big and I said that we are soon introducing a standard design bump which is reflective. I will appreciate if I am given examples of areas where road bumps have caused accidents. We can then address those specific cases without generalising on the danger bumps are causing.

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House that road bumps have not caused deaths when, in fact, we know that the bumps along the road in Birongo Market led to the death of the late principal of Nyanchwa High School? The bumps along the main road in Nyansiongo Township led to the death of a university student and the ones along the main road in Oyugis Town led to the death of a very prominent teacher.

Mr. Speaker: Order, Mr. Angwenyi! What is your response, Eng. Toro.

Eng. Toro: Mr. Speaker, Sir, I am not denying the fact that there are places where road bumps have caused accidents. The Question asked required me to state whether I am aware that the increase in road accidents is as a result of bumps. I said that is not correct. However, unless the police bring to the Ministry's attention the fact that road bumps are causing road accidents so that we remove them, we will not be able to know which bumps should be modified or removed altogether.

Mr. Rotino: Mr. Speaker, Sir, it is an obvious case that road bumps have been a problem in very many places. Could the Assistant Minister consider marking all road bumps so that motorists are able to identify them? I almost saw an accident in Nakuru because of an unmarked bump which is invisible at night. The Ministry should not wait until a Question is asked. It is actually a question of maintenance.

Mr. Speaker: They should not actually consider doing it. They should do it!

Eng. Toro: Mr. Speaker, Sir, I think we have a problem here. Where we erect road bumps, normally it is as a result of pressure from the community and hon. Members of Parliament. We are always told that certain sections of roads are dangerous spots because motorists overspeed. That necessitates the erection of bumps. Now, I am being told that the same bumps are causing accidents. When we remove the bumps, there are accidents and when we erect the bumps there are still accidents. So, there is, indeed, a problem.

(Loud consultations)

Mr. Speaker, Sir, with regard to marking bumps, we are going to intensify marking of bumps. We have been using very poor paint which fades after it rains. The standard design of the bumps and the quality of the paint used on them will be improved.

Mr. Mwanicha: Mr. Speaker, Sir, listening to the Assistant Minister, it is like he does not live in Kenya. I do not want to dwell on that. I know there are road bumps on his way home. The new standard design that the Ministry has, when will it be used? We need to be given a time frame.

Eng. Toro: Mr. Speaker, Sir, it will be a gradual replacement of all the bumps that require replacement. Also, we are looking into the possibility of removing some bumps entirely. If Kenyan motorists observed speed limits especially when driving through towns and shopping centres, there would be no need for road bumps. There is no need of building highways where motorists are required to cruise at high speeds of 120 or 140 Kilometres per hour and then erecting bumps. I appeal to Kenyans to observe road signs and keep to the required speed limits. That way, we will not need road bumps.

Question No.316

TARMACKING OF MAIRO-INYA-
SHAMATA-KARIAMU ROAD

Eng. Muriuki, on behalf of **Mr. Muchiri**, asked the Minister for Roads and Public Works:-

- (a) whether he is aware that Ndaragwa Constituency has no all-weather road linking it with Ol Kalou Town; and,
- (b) if he could inform the House when Mairo-Inya-Shamata-Kariamu Road (D388) will be gravelled or tarmacked.

The Assistant Minister for Roads and Public Works (Eng. Toro): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that there is no all-weather road linking Ndaragwa Constituency to Ol Kalou Town.

(b) The Mairo-Inya-Shamata-Kariamu Road will be gravelled under the Roads 2000 Programme, planned to start in July, 2005. The programme is funded by AFD.

Eng. Muriuki: Mr. Speaker, Sir, we have been waiting for this Roads 2000 Programme since 1996. How sure are we that this programme will actually be implemented in March next year?

Eng. Toro: Mr. Speaker, Sir, the problem we had with the Roads 2000 Programme which was funded by France is that the consultant that was commissioned last year died before he completed his report. We had to look for another consultant. The process of getting another consultant was lengthy because France had to approve our choice. Now the consultant is in place and he has started work. We hope that he will submit his report by the end of this year so that we can have the Roads 2000 Programme for Nyandarua District implemented by July next year.

Mr. Sambu: Mr. Speaker, Sir, we have been waiting for the Roads 2000 funding. Since the consultant died, there are others like the German. Nonetheless, is the Assistant Minister aware that

even if Roads 2000 Programme is implemented, the District Roads Engineers have completely taken over the functions of the District Roads Committee, which include identifying the roads to be gravelled? They are just awarding the contractors and paying for them as they wish.

Eng. Toro: Mr. Speaker, Sir, the Roads 2000 Programme for five districts in Rift Valley Province is progressing well. Very soon, I will be able to inform the hon. Member on the position. The issue of District Roads Engineers taking over the role of identifying the roads that are supposed to be programmed for maintenance would be a mistake because the Committees are supposed to do exactly that. Any District Roads Engineer who is doing that, is doing it against the policy that we have, that the Committee, especially the Member of Parliament, is on the forefront of determining which roads in his/her constituency require priority and are programmed for maintenance.

Mr. C. Kilonzo: Mr. Speaker, Sir, the Assistant Minister said that the consultant died. Is this Ministry dealing with corporate entities or individuals? What happens if the current consultant also dies? Does it mean that every time a consultant dies, the whole country is held at ransom? Why are they not dealing with corporate entities and not individuals who die?

Eng. Toro: Mr. Speaker, Sir, when consultants establish firms, there is the lead consultant who plays a key role. There are times when, if the lead consultant dies, the operations of that consultancy cannot go on. The hon. Member is a consultant and he knows exactly what I mean.

Eng. Muriuki: Mr. Speaker, Sir, before this consultant died, we had been called to a meeting where we were given the documents and everything seemed to be complete. How come now we have to wait until the end of the year? If there is another professional engineer like the one who passed away, who will take over the job? Why can he not start immediately? How much is earmarked for this road?

Eng. Toro: Mr. Speaker, Sir, the new consultant had to take over the report that was done by the late engineer because we did not want him to start from scratch in order to save time. He has done exactly that. If I may inform the Member for Ol Kalou, we will call a meeting this Friday for all Members of Parliament in the three districts involved; that is, Maragua, Murang'a and Nyandarua. We will have the meeting with the consultant so that we can go through the report that was left by the late engineer, and also consult with the new consultant on the way forward and the best way of finishing his report by December this year.

Mr. Ndambuki: Mr. Speaker, Sir, the Assistant Minister is only talking about three districts. Roads 2000 Programme was also supposed to cover Eastern Province. What will happen to the other districts? Is the money which was allocated in the first phase still there?

Eng. Toro: To my knowledge, the money allocated for the second phase of the Roads 2000 Programme in Eastern Province is there. The agreement was signed and the work is in progress in those areas that were identified for Roads 2000 Programme. The reason why I am talking about Roads 2000 Programme for Nyandarua and the other two districts is because this was asked in the Question.

In my reply I talked about Roads 2000 Programme in Nyandarua District. That is why I was talking about the programme in Nyandarua District. The other programmes for Roads 2000 are on course. Hon. Members should specifically bring to my notice areas where we are lax so that we can address their problems. There are so many programmes for Roads 2000 covering very many districts countrywide, and these are funded by different donors.

Mr. Ndambuki: Mr. Speaker, Sir, I would like to bring to the attention of the Assistant Minister the fact that there was a road in Makueni which was identified to be done in the first phase of the Kshs700 million which was given out, and up to now it has not been done. The Assistant Minister is saying that everything is on course, but it is not.

Eng. Toro: Mr. Speaker, Sir, if the hon. Member is talking about the road that we discussed when they paid a visit to the Ministry, we assured them that the contractor gave an undertaking he will finish that job by the end of this month. I hope he will do exactly that.

Question No.794

LACK OF TEACHERS IN KAPENGURIA SCHOOLS

Mr. Moroto asked the Minister for Education, Science and Technology:-

- (a) whether he is aware that Kongelai, Sook, Chepareria and Kapenguria divisions lack teachers with most schools having one teacher serving eight classes; and,
- (b) what plans he has to solve this problem.

The Assistant Minister for Education, Science and Technology (Mrs. Mugo): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that there is a shortage of teachers in schools within the cited divisions, but there are no schools having one teacher serving eight classes. The Ministry will address staff shortage through teacher balancing exercise which is currently going on, as well as the employment of 108 teachers for the district during the ongoing recruitment exercise.

Mr. Moroto: Mr. Speaker, Sir, I am a member of the District Education Board and I also come from this area which is mentioned here. There is a shortage of 830 teachers. We need teachers, especially now that there is free primary education because even those children who used to roam here and there are now going to school, and they want to learn. What plans does the Assistant Minister have in place to ensure that these children get proper education, immediately?

Mrs. Mugo: Mr. Speaker, Sir, my records show that the district has a shortage of 656 teachers, but I have also listened to what the hon. Member has said. At the moment, there is an ongoing programme to balance the teachers. Dagoretti Constituency, which I represent, has a shortage of 200 teachers, while some constituencies in the City have a shortage of 30 or 40 teachers.

When I say that a balancing programme is going on, we are taking into account the areas which are understaffed and trying to balance them accordingly. There are some districts which are overstaffed at the moment. It is very difficult to transfer the teachers from those districts right now. However, the ongoing recruitment of teachers will reduce the shortage of teachers in our schools. I am not saying that there is no shortage of teachers, but we are working on that problem.

Prof. Oniang'o: Mr. Speaker, Sir, the free primary school education has been going on for two years now. The shortage of teachers countrywide is a very serious issue. The proper and ideal ratio of teacher to students is 1:40. Could the Assistant Minister assure us that, come January next year, she will lay on the Table all the primary schools in the country showing a ratio of 1 teacher to 40 children, to ensure that this programme succeeds and Kenya has a proper ground of quality education?

Mrs. Mugo: Mr. Speaker, Sir, several reforms are going on in the Ministry. In fact, we will bring a Sessional Paper before this House as soon as we are through with it. However, the ratio of teachers to students will very much depend on the budgetary allocation.

As a Ministry, we will put forward our budget request, but I cannot give an assurance on this.

Mr. Manoti: Thank you, Mr. Speaker, Sir. You have heard all hon. Members complain about shortage of teachers countrywide. It is true that this has affected the performance of our schools in national examinations. Why does the Ministry wait up to the end of the year before it replaces teachers who have left the service through natural attrition? Could the Assistant Minister undertake to replace them immediately?

Mrs. Mugo: Mr. Speaker, Sir, the 6,000 teachers we are employing will address the natural attrition in the country. We are replacing those who died and retired.

Mr. Serut: Thank you, Mr. Speaker, Sir. One reason why we have discrepancies in the posting or enrolment of teachers in schools is because of the Kenya National Union of Teachers (KNUT) officials. What role do those officials play in the balancing of teachers? You will find so

many teachers in urban centres as opposed to rural areas.

Mrs. Mugo: Mr. Speaker, Sir, it is not correct to say that rural areas have fewer teachers than urban areas. I have just told the House that Dagoretti Constituency, which I represent, has a shortage of 200 teachers. I know the pain hon. Members feel because I have gone through it. This is the case, and yet a district like Baringo is overstaffed with teachers. I accept that there is a problem of teacher shortage, but we are working on it. I assure this House high quality education. However, hon. Members cannot ask me to address that problem which was there even when the NARC Government came to power, overnight.

Mr. Gachagua: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to mislead the House that she is not in charge? Why is there overstaffing of teachers in the district she has mentioned, and yet there is a shortage of teachers in her constituency? Is she not capable of balancing the teachers without any problem?

Mrs. Mugo: Mr. Speaker, Sir, Mr. Serut has just raised the question of the KNUT officials and the role they play. It is not only the Ministry of Education, Science and Technology which is involved in the transfer of teachers. Teachers are also members of this union. Therefore, we have to negotiate and do the balancing with the KNUT. We do not just dictate on what should be done. The balancing of teachers is ongoing.

Mr. Bahari: On a point of order, Mr. Speaker, Sir. The union has no role in the deployment or rationalization of staff. Could the Assistant Minister tell us why the employer has ceded the authority of deploying teachers to a union and hence messing up the management?

Mrs. Mugo: Mr. Speaker, Sir, that is not correct. We are also human beings. We have cases where some teachers, for medical reasons, cannot be transferred. Sometimes, that is where the union comes in. We have not ceded our responsibility of deploying teachers to the union. Is the hon. Member telling me that if a teacher seeks a transfer on health grounds, we cannot transfer him or her? We are balancing the teachers, and the hon. Members should wait until we complete the exercise, instead of telling us to rush it.

Dr. Galgallo: On a point of order, Mr. Speaker, Sir. The Assistant Minister has said that 6,000 teachers are being recruited, and yet we are not aware of that exercise. Could she explain to us where the recruitment exercise is taking place? This is a very important issue.

Mrs. Mugo: Mr. Speaker, Sir, recruitment of teachers has been going on in all the districts. The teachers who have been recruited have started receiving appointment letters. The recruitment exercise was done by District Education Officers (DEOs) at the grassroots level. Even hon. Members should know what they want. When recruitment of teachers was centralised by the Ministry, there was hue and cry that it should be decentralised to the districts. When we decentralised the exercise to the districts to see whether it can work, the hon. Members are now complaining. Recruitment of teachers is going on in their districts.

*(Several hon. Members stood up
in their places)*

Mr. Speaker: I am sorry, hon. Members! We cannot dwell on this Question forever! All of you must sit down now!

Mr. Moroto: Thank you very much, Mr. Speaker, Sir. You have heard the Assistant Minister say that she will carry out the teacher balancing exercise. I want to remind her that we were told about this exercise about five years ago. It is not possible, with the presence of KNUT, to do that. There are some teachers who are sick and cannot be transferred on humanitarian grounds.

Could the Assistant Minister now consider employing the teachers who graduated from colleges recently and deploy them to teach in the areas which are understaffed?

Mrs. Mugo: Mr. Speaker, Sir, this House is aware that employment of teachers depends on

the budget set aside for recruitment of teachers. We intend to request to be allocated more funds so that we can recruit more teachers. The teacher balancing exercise, which the hon. Member has talked about, has been carried out in about six provinces and two provinces are remaining. As soon as we are through with all the provinces, we will bring the whole act together.

Mr. Speaker, Sir, I would like to request this House to consider the amount of work which has already been done, but had not been done before, and appreciate it. If hon. Members think that we are not doing anything, the children and the parents know that we are doing something.

Mr. Wario: Thank you Mr. Speaker, Sir. I apologize for coming late.

Question No.412

DEPLOYMENT OF APs TO
LOCATIONS IN BURA

Mr. Wario asked the Minister of State, Office of the President:-

- (a) whether he is aware that six locations, namely Balambala, Bua, Saka, Nanighi, Chewele and Hirimani in Bura Constituency, have not hoisted the national flag for the last 13 years; and,
- (b) when will he deploy administration police officers to these locations so that security is improved and the flag hoisted.

The Assistant Minister, Office of the President (Mr. Mungatana): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that the six locations in Bura Constituency have not been hoisting the national flag.

(b) All the mentioned stations are locational headquarters. The areas have no permanently stationed police officers to hoist the flag due to lack of houses. However, security patrols are provided by the nearest administration and regular police posts, and also the Kenya Wildlife Service. Administration police officers will be deployed in those stations immediately the housing problem is sorted out. The Government has also recruited the Kenya Police Reservists (KPR) from these locations to take care of security and assist the chiefs in the maintenance of law and order.

