

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 20th April, 2004

The House met at 2.30 p.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.010

MEASURES TO REPAIR AND EXPAND
SUNEKA AIRSTRIP

Mr. Deputy Speaker: Mr. Angwenyi is not in? We shall come back to that Question later on!

Question No.015

BREAKDOWN OF SCHOLARSHIPS AWARDED
BY EDUCATION MINISTRY

Mr. Deputy Speaker: Mr. Marende is not in? We shall come back to that Question later on!

Question No.016

FREE MEDICAL SERVICES FOR MR. KAMAU

Mr. Wamwere asked the Minister for Health:-

(a) whether he is aware that Simon Warui Kamau, ID No.11293205 who was involved in a road accident on 7th October, 2003 and admitted at Nakuru General Hospital, could not be treated because of lack of money; and,

(b) whether he could consider assisting Mr. Kamau by offering him free medical services.

Mr. Deputy Speaker: The Minister for Health is not here? I thought I saw Mr. Konchellah here. He should have come with the answer and not go for it when the House is in Session. We shall come back to that Question later on! Next Question!

Question No.018

DEBTS WRITE-OFF FOR NYABOMITE
CO-OPERATIVE SOCIETY

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

(a) how much overdraft the Ministry intends to write-off from Nyabomite Co-operative Society under the SCIP I and II schemes; and,

(b) whether he is aware that society debts have crippled coffee farming in Nyamira, Kisii Central and Gucha Districts.

Mr. Deputy Speaker: The Minister for Co-operative Development and Marketing is not in? This appears to be a bad afternoon. I will now go over the Questions for the second time. Mr. Angwenyi's Question for the second time!

Mr. Angwenyi: Mr. Deputy Speaker, Sir, I apologise for coming late. I was waiting outside there so that you could finish the prayers.

Question No.010

MEASURES TO REPAIR AND EXPAND
SUNEKA AIRSTRIP

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

(a) whether he is aware that Suneka airstrip is highly dilapidated;

(b) what immediate steps he will take to repair and maintain this important airstrip; and,

(c) what long-term plans he has to expand this airstrip into an airport to serve south western region of this country.

Mr. Deputy Speaker: Mr. Angwenyi, your apology is taken, but certainly the reasons are not convincing. Where is the Minister of State, Office of the President? What is really happening? Mr. Dzoro, you are there.

The Assistant Minister, Office of the President (Mr. Dzoro): Mr. Deputy Speaker, Sir, I would like to seek your indulgence in this matter so that we can bring the answer some other time after I consult with my fellow Minister.

Mr. Deputy Speaker: This Question came last week, and it was addressed to the Minister for Transport and Communications. It was said that it be transferred to the Office of the President.

Now, Mr. Dzoro, is it the answer you do not have or you are seeking more time from the House?

The Assistant Minister, Office of the President (Mr. Dzoro): Mr. Deputy Speaker, Sir, I am asking for more time because I do not have the answer.

Mr. Deputy Speaker: Now, you have got to convince the Questioner. When do you think you will have the answer?

The Assistant Minister, Office of the President (Mr. Dzoro): Mr. Deputy Speaker, Sir, on Thursday this week.

Mr. Deputy Speaker: Mr. Angwenyi is that okay?

Mr. Angwenyi: Mr. Deputy Speaker, Sir, I do not have an alternative, but in the last Session, you gave a directive that Ministers must be responsive to our needs in this House, and that if they do not respond appropriately, you would put some sanctions against them.

I do not know what sanctions you are going to put to the Office of the President for being unable to bring a reply today. Otherwise I agree to have the answer on Thursday afternoon.

Mr. Deputy Speaker: Very well! That directive still remains, but this Assistant Minister has consented that he will bring the answer on Thursday this week. Mr. Dzoro, let it be without fail this time, because this Question has been on the Order Paper for some time.

Next Question!

(Question deferred)

Mr. Marende: Mr. Deputy Speaker, Sir, I am sorry I was a little late. It is because I did not have the written answer, and the Minister was in the process of---

Mr. Deputy Speaker: Order! Mr. Marende, just apologise and the matter is finished. You cannot start telling us that you were looking for an answer. You do not look for an answer outside. You sit here, and it is up to the Minister to give the answer to you. So, apologise to the House and proceed.

Mr. Marende: Mr. Deputy Speaker, Sir, I am sorry that I was late this afternoon.

Question No.015

BREAKDOWN OF SCHOLARSHIPS AWARDED BY EDUCATION MINISTRY

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

(a) how many scholarships to pursue further education for both university undergraduate and post-graduate training overseas have been awarded by the Ministry from its resources and otherwise since the month of January 2003;

(b) why the availability of the aforesaid scholarships has not been advertised in the mass media so as to ensure public access and competitiveness in the award thereof; and,

(c) whether he could give a numerical breakdown particularizing how these scholarships were awarded district by district.

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

(a) The Ministry of Education, Science and Technology does not offer any scholarships to students to pursue further education for undergraduate or postgraduate studies. However, we receive scholarships from friendly countries which the Ministry of Education, Science and Technology administers. In the year 2003, we received 69 scholarships, 54 of which were for undergraduate and 15 for postgraduate. In the year 2004, so far, we have received 39 offers, 25 for undergraduate and nine for postgraduate.

(b) The availability of scholarships from friendly countries has been advertised in the mass media so as to ensure public access and competitiveness in the award. The hon. Member has probably seen advertisements of Russian scholarships in the *East African Standard* and *Kenya Times* newspapers as well as Chinese scholarships in the same newspapers. Cuban scholarships were not advertised because they were only four in number, and in this case we advertise within the Ministry of Education, Science and Technology and go back to the data bank from other applicants.

(c) The number of scholarships offered through my Ministry by various friendly governments is usually too small. It has not been practicable to base the distribution of the same on this representation. The distribution is, therefore, regional based. For the under-graduates, the nominees were: One from Central Province, Kiambu District and the second one was from North Eastern Province, Manderu District. For post-graduates, four were for masters degree. One from Nyanza Province, Nyando District; one from Nairobi, one from North Eastern Province, Wajir District and one from Western Province, Bungoma District. For Doctorate of Philosophy (pHD), one from Eastern Province, Meru Central District; one from Western Province, Vihiga District and one from Nyanza Province. I went into the depths of asking for additional information from the person who prepared the information, so that we could have a list for the districts.

Mr. Marende: Mr. Deputy Speaker, Sir, the Question as framed has not received a satisfactory answer from the Assistant Minister. Although I am aware that the Ministry does not

give scholarships directly, but the Question was intended to capture even those scholarships that the Ministry administers, and which are received from other countries. Could the Assistant Minister tell this House whether the Government has any clear policy on sharing out of those scholarships, such that every region in this country benefits from them?

Dr. Mwiria: Mr. Deputy Speaker, Sir, it is the interest of the Government to ensure that available scholarships are distributed equitably. I would like to say that when scholarships are available from friendly countries, there is a committee that short-lists the nominees and one of the criteria used is regional balance. But, first, the candidate must have the minimum grade, whether it is a B plain or a B minus. For scholarships, you need a minimum of B plain. The second criteria is regional balance for purposes of national outlook. That is what Mr. Marende is talking about. The third criteria is gender. We want to make sure that our women benefit from such scholarships.

Mr. Deputy Speaker, Sir, the fourth criteria is the availability of the course that is applied for.

Mr. Marende said that he is interested in the scholarships that are offered by friendly countries. I indicated that. The numbers I gave were for scholarships that are given by friendly countries. I also would like to say that the actual Government scholarships are administered by the Directorate of Personnel Management (DPM). So, as a Government, we have scholarship programmes that are administered by the DPM.

Mr. Serut: Mr. Deputy Speaker, Sir, the Assistant Minister has outlined the number of scholarships that are given by friendly countries. Could he now give us a breakdown of the 39 scholarships that were given to this country, regionally.

Dr. Mwiria: Mr. Deputy Speaker, Sir, we have nine scholarships for this year. The figure that I should have given is nine. We only got Chinese scholarships this year. I have already given them, Mr. Serut. I said that for under-graduates, in terms of region; we gave one to Central Province, and it went to Kiambu District. We gave one to North Eastern Province and it went to Mandera District. For post-graduate masters scholarships, Nyanza Province got one, and it went to Nyando District. Nairobi got one and for North Eastern Province, it went to Wajir District. One went to Bungoma District in Western Province. For PhD, one went to Eastern Province, Meru Central District; Western Province, Vihiga District and Nyanza Province, Kisii District.

Mr. Mukiri: Mr. Deputy Speaker, Sir---

(Loud consultations)

Mr. Deputy Speaker: Order, hon. Members! Let us hear the question by Mr. Mukiri.

Mr. Mukiri: Mr. Deputy Speaker, Sir, I think that the answer given is not satisfactory. The Assistant Minister has given a total of 108 scholarships. He said that last year, they received 69 scholarships and this year, they have received 39 scholarships. The number he is giving us may not fit all the districts. But we have less districts than 108! Could the Assistant Minister tell us why, for instance, Nyanza Province got two scholarships and other provinces, like the Rift Valley Province, received none? Why did they not find it wise to distribute those scholarships in terms of districts because they are enough?

Dr. Mwiria: Mr. Deputy Speaker, Sir, I said that the scholarships we received last year were 69. I did not give the breakdown as per the districts because the Ministry did not have it last year. The reason was that, once the scholarships were awarded, information was sent to the friendly countries. But the information on the computer was removed because they were dealing with so many other applications.

That is the information that I got from the officers. But I have already explained to Mr.

Marende. If---

Mr. Deputy Speaker: The Question now belongs to the House! So, give all the information to the House, Dr. Mwiria.

Dr. Mwiria: Mr. Deputy Speaker, Sir, that is the explanation I have for the 69 scholarships. I do not believe there was any *ukora* there. I must say that from this year, we have insisted that the distribution of scholarships must be made as per the regions and districts. So, the scholarship that we are going to award this year - the nine nominations - there is clear information which I have given that it should be done on the basis of regions and districts. However, I would like to say that on the question of Rift Valley being left out, sometimes it depends on the types of scholarships that the students have applied for.

Mr. Deputy Speaker, Sir, if a Rift Valley candidate could not compete for a particular scholarship programme and did not apply for others where they are qualified, there is a problem. But every effort is being made to distribute them. It is not too late. We have only awarded nine scholarships this year. We are going to have another 60 or so scholarships to award.

Mr. Deputy Speaker: One question will come from Dr. Ali. On behalf of the House, we want to welcome him back. I know he had an accident and we are happy to see him. We welcome you back and I give you a chance to ask a question.

Dr. Ali: Thank you, Mr. Deputy Speaker, Sir. I am grateful for that. Now that the Assistant Minister has mentioned the problems that he had, could he assure this House that those who have been given the scholarships in terms of districts are not those who have friends at Jogoo House, but those who qualify?

Dr. Mwiria: Mr. Deputy Speaker, Sir, I would like to assure Dr. Ali that those who get those scholarships are not those who have good connections. We would also like to make sure that distribution would be by districts, because we believe in equity. I would like to say that, that is an experience and we have an opportunity to improve on the allocation of those scholarships.

Mr. Deputy Speaker: Last question, Mr. Marende. We have dealt with that Question for quite some time.

Mr. Marende: Mr. Deputy Speaker, Sir, could the Assistant Minister confirm to this House whether he is satisfied with the destruction of records of the distribution of scholarships last year when, in fact, those records are important for posterity? What action is he going to take to ensure that in future, those records are available?

Dr. Mwiria: Mr. Deputy Speaker, Sir, I agree that those records are very important, especially for us as a country. But, already, we have started taking action. The reason why we are distributing those scholarships per districts is because I insisted that we should do that for, at least, this year. From this year, I would like to assure this House that we are going to have those records in terms of the distribution not only by provinces, but by districts.

Question No.016

FREE MEDICAL SERVICES FOR MR. KAMAU

Mr. Wamwere asked the Minister for Health:-

(a) whether she was aware that Mr. Simon Warui Kamau, ID No.11293205, who was involved in a road accident on 7th October, 2003 and admitted at Nakuru General Hospital, could not be treated because of lack of money; and,

(b) whether she could consider assisting Mr. Kamau by offering him free medical services.

The Assistant Minister for Health (Mr. Konchella): Mr. Deputy Speaker, Sir, I beg to

reply.

(a) I am aware that Mr. Simon Warui Kamau, IP.No.242906, was admitted on 17th October, 2003, following a road accident. He sustained a fracture of the left thigh bone (femur) and was put on treatment, which included the traction of the fractured limb. He did well and was discharged on 4th December, 2003. He was seen again at the out-patient clinic on 3rd March, 2004. On 14th March, 2004, an X-ray showed that he was healing.

(b) Mr. Kamau has already been offered free medical services since the hospital bill of Kshs12,710, which he incurred, was waived on 24th December 2003.

Mr. Wamwere: Mr. Deputy Speaker, Sir, while thanking the Assistant Minister for that very good answer, I would like to ask whether it is possible for the Ministry to consider giving the same free medical services to other poor people, who may find themselves in accidents, and they are completely disabled economically?

Mr. Konchella: Mr. Deputy Speaker, Sir, that was not part of the Question asked. However, I would like to assure the hon. Member that, the Ministry, through the social health insurance scheme - and a Bill is coming to this House in a month or so - will address the issue of poverty and how poor Kenyans will access medicine. The insurance scheme, which will be compulsory for all able Kenyans, will enable those who are not able to get free medical attention, regardless of their illnesses.

Question No. 018

DEBTS WRITE-OFF FOR NYABOMITE
CO-OPERATIVE SOCIETY

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

(a) how much overdraft the Ministry intends to write off from Nyabomite Co-operative Society under the SCIP I & II schemes; and,

(b) whether the Minister is aware that society debts have crippled coffee farming in Nyamira, Kisii and Gucha Districts.

The Minister for Co-operative Development and Marketing (Mr. Ndwiga): Mr. Deputy Speaker, Sir, I sincerely apologise for coming late. I beg to reply.

(a) I am aware that Nyabomite Farmers Co-operative Society has an outstanding loan balance of Kshs7,835,515.05 with the Co-operative Bank of Kenya as at 30th October, 2003. This amount comprises of STABEX loan in form of advanced payments of Kshs1,361,683.05 which were EU funds; Kshs4,106,945.75 as factory development loan, which was part of the World Bank funding to the coffee co-operative sector which the Government guaranteed through Co-operative Bank of Kenya acting as Government agent and working capital overdrafts of Kshs2,366,886.25 which were the bank's own funds.

Mr. Deputy Speaker, Sir, the coffee co-operative sector has generally been affected by several factors besides the debt burden. In this regard, I have prepared a Sessional Paper on coffee co-operative societies non-performing loans amounting to Kshs5.8 billion as at 30th October, 2003 which will soon be tabled in this House for consideration for write-off.

(b) Mr. Deputy Speaker, Sir, I am aware that the debt burden on our coffee co-operative societies country-wide is just one of the factors that have affected the performance. Other factors which my Ministry is addressing is the effect of liberalisation which encourages splits through amalgamation of small and uneconomical coffee co-operative societies to viable entities that can enjoy economies of scale and scope, poor prices, provision of affordable farm inputs, value adding

through roasting and improvement of rural access roads. Thank you.

Mr. Obwocha: Mr. Deputy Speaker, Sir, you can appreciate that the problem in the coffee industry has been that of management. Officers in Gucha, Kisii Central and Nyamira have done a very bad job including the management officials who should be removed. My specific question to the Minister is this, he has said he is going to bring a Sessional Paper to write-off Kshs5.8 billion in the coffee sector. How much does he intend, from this debt of Nyabomite Coffee Co-operative Society of Kshs8 million to write off?

Mr. Ndwiga: Mr. Deputy Speaker, Sir, this problem affects all coffee co-operative societies in the country and I cannot give figures for one co-operative society. The hon. Obwocha will appreciate that regarding the issue of the co-operative officers who are not quite effective in these Gusii Districts, we have transferred all of them and he has new officers on the ground.

Mr. Mwenje: On a point of order, Mr. Deputy Speaker, Sir. I am lost here. The Minister says he will bring a Sessional Paper to have this money waived. I remember last year, the Assistant Minister in the same Ministry was trying to read a waiver here, three or four times, of all the amounts owed by the coffee co-operatives at the Co-operative Bank of Kenya. I am not sure he read it or not. Now, could the Minister tell us exactly what is the position? Were the debts waived or is he waiting to bring a Sessional Paper? I thought it was waived?

Mr. Deputy Speaker: I will allow that to be answered, but Mr. Mwenje, that was not a point of order.

Mr. Ndwiga: I quite agree with you, Mr. Deputy Speaker, Sir; that was not a point of order, but I am happy to answer that there was no waiver. The answer I have given now is the current position.

Mr. Kamotho: Mr. Deputy Speaker, Sir, I am glad that the Minister has acknowledged that one of the causes of the poor performance in the coffee industry is the poor conditions of the access roads to coffee factories. Could the Minister tell this House what became of the coffee cess for the last three years which is said to be kept somewhere by the Kenya Planters Co-operative Union (KPCU)?

Mr. Ndwiga: Mr. Deputy Speaker, Sir, the KPCU has not kept any money, but it has been holding cess money for the last three years primarily because there was conflict of laws passed by this House. The Kenya Roads Board Act gives the cess money to the District Roads Committees (DRCs) and the Coffee Act gives the funds to county councils. We have been trying to harmonise that discrepancy and jointly with the Ministry of Roads, Public Works and Housing, we are encouraging DRCs to open accounts so that 80 per cent of cess funds held by KPCU will be given to the DRCs and 20 per cent to county councils.

Mr. Ndambuki: Mr. Deputy Speaker, Sir, I had requested the Chair to allow me to ask for a Ministerial Statement on this matter. But now that the issue has come up, I would like the Minister to confirm to this House whether it was true that he was quoted some time last year as having waived some debts to some co-operatives? If it is true, could he tell us which co-operative societies benefited and what criteria did he use to choose those that benefited?

Mr. Ndwiga: Mr. Deputy Speaker, we have asked the bank to stand over the payments on quite a number of co-operative societies. The criteria we have used---

Mr. Deputy Speaker, Sir, from my answer, I did say that part of the problems in the coffee sector were due to splits in the co-operative societies. You will appreciate that whatever monies we are discussing here, are public funds from taxpayer's money and there is no way we can allow the Government to write off debts of societies which are going to collapse anyway. So, what has happened is that we have asked the societies to get together, to amalgamate into viable economic units so that then, we can address the issue of waiver. The bank is quite co-operative to stand over

some of those loans because farmers cannot pay them anyway until we bring the Sessional Paper into this House.

Mr. Deputy Speaker: Last question, Mr. Obwocha!

Mr. Obwocha: Mr. Deputy Speaker, Sir, please make the Minister answer the question. He cannot talk about Kshs5.8 billion write off if he does not have the individual write off for factories. That is true; it cannot just be Kshs5.8 billion. It must relate to each co-operative society. There was a Paper which was brought here by his Assistant Minister indicating how much Nyabomite was going to write off. I want him to confirm what amount is going to be written off from this coffee co-operative society.

Mr. Ndwiga: Mr. Deputy Speaker, Sir, I have already said that Nyabomite owes Kshs7,835,515 and that is the amount in question. I do not know what the hon. Member wants.

Mr. Obwocha: Mr. Deputy Speaker, Sir, is he saying that he is going to write off Kshs7.8 million that Nyabomite owes the Co-operative Bank of Kenya?

Mr. Ndwiga: Yes, Mr. Deputy Speaker, Sir.

COMMUNICATION FROM THE CHAIR

DISTINGUISHED GUESTS FROM
GHANA NATIONAL ASSEMBLY

Mr. Deputy Speaker: Hon. Members, before we move to the next segment of Questions, there is a Communication from the Chair.

Hon. Members, we are privileged this afternoon to be joined by hon. Members of the Departmental Committee on Finance from the National Assembly of Ghana.

(Applause)

The hon. Members of the Committee are seated in the Speaker's Row and are as follows:-

| | | |
|-----------------------------------|------------------------------|----------------------------|
| The Hon. Eugene Atta Agyepong, Mp | - Leader and Committee of | Chairman of the Finance |
| The Hon. Moses Asaga, Mp | - Ranking Committee on | Member, Finance |
| The Hon. Samuel Johnfiah, Mp | - Member of | Parliament |

They are accompanied by:-

| | | |
|---------------------|------------------------------------|-------------------|
| Mr. Alhaji Gombilla | - Secretary to on Finance, and, | the Committee |
| Mr. Antony Dzadra | - Ministry of | Finance Official. |

They are in the country to familiarise themselves with the working of our Finance and other Committees.

On your behalf and my own, I take this opportunity to welcome them to this August House and to wish them fruitful discussions during their stay here.

Thank you.

(Applause)

We now move on to Questions by Private Notice.

QUESTIONS BY PRIVATE NOTICE**MEASURES TO AVERT
CIVIL SERVANTS STRIKE**

Mr. Kamama: Mr. Deputy 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 civil servants are planning to go on strike in a month's time?

(b) What is the Minister doing to avert this strike?

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

I wish to state that I am not aware of the purported strike by civil servants.

Since I am not aware of the purported strike by civil servants, there is no action that is being taken.

Mr. Kamama: Mr. Deputy Speaker, Sir, I am very flabbergasted because I do not know whether Mr. Dzoro reads our daily newspapers or not. This is because the Kenya Union of Civil Servants gave a notice stating their intention to go on strike about a month ago. It was in the *Daily Nation* Newspaper. I do not know why he is saying that he is not aware yet this thing is on record and everybody knows it in this country.

I want to go further and say that civil servants in this country earn very low salaries compared to their counterparts in the police, teaching profession, the army and the parastatals.

Mr. Deputy Speaker: Mr. Kamama ask your question.

Mr. Kamama: Mr. Deputy Speaker, Sir, I am asking him because this thing is in public notice.

Mr. Deputy Speaker: I am asking you to ask a question because this is Question Time!

Mr. Kamama: Mr. Deputy Speaker, Sir, my question is - in fact I have facts to prove this - what is the Assistant Minister doing to avert that strike in view of the notice given by the Kenya Union of Civil Servants?

Mr. Angwenyi: On a point to order, Mr. Deputy Speaker, Sir. You heard Mr. Kamama quote the *Daily Nation*. I do not know whether our Standing Orders allow us to quote newspapers as our source of information.

Mr. Deputy Speaker: Certainly, they do not! Mr. Kamama, you do not rely on newspapers as your source of information in this House. Anyhow, Mr. Dzoro, answer the question.

Mr. Dzoro: Mr. Deputy Speaker, Sir, what I know is that the Union is supposed to give notice to the employer and not through the newspapers and that is why I am saying that as far as we are concerned, we are not aware.

(Mr. Mwandawiro raised his hand)

Mr. Deputy Speaker: Mr. Mwandawiro, you do not raise your hands here!

(Laughter)

Mr. Abdirahman: Mr. Deputy Speaker, Sir, strike or no strike, we require a responsive Government that is able to predict and ensure that we get good production in this country, to spur the economic prosperity that our good NARC Government talks about. There is a lot of anomaly in terms of remuneration for the civil servants in this country and I will give you a small example.

It is understood that District Officers earn almost half of what the people they command

today earn. They earn less than the Administration Police Officers whom they are in charge of. I want to ask what specific plans the Government has put in place to ensure that they harmonise salary scales for civil servants and ensure that their morale comes up?

Mr. Dzoro: Mr. Deputy Speaker, Sir, thank you very much as that is a good question. I would like to say that the Permanent Public Service Remuneration Board was formed for that purpose. They have met quite a number of times and they are coming up with a recommendation and the Civil Service will be remunerated as per that report.

Mr. Deputy Speaker: Because of the effort that Mr. Mwandawiro has made, I will allow him to ask the last but one question.

Mr. Mwandawiro: Ahsante sana, Bw. Naibu Spika. Hilo swali ambalo limeulizwa ni muhimu sana. Kutokana na majibu ya Waziri Msaidizi, ni kuonyesha kuwa Serikali hii inapuuza maswala ya wafanyikazi. Nataka kuuliza ni lini Serikali hii itatilia maanani maswala yanayohusu wafanyakazi?