Mr. Wario: Mr. Speaker, Sir, there is a written answer here and somebody forged the signature of hon. Murungaru's signature. I know his signature as he has answered my Questions previously on several occasions, and this is not hon. Murungaru's signature. However, I am leaving that issue to you.

This Assistant Minister has been in Nairobi addressing a very big forum about security recently. Unfortunately, the Assistant Minister has forgotten his own district.

(Laughter)

Regarding these six locations, I led a big delegation to hon. Mungatana's office from these six locations four months ago. When is he going to deploy these police officers to provide security and to hoist the national flag?

Mr. Wanjala: On a point of order, Mr. Speaker, Sir. There has been a very serious allegation of forgery from the hon. Member who is asking a Question. Am I in order to ask you to make a ruling on whether it is justified for an hon. Member to bring forged answers here as if they are from the real Assistant Minister?

Mr. Speaker: Who said that there was a forgery?

Mr. Wanjala: It is hon. Wario. Could he clarify or substantiate?

Mr. Speaker: He did not say that. He just said that the signature does not look like hon.

Murungaru's signature. Is that the same issue like a forgery?

Proceed, Assistant Minister!

Mr. Mungatana: Mr. Speaker, Sir, we have addressed some of the security problems in some of the locations in terms of allocation of security personnel. For example, in Mbalambala Location, we recruited 16 KPR officers, 12 for Bua, 22 for Saka, 15 for Nanighi, 15 for Chewele and 13 for Hirimani. We have recruited a total of 105 KPR officers.

Once the question of housing for the officers in these locations is resolved, we shall post security officers in those areas.

Thank you.

Maj-Gen. Nkaiserry: Mr. Speaker, Sir, Bura Constituency is closer to civilization, if Nairobi is the centre of civilization, than North Eastern Province. How come Garissa District, which is a bordering district on the other side of Bura, has all these facilities and not Bura District?

Mr. Mungatana: With a lot of respect, and without being offensive, we have inherited problems from the previous Government. The problem of neglect is not something that we can address immediately. What we are saying is that we are going according to the programme, and we urge the hon. Member to just bear with us as we sort out the issues.

Mr. Sudi: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House by blaming the previous Government instead of answering the question? It is the current Government which is defeated!

(Loud consultations)

Mr. Speaker: Order! Order, Members! That is the nature of competitive politics, and that is how it is ought to be. That is how it should be. So, if you do not want to be blamed, please, do not make a mistake.

Proceed, Dr. Ali!

(Applause)

Dr. Ali: Mr. Speaker, Sir, now that the Assistant Minister has said that they have recruited enough KPR officers, and that he will be ready to take police officers there once the houses have been built, who does he expect to build the houses? Is it the Government or the locals?

Mr. Mungatana: Mr. Speaker, Sir, I wish to inform the House that the Mbalambala community was trying to come up with housing units for the administration police officers, but they have not completed this programme. At the same time, the Government had provided some few units which were given to the divisional headquarters. What we are saying is that once funds become available, we shall address that issue.

Mr. Speaker: Last question, Mr. Wario!

Mr. Wario: I have raised a question about the national flag of this country. If a Government can fail to hoist the national flag, what can it do for those people? If a 13-year-old boy or girl has not seen the national flag throughout his life, is this child entitled to pay taxes to this Government when he grows up?

Mr. Speaker: How much does a national flag cost?

(Laughter)

Mr. Mungatana: Mr. Speaker, Sir, the issue hoisting up of a national flag has its own rules. It is not a matter of any person who has the authority to hoist the national flag. We need to have the police officer of the correct rank to hoist the national flag.

In these particular areas, the chiefs are there, but they do not have the police officers or the administration police officers there. For that reason, we are not able to hoist the flag there.

Mr. Madoka: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House that it is only a police officer who can hoist the flag? Where is that stated?

Hon. Members: In schools!

Mr. Mungatana: According to the way we have arranged our---

(Loud consultations)

As far as the policy is concerned, the hoisting of a national flag has to be done by police officers. This is what we are doing. This is the way we have done it and we shall continue doing it that way.

Ms. Abdalla: On a point of order, Mr. Speaker, Sir. It is getting very scary that every time somebody with a little brain joins the Government in this country, they suddenly lose it! How can he say that it is only a police officer who can raise a flag when every school is raising flags?

(Applause)

Mr. Mungatana: I think we are addressing an entirely different issue here. If the House will give me an opportunity to explain, hon. Wario is not just talking about the hoisting of a simple flag; he is addressing a serious issue of security in this nation and in his constituency. What we are saying is that we shall deploy those officers in those areas so that when the flag is hoisted, it is hoisted with authority. It is not a school flag!

Thank you.

Question No.328

TEACHER TRAINING COLLEGE FOR BUTERE/MUMIAS DISTRICT

Mr. Oparanya asked the Minister for Education, Science and Technology:-

- (a) whether he is aware that Butere/Mumias District lacks a teacher training college;
- (b) whether he could explain why the Chadwick Teachers College, formerly located in Butere, was relocated; and,
- (c) whether he could consider putting up a teacher training college in Butere.

The Assistant Minister for Education, Science and Technology (Mrs. Mugo): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Butere/Mumias District does not have a teachers training college.

(b) The Chadwick Teachers College was not relocated but phased out as per the recommendations of the Second Teacher Education Conference of 1968.

(c) The Ministry has no plans to put up new teachers training colleges anywhere in the country, as the existing ones are considered to be adequate.

Mr. Oparanya: Mr. Speaker, Sir, whether the college was relocated or phased out does not matter to me. My question is, why was it phased out? After this college was phased out, the Government went ahead and built many other teachers colleges elsewhere. So, why was it phased out?

Mrs. Mugo: Mr. Speaker, Sir, there were over 38 colleges which were phased out; this was not the only one. The recommendations were to bring together these teacher training colleges, because they are national institutions and they train teachers from whichever district they come from. The other smaller colleges were turned into secondary schools or other institutions. At the

moment, we are able to train all the teachers we need in the 21 teacher training colleges that are in existence, and students are taken from all over the Republic.

Mr. Bifwoli: Mr. Speaker, Sir, you heard the Assistant Minister say that they are not going to build new teacher training colleges, and yet, in Kibabii, people were removed recently, and there is land set aside for a teacher training college. What is the Government going to do with that land?

Mrs. Mugo: Mr. Speaker, Sir, I cannot talk about land here; I can only talk about education. At the moment, the country has approximately 40,000 unemployed primary school teachers. So, certainly, it is not a priority right now to add more teacher training colleges. In fact, we are going to add technical schools instead, so that we can have more room to train our manpower.

Mr. Bifwoli: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Hon. Members, not every question is a point of order! Relax, my friend!

Mrs. Mwendwa: Mr. Speaker, Sir, I heard the Assistant Minister say they are not going to construct any extra teacher training colleges. Could she tell the House what will happen to the teacher training colleges which were started and a lot of money used, to the tune of Kshs500 million, and they are not completed? Are they going to be completed, since some have stalled for years, so that the funds are not wasted?

Mrs. Mugo: Mr. Speaker, Sir, that was due to poor planning by the previous regime. What we require now is not more teacher training colleges. We have an output of 8,000 teachers from public primary schools each year, and 1,000 from private institutions. However, those structures will not go to waste, because we are, at the moment, revising the Education Act and we shall have a lot of schools in line with secondary education, for training. So, any educational institution will not go to waste, but will be put to good use.

Mr. Speaker: I will give the last opportunity to Mr. Oparanya. Hon. Members, we are running behind time; I am not even halfway through the Questions.

Mr. Oparanya: Mr. Speaker, Sir, since there is a lot of land and the buildings are still there, could the Ministry consider reviving this college, so that it is a constituent college of Western University College?

Mrs. Mugo: Mr. Speaker, Sir, we will visit that institution, and as I said, we will put it to the very best use that we will consider, according to the revised reforms. But it will be a learning institution.

Question No.530

CONDITIONS FOR ACCESSING AFC LOANS

Mr. Bifwoli, on behalf of **Dr. Kibunguchy**, asked the Minister for Agriculture:-

- (a) what are the conditions that farmers must fulfil in order to access loans from the Agricultural Finance Corporation; and,
- (b) why these conditions are deemed necessary and whether their application is in the interest of the farmer.

The Minister for Agriculture (Mr. Kirwa): Mr. Speaker, Sir, I beg to reply.

- (a) The following are the conditions the applicants must fulfil in order to access AFC loans:
 1. One must submit the following:
 - (a) A project proposal.
 - (b) Application form.
 - (c) Application fee.
 - (d) Commitment fee.
 2. Make a certain level of contribution towards the local project cost either in cash or in

kind.

3. They must also be assessed on their capacity to repay.

4. They must be persons of integrity and management capability.

5. The past financial performance of the applicant and ability to meet their financial obligations must also be assessed.

6. Provision of collateral for its loans to reduce its risk exposure.

(b) These conditions are necessary, and they are in the interest of the farmer in order to enable AFC to develop a sustainable credit programme that disburses credit in adequate amounts on timely basis and at an affordable rate of interest.

Mr. Bifwoli: Mr. Speaker, Sir, you realise the Minister is saying that an ordinary farmer needs a project proposal. Surely, if I have two acres and I want to buy maize seedlings and fertilisers, what the hell is this project proposal all about?

(Laughter)

Mr. Speaker: Order! That is not our language, hon. Bifwoli!

Mr. Bifwoli: Okay, Mr. Speaker, Sir, let me be nice. Given this conditionality of a project proposal, is the AFC for ordinary farmers or for the able farmers?

Mr. Kirwa: Mr. Speaker, Sir, that is a very good question. The proposal does not have to be complicated; it is a statement of intent by the farmer on what he wants to borrow, and the information can be availed through our officers on the ground or through any qualified person to say exactly what the farmer wants to do.

Mr. Sambu: Mr. Speaker, Sir, could the Minister direct the AFC to give short-term loans, even in form of fertilisers and seeds, which could be used for planting and be re-paid using the crops, like maize and wheat, when they are harvested at the end of the season?

Mr. Kirwa: Mr. Speaker, Sir, I do not understand my colleague's question very well. We give loans to our farmers through the provision of seasonal credit. This year, we have disbursed Kshs769 million for the purpose of planting wheat and maize.

Mr. Kajwang: Mr. Speaker, Sir, I want the Minister to either confirm or deny that one of the conditions which farmers must meet to qualify for AFC loans is that they must be earning a monthly salary. When did farmers start earning salaries?

Mr. Kirwa: Mr. Speaker, Sir, it is not really a requirement. What happens is that farmers must give either a bank statement or a pay slip, depending on whichever is available. If a farmer has been supplying milk to a certain organisation, he could also produce a document showing that he has been receiving a certain amount of income for the stipulated period. This is one of the conditions stipulated for a farmer to qualify for loan.

Mr. ole Metito: Mr. Speaker, Sir, in July this year, the Minister for Agriculture told this House that he would hold an all-inclusive consultative workshop for farmers who do not own title deeds. They were supposed to be told how to access AFC Loans. What happened to the workshop because we have not seen it?

Mr. Kirwa: Mr. Speaker, Sir, I would have loved to hold a workshop. However, there are many conferences going on. However, I remember that on 2nd September, 2004, the AFC board members met. Among the things they discussed was the issue of dealing with farmers who do not have title deeds. We are thinking of ways of assisting farmers on the basis of group confidence, so as to ensure that they get the loans without necessarily offering title deeds.

Mr. Bifwoli: Mr. Speaker, Sir, we want the Minister to tell us when he will introduce capital loans for people who want to purchase land?

Mr. Kirwa: Mr. Speaker, Sir, that is another good question which deserves the attention of this House. We would have wished to introduce land purchase and development loans in greater

amounts than we have today. However, the main problem has been financial constraints. We are discussing these problems with financial donors with the hope of getting Kshs7.5 billion for the purpose of revamping the AFC. If that money comes, we will ensure that the project is implemented.

As I discuss this issue, we have sent out the AFC Managing Director and one of my Assistant Ministers to deal with this issue so as to assist the AFC.

COMMUNICATION FROM THE CHAIR

PRESENCE OF HON. JACKIE
LAWRENCE IN SPEAKER'S ROW

Mr. Speaker: Hon. members, I wish to interrupt business and give the following communication. It is with great pleasure that I welcome hon. Jackie Lawrence, a Member of Parliament for Predrochshire, United Kingdom (UK). She is seated in the Speaker's Row. Hon. Lawrence is in Kenya as part of the British Council Work-Shadowing Exchange Programme for women Members of parliaments in East and Central Africa and the UK. She will be in liaison with Mrs. Chelaite and Dr. Esther Keino during the exchange programme.

On behalf of the House, I wish hon. Lawrence a fruitful and happy stay in our country. I must make progress now; we are running out of time.

(Resumption of Oral Answers to Questions)

Question No.435

INITIATION OF APICULTURAL
PROJECTS IN WEST POKOT

Mr. Rotino asked the Minister for Livestock and Fisheries Development:-

- (a) whether he is aware that apiculture is a viable enterprise in West Pokot District; and,
- (b) if the answer to "a" is in the affirmative, how many projects the Ministry has initiated to benefit small-scale farmers in line with the Government policy of wealth creation and generation of employment.

The Assistant Minister for Livestock and Fisheries Development (Mr. Dzoro): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) Since West Pokot is among the high potential bee-keeping districts in the country, my Ministry has aggressively initiated several projects aimed at enhancing wealth and employment creation. These projects include the special programme on food security (SPFS), which was started in the year 2001, and is aimed at enhancing the capacity of small-scale farmers through joint ventures in production, access to market and credit facilities; the expansion of general extension services by ministerial staff, with focus on modern bee-keeping technology and accessibility to honey market, including the European Union (EU) market, the integrated Ministry of Livestock and Fisheries Development and UNIDO. The joint development programme has already carried out a baseline study and found West Pokot to be of high honey potential. It is the desire and mandate of my Ministry to continue assisting West Pokot farmers to exploit this potential.

Mr. Rotino: Mr. Speaker, Sir, the Assistant Minister has not answered the Question in the reply he has given. He should know the difference between a project and a programme. He has not answered the Question! I want him to outline the projects that I am talking about. What happened to Kodich and Wewei Bee-keeping Projects? These are the projects I am talking about! He should not use big English vocabulary to answer the Question. I know that he does not know the difference between a project and a programme. The Assistant Minister was working in projects. Could he

answer my question?

Mr. Dzoro: Mr. Speaker, Sir, the project Mr. Rotino is referring to, Kodich Refinery Project, is supposed to be revived.

Mr. Kamama: Mr. Speaker, Sir, I think the Assistant Minister is not telling us what we are supposed to hear from him. This Ministry has a policy referred to as "demand-driven livestock extension policy." The Ministry has not employed Livestock and fisheries officers in the last 10 years. Who is supposed to carry out apicultural projects while officers have not been employed in the last four years?

Mr. Dzoro: Mr. Speaker, Sir, among the things that my Ministry has been doing is holding seminars to train communities which carry out bee-keeping. I think doing that has been fruitful so far.

Mr. Rotino: Mr. Speaker, Sir, West Pokot is a pastoral district. We depend on bee-keeping and its related activities. The Assistant Minister is talking about reviving Kodich Refinery. He said that he will revive it. Could he be specific and tell me when the revival of the project will start? That is the lifeline of the people in that area. He has not even talked about the Wewei Bee-keeping Project. Could he be specific and tell me when the revival of the project is going to start. He should not beat about the bush!

Mr. Dzoro: Mr. Speaker, Sir, the revival of this project is among our planned activities. I am glad to inform the hon. Member that it is going to be revived.