Mr. Dzoro: Bw. Naibu Spika, kusema kweli Serikali hii inatilia maanani mambo ya wafanyikazi na ndio sababu hata hiki Chama cha wafanyakazi wa Serikali ambacho mnasema kuwa kitawauliza wafanyakazi wagome kilifufuliwa na Serikali hii. Kilikuwa kimevunjwa na Serikali iliyopita na kufika mwezi wa Tatu mwaka jana, kikafufuliwa. Hivi tunavyozungumza, Serikali imetayarisha Bodi ambayo itashughulikia mambo ya wafanyikazi. Kwa hivyo, kama hapo awali wafanyikazi wa Serikali walikuwa hawaangaliwi, ninataka kulihakikishia Bunge hili kwamba Serikali hii inawatilia maanani na hivi punde wataweza kupata majibu yaliyo bora.

Ahsante.

Mr. Kamama: Mr. Deputy Speaker, Sir, this Government is not serious. Some civil servants are going hungry in this country. Some of them can only afford one meal a day. It is a pity that the Assistant Minister can give such a casual answer to this very serious Question. Could he undertake to assure this House that he will look into this issue in two or three months' time. He should not just give a flat-footed statement.

Mr. Dzoro: Mr. Deputy Speaker, Sir, the report will be out by June this year. I am sure by that time we will come out clear on this.

Mr. Deputy Speaker: Next Question, by Mr. Masanya!

MEASURES TO BEEF UP SECURITY IN BORABU DIVISION

Mr. Masanya: Mr. Deputy 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 a gang of thugs operating and terrorising villagers in Borabu Division of my constituency?

(b) What is the Minister doing to beef up security in this area?

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

(a) I am not aware of any group of thugs terrorising villagers in Borabu Division. No report has been made to any police station about the thuggery or insecurity in the Division.

(b) With regard to the Government's effort to ensure security across the country, the following has been done in Borabu Division. First, Manga Police Station was established and officers posted there three years ago. Secondly, during the last issue of motor vehicles to the police, two vehicles were issued to Nyamira Police Division. A further request for an additional vehicle has been received and will be considered in the next issue.

Thirdly, an anti-stock theft unit camp has been established at Memisi to curb stock theft along Nyamira-Bureti-Bomet borders. This will help in enhancing security in the entire district.

Mr. Masanya: Mr. Deputy Speaker, Sir, I am really shocked by part of the answer given by the Assistant Minister. I really wonder who gave him the information because it appears as if he got an answer pertaining to a different place, since 35 villagers have so far been attacked and four killed. The people who killed them are organised thugs who break into houses at night and steal property. It is only two months ago when these thugs went to Mr. Mwencha's home and killed---

Mr. Deputy Speaker: Order! Mr. Masanya, please, ask your question!

Mr. Masanya: Mr. Deputy Speaker, Sir, could the Assistant Minister consider bringing before this House a better answer because what is happening there is known by everybody?

Mr. Tarus: Mr. Deputy Speaker, Sir, the issues raised by the hon. Member are specific. I wish he had put up a question on this specific issue. Nevertheless, I will consider his sentiments and take an appropriate action.

Mr. Gitau: Mr. Deputy Speaker, Sir, could the Assistant Minister confirm to this House whether there are organized gangs in this country? If they exist, could he further tell us who they are, where they are and what the Ministry will do to eliminate them?

Mr. Tarus: Mr. Deputy Speaker, Sir, I am not aware of any organized gangs in the country. The ones we were aware of have all been banned.

Mr. Nyachae: Mr. Deputy Speaker, Sir, could the Assistant Minister agree to outline the incidents of people killed and injured in Borabu North Constituency in the last three months? Could he give us the information of culprits who have been arrested?

Mr. Tarus: Mr. Deputy Speaker, Sir, I cannot table the list requested by the hon. Member. However, it is good enough to inform the police whenever a crime occurs in any particular place because they are there to serve *wananchi* and arrest any form of criminals wherever they are.

Mr. Nyachae: On a point of order, Mr. Deputy Speaker, Sir. We all know that [Mr. Nyachae]

there are Occurrence Books (OBs) of all incidents at police stations. Therefore, the information is available. The Assistant Minister should not tell us that he cannot table the list before this House.

Mr. Tarus: Mr. Deputy Speaker, Sir, indeed, we have Occurrence Books at the police stations. However, the Question is whether the Government is aware of any organised gangs. Therefore, I have addressed the Question as it is. But, as I said, we shall follow up the sentiments expressed and make sure that those criminals terrorising people are brought to book.

Mr. Masanya: Mr. Deputy Speaker, Sir, since 35 villagers have been attacked so far, could the Assistant Minister consider giving Manga Police Station a vehicle and more staff so that constant patrols could be done?

Mr. Tarus: Mr. Deputy Speaker, Sir, I did indicate initially that other than the vehicles that we have sent to Borabu and Nyamira Police Divisions, we shall send another vehicle once we receive additional vehicles for the police force.

Mr. Deputy Speaker: Very well! Next Question, by Mr. Kanyingi!

REPAIR OF CT-SCAN MACHINE
AT KENYATTA NATIONAL HOSPITAL

Mr. Kanyingi: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Health the following Question by Private Notice.

(a) How much money did the Government spend to purchase the CT-Scan Machine at Kenyatta National Hospital?

(b) Is the Minister aware that this machine has never worked since it was purchased and taken to Kenyatta National Hospital?

(c) Why is it not functional and when will the Government ensure it is repaired to avoid patients paying exorbitant fees at private hospitals?

The Assistant Minister for Health (Mr. Konchella): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The CT-Scan, Tomoscan CX/Q, was purchased in the Netherlands at the cost of Holland Guilders 2,144,950, the equivalent of Kshs30,029,300. It was supplied by Phillips Export B.V. Eindhoven. The machine was installed and commissioned at the Hospital in the year 1992.

(b) On installation, the CT-Scan machine at the Kenyatta National Hospital continuously provided good service to patients visiting the hospital for ten years, since 1992 without problems. It has been serving an average of 30 to 40 patients per day. The hospital has, therefore, been able to take over 700,000 scans in the last ten years.

(c) The machine was supplied with a ten-year guarantee of spare parts availability. This period has since ended and it is becoming expensive and difficult to get spare parts considering the rapidly changing technology in the field of radiography equipment. The machine has gone beyond its economic repair, and when it breaks down it becomes difficult to obtain spare parts for its repair. Currently, it is out of order and Achelis Kenya Limited has been contracted to repair it.

Mr. Kanyingi: Mr. Deputy Speaker, Sir, could the Assistant Minister tell this House who advised the Government to buy a machine which cannot last or give service even for ten years?

Mr. Deputy Speaker: Before the Assistant Minister answers your question, Mr. Kanyingi, the Question was that since the machine was bought, it has never worked. The Assistant Minister has told us that the machine has worked for ten years. Given that information, what will you say? Could you frame your question again?

Mr. Kanyingi: Mr. Deputy Speaker, Sir, the machine cost the Government Kshs30 million. Who advised the Government to buy this particular machine?

Mr. Konchella: Mr. Speaker, Sir, I have not understood the question the hon. Member has asked. I believe that the Kenyatta National Hospital (KNH) could not buy the equipment unless consultants had checked it to ensure that what they were procuring was in good working condition. This particular machine has worked for ten years and served 700,000 Kenyans over the period. It is only that the technology has changed and it needs to be replaced. For now, we are repairing it.

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

Mr. Deputy Speaker: Dr. Galgallo is the Chairman of the Departmental Committee on Health, Housing, Labour and Social Welfare.

Dr. Galgallo: Mr. Deputy Speaker, Sir, the issue of equipment which is purchased and does not work is a major problem at the KNH. Last week, my Committee visited the KNH, and we will table a Report in this House which will shock this country as to the level to which this hospital has gone down. We found equipment which was supplied under the World Bank Rehabilitation Project between 1995 and 1998, but which has never worked and it was just lying at the stores. For example, a distilled water plant for 90 litres which cost Kshs460,000, bottle washing machine - Kshs500,000 and heavy duty hot-top electric cooker - Kshs2.4 million. The list is endless. It adds up to about Kshs21 million worth of equipment that Kenyans are re-paying because it was a World Bank loan. Could the Assistant Minister request the World Bank to refund that money it has "stolen" from us?

(Applause)

Mr. Konchella: Mr. Deputy Speaker, Sir, while I appreciate Dr. Galgallo's statements, I believe that the World Bank is not an institution which would do shoddy work in any country. I think this is a respectable institution.

Mr. Omingo: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Let the Assistant Minister answer the question now. Mr. Konchella, I will protect you so that you can answer the question. Had you finished answering his question?

Mr. Konchella: No, Mr. Deputy Speaker, Sir. This precisely shows the rot of the previous Government because it had a responsibility to ensure that the World Bank did what it was supposed to do.

Dr. Galgallo: On a point of order, Mr. Deputy Speaker, Sir. I have asked the Assistant Minister a valid question and he has avoided to answer it. I have said that several machines which cost over Kshs21 million are lying at the KNH and do not work. I have asked the Assistant Minister whether he could request the World Bank to refund that money and he has avoided to answer it. Is the Assistant Minister in order to avoid answering a valid question?

Mr. Konchella: Mr. Deputy Speaker, Sir, I will investigate why those machines have not been installed and take up the matter with the World Bank.

Mr. Kanyingi: Mr. Deputy Speaker, Sir, is the Ministry thinking of buying another equipment and for how much?

Mr. Konchella: Mr. Deputy Speaker, Sir, we sent a team of technicians and engineers from the KNH to Spain and Holland. They have come up with a proposal of emergency equipment which we require. One CT-Scan Machine costs Kshs100 million. They have given us a budget of Kshs1.6 billion which the Ministry intends to put forward in the Short-Term Expenditure Framework. The Ministry will buy those machines once it is allocated funds by this House.

Mr. Deputy Speaker, Sir, meanwhile, I would like to say that with the social insurance scheme coming on board, we should raise enough money to repair these machines immediately.

Mr. Deputy Speaker: Next Question, Mr. Kagwe!

FINANCIAL IMPLICATIONS OF EAST AFRICAN CUSTOMS UNION PROTOCOL

Mr. Kagwe: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Trade and Industry the following Question by Private Notice.

As Parliament is about to ratify the East African Customs Union Protocol:-

(a) What are the financial implications to Kenya on the signing of the East African Customs Union Protocol?

(b) What is the significance of the protocol *vis-a-vis* COMESA trading bloc?

The Assistant Minister for Trade and Industry (Mr. Miriti): Mr. Deputy Speaker, Sir, I beg to reply.

Part "a" of the Question has been re-directed to the Ministry of Finance.

(b) The East African Community (EAC) and the COMESA are key markets for Kenya's products. In essence, the EAC is considered a fast track to COMESA integration process. In this respect, COMESA is considering adopting the EAC's three-band tariff structure to harmonize the two regional trading blocks to consolidate a bigger market and investment area. The East African Customs Union Protocol is, therefore, very vital to the COMESA trading bloc.

Discussions are currently under-way both within the EAC and COMESA on the issue of dual membership and relationships between different regional economic groupings. For instance, Article 37, paragraph 3(a) of the EAC Protocol states that:-

"Upon the signing of this Protocol and before its coming into force, the partner states shall identify the issues arising out of their current relationships with other integration blocs and multi-lateral and international organizations of which they are, in order to establish a convergence on those matters for the purpose of the customs union."

Mr. Deputy Speaker: Mr. Assistant Minister, how long is your statement?

The Assistant Minister for Trade and Industry (Mr. Miriti): Mr. Deputy Speaker, Sir, I am remaining with only one sentence.

Mr. Deputy Speaker: That is all right. Proceed.

The Assistant Minister for Trade and Industry (Mr. Miriti): Mr. Deputy Speaker, Sir, besides, Article 179 of the COMESA Treaty provides for common markets to enter into co-operation agreements with other regional communities including the EAC.