Question No.416

TAKE OVER OF MATATU TERMINI BY NCC

Mr. Ndolo asked the Minister for Local Government:-

- (a) whether he could inform the House how many jobs the Nairobi City Council has created following the taking-over of Matatu termini in the City; and,
- (b) whether he could further inform the House how much money the Council has earned following the take-over.

The Assistant Minister for Local Government (Mr. Kamanda): Mr. Speaker, Sir, I beg to answer.

(a) The Council has not employed any new employee to man matatu termini. The Council only deployed its existing employees from the section to man matatu termini.

(b) The City Council of Nairobi, since April, 2004, to November 4th, 2004, has collected Kshs92,683,455.

Mr. Ndolo: Mr. Speaker, Sir, I thank the Assistant Minister for that answer. However, he is misleading this House. Nairobi has more than 15,000 matatus, and when we include those from other places, we get approximately 20,000 matatus. Everyday, these matatus pay Kshs70. That would work out to about Kshs30 million, yet up to now, the Nairobi City Council workers have not been paid their salaries. Where is that money going to?

Mr. Kamanda: Mr. Speaker, Sir, the Kshs92,683,455 has gone to the general fund of the Nairobi City Council. It formed part of the money used to pay salaries of our Nairobi City employees.

Capt. Nakitare: Thank you, Mr. Speaker, Sir. You have heard how much money is being collected by the Nairobi City Council. Could the Assistant Minister tell this House why Machakos Bus Terminus is in a pathetic condition?

Mr. Kamanda: Mr. Speaker, Sir, we are looking into that, and very soon we are going to tarmac Machakos Bus Terminus.

Ms. Abdalla: Thank you, Mr. Speaker, Sir. Is the Assistant Minister aware that the take-

over of bus parks by Nairobi City Council has rendered a lot of stage clerks jobless, and as a result, they have shifted to crime? How much of the money they have collected would be spent in addressing the insecurity the jobless former stage clerks are involved in now?

Mr. Kamanda: Mr. Speaker, Sir, we do not deal with that sector of the economy. We deal with staff employed by the Nairobi City Council, and we have more employees than we need.

Mr. Speaker: Last question, Mr. Ndolo!

Mr. Ndolo: Mr. Speaker, Sir, the Assistant Minister is an hon. Member of this City. He knows what is happening in our estates, and the problems that are now affecting a lot of our children in Nairobi. The termini are being managed by Nairobi City Council *askaris* in conjunction with the police. Everyday, these policemen and City *askaris* collect money but after 1.00 p.m., they go back to their offices. What is the Ministry going to do in order to collect money after 1.00 p.m. from termini?

Mr. Kamanda: Mr. Speaker, Sir, I am not aware that our officers are not performing their duties. To the best of my knowledge, those officers should be on duty for nine hours.

Mr. Speaker: Very well! Next Question by Mr. M. Maitha!

Question No.400

SALE OF ROAD GRADER BY MUKA MUKUU

Mr. M. Maitha asked the Minister for Co-operative Development and Marketing:-

(a) whether he is aware that Muka Mukuu Farmers Society sold the farm road grader tractor, registration No.KAC 827E, for only Kshs390,000 when it was worth over Kshs15 million;

(b) whether he is further aware that the sale was not sanctioned by the members; and,

(c) what action he has taken to repossess the tractor for use by the society.

The Assistant Minister for Co-operative Development and Marketing (Mr. Kenneth):
Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the farm road grader tractor was sold through a public auction for Kshs1 million on 10th March, 2001.

(b) The sale of the road grader arose out of a court ruling at Yatta Resident Magistrate's Court Case No.103 of 1997. The case involved the society workers who had sued the society for non-payment of salaries and service gratuity.

(c) We are unable to repossess the tractor and it might not be possible to do so under the circumstances. However, we instituted an inquiry into the society and we expect to have a full report within one month from today.

Mr. M. Maitha: Mr. Speaker, Sir, the inquiry that the Assistant Minister is talking about which was ordered in 2003, has taken almost two years to complete its work. Why has it taken all that time? Farmers are suffering, as there is nothing going on, on that farm!

Mr. Kenneth: Mr. Speaker, Sir, to start with, this tractor was actually sold before the inquiry was put in place. The inquiry has had to carry out further investigations, and that is why it has taken long. I told the hon. Member that we have done over 90 per cent of what was required of the inquiry. What is remaining is a very small bit, which should be completed within one month.

Mr. Ndambuki: Thank you, Mr. Speaker, Sir. Where auctioning of properties is involved, there is a reserve price. We are being told that this tractor was worth Kshs15 million. What was the reserve price for this tractor, which was sold at such a low price?

Mr. Kenneth: Mr. Speaker, Sir, what happened was that the court ruled that this tractor be sold in a public auction and to the highest bidder. That was how it was sold for the price of Kshs1

million and not Kshs390,000 as the Question states.

Mr. Speaker: Last question, Mr. M. Maitha!

Mr. M. Maitha: Mr. Speaker, Sir, although the court said that it should be sold by public auction, is the Assistant Minister satisfied that the price of Kshs1 million was the real value of the tractor at that time?

Mr. Kenneth: Mr. Speaker, Sir, the court not only ordered that the tractor be sold, but also authorised the transfer of the logbook from Muka Mukuu to the new owner. I might not be satisfied with what happened, but the whole process of auction was done, and the vehicle was sold to the highest bidder.

QUESTIONS BY PRIVATE NOTICE

Mr. Speaker: Very well! Hon. Members, I am afraid that we are getting a little late. I will take only one Question by Private Notice and defer the rest.

First of all, the Question by Eng. Okundi is, at his request, deferred to Thursday.

DEATH OF MASTER ISAAC ODHIAMBO

(Eng. Okundi) to ask the Minister for Health:-

(a) Is the Minister aware that Master Isaac Odhiambo, aged 7 years, son of Mr. Richard Opiyo Odongo of Mombasa, died at Aga Khan Hospital ICU after being denied emergency treatment at the Pandya Memorial Hospital, Mombasa, on 8th October, 2004?

(b) What action is the Minister taking against the hospital, matron, nurses and Dr. Nanji, who were on duty at the material time for neglecting their professional duty to save the life of the patient?

(Question deferred)

We will, therefore, start with the Question by Dr. Manduku!

TRANSBORDER SKIRMISHES IN KISII/TRANSMARA/ BOMET DISTRICTS

Dr. Manduku: Mr. Speaker, Sir, I beg to ask the Minister of State, Office of the President, the following Question by Private Notice.

(a) Is the Minister aware that there is an upsurge of insecurity and transborder skirmishes between Kisii, TransMara and Bomet Districts?

(b) Is he further aware that Ramasha Police Station, which is expected to provide security in the area, is in a pathetic condition and lacks the most basic facilities, including a patrol vehicle?

(c) What measures is the Minister taking to address the persistent insecurity in the affected border areas?

The Assistant Minister, Office of the President (Mr. Mungatana): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware of any upsurge of insecurity and transborder skirmishes between Kisii, TransMara and Bomet, Districts except for isolated cases of cattle theft along the borders of the three districts.

(b) I am not aware that Ramasha Police Station is in a pathetic condition. However, it is true

that the station has inadequate office and staff accommodation, and lacks a police patrol vehicle.

(c) Inter-border security committees are being encouraged to work closely with law enforcement officers. This ensures that any signs of conflict or tension are detected early enough for appropriate response. There is also constant patrol by security forces. Thirdly, efforts are being made to settle an accrued debt of Kshs178,000 owed to M/s CMC Motors to release the station's patrol vehicle.

Dr. Manduku: Mr. Speaker, Sir, it surprises me that the Assistant Minister is not aware of any skirmishes along the borders of Bomet, Narok, TransMara and Kisii Districts. That area is always volatile. If skirmishes start in one area, they spread all over.

Mr. Speaker, Sir, last week, there was a big fight between the people of Bomet and Narok Districts, which spread to TransMara District. We know that if skirmishes start, they spread all the way. Is the Assistant Minister aware that there is already tension along these districts' borders? Is he doing anything to stop it so that it does not spread all the way to Migori District?

Mr. Mungatana: Mr. Speaker, Sir, as I have explained, we have increased security patrols in those areas. Also, we are making arrangements to pay the Kshs178,000 that is owed to a garage by Ramasha Police Station, so that the vehicle can be released. We are also arranging various security meetings, so that tension in the border areas can be eased.

Mr. Owino: Mr. Deputy Speaker, Sir, I do not think the Assistant Minister knows what is happening in those border areas. Even now, tension is very high in the border areas of Trans-Mara, Migori, Kisii and Kuria districts. Why has he not found it prudent to drive along those border areas instead of having a joyride to Bondo to discuss politics?

Mr. Mungatana: Mr. Deputy Speaker, Sir, I will take his suggestion with a lot of respect. We will visit those areas in due course. As I have told the House, we have intensified General Service Unit (GSU) patrols along those areas. In accordance with our plan, when the need arises, we will visit those areas.

Prof. Oniang'o: Mr. Speaker, Sir, the Government says that insecurity is reducing when we know that people are being terrorised and killed, while women are being raped. Could he tell us his source of information and table the data he has, so that we can see whether, truly, insecurity in Kenya is reducing?

Mr. Mungatana: Mr. Speaker, Sir, there was a Question on insecurity in the country, and I believe it has been answered. We tabled the figures showing the level of insecurity in the country. The source of the information are the reported cases at police stations and the cases on which we took conviction. So, we have brought that information to the House. If I remember correctly, according to our figures, the number of reported crime incidents reduced to 5,679 this year. There is a big difference between the perception of insecurity and the actual figures on the ground. I have addressed this issue before.

I would like to tell the House that the Government is doing what it can to address the question of insecurity in this country. We have not eradicated crime. We are far from doing so, but we are doing what we can.

Dr. Manduku: Mr. Speaker, Sir, the Assistant Minister is now aware that there is tension throughout those border areas and that the whole of that area is covered by Ramasha Police Station. He has also agreed that there are no houses or offices for staff. There is a very small office that was built using *mabati*. The policemen who man that station stay in shops, a distance away from the station. Is the Ministry going to do anything at all to put up this police station and staff houses?

Mr. Mungatana: Mr. Speaker, Sir, I have explained to this House before that we go by the recommendations of the district security committee. I am sure that Ramasha Police Station is prioritised, as the hon. Member has put it. We will look into it in accordance with the provisions we

will have in the next Budget.

*(Several hon. Members stood up
in their places)*

Mr. Speaker: Order! Order! Hon. Members, we have come to the end of Question Time. I will defer the remaining three Questions by Private Notice until tomorrow afternoon. I will give them priority then.

POWER RATIONING IN
MAUA MUNICIPALITY

(Mr. Muriungi) to ask the Minister for Energy:-

- (a) Is the Minister aware that there is power rationing in Maua Municipality and its environs every Monday?
- (b) What steps is he taking to end the power cuts?

(Question deferred)
REDUCTION OF KPA STAFF

(Mr. Shakombo) to ask the Minister for Transport:-

- (a) Is the Minister aware that Kenya Ports Authority signed performance contracts with the Government in October, 2004?
- (b) Is he further aware that one of the conditions of these contracts is to reduce the workforce at the Kilindini Port from 7,000 to 2,500?
- (c) If the answers to (a) and (b) above are in the affirmative, could he inform the House the justification for the drastic action to lay off thousands of workers?

(Question deferred)
IRREGULAR BORROWING
BY COFFEE FACTORIES

(Mr. Angwenyi) to ask the Minister for Co-operative Development and Marketing:-

- (a) Is the Minister aware that the management of the following coffee farmers co-operative societies have received loans from the Co-operative Bank in Kisii without the authority of the respective members of the societies-

<u>Society</u>	<u>Amount in Kshs</u>
Nyaigwa	5,000,000
Kenyenyia	4,000,000
Riasuguta	3,000,000
Nyamarambe	2,000,000
Nyamache	2,000,000
Nyaguta	2,000,000
Kimera	<u>100,000</u>
Total	18,100,000?

- (b) Could he take immediate action to cancel these loans?
- (c) Could he further institute investigations into the managements of all coffee

societies in the three districts of Nyamira, Kisii Central and Gucha?
(d) Could he also order elections in all these societies?

((Question deferred))

POINTS OF ORDER

CONDITIONS FOR KENYAN PRODUCE TO ACCESS EU MARKET

Mr. Ndambuki: Mr. Speaker, Sir, I rise to request a Ministerial Statement from the Minister for Agriculture. We have been told that, in future, Kenyan agriculture produce will not access the European Union market if they do not meet certain conditions. I would like the Minister to tell Kenyans what these conditions are, the date by which those conditions must be met and the agricultural produce that will be affected by the conditions. Further, I would like to know what the Government is doing to ensure that our produce will not be barred from accessing the EU market, and whether it has informed the farmers about these conditions.

COMMENCEMENT OF FLOOD CONTROL PROJECT IN NYANDO DISTRICT

Eng. Nyamunga: Mr. Speaker, Sir, I rise to seek a Ministerial Statement from the Minister for Water and Irrigation regarding flood control in Nyando District. In the Financial Year 2004/2005, the Ministry has allocated Kshs71 million for the control of floods in Nyando District. However, four months into the financial year, nothing is happening on the ground. The Minister herself has been to Nyando District and she promised the people that work will be starting soon. The major part of those works is the extension of the existing dykes along River Nyando. The word on the ground is that although funds for the project have been disbursed through the AIE holder, the work cannot start because some critical machines - a motor scrapper and a soil compactor - have not been sent to Nyando District. However, the machines are somewhere in the country. Could the Minister let us know when the machines will be taken to Nyando District, so that work can start and be completed before March, 2005, when the long rains are expected to start?

Mr. Speaker: Could the Minister for Water and Irrigation respond?

The Minister for Information and Communications (Mr. Tuju): Mr. Speaker, Sir, I undertake to inform the Minister, so that she can bring an appropriate Ministerial Statement.

REVIVAL OF KENYA MEAT COMMISSION

Mr. ole Metito: Mr. Speaker, Sir, I rise to request a Ministerial Statement from the Minister for Livestock and Fisheries Development on the rival of the Kenya Meat Commission (KMC). When the Minister was moving the Vote of his Ministry, he promised that he was going to inaugurate the KMC Board the following day. However, when he went there, we saw a very unfortunate scenario between him and the National Bank of Kenya (NBK) officials. So, I would like him to address the following four points: First, what is the debt owed by the KMC to NBK and what was the security pledge? Secondly, who are the other creditors of the KMC and what were their security pledges? Thirdly, did the Attorney-General advise on the securities, or on any other suit on behalf of the KMC? Fourthly, who is the Receiver Manager? Who pays him or her? How much is

he or she paid per month? What is he or she receiving since we have not taken our cows there to be slaughtered?

Mr. Speaker: Is the Minister for Livestock and Fisheries Development here?

The Minister for Information and Communications (Mr. Tuju): Mr. Speaker, Sir, I will inform the Minister accordingly.

Mr. Speaker: Very well! Mr. Khaniri!

MINISTERIAL STATEMENTS

INVASION BY ELEPHANTS IN BAHARI CONSTITUENCY

The Assistant Minister for Tourism and Wildlife (Mr. Khaniri): Mr. Speaker, Sir, a week ago, the Member for Bahari Constituency, Mr. Khamisi, rose on a point of order to seek a Ministerial Statement from the Ministry of Tourism and Wildlife on the destruction of property by elephants in three locations; namely, Madzangoni, Roka and Ngerenya. He informed the House that the situation was so bad that the villagers had to vacate their villages by 5.00 p.m. because of the marauding elephants. In that regard, I wish to respond as follows:

The Ministry of Tourism and Wildlife regrets the continued harassment of people by wild animals in Bahari Constituency. Elephants have been a major problem to some parts of the province. Two weeks ago, reports were received at the Kenya Wildlife Service (KWS) offices in Arabuko-Sokoke of an elephant invasion in Njumani-Kararachia area and destroyed coconu trees. The warden sent four rangers to the area, but the elephants had retreated to the forest where they are now. The KWS had deployed rangers in the area and intensified patrols which are going on up to now. The Government is in the process of arresting the problem. We have already approved Kshs251 million to relocate elephants from Shimba Hills to Northern Tsavo National Park. The Shimba Hills National Reserve has a carrying capacity of 300 elephants while there are 700 elephants within the given area. That means there is an excess of 400 elephants. The Government has started the process of re-location of the 400 elephants. About 20 family units, comprising of 120 individual members, have been identified and earmarked for relocation since the exercise began. In addition, 23 other family units have been recorded and continued to be monitored. However, the relocation may not take place in December as anticipated due to tendering procedures for drugs and specialised equipment for translocation which may take another two months.

Mr. Speaker, Sir, once the vehicles, equipment and drugs and other accessories needed for the translocation are obtained, the actual translocation would begin earliest at the end of February or the beginning of March next year. The identification of ideal family units for translocation to Northern Tsavo is an on-going exercise and a scientist has been assigned for that purpose. The KWS has several measures that it uses to minimise and eventually eradicate human-wildlife conflict. Some of the measures include fencing, community sensitisation, translocation and the introduction of tourist related activities that benefit area residents who usually care for wildlife if they benefit financially from them. One example is the Mwaluganje Elephants Sanctuary where the community benefits from the gate collection and plans to build a lodge are underway.

Mr. Speaker, Sir, having admitted that my Ministry is aware of the invasion, the hon. Member would want to ask a question about compensation to villagers whose property was destroyed. In 1989, the Wildlife Conservation and Management Act, Cap.376 was amended via Bill No.16 which among other things, officially outlawed compensation for crops, livestock and other related man-made farm infrastructure. As the current law stands, the only legitimate compensation

is the one for human life, death or injury.

Lastly, the Government is committed to the protection of people and their property anywhere in the country. KWS is obliged to protect our people and their property at all costs. Any animals threatening human life and property will be dealt with.

Mr. Khamisi: Mr. Speaker, Sir, I would like to thank the Assistant Minister for that comprehensive statement. Presently, there is only one askari from KWS at Gede which is the nearest station to Sokoke Forest. Could he tell us whether he has any plans of increasing the number of askaris at that station? Secondly, he has talked about fencing. Could he also tell us whether he has any plans of fencing the area, so that elephants do not move into nearby villages?

Maj. Madoka: Mr. Speaker, Sir, the Assistant Minister says that they are translocating those elephants to Northern Tsavo. I want him to know that the Taitas and the Tavetas are totally against that translocation because, at the moment, we are suffering because elephants are destroying our crops and domestic animals. I want him to know that we do not approve that translocation.

Mr. Kagwe: Mr. Speaker, Sir, I also rise to seek clarification from the Assistant Minister because the issue of animal-human conflict is not confined to just one area. It is a nationwide issue. In almost every district, where animals exist, there is a problem. The problem cannot be solved by translocating those animals from one place to another. It is about how to confine the animals and make them live with human beings safely. What quality plans he have to effectively separate the animals and human beings?

Mr. Mwandawiro: Bw. Spika, watu wa Wilaya ya Taita-Taveta wamesema kwamba hawataki ndovu katika wilaya yao. Hata hivyo, Serikali inaendelea kupeleka ndovu katika wilaya hiyo. Kama ninavyozungumza wakati huu, ndovu wamevamia watu huko Kisima, Kishushe na sehemu zote za nyanda za chini za Wilaya ya Taita- Taveta. Je, Wizara hii ina mpango gani kuhusu ndovu hao? Je, mpango wake ni wa kuwaangamiza Wataita na mali yao?

The Assistant Minister for Tourism and Wildlife (Mr. Khaniri): Mr. Speaker, Sir, I would begin by answering Mr. Khamisi's question about increasing rangers to that particular station. First of all, I want to correct him that there are four rangers; not one as he alleges. I would like to inform the House that we have a big shortfall of rangers and the Ministry is in the process of training additional rangers. Once they pass out, we will be able to post more rangers in that particular station.

With regard to the question of fencing, it is a very expensive exercise, but I want to assure him that once money is availed to us from Treasury, we will put that into consideration.

Maj. Madoka complained about translocating the elephants to Northern Tsavo National Park. We did a study on the capacity of the Northern Tsavo National Park. We know that it could hold an additional number of elephants that we shall translocate there. I would like to assure him that, in preparation to that, we have put up a security outpost and posted some rangers there. We have also fenced a 60-kilometre stretch to block those elephants from invading villages.

Mr. Kagwe also asked about fencing. I would like to tell the House that translocation is also a solution to human-wildlife conflict. This is because we do translocate animals from a highly populated area to areas where there is less of that species.

Mr. Mwandawiro reiterated what Maj. Madoka raised and I believe I have covered it.

Mr. Mwandawiro: On a point of order, Mr. Speaker, Sir. I did not only reiterate what Maj. Madoka said, but I actually said we have been invaded by elephants!

Mr. Speaker: Order! You are now invading the Standing Orders!

(Laughter)

RECRUITMENT OF KWS TRAINEE
GAME RANGERS

The Minister for Information and Communications (Mr. Tuju): Mr. Speaker, Sir, my Ministerial Statement is with respect to the recruitment of the Kenya Wildlife Service (KWS) game rangers. The Government has established that there were flaws in the recent recruitment of the KWS game rangers. Although the initial number to be recruited was not more than 560, a total of 926 were recruited. The management's decision to recruit the extra 400 may have been informed by the fact that there is today a shortfall of 928 rangers, when they put into consideration the number of employees who will be retiring in January and April next year.

However, there are questions still to be addressed with regard to how the extra game rangers were recruited and whether proper procedures were followed. Following allegations of corruption in the recruitment exercise, the Government initiated investigations a few days ago. In the meantime, the Director of the KWS and a few senior officers have been sent on compulsory leave, pending the outcome of the investigations. The new recruits are being sent home to allow the Government to sort out the matter. However, let me assure hon. Members that this will be done in the most humane manner, so that the innocent recruits do not suffer unnecessarily and they should be back in the camp as soon as possible. In the meantime, the Ministry of Tourism and Wildlife has set up a working committee to address this problem and advise me accordingly.

Allegations against some hon. Members have also been received and will be investigated. However, it is true, indeed, that some hon. Members, who had complained that even the few recruits from their constituencies or districts were later eliminated on health grounds, were asked to directly liaise with the KWS management, so that their respective constituencies do not suffer unfairly or are left out because of such disqualifications. We consider it to be legitimate work of hon. Members to follow up on such issues and we do not read any corruption in it.

Mr. Speaker, Sir, it is also true that certain areas were favoured to get more recruits on the following basis:-

(a) Areas where game reserves or national parks are located and, therefore, have more wildlife-human conflicts. The rationale of this being to encourage the local ownership of the KWS activities.

(b) Those areas that on balance have been marginalised in past recruitments as per the records at the KWS. The latitude that the KWS had for this kind of affirmative action was no more than 150 recruits, but not to exceed the 560 recruits according to the briefs that I have received so far.

Mr. Speaker, Sir, let me remind hon. Members that the Ministry of Tourism and Wildlife has been going through a transition during the period of this recruitment held in August/September, 2004.

(1) The KWS had just been moved from the Ministry of Environment and Natural Resources to its present Ministry of Tourism and Wildlife, hence resulting in a new Minister and a new Permanent Secretary.

(2) Following the untimely death of the late hon. K. Maitha, who was the Minister for Tourism and Wildlife, there were transitional challenges as I moved in; in an acting capacity. Part of our task there for now is to look at the paper trail and communication on this matter between the KWS and the Ministry of Environment and Natural Resources, the KWS and the Ministry of Tourism and Wildlife and the KWS and the Ministry of Finance besides the relevant KWS Board minutes. I am, therefore, hesitant to apportion blame or to come to any major conclusion. Some of these changes, therefore, could be attributed to the lapses and oversight due to the several

transitions.

However, I wish to take this opportunity to apologise to Kenyans for having not had an eagle's eye on this matter earlier. I also wish to assure hon. Members and the public that we will do our best to address this problem and any other problems with respect to the KWS.

Mr. Speaker: We will have a few hon. Members to seek clarifications.

Mr. Maore: Mr. Speaker, Sir, while congratulating the Minister for taking the decisive action that he has taken, we would like to hear him categorically state, rather than the way he has put it, that the five, eight or ten recruits that were picked per district will be insulated from any of the problems that he will create in the process of correcting the problem. Secondly, the names of hon. Members are being tarnished every other day. The allegation that there are hon. Members who brought 30 or 40 recruits is quite nauseating. There are some of us who do not get involved in such kind of things. If you are given one or two chances, that is understandable, but surely, 30 recruits is out of reach! We also need to be given specific details of what happened.

Mr. Serut: Mr. Speaker, Sir, you have heard the Minister say that communities which border certain forests were given more slots. I want to state here very clearly that Mount Elgon received only five slots in total. Could the Minister assure the House that those five; four gentlemen and one lady, who were recruited, will not be interfered with because of those hon. Members who went soliciting for extra slots?

Mr. Rotino: Mr. Speaker, Sir, I want to thank the Minister for that Ministerial Statement. The officer who committed that mistake did not do it alone. Many other people are involved. This has happened not only in the KWS, but also in the army, the prisons and the National Youth Service. Favours are being given to some people and nothing is being done openly. Could the Minister assure us that the people who collaborated with the Director of the KWS will also be punished? They must be known by the Minister.

My community borders national game reserves and not even a single person was recruited from there and yet we take care of those animals. It is good that the Minister has come out openly about the issue, but he should be serious about it. This problem occurs now and then. Those hon. Members who are involved must be named. He must table the list of their names here, in order to eliminate this kind of corruption. Otherwise communities like ours, which do not have people in big offices, will suffer. When you give us only two slots, people from other communities come and take them because we are a cosmopolitan district. This is very serious!

Mr. Angwenyi: Mr. Speaker, Sir, I wish to thank the Minister for his statement. I would like to get two clarifications. First, the Minister must make it clear that the officers who have been sent on compulsory leave have not been deemed guilty. Secondly, constituents pursue hon. Members to seek employment for them. It is not an offence for any hon. Member to seek employment for his constituents. This must be made very clear to all Kenyans. They come to our offices looking for employment opportunities. It is not an offence for an hon. Member to seek employment for his constituents or any other Kenyan. I wish the Media could stop riding on bashing hon. Members. We play our part the same way they play their part. So, it is not an offence for an hon. Member to seek employment on behalf of any Kenyan.

Mr. Speaker: Hon. Members, we must finish this!

Proceed, Mr. Wamwere!

Mr. Wamwere: Bw. Spika, ukweli ni kwamba hakuna eneo la uwakilishi Bungeni ambalo halihitaji watu wake kuajiriwa kazi. Hata hivyo, uajiri wa maofisa wa KWS umeonekana kuwa na kasoro ya ufisadi. Hii ni kwa sababu kuna sehemu ambazo watu wengi walioajiriwa katika shirika hili na sehemu nyingi hapa nchini hazikupewa hata nafasi moja; kwa mfano, eneo la uwakilishi Bungeni la Subukia. Kwa vile Waziri amesema kwamba uajiri huu utarudiwa tena, je, anaweza

kufikiria kugawa nafasi hizo katika kila eneo la uwakilishi Bungeni? Mambo yalivyo wakati huu ni kwamba kama Waziri au mkurugenzi wa shirika fulani si rafiki yako, basi mtu wa kutoka sehemu yako hawezi kuajiriwa. Kazi ni haki ya kila Mkenya! Kwa hivyo, ningependa kumuomba Waziri, wakati anarudia uajiri huu, afikirie kuajiri watu kutoka kila eneo la Bunge.

Mr. Speaker: Let us hear from Mr. Owidi!

Mr. Owidi: Thank you, Mr. Speaker, Sir. Now, I would like the Minister to confirm or deny before the House that him and Dr. Murungaru did not force 105 recruits on the Director of KWS.

Mr. Speaker: Last one, Mr. Wanjala!

Mr. Wanjala: Mr. Speaker, Sir, this Government won the elections on a platform of creation of jobs. The Kenyans who were recruited deserved jobs. Since the Government was to create jobs and it had only 400 chances, if the Director of the KWS found a way of creating more jobs for Kenyans, I think he should not be punished in any way. Our constituents harass us time and again when looking for job opportunities. It is not an offence for a Member of Parliament to have found a job opportunity for his or her constituent. Could the Minister consider not sending away the already recruited people as it would augur very badly for the Government?

(Loud consultations)

Mr. Speaker: Order, hon. Members! I think that is enough!

Proceed, Mr. Minister!

The Minister for Information and Communications (Mr. Tuju): Mr. Speaker, Sir, I would just say again that it is true that certain areas were favoured to get more recruits on the following basis: Where these areas are located in game reserves or national parks and, therefore, do have wildlife-human conflicts. The rationale of this is to encourage local ownership of the KWS activities. Secondly, those areas that, on balance, according to the records available at the KWS, were marginalised in the past recruitment. The latitude that the KWS had for this kind of affirmative action was no more than 150 recruits, but not to exceed 560 according to the briefs that I have received so far. But I have also said that the Ministry's Department of Wildlife has been undergoing various transition. Part of my task now is to look at the paper trail and communication on this matter; between the KWS and Ministry of Environment and Natural Resources, KWS and the Ministry of Tourism and Wildlife; KWS and the Ministry of Finance, besides relevant KWS Board minutes. That is why I said that I am hesitant to apportion any blame yet.

I want to assure hon. Members that we will do everything to ensure that the innocent recruits do not suffer. Further, I want to assure hon. Members that if there are other officers who are involved, those are the matters under investigation. We cannot be the judges, jury and prosecutors on this matter.

On the issue that Mr. Owidi raised, I do not think hon. Owidi should feel terribly annoyed that I have called him "Mr. Owidi" because he recently called me "nothing." I duly accept that, as far as I am concerned, I am nothing. I am just something before God. Mr. Owidi, I would like to ask you that, if you do have any more information about this, please, give it to the investigators.

Thank you.

Mr. Kajwang: On a point of order, Mr. Speaker, Sir. The matter which Mr. Owidi raised was very specific. Could the Minister deny or confirm that him and Dr. Murungaru forced 105 recruits on the Director of KWS?

Mr. Speaker: Order, Mr. Kajwang! In fact, the burden should be on Mr. Owidi to prove! Obviously, it cannot be the Minister to prove, but it must be the maker!

Hon. Members, as I have said before on the Floor of this House, we cannot use this Floor to

mudslinging others unless we have facts. It is very easy to mudsling because we want to be in the front pages of the newspapers tomorrow and it is difficult to remove it! So, in fact, every hon. Member here is under an obligation under the Standing Orders to prove that which he or she states, is the case. That is the Standing Order! What proof do you have?

Mr. Kajwang: Mr. Speaker, Sir, I have never used this Floor to mudsling anybody! I do not need to mudsling anybody to be on the front page of newspapers because I am usually there. However, an allegation has been made by a Member of Parliament that this Minister, and another Minister, took 105 recruits, and he was to deny or confirm the allegation. That is the point! He must say "no" or "yes", so that we go home knowing what is happening!