Mr. Kagwe: Mr. Deputy speaker, Sir, I am fairly disappointed with the answer given by the Assistant Minister. The question of the East African Customs Union Protocol *vis-a-vis* Kenya is very important. We are surrendering part of our sovereignty via the tax system. We are not even sure, as we speak here today, how this will affect even our farmers. For example, is the maize exported to Tanzania duty-free or not? We have no idea as to what is actually happening. Indeed, Tanzania is not part of COMESA. It is a member of the Southern African Development Co-operation (SADC). Will they be part of the two customs unions or not? I am also disappointed that part "a" of the Question which is really the heart of this Question has been referred to the Ministry of Finance. I not sure, and I need your guidance because some of the issues relating to finance also relate to trade. Will Kenya gain or lose in terms of trade? There is a line between the Ministry of Finance, and the Ministry of Trade and Industry. I think this Question requires a much more serious answer than the one given by the Assistant Minister. Maybe it can be deferred so that the Assistant Minister could come to this House with a comprehensive answer and look at the issue more seriously.

(Applause)

Mr. Deputy Speaker: I do not know what the Assistant Minister wants to say. Probably, it would have been better if he issued a Ministerial Statement to cover this matter. You will even recall that I had even asked him to do that because he was trying to give a Ministerial Statement. Be it as it may, could I hear what the Assistant Minister wants to say on the issues Mr. Kagwe has raised?

Mr. Miriti: Mr. Deputy Speaker, Sir, as you have suggested, we shall issue a Ministerial Statement.

*[The Minister for Tourism and Information
was applauded as he entered the Chamber]*

Mr. Deputy Speaker: But Mr. Kagwe, you still raised the issue of the matter having been referred to the Ministry of Finance. It is quite in order and it is going to come to this House as an answer from the Ministry of Finance. You will ask supplementary questions and if you are not satisfied, we can do something else. But, for now, the Assistant Minister for Trade and Industry has

undertaken to give a detailed Ministerial Statement on part (b) of the Question. I thank the Assistant Minister for that. We will wait for the Ministerial Statement from the Minister.

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member then in order to grill the monkey, when the organ grinder is just seated next here?

(Applause)

An. hon. Member: Are you calling that man a monkey?

Mr. Deputy Speaker: Order! Mr. Obwocha, you are completely out of order!

(Several hon. Members stood up in their places)

Mr. Obwocha: That is an English saying.

Mr. Deputy Speaker: Look at your Standing Orders! A definition of a Minister is clearly given in the Standing Orders. It includes, the Vice-President, Ministers and Assistant Ministers.

The Assistant Minister, Office of the Vice-President and Ministry of Home Affairs (Dr. Machage): On a point of order, Mr. Deputy Speaker, Sir. Could Mr. Obwocha withdraw the abuse he directed to the Assistant Minister? He refereed to him as a monkey! Could he withdraw?

Mr. Obwocha: Tell Dr. Machage that, that is an English saying! It is an expression and has nothing to do with a monkey! Go to school!

(Laughter)

Mr. Deputy Speaker: Order, now! What is it, Ms. Abdallah?

Ms. Abdallah: Mr. Deputy Speaker, Sir, it is not that we are belittling the Assistant Minister, but the Minister has done a very good job in answering impromptu questions! So, he should take this opportunity and answer this Question as he has done in the past.

Mr. Deputy Speaker: I do not know! Was that a point of order or what was it? I am lost!

(Laughter)

Mr. Nyachae: On a point of order, Mr. Deputy Speaker, Sir. I am seeking your indulgence on the way you have directed this Question. I think issues in parts (a) and (b) of the Question are inter-related. For business people, farmers and others, the Government has a collective responsibility. We want a comprehensive answer. This Question involves taxation. It involves trade and we fear that Kenyan business people and farmers are going to suffer. So, we want to know the taxation implications, what gains we will get and what losses we will get. The two Ministers should get together and give a comprehensive answer.

The Minister for Trade and Industry (Dr. Kituyi): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Let me say the following before you rise on a point of order, Mr. Minister! Part (a) of the Question has already been referred to the Minister for Finance. So, the answer will be forthcoming. I ask that when that Question comes, you will be asking supplementary Questions to relate to the Question. But then, more significantly, in part (b) of the Question, the Assistant Minister has undertaken to bring a substantive Ministerial Statement on the matter. The Chair undertakes to give Members enough time to seek clarifications when that Statement comes.

Now, the Minister for Trade and Industry, please, proceed!

The Minister for Trade and Industry (Dr. Kituyi): Mr. Deputy Speaker, Sir, I appreciate that it is true that many of the issues here are interrelated, although by the structure of our portfolios, they can go to different Ministries. But, I have already been discussing this matter with my colleague the hon. Minister for Finance, and I will give a Statement on both parts of the Question tomorrow afternoon.

(Applause)

Mr. Deputy Speaker: Very well! Now, that marks the end of Question Time. I have several requests for Ministerial Statements and one Ministerial Statement from the Minister for Environment, Natural Resources and Wildlife.

I will start with Mr. Muite! The Minister's Statement will come later.

POINTS OF ORDER

BREACH OF VISA FEES PROTOCOL BETWEEN KENYA AND SOUTH AFRICA

Mr. Muite: Mr. Deputy Speaker, Sir, I rise to request for a Ministerial Statement from the Minister for Foreign Affairs on the circumstances surrounding the brazen breach by Kenya of a protocol agreement, signed between Kenya and South Africa under which, Kenyans wishing to go to South Africa were never required to pay visa fees. Equally, South Africans were not asked to pay visa fees. That breach of that protocol agreement was sudden, without any notice to South Africa and as a result as of that, last week, there were 400 Kenyans stranded in the South African Embassy in Nairobi. They were required to pay US\$50 for each visa application.

Mr. Deputy Speaker, Sir, could the Minister issue a Ministerial Statement clarifying those matters, bearing in mind that more Kenyans are going to South Africa than South Africans are coming to Kenya.

Thank you, Mr. Deputy Speaker, Sir.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Deputy Speaker, Sir, I will issue the Statement on Thursday afternoon.

Mr. Deputy Speaker: Very well. Mr. Mwenje!

HOUSES MARKED FOR DEMOLITION

Mr. Mwenje: Mr. Deputy Speaker, Sir, I stand to demand two Ministerial Statements from two different Ministers. I would like to demand one from the Minister for Energy, and another one from the Minister for Roads, Public Works and Housing.

Mr. Deputy Speaker, Sir, as you travel on roads everywhere in the country, you see marks made on several building. There are some that are made by the Kenya Power and Lighting Company (KPLC). They are warning that they are going to demolish those particular buildings because they happen to be either near, or under the power lines. Other marks are made by the Ministry of Roads, Public Works and Housing. They have literally written: "Demolish!" So, the people who have rented those houses are running away and the landlords are losing their tenants just because of the marks that are made on those buildings or structures.

Mr. Deputy Speaker, Sir, that is affecting the whole country. It is literally everywhere! If you travel along the Kajiado Road, you will see them. If you travel along Machakos Road, they are there. If you travel along Jogoo Road, you will find them there. I am told that they even go up to

Tanzania---

Mr. Deputy Speaker: Mr. Mwenje, could you now ask for the Ministerial Statement?

Mr. Mwenje: Mr. Deputy Speaker, Sir, I am demanding for a Ministerial Statement from those two Ministers. They should come and tell this House the policy on that matter, because it is scaring those who are living in those houses.

Mr. Deputy Speaker: But, Mr. Mwenje, I am informed that you have a Question by Private Notice on the same matter, and which has been approved! Is that correct?

Mr. Mwenje: I am not aware.

(Laughter)

Mr. Deputy Speaker: You are not aware? Fine! The Minister for Roads, Public Works and Housing is here! The Assistant Minister for Energy, Mr. Kiunjuri, is here too.

The Minister for Roads, Public Works and Housing (Mr. Raila): Mr. Deputy Speaker, Sir, I answered a similar Question in this House sometimes last week.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, I think he will get the same answers, but we shall issue a comprehensive Statement on Wednesday afternoon, next week.

Mr. Deputy Speaker: Very well. Now, Mr. Omingo, please, proceed!

APPOINTMENT OF CONTROLLER
AND AUDITOR-GENERAL

Mr. Omingo: Thank you, Mr. Deputy Speaker, Sir, I stand to seek a Ministerial Statement from the Ministry of Finance. Last year, we passed the Public Audit Act and there was supposed to be a National Audit Office as per Section 34 of that Act. The Act was signed by the President on 31st December and it was supposed to be operational by 9th January, 2004.

Mr. Deputy Speaker, Sir, as per the First Schedule, Paragraph Five, a new Controller and Auditor-General should have been appointed three months after the commencement of that Act, because the one currently in office has attained the retirement age.

Mr. Deputy Speaker, Sir, I would like to draw the attention of this House to the fact that, since 9th April, 2004, if there were any withdrawals from the Consolidated Fund Service, they would be illegal. I want to ask the Minister for Finance to come to this House and explain what measures he has put in place to operationalise the National Audit Office, appoint a new Controller and Auditor-General to sanction the withdrawals and explain why it has taken him that long to do that!

Mr. Deputy Speaker: Are you directing your point of order to this Minister?

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

Mr. Deputy Speaker: We have finished with the Minister for Finance.

DEPLORABLE STATE OF
GUCHA DISTRICT HOSPITAL

Mr. Omingo: Mr. Deputy Speaker, Sir, I also want to seek a Ministerial Statement from the Minister for Health. Two weeks ago, I went to Gucha District Hospital which was formerly a health centre, now serving a district. What I saw was pathetic. Kids were puking on each other because they were overcrowded and now that we are getting into a malarial period, the capacity of

that health centre cum "district hospital" actually has a capacity of 80 patients but during the epidemic period, it serves 400 patients.

I want to know from the Minister what measures she is taking, at least, to provide very basic facilities, including operating tables and a theatre. We do not have even a single X-ray machine and when kids and adults fall sick, they attract even more diseases. Could the Minister come and say what she intends to do about this?

Mr. Deputy Speaker: That sounds to me like a Question. Where is the Minister for Health?

The Assistant Minister for Health (Mr. Konchella): Mr. Deputy Speaker, Sir, I would like the hon. Member to bring this as a Question and I will answer it.

Mr. Deputy Speaker: I also think so. Mr. Omingo, you should bring a Question for my approval as concerns your point of order.

Mr. Omingo: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! On the first Ministerial Statement that you sought from the Minister of Finance, Mr. Katuku has taken notes. When will the Ministerial Statement come?

The Assistant Minister for Finance (Mr. Katuku): Mr. Deputy Speaker, Sir, it will come on Thursday afternoon.

GOVERNMENT DEMOLITION OF BUILDINGS

Dr. Godana: Mr. Deputy Speaker, Sir, I beg your indulgence. I had not warned you earlier but my desire to stand up on this matter arose from the Question about demolitions. I think it would be right that this House requests the Attorney-General and or the Minister for Justice and Constitutional Affairs, to issue the Statement here on what is the Government's position and in particular, their opinion on the law as regards demolition of private property, especially when you are dealing with permanent buildings which were built with all approved plans which were registered in Government departments. I think it is important that those two lead the way, otherwise we will keep on altercating between Assistant Ministers. Is it a matter of Ministerial threats to demolish properties or are there certain safeguards to decide when property may be destroyed?

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Mr. Deputy Speaker, Sir, I would like to say that, that matter belongs to the two Ministries and if they require any advice from the Chief Legal Government Officer, he will be in a position to do so. However, it is for the two Ministries to request for the legal advice.

Mr. Deputy Speaker: Very well. I agree. Now, could we have the Ministerial Statement from the Minister for Environment, Natural Resources and Wildlife.

(Applause)

Order, hon. Members! I believe this is a Ministerial Statement regarding the Nairobi Dam and, therefore, listen carefully.

MINISTERIAL STATEMENTS

CHEMICAL COMPOSITION OF NAIROBI DAM EFFLUENT

The Minister for Environment, Natural Resources and Wildlife (Dr. Kulundu): Thank you, Mr. Deputy Speaker, Sir. First of all, before I issue this Statement, I would like to unreservedly

apologise to the House for the delay in bringing this Statement and in particular, to Mr. Lesrima. The delay was occasioned by the need for different laboratories in this country to consult and collaborate with each other.