(Loud consultations)

Mr. Speaker: Order! I wonder whether hon. Members have visited recently the Standing Orders. This is the rule of the House as contained in Standing Order No.76 which states:-

"A Member shall be responsible for the accuracy of any facts which he or she alleges to be true and may be required to substantiate any such facts or to withdraw his allegation (with suitable apology) if Mr. Speaker so requires."

That is the rule and these are serious allegations!

Standing Order No.73 (4) further states, amongst other things, that:-

"No Member shall impute improper motive to any other member except upon a specific substantive Motion calling in question the conduct of that Member."

These are the rules of the House! These rules have been put in your Standing Orders for orderly conduct of the Business of the House. That is the rule!

Mr. Osundwa: On a point of Order, Mr. Speaker, Sir. One of the Speaker's of this House ruled before that, substantiation means that you either saw or heard. Mr. Owidi might have heard what he is saying. So, are you trying to say that he was wrong? Let the Minister deny or confirm!

An hon. Member: He wants the Minister to deny or confirm!

(Laughter)

Mr. Speaker: Order, Mr. Osundwa! To the best of my ability and knowledge, you are not in the head of Mr. Owidi! He did not say that he saw. He also did not say, "I heard". Therefore, you are telling him what to say. Mr. Owidi, do you know this as a fact?

Mr. Owidi: Mr. Speaker, Sir, I asked a question and the Minister should either confirm or deny. That is the first stage. Later, if I insist, then I should be asked to substantiate.

Mr. Speaker: But why do you pick on Dr. Murungaru, if you have no facts?

Mr. Owidi: Mr. Speaker, Sir, let him deny!

An hon. Member: Are you protecting him?

(Loud consultations)

Mr. Speaker: Order! Order, hon. Members! That is the kind of mudslinging I have said you must stop! This must stop now, hon. Members! You as hon. Members, must be honourable. If you have no facts, do not ruin the names of your colleagues. That is it!

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. You heard Mr. Owidi say that Dr. Murungaru forced 105 people to be recruited into the Kenya Wildlife Services (KWS). Could he substantiate or withdraw and apologise?

(Applause)

Mr. Speaker: Order! Order, hon Members! This is a grave matter. It is a matter that has been popping in and out of this House. In my view, hon. Members have been throwing mud at each other recklessly. I think it is about time it stopped!

Now, Mr. Owidi, do you have any facts on this allegation?

Mr. Owidi: Mr. Speaker, Sir, first of all, let the Minister deny and then I will give the facts!

(Applause)

Mr. Speaker: Order! Order, hon. Members! Standing Order No.76 demands that you are personally responsible for the accuracy of your utterances. You have been called upon by Mr. Angwenyi to substantiate. The onus is now upon you. I now order that you substantiate!

Mr. Kajwang: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Unless he substantiates---

*(Messrs. Kajwang and Sungu
stood in their places)*

Order! Will you sit down? Mr. Owidi, please, proceed!

Mr. Owidi: Mr. Speaker, Sir, because you have insisted, I will substantiate next week.

Mr. Speaker: No, you have to do it now!

*(Several hon. Members stood
up in their places)*

Order, hon. Members! This burden is not collective! It is individual. The responsibility for the accuracy of that statement is not collective. It is individual to the hon. Member who makes it. It is meant to guard the integrity of this House. It is also meant to guard against mudslinging and reckless accusations in the House.

Mr. Owidi, you are ordered to substantiate, or withdraw and apologise!

Mr. Owidi: Mr. Speaker, Sir, I asked a question and I needed to be answered. Therefore, I would rather leave this House, than withdraw.

An hon. Member: You asked a question!

Mr. Speaker: Order, hon. Members! I ask the two hon. Members over there; Mr. Kajwang and Mr. Sungu, to relax! You have no brief to hold for Mr. Owidi against the Chair! The Chair deals with hon. Members individually and they must answer for themselves!

Now, Mr. Owidi, you have made a statement and everybody expects it to be true because you are an hon. Member. You are an hon. Member, my friend!

Mr. Owidi: Yes I am!

Mr. Speaker: If you are an hon. Member, then be honourable! The statement is either true and you prove it or you have no facts on it and you withdraw it!

Mr. Kajwang: On a point of order, Mr. Speaker, Sir. The matter is not whether we are holding brief for Mr. Owidi or not. This is a question for the Standing Orders of this House and the respect and dignity of the House. If I asked a question: Is it true or false that you and somebody else forced so many people to recruited into the KWS? Have I made a statement? Is it an assertion for

which I must substantiate?

Mr. Speaker: Order! Indeed, if you, make a statement intending to harm another hon. Member---

(Loud consultations)

Order, hon. Members! Whether it is a question or not, even questions have rules! If you look at your statements on questions, you are only entitled to ask factual questions. You are, in fact, not allowed to ask hypothetical questions. The clear intention, in my view here, is that the hon. Member wanted to ruin the name of another hon. Member.

Please, Mr. Owidi, will you, please, withdraw and apologise!

Mr. Owidi: Mr. Speaker, Sir, I cannot withdraw and apologise for asking the question! I would rather leave the House!

Mr. Speaker: As you leave, please, leave with the following: That you were obligated under Standing Order No.76 to prove the truth of your allegations. You have been either unwilling or unable and for that reason, it is disorderly conduct. So, you can leave now for the balance of the day!

(Mr. Owidi was applauded as he withdrew from the Chambers)

Order, Members! For those applauding a disorderly hon. Member, unless the Speaker is firm, I can assure you that, the next minute, it may just be you! So, please, you had better reconsider what you are doing!

Next order!

BILLS

Second Reading

THE INVESTMENT PROMOTION BILL

(The Assistant Minister for Trade and Industry (Mr. Miriti) on 2.6.2004)

(Resumption of Debate interrupted on 4.11.2004)

Mr. Speaker: Prof. Mango was on the Floor! Prof. Mango, you have 13 minutes to contribute.

(Loud consultations)

Order, hon. Members! Could we hear Prof. Mango now? It is now back to business!

Prof. Mango: Thank you, Mr. Speaker, Sir, for giving me the opportunity to contribute to the Investment Promotion Bill. As I was going through the Bill, I noticed that there was an omission in Clause 17.

I notice an omission. The Ministries mentioned do not include the Ministry of Education, Science and Technology. This is the Ministry that creates information, does research and promotes technology. It is unfortunate that it is not included in the Board, and yet it is a stakeholder.

Mr. Speaker, Sir, as much as the Ministry of Agriculture is included, there is need to train agriculturalists so that they can also invest. Last week, there was an article in one of the dailies about a group of Asian investors coming to the country with the purpose of investing in the Arid and Semi-Arid Land (ASAL) areas. We have young unemployed people who are energetic and able bodied. I am wondering whether we cannot invest in these youths. We need to ask our development partners to assist us in training the young men and women. Thereafter, we could give them land and various farm inputs which will aid them in agricultural production. We do not need to give that out to foreigners. Kenyans are suffering a lot. Why should we bring people from outside to come and take up jobs which Kenyans can comfortably do thereby creating wealth for our country?

[Mr. Speaker left the Chair]

[The Deputy Speaker took the Chair]

Mr. Deputy Speaker, Sir, in the developed world, farmers are people who have Masters Degrees in Agriculture and Agronomy. They are not just ordinary people who do not understand anything about farming. We need to make use of our human resource. We need to invest in human capital if we want to create investment opportunities in this country.

We have a lot of unemployed youths in this country and that is a time-bomb. We, therefore, cannot think of bringing in outsiders to do what Kenyans can do. With regard to research, science and technology, in many countries of the world, they have set up science parks. These parks are meant to take in people who have been trained in research and can generate ideas that can be transformed into products. Our universities should create this science parks. Therefore, the omission of the Ministry of Education, Science and Technology from the Investment Authority Board is a major error. My thinking is that the Ministry needs to be included so that it becomes part and parcel of the Investment Authority. You cannot have an Investment Authority without technocrats. These are people from research institutes, universities and technical colleges.

With regard to human capital, we need to look at education as part of our investment strategy. We already have free primary education in place. We also have secondary school education, but when students complete their education, they end up being jobless because they lack skills that are required for employment. It is high time we paid attention to technical education. This will benefit school leavers with skills which they will use in the small scale enterprises. Technical education will create jobs, wealth and investments. You cannot invest where people lack skills. Investors have been invited to this country, but at the end of their stay here, they do not transfer technology to our people. For example, expatriates came to Mumias Sugar Company and worked for 30 years. They were supposed to transfer technology to local people, but instead they remained around and did not want to leave. They did not transfer technology to the local people. Therefore, we need to have a clear guideline set up with regard to transfer of technology. We should admit investors and spell out to them that they have to transfer technology to the local people. However, without enforcing that, foreign investors will only come to make money and take of without benefitting the local people. In Industrial Area, we have a lot of technicians who actually do the bulk of the work, but because they lack resources, they are not able to create investments. They are used and then left idle and yet they have a lot of skills and technology.

Mr. Deputy Speaker, Sir, we need to have a body that will really monitor what goes on

when investors are allowed to invest in our country. A situation might arise whereby what they have on paper when they arrive in our country is not necessarily what they will do in practice. In this country we still have a lot of idle land which we have not put to good use. We also have water that flows to Egypt benefitting it in terms of job creation and generation of products. The same water could be diverted to ASAL areas for various uses. The land and water can help our people in a big way. Unfortunately, year in, year out, we are faced with famine and a high rate of unemployment. We have resources from which we can create investments. We need to look at our natural resources afresh and see how we can create investments from them. The issue of mineral wealth in this country has never been addressed. A few surveys have been done here and there and I believe Kenya has a lot of mineral resources underneath its land.

In my district, the old generation used to make farm implements from iron ore that they found in the hills. No survey has been done to find out how much iron ore we have in Busia Hills. The traditional people made use of that iron ore by making hoes, pangas and all manner of farm implements. There are a lot of semi-precious metals in the Taita Hills. They are, however, mined on a haphazard scale. In other countries, the semi-precious stones lead to the creation of a lot of industries and there is a lot of investment in that area. The Government needs to get organised and see how it can utilise the semi-precious stones to create jobs and wealth for Kenyans. In this country, foreigners come and are given licence to explore and exploit the hills. They then go away even without reporting back to the Government. It is high time we scrutinised what we have in terms of natural resources. We have heard of diamonds in the Goldenberg scandal. Such a scandal would not have arisen if we had seriously assessed our potential in terms of mineral resources. Once we are not focused, anybody can tell us anything and any crook can get away with crime.

Mr. Deputy Speaker, Sir, this is a very important Bill for this nation and we need to really scrutinise it so that we are not taken for a ride. We have had people come here pretending to be investors. They cheat us, take away our money and we have no way of following them.

This Bill has come at the right time; in view of the fact that the NARC Government promised to create jobs and improve the economy of this nation. If this Bill is properly addressed it can take care of most of our investment problems and create jobs for Kenyans. We need to lay emphasis on what we already have. The flower and horticultural industries seem to be doing well, but there are problems that need to be addressed.

Right now, many countries do not want horticultural crops on which chemicals have been used. We need to look into the issue of organic farming so that we can utilise land and add value to the crops. Organically-farmed crops fetch more money than those ones where chemicals have been used.

Mr. Deputy Speaker, Sir, Kenyan coast is well-placed. We need to market ourselves properly as an investment country so that we can attract more investors to improve the economy of this nation.

Mr. Deputy Speaker: Order, Prof. Mango! Your time is up!

Prof. Mango: Mr. Deputy Speaker, Sir, I beg to support.

Mr. Kipchumba: Mr. Deputy Speaker, Sir, I beg to contribute towards this very important Bill. I am surprised that the technical personnel from the Ministry of Trade and Industry who are supposed to take notes on the contributions of hon. Members are virtually absent. I am also surprised that the Minister in charge of the same Ministry is not here to---

Mr. Deputy Speaker: Are you the Official Responder from the Opposition?

Mr. Kipchumba: No, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Continue! I just wanted to know so that I know how much time you have.

Mr. Kipchumba: Mr. Deputy Speaker, Sir, our Official Responder defected to the other side a long time ago. So, I am not sure that another one has been chosen.

Mr. Deputy Speaker, Sir, I wanted to make a few points on this Bill. First, we must recognise the importance of an investment Bill. The essence of the---

QUORUM

Mr. Mwandawiro: Mr. Deputy Speaker, Sir, we cannot continue like this! There is a serious lack of quorum!

Mr. Deputy Speaker: Very well. It is obvious that there is no quorum. I, therefore, order the Division Bell be rung.

(The Division Bell was rung)

Order, hon. Members. We have quorum now. Mr. Kipchumba, you may continue!

Mr. Kipchumba: Mr. Deputy Speaker, Sir, I had just started by saying that the essence of this Bill is to ensure that any investor that would like to invest his money in this country has the best in the fact that he can do so and get returns on his investment.

Looking at this Bill, apart from establishing the Kenya Investment Authority, it lacks in other facts. This Bill seeks to ensure that any investor that comes to this country gets all his licences under one roof. The Bill also seeks to ensure that the process of issuing licences is shortened so that investors do not spend a lot of money and time following them at the expense of other issues which would assist in their investments.

Mr. Deputy Speaker, Sir, I am particularly impressed that the proposed Kenya Investment Authority will ensure that the investors, who come to this country, are assisted to secure permits, which will allow them to stay in this country. However, this Bill also goes further to establish another council called the National Investments Council which, in my opinion, is over-crowded. Apart from the eight Ministers who are included in this Council, there are also 12 members from the private sector, the Governor of the Central Bank of Kenya (CBK) and the Chairman of the Kenya Investment Authority. The 20 members of the proposed Council are very many. The role of the proposed Council will just be to advise the country on the best way to invest. Therefore, in my view, this is in conflict with the role of the Ministry of Trade and Industry. All the activities which have to be done by the proposed Council could best be done by the Ministry of Trade and Industry. It will be a shame to establish a council whose roles can be done by officers who are already paid by the Government using taxpayers' money.

Mr. Deputy Speaker, Sir, I would, therefore, like to propose that the National Investment Council be abolished. We have seen in the past that whenever the NARC Government has problems, it establishes a council or a commission to cover up its weaknesses. I think it will be wrong to legitimise the activities of this Government by establishing another council, which will assist it to hide its incompetence. It is futile for us to pass this Bill, while the environment under which investors are supposed to operate have not been look at.

Mr. Deputy Speaker, Sir, I want to briefly talk about financial institutions. It is futile for us to market this country when, indeed, the financial institutions have not been streamlined, especially by ensuring that there is stability in the money market. No investor in this world would love to invest in a country whose monetary stability is not guaranteed. Therefore, the most critical factor will be to ensure that the financial institutions, from which investors will access collateral, provide the best interest rates. Those institutions should be flexible when it comes to giving out collateral to allow investors to

come to this country and borrow money from them.

I have looked at this Bill and I have noticed that there is allowance for permits for six employees of a particular institution or investor to work in this country. The employees who should be allowed into this country should be those whose technical expertise cannot be obtained locally. There is no point whatsoever of allowing investors to come with their employees, including those whose technical knowledge is abundant in this country. We can only create employment in this country if investors are allowed to invest and employ people from within the country.