Mr. Deputy Speaker, Sir, in response to the Question raised in Parliament last week by Mr. Lesrima, the Member of Parliament for Samburu West regarding the severe foaming along Nairobi River and Mbagathi Road Bridge near Nyayo Highrise Estate in Kibera, I would like to submit the following Statement. During the night of 5th April 2004, there was a heavy downpour of rain in Nairobi. The Nairobi Dam filled up and excess water flowing out of the dam formed a white foam substance between the spillway and the Mbagathi Road Bridge. The foam built up during the night and persisted for several hours the following day. Motorists and pedestrians passing along Mbagathi Road were alarmed by the presence of the strange foam and alerted officials of the National Environment Management Authority (NEMA) who immediately informed my Ministry about the problem. My Ministry immediately involved scientists from NEMA, the University of Nairobi, the Ministry of Water Resources Management and Development, Mines and Geology Department as well as the Kenya Bureau of Standards to analyse water samples collected from the affected site.

The results of the tested water samples including the foam formation revealed that the dam water has heavy pollution, particularly with sodium elements to the level between 14 and 113 parts per million, taken at various sites in the dam and at different times and which sodium levels enhanced the heavy foam formation. Sodium is an important ingredient in soap making processes. However, in nature, sodium is relatively lowly distributed. As a matter of fact, it only occurs in less than one part per million in water. The foam in the water is mainly due to soap waste water from the Kibera slums. In addition, the quality of water in Nairobi Dam has deteriorated in recent years because of heavy discharge of toxic materials from the surrounding areas. The presence of heavy sodium salts enhances foam formation.

*[Mr. Deputy Speaker left the Chair]
[The Temporary Deputy Speaker
(Mr. Khamasi) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, the flow of domestic sewerage from the Kibera slums, coupled with car washing around the dam continues to enrich soapy material into the dam water. When rains come, these soaps are released through the spillway and because of the mixing and cascading action of the water, the foaming phenomenon will continue to happen. More information from the slum dwellers indicates that the use of caustic soda for destroying pit latrines sludge in order to slow filling up of the pit latrines is common. There is another source of soap to the dam. A PH of 9.05 is good for the formation of heavy soap entry into the dam which settles at the bottom of the dam. When heavy rain water enters the dam, there is water stirring of the bottom sediments, thereby floating the soapy material which then ends up as foam.

As the way forward, I wish to assure the public that the Government is taking the necessary action to address this problem. In the short-term, the Government is making efforts to mechanically remove the heavy water hyacinth weed from the dam. The people near the dam are also advised not to draw water for drinking purposes. For long term intervention, plans are underway to drain the dam, to remove heavy silt at the bottom, plant trees around the dam and construct a cut-off drain to prevent run-off water from Kibera slums from flowing into the dam. More importantly, strict rules and regulations are already instituted to protect the environment around the dam and polluters will be taken to court under the Polluter-Pays-Principle.

In conclusion, there should be no immediate danger to the public who use water

downstream because the dam water that carries the foam has been diluted by the heavy rain flowing through the dam.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Temporary Deputy Speaker, Sir, I wish to table the laboratory analysis report from various institutions in this country, together with the main report.

*(Dr. Kulundu laid the documents
on the Table)*

The Temporary Deputy Speaker (Mr. Khamasi): Mr. Lesrima, would you like to seek some clarification?

Mr. Lesrima: Mr. Temporary Deputy Speaker, Sir, I thank the Minister for his very comprehensive and very technical answer. However, I think certain parts of the Statement are not very clear. The state of health of Nairobians, particularly those living along the Athi Rivers and the Maasai cattle that graze in Nairobi, is at risk.

Mr. Temporary Deputy Speaker, Sir, above all, I wanted the Minister to clarify who is actually responsible for the environmental management of the rivers passing through Nairobi. Is it Tana and Athi Rivers Development Authority (TARDA), the Nairobi City Council or the National Environment Management Authority (NEMA). Who is responsible for the solid waste or toxic materials that flow into the Athi River? Who is in charge?

The Temporary Deputy Speaker (Mr. Khamasi): Dr. Kulundu, perhaps, we can have two or more questions and then you will reply to all of them at once.

The Minister for Environment, Natural Resources and Wildlife (Dr. Kulundu): Mr. Temporary Deputy Speaker, Sir, please, let me reply to one question at a time.

The Temporary Deputy Speaker (Mr. Khamasi): That is an order from the Chair!

(Applause)

Ms. Abdalla: Mr. Temporary Deputy Speaker, Sir, the Minister informed us that he is going to employ the consumer-pays principle to any consumer around the Nairobi Dam found degrading the environment. However, what programme is there that involves communities in managing the dam before resorting to a penalty principle? Secondly, the area Member of Parliament spoke of a programme that is going to fund the rehabilitation of the Nairobi Dam. The figures were enormous. Could the Minister also explain how the programme is working and how it will involve the residents of Kibera slums?

Mr. Mukiri: Mr. Temporary Deputy Speaker, Sir, Nairobi Dam is completely polluted. There is the problem of the water hyacinth and we have seen the Government's efforts to remove the water hyacinth from Lake Victoria, but we have not seen a similar effort in the Nairobi Dam. What plans does the Minister have to remove the water hyacinth from the Nairobi Dam?

Dr. Galgalo: Mr. Temporary Deputy Speaker, Sir, the problem of pollution around this city is not confined to Nairobi Dam. Nairobi River is also very highly polluted. We have seen the work of Mr. Karisa Maitha. He has tried to beautify the streets of this city. What plans does the Ministry of Environment, Natural Resources and Wildlife have to rehabilitate the rivers around Nairobi since they are an eyesore? Are there any plans of rehabilitating Nairobi River and Nairobi Dam?

The Minister for Environment, Natural Resources and Wildlife (Dr. Kulundu): Mr. Temporary Deputy Speaker, Sir, if I forget one or two questions, please, remind me.

With regard to the question about who is responsible, it is a collective responsibility

between the Ministry of Local Government, Ministry of Health, the Ministry of Environment, Natural Resources and Wildlife and the Nairobi City Council in general. In fact, Nairobi City Council should be the one that is responsible for this.

With regard to the question about the internal organisation that is assisting in cleaning up Nairobi Dam, I am glad to say that we have received a pledge of nearly US\$5 million to clean up the Nairobi Dam. However, this will not be possible for as long as there is still pollution of Nairobi River by the residents of Kibera slums. But, as a short-term measure, United Nations Environment Programme (UNEP) has promised to assist us in cleaning up this dam with a grant of US\$5 million.

The water hyacinth is a big problem. However, with this grant from UNEP, we should be able to remove it mechanically. This is something that has been tried elsewhere, for example in Uganda, and it has been successful. Mechanical removal of the water hyacinth will be, thus, part of this project by UNEP.

The Minister for Roads, Public Works and Housing (Mr. Raila): Kisumu too should benefit!

The Minister for Environment, Natural Resources and Wildlife (Dr. Kulundu): Of course, Kisumu too. The water hyacinth in Kisumu will also be removed mechanically. In fact, that is an on-going programme in Lake Victoria. Indeed, the water hyacinth has successfully been removed mechanically.

I did not get the question on rehabilitation well. Could the hon. Member, please, repeat it?

Dr. Galgalo: Mr. Temporary Deputy Speaker, Sir, the Minister said that Nairobi Dam is heavily polluted and so is Nairobi River. In the spirit of what we are seeing happening in the streets of Nairobi, for example, Mr. Karisa Maitha has embarked on a campaign to make the streets of Nairobi look beautiful. If you walk along Uhuru Highway, you will see this for yourself. Let us give him credit for what he is doing. What plans does the Minister have to rehabilitate Nairobi River because he only mentioned Nairobi Dam? Currently, Nairobi River is an eyesore. What plans does the Minister have to transform it into a natural and pure river?

The Minister for Environment, Natural Resources and Wildlife (Dr. Kulundu): Mr. Temporary Deputy Speaker, Sir, essentially, that question ought to be directed to the Ministry of Water Resources Management and Development. However, because of collective responsibility, let me state as follows: We have approached several donors, particularly, with regard to Nairobi River. We have high hopes that, very soon, we will be embarking on an exercise to clean up Nairobi River. We want to ask *wananchi* to join us in this effort. It is they who pollute these waterways.

I want to assure this House that everything possible will be done to ensure that all our waterways, not only in Nairobi, but also in other parts of the country, are pollution free.

The Temporary Deputy Speaker (Mr. Khamasi): That is the end of that Ministerial Statement. Next Order!

Dr. Galgalo: On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Khamasi): What is it, Dr. Galgalo?

Dr. Galgalo: Mr. Temporary Deputy Speaker, Sir the Assistant Minister, Office of the President promised me a Ministerial Statement this afternoon. I see him just seated and smiling as though he has no responsibility to us. Could he give us the Ministerial Statement concerning insecurity in Moyale?

The Temporary Deputy Speaker (Mr. Khamasi): Mr. Tarus, what have you got to say?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, I have several Ministerial Statements to give and on the issue raised by Dr. Galgalo, I will be able to give some information with regard to that problem, but not necessarily a Ministerial Statement.

May I start with the Ministerial Statement sought by the hon. Member of Baringo East.

An hon.Member: Go ahead!

INVASION OF BARINGO EAST
BY CATTLE RUSTLERS

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, the hon. Member for Baringo East, Mr. Asman Kamama, had on 13th April, 2004, sought a Ministerial Statement on the invasion of Baringo East by cattle rustlers, to which I wish to respond as follows.

On the night of 8th and 9th April, 2004, an estimated group of 300 Turkana raiders, attacked and killed one person, wounded another and drove away livestock belonging to residents of Baringo East.

Mr. Temporary Deputy Speaker, Sir, this incident was reported and the Government responded by immediately mobilising security forces that included the General Service Unit (GSU), regular police and Anti-Stock Theft Unit personnel to track down the raiders who were reported to have headed towards Kamken, in Kagong area of Uganda. The security forces were backed by the Police Air-wing.

It is regrettable that the Baringo East residents suffered loss of life and property. However, as it can be seen, the Government has not spared security resources at its disposal in trying to recover the stolen livestock. In addition, the District Security teams in Baringo and Turkana are jointly working, not only to ensure the recovery of stolen livestock, but the apprehension and punishment of the perpetrators of these acts of lawlessness in the affected areas. So far, seven head of cattle have been recovered.

Mr. Temporary Deputy Speaker, Sir, Mr. Lebus Kenna, who was shot in the stomach, is undergoing treatment at the Kositei Mission Hospital. No rape cases were reported to the police. Regarding assistance to the affected families, the Provincial Administration officials in the district have been directed to provide relief food to cushion the victims.

I just want to assure the House that the Government remains committed to providing security to all citizens, and it will do anything possible to ensure that they live and go about their lives freely and without fear.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Khamasi): Who had sought that Ministerial Statement? Proceed, Mr. Kamama!

Mr. Kamama: Thank you, The Temporary Deputy Speaker, Sir. I want to thank the Assistant Minister---

(Loud consultations)

The Temporary Deputy Speaker (Mr. Khamasi): Order!

Mr. Kamama: I want to thank the Assistant Minister, who is a very hardworking person, for giving me this Statement. You have heard what he has said; that 1,800 head of cattle were taken and 400 goats were stolen, but the Government has just managed to recover seven animals. Where are the other animals? Could the Government admit that this issue of cattle rustling is beyond its scope and management?

Right now, there is a lot of tension between the people of Turkana South and those of Baringo East. So, we want the Government to undertake to bring back the remaining head of cattle

and 300 goats.

Lastly, Mr. Temporary Deputy Speaker, Sir, I want to thank the Government for the relief food the people are now getting and the small assistance. But I am sure that, if these animals are not returned, the owners may be forced to go and look for them.

(Applause)

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, the issue of cattle rustling cannot be beyond the scope of the Government. We have mobilized the necessary personnel and resources to assist the people of Baringo East in recovering the stolen livestock.

Regarding tension in the area, this is also another aspect which has made us appeal to the leaders of the areas to assist us because some of the prevailing community aspects require that we work together with the leaders in peace-building and promoting understanding amongst the pastoralist communities in order to eliminate cattle rustling within those areas. Regarding the recovery of the livestock, I have said that the Government will do all that it can to assist the pastoralists.

Mr. Rotino: Mr. Temporary Deputy Speaker, Sir, I think the Assistant Minister is not serious because cattle rustling has been going on for a long time. This is the time when we should congratulate the people of Baringo East because they have not gone to recover their animals themselves. They have given the Government some time to do so. But after two weeks, the Government has failed to do so! Out of a stock of 1,800 animals, they have only recovered seven animals. This shows that the Government is not serious! They should just tell the Pokots to go and recover the animals themselves because they are capable of doing so!