Mr. Deputy Speaker, Sir, I want to briefly talk about the shareholding. In many parts of the world, investors are allowed to a shareholding of a certain proportion. Investors should give out some of the shares to the locals of that country. That must be made very clear, so that any investor who comes to this country will ensure that some of the shares of his company are given out to Kenyans. That is the surest way of ensuring that we create wealth in this country and give Kenyans an opportunity to invest. This is so especially to those Kenyans who would like to invest, but are unable to do that because of lack of finance or particular expertise. Therefore, we must be very categorical. Mr. Deputy Speaker, Sir, if you visit a country like Tanzania, you will find that all the investments are owned by South Africa. We do not want our country to be a replica of a country like Tanzania, where even the smallest companies are owned by foreigners. The mode of transaction in that country is the dollar. It is a shame that we can allow all supermarkets and small companies to be owned by outsiders. Therefore, I propose that any company which will be allowed to operate in this country should have a local partner who owns a certain percentage of the shares of that company.

We must also give concessions to companies which will ensure that most of their employees are Kenyans. We should give them concessions in terms of licence fees. We must also give concessions to investors who will establish their companies in rural areas. This is because the problems that we face in Nairobi are as a result of encouraging all investors to operate in the Capital City of this country. To discourage this trend and curb the problem of rural-urban migration, we must encourage investors to invest outside Nairobi. In order for this to happen, we must encourage and give massive concessions to all the companies which will invest in rural areas.

No investor will invest in this country so long as our tattered infrastructure has not been repaired. The membership of the proposed Council excludes the Minister for Roads and Public Works. This Ministry is critical in establishing good infrastructure in this country. Therefore, I would like to propose that in order for us to attract investors, we must, first, look into our infrastructure, including the utilities which are provided in this country. It does not matter what Bills we pass in this House. We will never attract investors to this country so long as our electricity tariffs are as high as they are now. Investors would prefer to relocate their investments to countries which are far from this country. Mr. Deputy Speaker, Sir, the essence of this Bill, like I said earlier on is to minimise bureaucracy. If you go to a country like Uganda, it will take you a very short time to get your investment certificate. This is so because that country is thirsty for investors. However, our country has a lot of bureaucracy. Investors who would like to invest in this country, and especially those in the construction industry, for example roads, have to undergo rigorous tendering processes. No investor would like to invest in a country like ours where the tendering procedures and systems take too long. By the time that investor is awarded a tender, he would have lost time and stability in the money market. Therefore, it is important that we address the issues that hamper investments in this country.

If you read Clause 20 of this Bill, you will see that it says:-

"The members of the Kenya Investment Authority may be removed if they are found to be unfit to discharge their functions".

That, to me, is a very ambiguous clause. When you say that somebody may be removed for his failure to discharge his functions, you must be very specific as to why a member may be removed. We have listed them as bankruptcy and ill health, but you cannot now summarise and say that a member can be removed because he is unfit. We must state the factors that will make the member unfit to discharge his functions clearly.

Mr. Deputy Speaker, Sir, Clause 24 is, in fact, very good. It states:

"No managing director or chief executive will serve for more than eight years".

That is excellent, and I wish that clause could be applied to all the parastatals and institutions in this country, because we do not want people to establish "homes" in institutions. We want people to stay and perform knowing very well that their time will expire after a certain period. There is also a requirement that six members of the committee of this Authority will be appointed by the Minister. The members so appointed must be from the private sector. We must get that very clearly because there is no point of us going back to the Government to appoint the same people who have already been appointed under the earlier clauses. Further to that, Mr. Deputy Speaker, Sir, I would like to suggest that, instead of the President appointing the Chairman of the Board, the members of that Board will choose a chairman amongst themselves. There is merit in members choosing one of their own. We do not want to give the President a lot of powers to the extent of even choosing a chairman of an Authority like this. The Minister in charge of this Authority should ensure that members will conduct elections and choose a member from amongst them as the chairman, so that we can avoid situations of sycophancy. We should avoid appointing sycophants who will sing our song instead of performing the duties that they have been directed to perform.

Mr. Deputy Speaker, Sir, as I can see that one of the benefits of this Bill is that there will be a permit that will be issued; that the Authority will assist investors to get permits. That is my joy because, in the past, we have seen situations where investors come to this country and they are unable to get permits. In most cases, they had to bribe their way and use a lot of money in order to get permits. Now, it has been stated here very clearly that the Authority will assist investors to get a permit. But it must be borne in mind that, in giving out these permits, we must only give them to those with technical expertise which we cannot get in this country.

I am also happy that the Authority will also assist the investors to get licences. Many investors who come to this country are even never aware and end up spending a lot of time to locate where to get licences. They even do not know which licences to get. Therefore, I would like to suggest, with regard to all the licences that are required, and as listed here, that it must be made very clear that all the licences for a certain investment must be put in black and white. So that, once you satisfy the Authority and they have given you all the licences, then you can be given your certificate.

Mr. Deputy Speaker, Sir, some of the roles of the Authority are to promote investment opportunities and to facilitate investments. In addition, we must also allow this Authority to ensure that it advises the Government on matters to do with factors that ensure that there is a good environment for investment. We must not look at investors as foreigners alone. We must address our own investments because no country in the world can develop by borrowing money from donors. The only sure way for this country to develop is by ensuring that it promotes investments, because investors are here to stay. They are benefits that we get from investments, for example, we can tax the companies, we can get employment and the companies can also promote social activities. But foreign aid which is given by the World Bank and other donors is short-term and it cannot ensure that Kenyans will benefit in the long-term.

I want to summarise and say that for us to really move forward, we must abolish the National Investments Council. I want to stress that very clearly because this Government has always

been run by commissions and councils which cost us a lot of money, yet we have employed people to perform the same roles. Therefore, our investments sector cannot be run by a crowd. We cannot expect the President to be the Chairman of the National Investments Council. That would be expecting too much of our President! We want that role to be taken by the Minister in charge of Trade, and he can do that in consultation with the Kenya Investment Authority.

With those few remarks, I beg to support.

Ms. Mbarire: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this Bill that is meant to promote investments in our country and in return, bring money into the country and give Kenyans a livelihood which they can depend on.

Looking at this Bill, I have a few comments to make, and one of them is on the process of licensing. The biggest obstacles that the investors, whether local or foreign, are going through is that of delays encountered in the licensing process. It is not enough just to have a council or an investments body, but yet take so long to acquire licences or to have a process that, in itself, discourages investors from investing. I want to give an example of the United States of America where one can actually register a company and get all the required licences via the internet, and the process takes exactly eight days. In our case here in Kenya, it may take weeks or even months before one can get all the required licences to start a business. I think this is an issue that we really need to ensure that it is properly taken care of in this Bill by providing a time-frame needed for one to get all the required documents for one to invest in Kenya.

The other issue that has been worrying me a little is the issue of entitlement to certificates, where we are being told that one needs to invest at least, Kshs10 million or its equivalent in other currencies, to get that investment certificate. I think this is very dangerous, because chances of us getting Kenyans who can afford to invest Kshs10 million are very low. We need to reduce this amount to Kshs5 million or even less so as to encourage local investors.

Mr. Deputy Speaker, Sir, I want to address the issue of determining what investment programmes we need. I think we need to be selfish in the way we look at things. I know we have welcomed all forms of investments in Kenya. But there are certain things we have not taken into consideration. We are only keen on creating jobs, but we never ask what kind of jobs we are creating. What is the returns to Kenya, especially when foreigners come and invest in our country? I want to address, in particular, the salaries and wages that are paid by most foreign investors, or even the multi-nationals. Some of them pay salaries that Kenyans cannot live on, and I think we need to have a basic minimum wage that is different from the one we have set for the civil service or any other sector, so that our people are paid well. These people make a lot of profits, but very little comes back to Kenya.

In the same breath, I want to talk about expatriates. We have seen investors bringing with them many expatriates on the pretext that those are the only people who can run the factories or whatever it is they are doing, and we end up with very few local people being employed. We are told about new technologies which cannot be handled by Kenyans. We need to look into that issue, so that we are more strict in the number of expatriates an investor can bring into the country at any one time.

Mr. Deputy Speaker, Sir, I want to talk about another issue in which I have a personal experience. This is the issue of us training our very own in terms of new technologies and keep building the capacity of our own Kenyan employees. I want to give an example of the apparel industry, that is right now the in-thing, but then, where we have to compete with nations like China and other "Asian Tigers" that are able to make better garments than us. Our apparel industry in Kenya is now restricted to clothes like jeans and other small items, because we do not have the skills. I think this Bill must address the issue of internal training capacity of our own country. If we

really want to compete with China, especially now that the quota is going to be lifted for China to export apparels to America, we need to start thinking of how we can build the capacity of our own people who are in the apparel industry, so that they can compete at an equal level with other developed countries.

Mr. Deputy Speaker, Sir, we also need to focus on how we can encourage investors to invest in the rural areas. If you go to the rural areas, that is where you find all the raw materials, whether it is the apparel or textile industry, or production of fruits or any other product. We need to start thinking of how we can come up with cottage industries in the rural areas, so that we can discourage the rural-urban migration that is causing over-population in urban centres. We can also take money back to the rural areas so that we can take care of the many young, unemployed Kenyans who did not get good enough marks to take them to universities and other tertiary institutions, and develop the areas. But to do so, we need to look at how to encourage those investors to go there. For instance, the on-going rural electrification programme must go on and ensure that there is electricity in our rural areas. We also need to come up with concessions in various ways so that investors can go there. We also need to improve on our road networks.

Mr. Deputy Speaker, Sir, there is one thing that Kenya has not done, but which I know the "Asian Tigers" have done, and it has worked very well. That is establishing our own investment incubators, so that we can have our own people participating in investments of their country. Right now, I can say for a fact that our economy is not in the hands of Kenyans; but foreign investors. That is a very dangerous thing. This is because the day they choose to pack and go with all the profits, we shall be left with a country whose economy is very weak. Therefore, we must cautiously, as a Government, come up with ways of ensuring that our economy is, as much as possible, in the hands of our own people. We can do this by, first of all, looking at the interest rates that are there in our markets today. I know that most of these investors have borrowed money else; off-shore credit, that is probably at two or three per cent, and they are supposed to compete with Kenyan investors in the same market, who are getting their loans at 15, 16 or 18 per cent. This way, I do not think the Kenyan investors can comfortably compete with foreign investors, and they are slowly and surely, pushing our Kenyan investors out of investment.

Mr. Deputy Speaker, Sir, we must Kenyanise our economy. I remember after Independence, there was affirmative action by the Government to bring business back to Kenyans. Why can we not do the same now that we have been Independent for 40 years? Why should we have all investors coming here being foreign investors?

Mr. Deputy Speaker, Sir, there is one thing that I know has worked very well in South Africa. When investors go there, depending on their level of investments, they are asked to partner with local investors in whatever investment they will make, especially in key sectors. I think there are those sectors in our economy that we hold dear, and which we cannot let go fully to foreign investors. I think we need to identify them and insist that Kenyans be partnering with foreign investors when they come. That can be a condition that we can set, but do it in a subtle way, so that we can have Kenyans owning our economy.

Mr. Deputy Speaker, Sir, we also have a problem. I used to learn in economics that monopolies are dangerous concepts, and that, you cannot be a manufacturer, a wholesaler and a retailer at the same time. Our hard working Kenyan business people, who are trying to keep afloat, are being pushed out of business by monopolies. You will find a company importing all the stationery, sells them in Kenya; it is the wholesaler and the retailer. If you go to Government departments, this is the only company which can compete for tenders during the tendering process, because its prices are much lower than that of a retailer, and we are slowly killing our small business people. Since we think so much about the rich all the time, and how to make them richer, and never

about the poor and how to enrich them, we have ignored this very glaring fact. Therefore, Kenyans cannot compete with the monopolies. I think something needs to be done about it. We need an affirmative action which provides for a particular percentage of any business with Government be done by Kenyans themselves. Unless we do this, Kenyans will remain very poor.

I want to contribute to the issue of the National Investment Council (NIC) which will be established. It is a good Idea. This Council will be composed of all the Ministers from the various Ministries. We need to check how effective Ministers would be once appointed to the Council. Ministers already have a lot of work to do under their Ministries. They are already members of other committees and councils. This makes them do very little in their Ministerial jobs. Their energies are drained because they have too much in their hands. Must we have Ministers as members of this Council or could we get technocrats who can participate more effectively in the Council matters? After looking at Clause 27(e) which talks about 12 persons being appointed by the President to represent the private sector, each of whom must have distinguished "himself" in the field of law, economics, commerce, industry or management, I wondered. It is not men only who are distinguished in the private sector. We have women who are distinguished in the private sector and have made it. I am proposing that sub-clause "e" be amended to include the words, "a third of whom must be women." Women have been pushed out and we have assumed that investment is only done by men.

We also need to look at how we could bring on board, young people to be part of this Council. I, therefore, propose again that the same sub-clause be amended to include the words "three young persons who have distinguished themselves in the private sector to be part of this Committee." Why do I say so? I say so because as we read in the report that was published recently, our economy is in the hands of 10 per cent of our population. We have left the critical mass of 52 per cent women and 62 per cent youth out of the Bill, because we assume that they should not have money. We need a percentage of these people in the Council so that they can articulate the voices of the youth and women in this country.

Finally, I think our country needs change. It should start looking at how it can create jobs not only by employing people, but also through capacity building of people so that they can create their own jobs. We are so white-collar oriented that we have forgotten that there could be a lot of potential with young people out there, which is not being tapped. We need to focus on investment activities which we can start with young people, who are leaving universities and other colleges, and are not able to get jobs because of the high levels of unemployment. We should organise how we can access credit facilities to them at low interest rates without seeking collateral from them, and encourage them to start self-employed programmes. This is the only way we will create the 500,000 jobs, which I do not think we have created as yet. That is the only way we can go back to the young people in the year 2007, and ask them to elect us into Parliament once again. If we do not deal with unemployment, we have no business seeking for re-election since we will have made young people very poor because nobody cares for them.

With those remarks, I beg to support.

Mr. Mwandawiro: Asante sana Naibu Spika kwa kunipa nafasi hii ili nichangie Mswaada huu wa kutetea vitega uchumi. Jambo ambalo ningependa kusema kwa maneno machache ni kwamba, kujenga uchumi wetu kunategemea watu wetu na jinsi tunavyoangalia, kutunza na kutumia raslimali zetu. Vitega uchumi ni muhimu katika nchi yoyote. Viwe ni vitega uchumi kutoka nje au kutoka hapa nchini, vyote ni muhimu. Mswaada huu unalenga vitega uchumi kutoka nje. Jambo la muhimu ni kwamba, kabla hatuja yapandisha maisha ya watu wetu ambao wengi ni maskini, na kuwafanya wawe na pesa za kuwawezesha kununua na kuingia katika masoko, hatuwezi kukuza uchumi wa kimasoko. Ni muhimu tunapozungumzia vitega uchumi, tufikirie

kwanza mbinu tutazoweza kutumia ili kuondoa umaskini ulio hapa nchini na kujaribu kuziba pengo kubwa liliko kati ya maskini na matajiri. Watu hawawezi kuweka vitega uchumi vyao hapa kwa sababu hatuna soko. Tunapona watu wakikimbilia Uchina kuweka vitega uchumi vyao, ni kwa sababu kuna soko huko. Ukiwaona watu wakikimbilia India, Pakistani na Indonesia, ni kwa sababu kuna soko. Mtu huweka vitega uchumi ili apate faida. Ili mtu huyo apate faida, lazima kuwe na wanunuzi. Ikiwa nchi aliyoweka vitega uchumi vyake imejaa watu maskini kiasi kuwa hawawezi kununua, basi hakuwezi kuwa na njia ya kuvutia wateka uchumi wengine.