The Assistant Minister, Office of the President (Mr. Tarus): Indeed, Mr. Temporary Deputy Speaker, Sir, I commend the people of Baringo East for remaining calm and for their understanding. That is why the Government has mobilized the necessary resources, including the police and the General Service Unit (GSU) to pursue those who have taken the livestock.

Mr. ole Metito: Mr. Temporary Deputy Speaker, Sir, why is the Government always employing event-triggered measures instead of ensuring that these threats to human beings and their property do not occur? Why are they always chasing problems instead of preventing them from occurring?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, hon. Members will understand that the Government has, indeed, done a lot in the past one year to make sure that people remain calm and do not experience cattle rustling in those particular areas.

The Temporary Deputy Speaker (Mr. Khamasi): Last question by Mr. Moroto!

Mr. Moroto: The people of Baringo East mainly depend on these animals, and now that their animals have been taken, they have nothing. The Government has stepped in to give them some little relief food, and, maybe, only once. I do not think that the trend will continue in the future. Could the Assistant Minister give us the time frame within which he is going to return these animals? Otherwise, we will mobilize our people and assist them to recover their animals.

The Temporary Deputy Speaker (Mr. Khamasi): Order! You are overstepping your boundaries!

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, we also have to know that, while trying to recover the animals, we must do so in a manner in which the communities will understand one another. Occasionally, in the past, we have

had people complaining that when the GSU are sent to the villages, they harass people. So, we must make sure that we use the right measures to address those particular problems.

The Temporary Deputy Speaker (Mr. Khamasi): I have now learnt that Mr. Moi is in the Chamber. So, I am giving him the last opportunity to contribute because he comes from the area which is affected by cattle rustling .

Mr. Moi: Mr. Temporary Deputy Speaker, Sir, we knew about these raids three days before they were carried out. We were attending a meeting to discuss matters on Arid and Semi-Arid Lands (ASALs) with hon. Kamama and hon. Boit when we were alerted, or received intelligence reports about the matter, yet the Government did nothing about it. They waited until the raids were carried out!

(Applause)

Mr. Kamama: Could you confirm that you knew of the raids?

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Kamama!

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, indeed, there may have been intelligence reports. But also the mobilization was done immediately after the incident occurred.

The Temporary Deputy Speaker (Mr. Khamasi): Next Statement, Mr. Tarus! By the way, how many other Statements do you have?

The Assistant Minister, Office of the President (Mr. Tarus): Two.

The Temporary Deputy Speaker (Mr. Khamasi): How long are they?

The Assistant Minister, Office of the President (Mr. Tarus): They are very short.

The Temporary Deputy Speaker (Mr. Khamasi): All right, proceed!

STATE OF DISPLACED PASTORALISTS
IN TURKANA

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, on 13th April, 2004, hon. Kamama requested a Statement on the state of displaced pastoralists in Turkana. In this regard, the Government wishes to respond as follows:-

Owing to a devastating drought situation that was prevailing in most parts of Turkana District during the months of November and December, 2003, pastoralists from Oropoi, Lokichoggio and Kakuma Divisions were forced to seek pastures and water in the neighbouring country. They ended up in Kidepo Valley in Uganda, where they grazed their unknown number of livestock among the local Dodok community.

On 20th March, 2004, a misunderstanding arose at a watering point in the Kabong area leading to a fight between the Turkana and the Dodok. It is alleged that, during the fight, two Turkanas were killed and several others were injured. In addition, 400 animals were alleged to have been taken away from the Turkanas.

Mr. Temporary Deputy Speaker, Sir, the fight escalated the following day as the local Dodoths attacked the Turkanas, killing a number of them and robbing them of 4,000 head of cattle. Resulting from this incident, about 4,000 Turkanas were displaced and were forced to come back to Kenya with their remaining animals. Since at the time devastating drought conditions still persisted, the returning persons lost more livestock on their way home due to lack of pasture and water. When the Turkana District Security Committee learnt of the plight of the pastoralists, it moved fast and supplied two lorry loads of relief food and provided four water bowsers that supplied water for both human and livestock use. The affected people have now returned to their divisions, namely,

Lokichoggio, Kakuma and Olopoy.

The Government has continued to assist them and has so far supplied them with relief food as follows:-

Lokichoggio Division received 1,267 90-kilogramme bags of maize, 211 90-kilogramme bags of beans and 264 18-kilogramme cartons of vegetable oil.

Kakuma Division received 916 90-kilogramme bags of maize, 153 90-kilogramme bags of beans and 191 18-kilogramme cartons of vegetable oil.

Olopoy Division received 986 90-kilogramme bags of maize, 174 90-kilogramme bags of beans and 213 18-kilogramme cartons of vegetable oil.

Mr. Temporary Deputy Speaker, Sir, I am happy to state that the Government intervention has seen the affected citizens through a difficult time. With the onset of rains on 7th April, life is slowly going back to normal. The Government wishes to state that the incident in Uganda that led to the displacement, cannot be termed as an act of war by a neighbouring country. It ought to be seen purely for what it was; a dispute between two communities sparked off by a misunderstanding over the use of water. We need to encourage the spirit of good neighbourliness among the communities that live along, not only our internal administrative boundaries, but also the international boundaries with our neighbours.

Mr. Temporary Deputy Speaker (Mr. Khamasi): Who sought the Statement?

Mr. Mwandawiro: Bw. Naibu Spika wa Muda, migogoro kati ya wachungaji kutoka Turkana na Pokot, na ambayo pia inavuka mipaka ya nchi hii, ni mambo ambayo yanajulikana na kufahamika kutoka zamani. Mbali na kutoa chakula kama misaada, katika kutafuta amani ya kudumu, ni juhudi gani zinazofanywa na Serikali kupatanisha makabila haya ya wachungaji ambayo yanazozana na kupigana kila wakati kwa sababu ya maji na nyasi?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, if the hon. Member was listening, the difference was between the Turkanas and the Dodoths, and not the Turkanas and the Pokots. I think we need to remove that stigma.

Mr. Mwandawiro: Jambo la nidhamu, Bw. Naibu Spika wa Muda.

The Temporary Deputy Speaker (Mr. Khamasi): Order! Let him finish!

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, we have encouraged inter-community relations. As far as I know, the Turkanas and the Dodoths have very strong relations. The only difference that arose was as a result of the sharing of the water points wherever they went to seek pastures. So, we seek their understanding.

Mr. Boit: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has not responded to the issue properly. We are asking for permanent solutions. Surely, vegetable oils and other things cannot offer any permanent solution. Last time, Mr. Kamama said that eight women were gang-raped. Vegetable oils cannot solve this problem. Could the Assistant Minister tell us what he is doing to solve this problem? In fact, he did not tell us how many police officers were deployed to pursue and recover the cattle that had been stolen. Could he arm the people of Baringo East and Turkana? We want to thank the Assistant Minister for removing the Kenya Police Reservists from Nairobi. Could he deploy them to the borders and arm them properly?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, I want to make it clear again that the problem between Dodoths and the Turkanas is not as bad as it is being stated. We must also understand that, when there was drought in Turkana, and the Turkanas moved to the area of Dodok, they were accommodated for around five months. This dispute was just sparked off by the problem of water. So, we should not draw the communities apart when we know that they have very good relations.

I have dealt with the issue the hon. Member is raising in the previous Statement. Although

these issues have credence, we need to have permanent solutions to the problems affecting pastoralists and people living in Arid and Semi-Arid areas (ASALs). I recognise that fact, and the Government has elaborate plans to provide water-drinking points for the pastoralists, and also to encourage them to have a settled life.

Mr. Temporary Deputy Speaker, Sir, the last Statement is about the Ethiopia or the Moyale incident. It is not a Statement, but---

Mr. Maore: On a point of order, Mr. Temporary Deputy Speaker, Sir. Given the gravity of the issue at hand, would it not be fair for the Chair to compel the Assistant Minister to come tomorrow morning or afternoon or Thursday, when he is ready with a comprehensive Statement instead of giving these bits?

The Temporary Deputy Speaker (Mr. Khamasi): In the first place, who sought the Statement? Dr. Galgalo, you sought the Statement and the Assistant Minister is standing here without a Statement. He is standing here with something else. In all fairness to the House, I order the Assistant Minister to bring here a comprehensive Statement. Mr. Assistant Minister, when will you do that?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, may I issue the Statement tomorrow afternoon?

The Temporary Deputy Speaker (Mr. Khamasi): Permission granted.

Dr. Galgalo: Mr. Temporary Deputy Speaker, Sir, while I appreciate that, and as we wait for the Assistant Minister to tell us what other measures he is taking, could he order that the people who have been chased out of their homes be given security to go back in the meantime? After that he can tell us why they failed.

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, we shall do exactly as the hon. Member has requested. We shall make sure that there is security in the area.

The Temporary Deputy Speaker (Mr. Khamasi): That is the end of Ministerial Statements.

Next Order!

BILL

Second Reading

THE GOVERNMENT FINANCIAL MANAGEMENT BILL

(The Minister for Finance on 14.4.2004)

*(Resumption of Debate interrupted
on 15.4.2004)*

The Temporary Deputy Speaker (Mr. Khamasi): I am told Mr. M'Mukindia was on the Floor and he has five minutes to finish his contribution.

Mr. M'Mukindia: Mr. Temporary Deputy Speaker, Sir, the major objective of this Bill will be to restructure the management of Government finances. This will lead to collection and investment of the revenues. In general, the Government is trying to restructure, not just the economic side of our society, but also the political and social environments in this country.

I believe that the Minister has embarked on the right path and the Government as a whole has embarked on the right path of trying to make major changes in the way we manage our affairs in this country. For the last 40 years, unfortunately, we have not fundamentally---

(Loud consultations)

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Wario and Ms. Abdalla! You are completely out of order! Give Mr. M'Mukindia peace, so that we can hear him!

Mr. M'Mukindia: Thank you, Mr. Temporary Deputy Speaker, Sir. I was saying that our previous Governments, from Independence, did not make fundamental restructuring of how we do things and everything has been overtaken by time to the extent that we are 20 to 30 years behind the times. I am glad that the Minister for Finance is spearheading these changes.

Nevertheless, even with the best intentions, at the political level where there is a general agreement on the kind of restructuring that is required, we shall not achieve the objectives of this Government; maybe which is 7 per cent of the GDP per year for the next year in order to eliminate poverty, unless we make fundamental changes in four key areas. One of them is what Prof. Anyang'-Nyong'o talked about over the weekend. It is our Civil Service. Unless we change the way our Civil Service works, we shall not move forward. We shall pass the law in this House, give the Minister for Finance the Finance Bill, but nothing will happen after that.

Prof. Anyang'-Nyong'o had very strong words to say about the Civil Service. I do not wish to repeat what he said here. However, I agree with him that our civil servants have become totally unmanageable. They are not flexible. Their work is rule-based. It is administrative work and not management. It is important that this Bill talks about government financial management rather than financial administration. Administration is rule-based. We have to institute management in the Civil Service and even change the way we describe the Service.

Mr. Temporary Deputy Speaker, Sir, historically, it is true that the countries that have developed very fast, for example in South East Asia, had to change their civil services first. Politically, we have been having disagreements on which way it should go. When it comes to the way civil servants do their jobs, we are still in the old colonial times. It is not the civil servants' fault, but the politicians' fault because we have not made the changes that are required. We can, therefore, not blame the civil servants. In this respect, I will say that Prof. Anyang'-Nyong'o and other planners should spearhead the changes in the Civil Service as quickly as they can. We need retraining, exposure, and a way of managing the whole Service.

Secondly, even if the civil servants are willing to go by this Bill they will probably need management infrastructure. They might be willing to work but the infrastructure in the Civil Service should also be conducive to their working environment in order for them to implement the kind of policies that the Government wants. All these things are lacking. Civil servants are blamed for taking initiatives. They are not supported when they need support. They, therefore, lack confidence in themselves and hold back, so as to protect their jobs. We have to change this and make them managers and not administrators.

Thirdly, I am aware that, in a lot of countries that have developed very fast, those of South-East Asia included, in order to eliminate wastage of efforts, money, assets and time, there has to be a coordinating body within the Government for all the major investments of various Ministries as well as the private sector.

With those few remarks, I beg to support.