Jambo la kuzingatia ni kuweka mikakati na kujua kwamba, kabla ya Mswada huu kufanywa sheria, lazima tuweke sera halisi za kiuchumi na kijamii ya kuhakikisha tunasuluhisha swala la umaskini. Umaskini huu upo kwa sababu ardhi yetu iko mikononi mwa watu wachache peke yao. Hata tukileta watu kutoka nje, hawatatusaidia. Tunaweza kuwakaribisha watega uchumi ili watu waweke pesa katika biashara ya makonge. Kama hatuna sheria za Leba za kuhakikisha kwamba tunawalinda wafanyakazi na wanapata mapato ya kuondoa umaskini na wanaweza kuwa na fedha za kununua vitu kutoka masoko, uchumi huo hauwezi kuendelezwa mbele.

Bw. Naibu Spika, wakati tunapoweka vitega uchumi, lazima pia tukabiliane na hali ya watu wengi wetu kuwa maskini, na pengo lililo katikati ya matajiri na maskini, ambalo ni pana muno. Watu wengi hawawezi kushiriki katika uchumi wa soko. Lazima kuwe na sera makusudi ya kuondoa hali hii.

Nimeona kwamba kuna vigevu ambavyo vimewekwa kuhakikisha kwamba watu wanapoweka vitega uchumi wanapata faida. Naomba ubarasibu huo ambao unawachelewesha watu kuweka vitega uchumi upunguzwe. Unapopunguzwa, lazima tutie maanani kwamba sisi tuko huru. Tukiacha watu kutoka nje watawale nchi hii kiholela holela, kuvunja sheria za leba, mazingira, na kunyanyasa watu, vitega uchumi hivyo havitakuwa na faida. Isitoshe, waheshimiwa Wabunge wengi wamezungumzia sera ya kuweka vitega uchumi ili tusiupuze uchumi wetu. Hatuwezi kukuza uchumi wa nchi yetu ikiwa nchi za nje zitakuja kuuwa kilimo, viwanda na biashara zetu. Kwa hivyo ni lazima wakati wote tuzingatie kwamba vitega uchumi vinasaidia kukuza biashara, kilimo na viwanda vya watu wa Kenya.

Bw. Naibu Spika, ni sera mbaya ambayo inafanya wenye vitega uchumi wote kuja na kushiriki katika biashara ndogo ndogo kama za kuuza matunda, kuchoma nyama na *chips*. Hata kama kiwango cha hela kimewekwa, lazima tusesitize kwamba biashara za reja reja, kuchoma nyama, kuuza matunda na mboga zinawachiwa wananchi wetu.

Ukitembea kote duniani, hutaona pahali popote ambapo watu wa nje wameachwa huru kufanya biashara yoyote na wananchi wenyewe wamewekwa kakika mashindano makubwa kama nchi hii yetu ya Kenya. Wafanyi biashara wadogo wadogo katika nchi yetu ya Kenya wamewekwa katika mashindano makubwa. Hata wale wafanyi biashara ambao walikuwa wakifaulu katika biashara ndogo ndogo sasa wamewekwa katika mashindano, kwa sababu nchi hii inaendesha mambo yake kiholela. Kwa mfano, ukisema eti utaenda Uchina kufungua duka la kuuza nyama choma na pombe, watu watafikiri kuwa una wazimu kwa kutaka kwenda kuwapikia watu chakula. Lakini hapa kwetu, tunamruhusu kila mtu anayeingia humu nchini kufanya biashara ndogo ndogo ambazo, kwa kweli, ndizo zinazoweza kuwasaidia wananchi wengi na kuwapa uwezo wa kushiriki katika uchumi huru.

Kwa hivyo ni lazima tuwe na sera ambazo zitahakikisha kwamba tunalinda viwanda, biashara na kilimo chetu. Ninakubaliana na wale waliosema - hata nchi nyingine kama Tanzania zimelikubali jambo hili - kwamba mtu yeyote ambaye anakuja kuweka vitega uchumi humu nchini, ni lazima atafute Wakenya ambao atashirikiana nao. Ni lazima ahakikishe kuwa asilimia fulani ya Wakenya wanashiriki katika vitega uchumi vyake.

Ingawa kwa kweli sasa watu wengi wanazungumzia uchumi huru, uchumi wa kibepari,

ambao pia unaoitwa wa masoko, na ambao unalenga Serikali kutoka katika shughuli za kiuchumi, nchi ambayo inaendelea kama Kenya, Serikali ikifanya hivyo kabisa, na iendeleze ubinafsishaji, itafungua njia ya kuangamia kwa watu wake. Hii ni kwa sababu hata nchi ambazo hivi sasa zimeendelea na kuwa nchi za viwanda na ubepari--- Ukiangalia historia ya Uchina, utaona kuwa hivi sasa nchi hiyo ni gogo la kiuchumi duniani kwa sababu ya mapinduzi ya mwaka wa 1949 yalioongozwa na Mwenyekiti Mao. Mapinduzi hayo yaliweka mikakati mizuri na dollar iliidhibiti kabisa milango ya kiuchumi. Kwa miaka mingi Wachina walijiendeleza na kuweka taasisi imara. Wachina walipoweka uchumi wao huru hivi maajuzi, walikuwa na nguvu sana kiuchumi. Mpaka sasa Serikali ya Uchina inaendelea kudhibiti uchumi wake. Hata kama imekubali ubepari kutoka nje katika biashara, Serikali yao bado inadhibiti biashara.

Unaweza kuzungumzia nchi zote duniani. Ukisoma historia ya Uingereza, Marekani na Sweden utaona kwamba zilianza kwa dollar kushiriki kabisa katika umilikaji. Kwa hivyo sera za ubinafsishaji ni lazima zihakikishe kwamba dollar itashiriki katika sehemu za uchumi. Sera hizo zikiwakubalia watu binafsi na makampuni kufanya biashara kiholela, hatutakuwa katika barabara ya maendeleo. Hatuwaweza kujikomboa kutoka kwa hali ya kuwa nyuma kiuchumi, kiviwanda na kilimo. Kilimo kinachotumia mbinu za zamani hakiwezi kushindana na kilimo cha kisasa.

Bw. Naibu Spika, wakati tunapozungumzia vitega uchumi, ni lazima tukumbuke kwamba Serikali ina haki na jukumu, kwa niaba ya wananchi wa Kenya, kushiriki katika vitega uchumi kwa kuingia moja kwa moja ama kwa kushirikiana na watu wengine kutoka nje. Tusiambiwe eti Serikali ikishiriki katika shughuli za kiuchumi, huo utakuwa ni ushirikiano mbaya. Kama kuna ufisadi ambao ulitokea, kuna sababu zake. Tunaweza kujua ni kwa nini mashirika ya umma yalishiriki katika ufisadi. Kwa hivyo inafaa tuhakikishe kuwa kuna vitega uchumi katika sekta ya vyama vya ushirika, watu binafsi na pia dollar yenyewe inashiriki katika shughuli za kiuchumi. Tunapozungumza na watu wanaotaka kuweka vitega uchumi, ni lazima tuwaambie washirikishe sekta hizi zote.

Kwa hayo machache, ninaunga mkono.

The Asisitant Minister for Education, Science and Technology (Dr. Mwiria): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important Bill. If it goes through and is well managed in terms of the outcomes from the recommendations, it will make a difference for many of our young people, especially those who are languishing in unemployment.

The point has been made strongly that the first thing we need to do is to ensure that we have an appropriate climate. Therefore, we should talk about corruption, because as long as we are going to be accused of not having fought it effectively, people will be afraid of investing in our country. This is especially so because at certain times we realise that those who enjoy benefits of corruption have an unfair advantage over those who do not.

Secondly, it would be necessary to have appropriate management systems, especially with regard to registration of companies.

Thirdly, the point has been made about the infrastructure. Unless we have appropriate infrastructure, not just roads but also airports and railway stations that are attractive, it is going to be very difficult to convince a lot of people who have resources to invest in this country.

Also important is the need to address issues related to facilities that are attractive to foreign investors, including educational institutions and health facilities. If it is necessary, we should strengthen our educational institutions and also ensure that it is not cumbersome for foreign investors to run theirs. They should be able to construct schools that serve their children. We should look into the law that makes it much easier for them to do that.

The point has been made about the need to address overall inequality, especially with regard

to ensuring that these programmes target the disadvantaged groups in areas of the country that have not benefited a great deal from development projects. We should pay more attention to marginalised communities of North Eastern Kenya and other places, the youth who are unemployed, and who need some kind of support, women groups and others that have not been in the mainstream economic programmes of this country.

Also important is the need to mount campaigns on the attractiveness of Kenya for this kind of initiative. In this regard, I would like to suggest that future considerations, for those who should be in our embassies, should among other things be a strong emphasis that the ambassador should have some skills and knowledge of business. He should be able, among other things, to market this country very aggressively as a destination for foreign investment.

In this regard also, we are not doing enough by way of advertising our country and the opportunities that exist. If you check on Cable News Network (CNN), you will find fantastic advertisement from countries like Malaysia and others. We really need to go out of our way and come up with a clear Budget Item that will support advertisement to make our country known in terms of what is possible in the area of foreign investment. We should also ensure that we utilise the resources that are lying idle by repossessing land that was allocated to individuals for political reasons and use it as an incentive for investment by availing it to people who want to invest. That way, the land will benefit more people. The owners of that land are not using it for the benefit of the majority of Kenyans.

Mr. Temporary Deputy Speaker, Sir, we need to collaborate. In addition to targeting people who would want to invest locally, we should also support those who would like to invest in regional markets. There may be companies from the United States of America (USA) or Europe, which may wish to invest in Southern Sudan, or in a railway line linking Kenya and the Democratic Republic of Congo (DRC), or one linking Kenya and Somalia. We should encourage such investment if there are clear benefits that can be derived from such undertakings by Kenya. In such an initiative, we could benefit through creation of employment or supply of the materials required for the project. If there is any chance that Kenyans will benefit in a major way, companies that would like to invest in the regional markets should also be supported.

Mr. Temporary Deputy Speaker, Sir, it is important to involve more than the Government. The point has been made here that the various committees proposed in this Bill have been dominated by Government officials. From experience, the Government has not been very good in managing matters relating to the private sector. It is, therefore, important for us to appreciate that we have a lot to learn from the private sector. If possible, the majority of the membership of the proposed committees should comprise of people from the private sector.

Mr. Temporary Deputy Speaker, Sir, it is also important for us to have a deliberate policy to attract Kenyans who are living abroad. There are many Kenyans who have invested in the USA and Europe, and would be interested in investing in this country if we create a conducive environment and give them appropriate incentives to attract them to do business in this country. Those resources have not been tapped. We need to convince them that there are so many areas in which they can invest their money, so that we can tap those resources.

Mr. Temporary Deputy Speaker, Sir, the point has been made about not supporting just any industry or company. We should have clear guidelines as to what kinds of organisations or companies we should support, especially those which will give our country a competitive edge in terms of what we can do compared to what is being done in other countries. There are many areas where we have an advantage. Our target should be very clear in terms of the areas we can compete most favourably with other parts of the world. Obviously, it is not enough to just have investors. It is important for investors to have a market for their goods. The biggest market should be our own

people.

Mr. Temporary Deputy Speaker, Sir, as it has been said here, we need to empower our people and reduce the prevailing inequality situation. We should create employment and make it possible for our people to earn a living in some way. Unless that happens, it will be impossible for the companies that will invest in this country to find our environment particularly attractive for investment.

Mr. Temporary Deputy Speaker, Sir, there is a lot of room for allowances to be determined by the committees. Also, there is a lot of room for committee meetings. There must be a limit on the number of meetings that committee members can take part in and a ceiling on the allowances to be earned. If we do not do that, public resources will be subjected to abuse. Provisions for allowances for attending committee meetings have been abused before.

Like in most of these Bills, there tends to be---

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of information, Mr. Temporary Deputy Speaker, Sir. Dr. Mwiria is very knowledgeable, but may I inform him that administrative details cannot be included in the Bill.

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Mr. Temporary Deputy Speaker, Sir, I thank the Assistant Minister for that information. What I am saying is that we should be careful not to have so many people who may end up consuming a lot of the resources that would otherwise be used to invest in actual programmes. However, I have taken his point.

Mr. Temporary Deputy Speaker, Sir, like in most other Bills, we tend to be inclined too much to having lawyers and economists. I just wonder whether that has to do with where these Bills are drafted. I do not think lawyers have proved to be the best business-oriented people or that they can be trusted with national resources. It is important to open the membership of the council to other professionals. They, too, would have important aspects on matters relating to investment promotion.

Clause 2(d) is about the need to support organisations which will transfer technology to Kenya. I do not think we need to emphasize about that so much. Whereas it is important for us to borrow ideas from outside, it is also important for us to come up with local solutions that we can promote outwards. We should come up with local solutions and technology that will reflect our realities. I said that expenses on committee meetings should be minimal. We should ensure that the provision for allowances is not open to abuse.

On the issue of the 12 persons to be appointed by the President to represent the private sector, we should let the private sector to nominate their own representatives. The more we involve other people in investment promotion related activities, the better the input we receive from those organisations. The hand of the Government should be limited in the area of identifying private sector representatives. When we talk of investment, we must give opportunity to the people who run private organisations and companies as opposed to people who are more used to bureaucratic red tape, and who are sometimes difficult to retrain. So, it is important for us to ensure the private sector involvement in this endeavour.

With those few remarks, I beg to support.

Mr. Mwenje: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute on this Bill. Before I speak on the Bill, I am surprised that the Minister, the Assistant Minister and the Ministry officials are not here to listen to what we have to say. So, who is recording what we are saying?

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Government Ministers operate on the principle of collective responsibility. Prof. Maathai and myself are here. We are listening to this debate very

keenly.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, you appreciate that Mr. Odoyo is simply here to contribute to the debate, just as Dr. Mwiria did. They are not even taking notes. If they were serious about collective responsibility, they would be taking notes. Mr. Odoyo does not even have a pen to write anything.

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Poghiso): Order! Order! Mr. Mwenje, you have actually raised a very important issue. I support the principle of collective responsibility amongst Government Ministers, but I also support responsibility, generally. It is true that the Minister in charge is not here. Also, there are no officers from the Ministry. Normally, if a Bill is being debated by this House, there are people who take notes and who will eventually help the person who is going to reply. This is an indication that people do not take their work seriously. We cannot over-emphasise the need for Ministers to understand that their first responsibility is to Parliament. That has been said from the Chair many times.

Mr. Mwenje has raised an issue which is very pertinent and true. Mine is simply to remind the Ministers. I am not concerned about the civil servants who come here, but the Ministers. They should be here. That shows that we do not take matters that are brought before this House seriously. The Minister should be advised.

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. I am not adding to what you have concluded, but may I remind the hon. Member that the HANSARD is a very valuable tool for us, Ministers. Indeed, many of us visit HANSARD offices within 24 hours.

The Temporary Deputy Speaker (Mr. Poghiso): What is your point of order?

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): Mr. Temporary Deputy Speaker, Sir, is it in order for the hon. Member to mislead the House that the Minister is not able to access what he has said whereas the HANSARD is fully operational and the Minister would have access to it by tomorrow?

The Temporary Deputy Speaker (Mr. Poghiso): What is your point of order? He has not breached any of our Standing Orders by saying so. If anything, he has brought to the fore his opinion as an hon. Member, which the Chair concurs with.

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): Mr. Temporary Deputy Speaker, Sir, since you have concurred, may I leave the matter at that.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, Mr. Odoyo is an old Member of this House and I expect him to know what a point of order is. I also take into consideration what the Chair has said about it. I thought he would understand that and I am surprised that he is not behaving the way I expected.