Mr. Maore: Mr. Temporary Deputy Speaker, Sir, thank you for the opportunity you have given me to make a few points about this Bill. The Bill intends to put in place measures that will

take care of our finances as a country. This issue appears like the activists' seminars organised by donors, who push people into doing things. This makes efforts look like cut-and-paste work.

It is true that we have had financial controls before in this country. The problem has been how they were implemented. The details of the schedules in this Bill have some contradictions. Clauses 18 and 19 are trying to create mechanisms that will try to address improper acts that occurred before this Bill comes into operation. I know that, as a Parliament, we should not come up with a law that is retroactive. The Constitution forbids Parliament from passing laws that will operate retroactively. Those who have studied law call them "bills of attainder." We are not supposed to make a law that will address an issue that has been found to be inconvenient in the past. We have an effective date for every Act. Therefore, we will need clarification from the Minister for Finance after he has been advised by the Attorney-General accordingly. His response should tell us how Clauses 18 and 19 will address matters that occurred prior to the date of this Bill's commencement.

Secondly, the issue of Accounting Officers has to be clarified in black and white. There should not be any grey area. Where there is an appointment of an Accounting Officer under the Exchequer and Audit Act, the powers of the Permanent Secretary vis-a-vis the financial management of the Ministry should be defined. If we do not have confidence in the Permanent Secretary in running the affairs of a Ministry, he or she should be fired. We should not create another entity who will be receiving comments from the PS, demanding what vouchers should be paid and exercising authority because he or she will be answerable to the Treasury and not to the Minister or the Accounting Officer. That will end up bringing paralysis in Ministries. We want to have this issue clarified by the time we go to the Committee Stage of this Bill.

We also need to address the issue of Government officers when they are told to comply with the law or directions issued by the Treasury, or not to undermine financial measures and controls, or permit expenditure that is unlawful, inefficient and uneconomical. I said that some of these conditions have been proposed by donors. Many activists believe that procurement systems need to be changed either to please donors or to target those who have been in the former regime. Many of the hon. Members in the Government right now have been on the Opposition side before. The crusade for change was genuine. I remember that, for the last one year, we have been having lamentations from every Member of the Front Bench and their sympathisers on the Back Bench about how they inherited an empty Treasury. We have been trying to see how they will take care of what they found in the Treasury and what they have collected. We have seen a few Ministers who have attempted to bring some changes in their respective Ministries.

Recently, the Minister for Finance went ahead and fired all the supplies officers from various Ministries. I remember that the Minister, whom I shadow, effected massive transfers of engineers in the Ministry of Roads, Public Works and Housing, all over the country. The Minister for Environment, Natural Resources and Wildlife fired all the foresters for looting and depleting our forests. In the light of that, we have seen some Ministers who wanted to retain those experienced KANU hands in crooked deals. They went looking for officers who could facilitate deals and promoted or retained them. Even after firing the supplies officers, the suppliers were retained. They just wanted to get rid of those people who used to carry bulging envelopes in the evening to other people, so that they could organise their own people who would be carrying envelopes from certain suppliers to them. I say this---

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to mislead this House by saying that the foresters and supplies officers were fired? They were not fired. They were deployed elsewhere.

Mr. Maore: Mr. Temporary Deputy Speaker, Sir, I appreciate the input---

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Maore! Do not respond to it because it was not a point of order!

Mr. Maore: Mr. Temporary Deputy Speaker, Sir, I would have stood corrected if he had called it a point of information. They were re-deployed.

I wanted to say that in 1995, 1996 and 1997 we heard very loud noises from hon. Members, now on that side of the House, about abuse of Government facilities for political ventures. Yesterday we saw a Range Rover from the Ministry of Lands and Settlement almost being set on fire in Kisumu during an election campaign. These are hon. Members who only wanted to be on that side of the House by conning their way to power. If you wanted to change the way things were being run, you would now be doing them the way you used to describe.

In November, 2002 the Department of Immigration floated bids for Tender No./1IMM2002 which were opened on 28th November. Three companies were shortlisted, one of them being FACE Technologies of South Africa at US\$9.9 million plus 18 per cent VAT. The second lowest tenderer was the GET Group of the USA at US\$10.5 million, including VAT. De La Rue, a British company tendered for US\$12 million. This was in 2002. These bids were never cancelled. The Accounting Officer in the Ministry of Home Affairs just sat on them. At a convenient time, those in the Ministry sneaked in a supplier who supplied Mahindras. Instead of the new suppliers who had quoted US\$9 million, US\$10 million and US\$12 million respectively they gave the tender to another company called Anglo Leasing and Finance Limited of Liverpool of UK at US\$34 million. The new supplier received part of the money on 20th January this year.

When you talk of inheriting an empty Treasury, you are actually talking of emptying the Treasury. The date of transmission of the money was 20th February, 2004. An amount of US\$91 million was put in a bank in New York. That was supposed to be the 3 per cent of the US\$34 million.

We are talking of some manners in handling public affairs. It seems quite exciting when you say that something happened in the past. If we talk about what is happening now, people are shy. They start looking to each other and wondering: What do I do about this one? I am tabling the---

The Minister for Planning and National Development (Prof. Anyang'-Nyong'o): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is Mr. Maore in order to say that people are shy, and are looking at each other when we are looking at him? Could he just table the documents for our perusal rather than making innuendoes about hon. Members in the House?

Mr. Maore: Mr. Temporary Deputy Speaker, Sir, I am tabling the payment voucher for the Kshs91 million and the date of payment was 16th January. Also included is the shortlist of the tenders and their technical evaluation on 28th November, 2002. I also have a copy of the transmission of the Kshs91 million as 3 per cent commitment fee to the company. The Accounting Officers and their bosses can tell us if they want to run a clean, efficient and reformed Government.

*(Mr. Maore laid the documents
on the Table)*

Mr. Temporary Deputy Speaker, Sir, I wanted to explain that we want the office of the PS in charge of governance and ethics to do an inventory of the suppliers to all the State Corporations and Ministries as at the date before this Government came to power. He should also produce the inventories as at April, 2004. You will be shocked to find that, even though the Government intended to have new officers and suppliers, the same suppliers are back. The commission has gone higher. At that time it used to be 10 per cent, but because of the risks involved due to so many issues

being raised, it has gone very high. It has become unaffordable. It is between 40 per cent and 50 per cent. We need this inventory to be produced, so that when we hear of blacklisted suppliers and contractors we do not just shut our eyes.

Mr. Temporary Deputy Speaker, Sir, the Treasury has authorised a company that was blacklisted by the Public Accounts Committee seven years ago to start organising the supply of some computers to the Judiciary. This is neither fair nor transparent. We cannot say that the previous Government was not law-abiding and was composed of a bunch of law-breakers and criminals, who should be taken to court. We need to see current law breakers being paraded in court and then we can say that the law is blind. This is not the case when it looks only at one direction.

I do not want to take a lot of time. I will support the Bill after the necessary amendments at the Committee Stage have been made. I would like to end my contribution there.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Minister for Roads, Public Works and Housing (Mr. Raila): Mr. Temporary Deputy Speaker, Sir, since we have received this document, we will analyze it and make the appropriate response to the House. However, for record purposes, let it be known that this tender was opened on 28th November, 2002, before NARC came into power. It was KANU which was in power!

Hon. Members: When was it awarded?

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! Let us not make this a marketplace. Let us respect the rules of the House.

Continue, Mr. Raila!

The Minister for Roads, Public Works and Housing (Mr. Raila): Mr. Temporary Deputy Speaker, Sir, thank you for your protection. The point I was trying to make is that there were a lot of problems that we inherited from the previous regime. However, we are trying to clean up those problems.

An hon. Member: You were also in KANU!

The Minister for Roads, Public Works and Housing (Mr. Raila): I was there very briefly. I tried to clean up some of those problems, but all was in vain. That is the reason why I moved out.

I want to start by thanking the Minister for bringing this Bill here. The purpose of this Bill is very noble; to try to introduce some discipline and to tighten loopholes which exist in financial management. Sometime in the course of the last decade when the management of resources became lax, and at the pressure of the donor community a lot of rules were introduced, which were aimed at trying to curb graft. However, these rules did not achieve the desired results. We cannot manage to prevent graft by merely introducing rules unless there is clear commitment to reduce it.

This era saw centralization of decision-making in the Treasury. A lot of the decision-making process was removed from Ministries and taken to the Treasury. Finally, the Treasury became the clearing house of all transactions. As a result of this centralization, a misguided notion arose within the Government, particularly the Treasury, that crooks exist in all other Ministries, but angels are only in the Treasury. By introducing the final part in Treasury, you just add points of extra graft. Generally, this has made it very difficult for other Government Ministries to operate. It has created a bottleneck which delays implementation of certain programmes in the Government. For example, my Ministry is involved in implementing a lot of infrastructural development projects. Sometimes, some of these projects are unnecessarily delayed because of the bureaucracy that exists in the Treasury. That is the reason, as Mr. Maore said, we are not shy to speak about it.

If you want to resolve a problem, you must own up that it exists. If you want to cure a disease, you must diagnose it correctly. That is the reason why we are talking about it. For example, if you award a contract in the Ministry, before the contractor can move on site, you require a counter signature of the Treasury. That kind of signature sometimes can take two to three months. This

results in the delay in implementation of projects. That is the reason why we are determined and committed to carry out a radical surgery and reform of the Civil Service, so that we can have a Civil Service that is in tune with the newly-created changes in the Government.

Mr. Temporary Deputy Speaker, Sir, to be specific to the Bill, there are certain areas where we will be discussing with the Minister to accept certain amendments. Clause 6(1) of the Bill says:-

"No expenditure involving a charge on the Consolidated Fund shall be incurred without the general or specific authority of the Treasury."

If you read that clause jointly with Clause 16(1), it says:-

"The Treasury shall appoint persons, to be known as Accounting Officers, to be responsible for accounting for such services as the Treasury may specify, in respect of which money is appropriated by Parliament."

Parliament appropriates money. That is the reason why each Ministry comes to Parliament with a Vote, and presents its Vote for approval by Parliament. Once the Vote is approved by Parliament, there is an Accounting Officer who is appointed in the Ministry to be in charge; to ensure that money is spent for the purpose for which it was approved by Parliament. However, we now have a situation where, after the money has been appropriated by Parliament, the Ministries have still to go and seek another authority from another Ministry. We have a problem here. What we should have is a situation where the Treasury ensures that money is used properly; it is not misappropriated, but not that another authority other than Parliament's is sought through another legislation. This is a contradiction of some kind. This is what is causing delays because Permanent Secretaries have to queue to the Treasury seeking again another approval when Parliament has already approved the Vote in total.

Mr. Temporary Deputy Speaker, Sir, Parliament at the stage of the Committee of the whole House goes through those Votes with a tooth comb. The Vote is subjected to scrutiny by the House. Once we have received that money, we go back to our Ministries and we have to go ahead to beg in order to get that money for the purpose for which it was intended. I think we will need to put some amendments that will enable the Ministries function efficiently without having again to go and seek another authority from the Treasury.

Mr. Temporary Deputy Speaker, Sir, Clause 8(1) says:-

"The following offices shall be established as offices in the Public Service-

- | | | |
|-----|-----------------------|----------------------|
| (a) | the Accountant | General; |
| (b) | the Director of the | National Budget; and |
| (c) | the Internal Auditor- | General |

I want to specifically refer to Clause 8(1)(C) on the creation of the office of the Internal Auditor-General. Currently, we have the office of the Controller and Auditor-General. The control function of the Controller and Auditor-General has never been exercised. However, if the Controller and Auditor-General exercised both the control and auditing functions, in my view, there is no need for another Internal Auditor-General. This will be a duplication of the position of the Controller and Auditor-General.

Mr. Temporary Deputy Speaker, Sir, in order to avoid what happened in the past, where money was withdrawn from the Consolidated Fund through a single signature, and a one-sentence letter saying that: "Pay Kenya Commercial Bank (KCB) so many billions and debit the Exchequer Account---" This has been reduced so that we now also have approval being sought from the office of the Controller and Auditor-General. This is a right decision.