Mr. Temporary Deputy Speaker, Sir, in fact, this Bill is very important and it should have been brought earlier. If you compare what is happening in other countries, for example, Uganda or Rwanda, any investor who intends to invest there, he is actually given all the necessary assistance. An investor is supposed to be wooed. He is not supposed to come and start looking for cumbersome licences, or double licences, to make sure that he starts an investment. An investor is a company which is entitled to be wooed by any government in the world. Even a developed country like the United States of America (USA) normally woos investors. If a Kenyan wanted to invest in USA today and he has Kshs10 million to invest, he would even be granted a status of citizenship.

Mr. Temporary Deputy Speaker, Sir, when we talk about investment, then we should be very serious. We should start wooing investors. We should even visit their countries to woo them. I

expected that when the President went out of the country, to China he would woo investors and ask them to come and invest here.

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to mislead this House that the President did not go to Japan to woo investors. Indeed, the President did a commendable job in Japan of wooing investors and among them are businessmen.

The Temporary Deputy Speaker (Mr. Poghisio): Order! Mr. Odoyo, you are going to run into problems with the Chair.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, you do realise that Mr. Odoyo simply wants to waste time.

The Temporary Deputy Speaker (Mr. Poghisio): Order! Mr. Odoyo, I think if you continue rising on frivolous points of order, then you are going to have a problem.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, if Mr. Odoyo stands up again, throw him out because he is simply wasting my time. He does not appear to know what he is doing in this House.

The Temporary Deputy Speaker (Mr. Poghisio): Order! Mr. Mwenje, I do not know whether you are sure of your facts about the President going to China.

Mr. Mwenje: I said that I expected and I hope that the President went to woo---

An hon. Member: Where?

Mr. Mwenje: I expected and I hope that he went to woo investors in Japan. If I said China, it is because I was going to say something else about China. I am talking about Japan.

In the same way, when Mr. Wu Bangguo, Chairman of the Standing Committee of the National People's Congress of the People's Republic of China came here, I am glad that the Speaker tried to woo him and his people. I sat next to one of them during dinner and I wooed him to come and invest in this country. We should all try to woo investors. Soon or later, a Departmental Committee of this House will be going to Stockholm, I hope we will get an opportunity to woo even only 20 people to come and invest in this country. I am only trying to emphasize that we should have a crash programme of wooing everybody in the world to come and invest in this country. We, as leaders, should all take up the responsibility of wooing investors to come and invest in this country. But while doing so, I agree with those hon. Members who talked about the cumbersome process of issuing licences. That must now be reduced. You should get all the licences from one office. Not like what happens in Times Tower, the headquarters of Kenya Revenue Authority (KRA), you get a PSV licence from one counter, TLB from another counter and other licences from other counters. Why should we get all these licences from different counters and yet all this money goes to the same kitty?.

The Minister for Regional Development Authorities (Mr. Odoyo): On a point of information, Mr. Temporary Deputy Speaker, Sir.

Mr. Mwenje: I do not need that information. I am very well informed.

Mr. Temporary Deputy Speaker, Sir, for you to operate a business in this City, you require a licence from the Government and Nairobi City Council (NCC). That is not right. An investor should be able to go to one office and get all the licences.

The Export Processing Zones (EPZs) who were originally envisaged to do a very good job. I hope they are still doing it.

*(Dr Mwiria crossed the Floor
without bowing at the bar)*

The Temporary Deputy Speaker (Mr. Poghisio): Order, Dr. Mwiria. I just noticed Dr. Mwiria crossing the Floor! You have to go to the Bar!

(Dr. Mwiria went to the Bar and bowed)

That is right! Now you have done it properly.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, it is very unfortunate that some Assistant Ministers do not know the rules of this House.

Nevertheless, I was talking about the EPZs. We all expected them to do a very good job. Most employees of EPZs are in my constituency. Mr. Odoyo would bear me witness on this because he has been an Assistant Minister for Labour and Human Resource Development, that they are not well paid. We have had several cases of these employees going on strike. That shows that the EPZs are not doing well because they would be paying their employees better than anybody else. That is one area that we must start from. We must investigate why the EPZ employees are not doing well. If we are wooing investors, they will ask what the EPZs are doing in that country. When they are told that employees go on strike every other day in the EPZs, then they would be afraid to come and invest. That should be a gauging point. We should find out why they are not doing well and what their problems are. Today many EPZs buildings are still vacant. I have seen a number of godowns in EPZ areas of Embakasi and Kitengela which are still vacant up to now. What is the problem? That is where we should start from. That is why the Minister should be here, so that we could tell him to investigate that problem.

The Assistant Trade and Industry (Mr. Syongo): On a point of order, Mr. Temporary Deputy Speaker, Sir. I am actually here to represent the Ministry. Could he substantiate his claims that the Minister is not here?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, you have just ruled that there was no Minister. This Assistant Minister is not even aware of what had transpired earlier. He should apologise, if he is arriving now, because you had made a ruling before.

The Assistant Minister for Trade and Industry (Mr. Syongo): On a point of information, Mr. Temporary Deputy Speaker, Sir.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I do not need information.

The Temporary Deputy Speaker (Mr. Poghisio): You know, Mr. Mwenje, you can push it too far!

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am only saying that he was not here when you made a ruling.

The Temporary Deputy Speaker (Mr. Poghisio): Mr. Mwenje, do you know that you are pushing yourself into a corner? You are now doing my job for me.

Mr. Mwenje: No, I am not!

The Temporary Deputy Speaker (Mr. Mwenje): Order! You are speaking from where you are sitting!

Proceed!

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I was saying that we expect the Export Processing Zones (EPZs) to be the starting point. Most investors are coming to Kenya and going away. We need to investigate why they go to Tanzania, Rwanda and Uganda and not come to Kenya. There are several reasons and this is an area which the Minister should look into.

Another thing that has messed up in investment is insecurity. Security in this country must be improved. When people read in the newspapers that every other day an investor or a tourist has been attacked in the City of Nairobi or in any other place, they are scared away. We must improve

security in this country if we are going to attract investors. In my capacity as the Chairman of the Departmental Committee on Administration, National Security and Local Authorities, I have insisted several times to the Minister in charge of internal security that security must be improved if we are going to attract investors in this country. Insecurity scares investors. This Bill should have also addressed the issue of insecurity in order to attract investors. If we cannot provide maximum security to our investors, then we should allow them to carry arms, so that they can run their businesses without any threats.

Mr. Temporary Deputy Speaker, Sir, the other one is the issue of land. We should avail land to any genuine investor who wants to invest over Kshs20 million immediately. Today, the procedure of acquiring land, even for investors, is so long and cumbersome and yet, those who are not investors are able to grab it. The genuine investors are not able to acquire land. Even for a local investor who genuinely wants to invest, it is so difficult for him to acquire land. It is time we made it easy for investors to acquire land. We have a lot of idle land in this country. People just speculate and take over 10,00 acres, as we read in the newspapers the other day. We hope that when the Ndungu Report will be released, we will read more of this. We must now start making it easy for any investor to acquire land.

I hope that the National Investments Authority will also try to assist the investors, not just by licensing them, but also by assisting them to acquire land on which to invest. If an investor wants land in a certain area, he should be given priority, so that he can create employment. The NARC Government promised to create 500,000 jobs, but today, I am not convinced that we have even created 10,000 jobs. For us to create these jobs, we need to attract investors and make it easy for them to acquire land, so that they can invest.

Mr. Temporary Deputy Speaker, Sir, the other issue is about marketing. I do not know what the Export Promotion Council is doing. I do not know why they are not marketing our products. When investors come here and they want to sell their commodities outside, unless we assist them and make it easy for them to sell, they will not be able to sell. We have failed to even sell our own coffee. Farmers are investors by any standard, but nobody is helping them to market their products. If you look at the price of coffee today, you will find that it is fetching a meagre income to the farmers.

The Assistant Minister for Trade and Industry (Mr. Syongo): On a point of information, Mr. Temporary Deputy Speaker, Sir.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I do not need any information. I am very informed incidentally. I was saying that we must assist investors to market their products here. If we do not do that, we will not attract investors. Who will buy their produce? The purchasing power of Kenyans is very low at the moment. Therefore, we are not able to sell goods locally. We need to produce products which we can sell locally and outside. Companies like the Unilever are able to sell their products in Tanzania and Uganda. If we assist local investors in this country, we will be able to attract more foreign investors. This Bill should be geared towards assisting our investors, not just for the local market, but also for the global market.

Mr. Temporary Deputy Speaker, Sir, we need the guidance of the National Investments Council. However, committees are formed which comprise of Ministers, but how often do they meet? How often are Ministers available to meet? Why can we not get people who have the time to meet, discuss issues and implement them? Whenever we form a committee, we must put people with big names in it. This country will not be helped by big names, but by people who are committed to work. You will find that Ministers are put in many different committees. How can we achieve any efficiency when somebody is serving in 20 committees? Ministers should give guidance from their offices. They should make policy decisions. If you are not able to assist as a

Minister, how will you achieve anything in any committee? Jobs should be distributed to various people as a way of creating jobs. You will find that there are seven Ministers in the National Investments Council. When will they ever meet when half of them are out of the country at any given time and the other half is doing politics, which never end in this country?

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is misleading this House by implying that Ministers, who undertake policy work on behalf of this country, should not be hon. Members of committees, which are relevant to their portfolios. The hon. Member is misleading us.

The Temporary Deputy Speaker (Mr. Poghio): Mr. Odoyo, out of that, what is your point of order? You should not stand on a point of order if you are not sure it is a point of order. A point of order simply means that Mr. Mwenje has breached something and has misled the House. If you say he has misled the House, on what grounds?

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): Mr. Temporary Deputy Speaker, Sir, he has misled the House because he has implied that Ministers are never there.

The Temporary Deputy Speaker (Mr. Poghio): Mr. Odoyo, immediately you say "implied", you are not proving anything.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I will treat that point of order with the contempt it deserves.

The Temporary Deputy Speaker (Mr. Poghio): Order! Mr. Mwenje, once the Chair has made its ruling, you do not have to assist it. The Chair is not in need of that assistance. Once we finish with Mr. Odoyo, if I ask you to proceed, you proceed. You do not have to appear like you are building a case for the Chair. Proceed!

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I was only adding *kachumbari* to your comments.

(Laughter)

Mr. Temporary Deputy Speaker, Sir, we need to have people who have the time and not those who will never have time to meet. What has failed this country is the fact that all the Ministers never have time to meet. At times it is even difficult for the Cabinet itself to meet because some Ministers are out of the country. Therefore, my view is that, let us have people who will have the time to look at these particular issues.

The other issue is the question of infrastructure. What has kept the investors away in this country is the fact that the infrastructure necessary for investment in this country is not up-to-date. Look at the roads, for example. An investor would come here and buy his Mercedes Benz 300 SE Twin Carburettor. However, would you expect him to drive on our roads the way they are? How do we expect someone to invest Kshs50 million, for example, and expect him to drive on our pathetic roads? Would you expect him to invest? Over the weekend I drove between Naivasha and Nakuru and I wondered whether I was driving in a quarry or a road. If you drive on some of the roads in my constituency where we have a lot of investors, for example, next to Donholm Estate, you wonder whether any investors would be willing to invest there. We must first of all look at our own infrastructure.

Another example is the lack of water in some areas. As I have said here time and again, if we can irrigate this country, then every Kenyan will become an investor. Every farmer will be able to do his farming without problems. We will not need the relief food that we keep on distributing to famine stricken areas. In fact, 70 per cent of our Budget should go towards irrigation so that

everybody can feed himself. If we can think of enhancing irrigation in this country, especially the Arid and Semi-Arid Land (ASAL) areas we will be self-sufficient in terms of food.

The Assistant Minister for Regional Development Authorities (Mr. Odoyo): Including Nyanza!

Mr. Mwenje: We may not need to irrigate Nyanza Province because "Tinga" might mess up. But it is okay!

The Temporary Deputy Speaker (Mr. Poghiso): Order, Mr. Mwenje! Both of you are not taking the House seriously! Mr. Mwenje, you cannot carry out a debate between you and Mr. Odoyo.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am sorry. Please, ask Mr. Odoyo not to interrupt me again.

We also need electricity. One cannot invest in a country where there is no electricity. We have a lot of rivers and lakes in this country. Why is it that up to now only about 10 to 15 per cent of this country has electricity supply? We need to increase the supply of electricity in the country, so that we can attract more investors. How do we convince an investor to go and invest in some parts of the country, for example, Turkana and some parts of Central Province? Even here in the City which I represent, it is only a small area of my constituency that has electricity. We must address this issue first, then we can attract investors. Yes, we need them, but let us also provide the necessary infrastructure for investment.

We must address the question of taxation. We must reduce our rates of taxation. Kenyans are heavily taxed. The NARC Government promised Kenyans that it was going to reduce taxation. But I am yet to see that reduction. We should reduce the taxation, so that we can encourage both foreign and local investors. Taxation is one of the hindrances to investment in this country. I think it is time that we looked into ways of lowering taxation in this country to encourage investment. We have so many women and youth groups which would like to carry out investment, but they have problems because of heavy taxation. Recently, I saw officers from the Nairobi City Council collecting rates from a woman who was selling only 20 oranges. She was told to pay Kshs20. That was her whole profit for that day. If we do not address the issue of taxation we are going to mess up this country. We cannot talk of investment if we cannot address the issue of heavy taxation.

Lastly, we must be able to provide raw materials in this country for any meaningful investment to take place. When a potential investor comes to the country, the first thing he asks is: "Where will I get the raw materials? Are they available?" Why must we continue importing goods when an investor can come here and manufacture the same thing? Those people who are importing commodities which we can manufacture locally must be stopped immediately.

With those few remarks, I beg to support.

Mr. Moi: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity, albeit I think I have only got a few minutes before the House adjourns.

For an investor to come here, he must have a conducive environment in order to invest. An investor will only invest if he will have a good return on his investment. He is here for one thing only; a good and solid return on his investment. He is not here on charity work or because he likes it here or because he finds us attractive, but he is here to make profit. If we accept that and accept that we need and want them, then we have to give them the environment that they need in order for them to excel. One of them is infrastructure. By infrastructure I mean ICT, roads and railways. I think we are lacking ICT a little bit in this country in the sense that we have not completely and absolutely liberalised. We need to completely open them up.

Secondly, when an investor comes into the country he is looking for political and economic stability. That is debatable whether we have political stability or not. Economic stability is neither

here, nor there. But once we accept the investor is here for profit, let us give him what he needs. Let us completely liberalise our economy. Let us completely liberalise our airwaves and ICT and give the investors the conditions that they need.

The other issue is security. There is no way an investor would come here when there is insecurity. The insecurity which is prevalent right now is not conducive at all for them. I can see a very high-powered potential local investor, our grand Lady, Prof. Maathai here. I would like to congratulate her. I know she agrees with me that, it is important that we have security here for the investor to come.

Fourthly, as has been touched on by Mr. Mwenje, is the issue of taxes. Again, to attract investors we need to give them rebates for their investment. We need to come up with very attractive policies so that we attract many investors.

The Temporary Deputy Speaker (Mr. Poghisio): Order, Mr. Moi! You still have 28 minutes for the next time.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Poghisio): Hon. Members, it is now time for the interruption of Business. The House is, therefore, adjourned until tomorrow, Wednesday, 10th November, 2004, at 9.00 a.m.

The House rose at 6.30 p.m.