It should not only apply to payments to the same Fund. However, if these measures are there, we will not have a situation where somebody can go and admit publicly that the Government had no money in the account, and the country was running out of fuel and, therefore, we went to an

individual and asked him to give us money, and the individual had no problem. That is how the Government owed him US\$14 million. It is not even stated whether the Government actually owed him any money. If we put another caveat, that whoever spends the money, we need to know whether that money was due and payable to the Government. We will also avoid those kind of embarrassing situations that the Government is seeking money from individuals who I suppose do not owe it money.

Mr. Temporary Deputy Speaker, Sir, Clause 18 says:-

"If an Accounting Officer becomes aware that a Government officer of his Ministry, Department or Commission has done something improper within the meaning of Sub-section (2) in relation to the resources of the Ministry, Department or Commission of the Accounting Officer, the Accounting Officer shall either-

"(a) take appropriate steps to discipline the Government officer or;

(b) if the Accounting Officer does not have the authority to discipline the Government officer, report the Government officer to a

person who has the authority to discipline the Government officer."

In the Ministries, the Permanent Secretaries are the Accounting Officers. We have a situation where the Minister is almost ceremonial. As far as these matters are concerned, the Minister is redundant. So, the Minister is supposed to deal with policies only, but we have a situation where there is sometimes conflict of personalities, where the Accounting Officer himself would be having certain biases against certain officers. The Minister is not involved in the day-to-day transactions of the Ministry. So, he would easily be the person to be resorted to in the event that there is a conflict of personalities, so that senior officers in the Ministries are not victimised by the Accounting Officers. The way it is now, many things will be happening in the Ministry without the Minister knowing.

This Bill is based on the old traditional system of Government with a parallel government system in place, where you have the Minister and the Assistant Minister on the one hand, and the Civil Service, which is a complete separate establishment from the Ministry. Such a system will render the Minister completely irrelevant as far as this Bill is concerned. So, a role needs to be found for the Minister in all these issues. The Minister should not be involved in its actual implementation, but he should be involved, at some stage, in ensuring that there is harmony within the Ministry. This does not exist at the moment. For instance, you will find that a senior officer in the Ministry is transferred without your knowledge and then you are told that the officer was involved in such-and-such a matter. However, if you inquire, you will realise that he was transferred because of personal differences between him and the Accounting Officer.

Mr. Temporary Deputy Speaker, Sir, Clause 18(4) on page 30 says:-

"If an Accounting Officer believes that a Government officer may have committed an offence in relation to the resources of the Ministry, Department or Commission of the Accounting Officer, the Accounting Officer shall, in addition to complying with Sub-section (1), report the officer to the police and to the Treasury."

So, we have a situation where an officer in the Ministry will be taken to the police without your knowledge. Here, again, a role needs to be found for the Minister.

Mr. Temporary Deputy Speaker, Sir, time has come when we need to come up with radical ways of doing things in order that we, as a Government, can be able to deliver. I want to congratulate the Minister for the step he has taken. Very soon, we will be discussing the Procurement Bill, which is fairly related to this Bill. We have a problem with procurement. A previous speaker talked about the redeployment of procurement officers. This was done because of what existed in the past, in order to create discipline with the Government. However, we also have

very cumbersome procurement procedures, which make it difficult for decisions to be made. Civil servants have become hostages to the procedures which are there. So, they fear to take decisions, as a result of which implementation of projects is delayed. We did not victimise the procurement officer. They had stayed in those positions for too long. Some of them had already set up elaborate networks of cheating. They were inflating the prices of goods to be purchased for their own good. That is why we decided to redeploy them and hire new officers to replace them. We are happy to report that we have already begun to see a lot of differences in terms of, for instance, reduction of prices of goods being purchased.

Therefore, I would like hon. Members to take a very keen look at the Procurement Bill, which will come before this House shortly. They should look at that Bill with a tooth comb so that, once it is passed, it can facilitate implementation of Government projects rather than hamper it.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Mr. Khamasi): Dr. Godana, you are the Official Opposition responder. Please, proceed.

Dr. Godana: Thank you very much, Mr. Temporary Deputy Speaker, Sir. This is a Bill which, if passed, seeks to provide for the management of public funds, or Government finances. Although it is not indicated that it is an amendment Bill, it is an amendment Bill, because some of the provisions vary the provisions of two critical Acts of Parliament on the subject, namely, the Exchequer Act and the Audit Act. I query whether, in fact, it would not have been better for the Minister to have consolidated the law in those two statutes and these new proposals, so that we end up with one statute as the source of the legal principles and rules for the management of Government finances. Once this Bill is passed into law, we will end up with an even more complex financial management system as far as the rules are concerned, because the source of the law, in addition to the Constitution, will be three separate statutes.

Before I go into the details of the Bill, I would like to recapitulate some of the main standpoints on the current situation, so that we know where we are coming from. The Constitution of Kenya provides the framework for the management of public monies and Acts of Parliament such as The Audit Act, The Exchequer Act, The Loans Act, and the Bill which the Minister has introduced before the House provides the details. It translates those constitutional provisions into specific implementable rules. It is important for us to recapitulate what those principles in the Constitution are.

The provisions of the Constitution which deal with public finance management are Articles 48 and 99 to 105. What do they say? Since those Articles will still remain in force and, therefore, the provisions of this Bill must be judged under those provisions, it is important that I recapitulate them very briefly.

Mr. Temporary Deputy Speaker, Sir, Article 48 of the Constitution provides that the introduction of money Bills to Parliament shall be by the President through a Minister. In our case, and in all similar cases for countries with constitutional traditions, by the Minister for Finance.

Article 99 of the Constitution provides for the establishment of the Consolidated Fund and other funds for the deposits of all monies raised for the purposes of Government. Withdrawals can only be made as per the Constitution, or as per a specific Act of Parliament. We recall here the Acts I have already cited. The Exchequer and Audit Acts, in particular, guide the administration of the regime of withdrawals from those Funds.

Section or Article 100 provides for the preparation of Estimates by the Minister for Finance, and presentation to Parliament. Section 101, provides for Votes on Account. That is why Parliament, as we do annually, almost a ritual, approves 50 per cent of the total Government Budget, pending the debate and approval of the Appropriation Bill. This is where Parliament, in effect,

carries out its responsibility with regard to the principle of no taxation without representation.

Mr. Temporary Deputy Speaker, Sir, Section 102 refers to the establishment of the Contingencies Fund under the authority of Parliament. Section 103 provides that debt is a constitutional charge. That is a charge on the Consolidated Fund. Finally, Sections 104 and 105, where Section 104 provides that salaries and related allowances of constitutional office holders shall be charged on the Consolidated Fund, and Section 105 establishes the Controller and Auditor-General's office. The Controller and Auditor-General needs to certify that withdrawals from the Consolidated Fund have Parliamentary authority and that money was spent as requested, and as per authority given by Parliament and not otherwise.

Mr. Temporary Deputy Speaker, Sir, additionally, Sections 16, 19, 22 and 24 deal with the structure of Government. It is important to bear in mind that the world over, citizens have become increasingly alert about the ability or their right to actually help ensure that governments do not go beyond the mandates given through their representative institutions. That governments are responsible for the proper management of finances which citizens pay as taxes. Often raised complaints about the management of public money, the world over, include such complaints like Government tendency to get parliamentary authority to collect revenue as well as incur debt and use it without providing reports on what it has done with that money at the end of the year.

Mr. Temporary Deputy Speaker, Sir, citizens do not see the link, therefore, between their taxes and the goods and services they have received, or complaints such as the Executive does not have any particular guidelines regarding the Budget and its objectives. At the end of the day, people want to know that Budget of last year to which we contributed as citizens, what goods and services did it buy for us? There are no reports to that effect. We all know in this country, and it has been a major complaint repeatedly that money leaks out of the system. Money voted by Parliament for specific projects or the supply of goods and services does not actually end up reaching the grassroots and somehow leaks in the process, and increasingly citizens are becoming alert and concerned. There are complaints such as Government buying goods and services at prices which are much more exorbitant when compared with suppliers of such goods and services from the private sector.

Mr. Temporary Deputy Speaker, Sir, we just learnt only this afternoon, Mr. Maore tabled here documents which showed that when the supply of goods and services by competitors suggested the real vendible price even by the private sector - in the private sector it would be between US\$10 million and US\$12 million - this Government was able to find a way round it and secure its supply at the price of US\$34 million. Obviously, what is the difference? Some US\$22 million on top of US\$12 million, must have gone into the pockets, or must have been part of the promise of going to the pockets of people who were responsible for that decision.

Mr. Temporary Deputy Speaker, Sir, at the end of the day the effectiveness or the appropriateness of this Bill must be judged by the extent to which it meets certain specific concerns or criteria. Money must be spent according to the authority given by the Constitution and by this House. Secondly, money must purchase and distribute goods and services for the welfare of citizens only. Thirdly, that Parliament must be able to exercise effective oversight and confirm that public money was spent according to its authority. Fifth, that public money is not going to be misused or wasted and reaches the service delivery points as intended. That is, we eliminate leakage. And finally, that citizens are able to participate in prioritizing what public money should buy. In other words, the assessment of this Bill must be on the basis of: to what extent will the Bill meet these ends. In short, we are concerned about fiscal transparency. Does this Bill, if it is passed into law, stand a good chance of enhancing fiscal transparency and enhancing the public control or watchdog oversight over the expenditure of the taxes?

Mr. Temporary Deputy Speaker, Sir, going to the specific provisions of the Bill, Mr. Raila who just talked before me and Mr. Maore, did actually refer to some specific provisions in the Bill. Now, this Bill has sought to establish the Treasury, but it has failed to tell us who is the Treasury or what office constitutes the Treasury. There is actually a contradiction that the Bill talks about the powers of the Minister, and in the same breath about the powers of the Treasury. I think the Bill has to come out clearly. That we are going to establish the Treasury as a legal institution, separate from the Minister. Then we have to define what the Treasury is in this statute, and explain clearly who are the officers. The Treasury as it is now is something amorphous. You know the word "Treasury" came from ancient Egypt. It was initially referring to the place where the treasures of the King were kept. The treasures of the King, included, of course, the taxes of the people. So, it was an institution which was at the nerve centre of the absolute ruler of the time. Today, the Treasury is still the most powerful of Government institutions. But I think we need, in this age of transparency, to be quite clear as to who is the Treasury, and especially when the Bill talks of powers of the Minister.

Mr. Temporary Deputy Speaker, Sir, the Bill also provides that in every Ministry there will be appointed Accounting Officers. That is in Section 16. To date, the Permanent Secretary in the Ministry is the Accounting Officer. But the way this Bill is worded, it looks like the moment the Bill comes into force as law, if we are going to go by this provision, the Permanent Secretary may or may not be the Accounting Officer. That is clear. I think Government should be quite clear about this, and the Minister should come up with an amendment or tell us very clearly that the Permanent Secretary shall not be the Accounting Officer of the Ministry. I think it would be a very bad move to decide that an officer, junior to the Permanent Secretary can be the Accounting Officer. We would be jumping from the frying pan of big-headed Permanent Secretaries who acted as Accounting Officers frustrates even Ministers as Mr. Raila just ably argued into, in fact, a worse regime where a junior officer who is not the head of the administrative section of the Ministry, and not the Permanent Secretary, being able to tell him: "Sorry, I am the one who is the Accounting Officer". I think we need better clarification on this provision.

Mr. Temporary Deputy Speaker, Sir, overall, I find the Government Financial Management Bill welcome in principle, but it is inadequate in that it falls far short of the expectations of Kenyans for better management of financial resources. Not just for the two reasons I have given, but I think for a number of other reasons.

The duties of the Treasury, for instance, are limited to financial administration; the subject of procedures for management and accounting, to supervision, expenditure and preparation of accounts that is as per Section 4 of this Bill. These duties are too limited and need to be broadened to include, additionally, the following:

First, it is policy development. The Treasury needs to develop a policy, which is now the work of the Minister, and implement it. The development of the National Fiscal Policy Framework and the co-ordination of the Micro-Economic Policy, should be included, unless it is now considered to be part of the core responsibilities of the Minister *per se*.

Secondly, on the process of budget preparation and implementation, the Treasury should take responsibility for co-ordinating its preparation, and provide oversight over its implementation and any adjustments made. The Treasury, given that a lot of resources go through the local authorities in terms of reaching the grassroots, must have some new framework for conducting its relationship with the main Ministries that actually receive Government revenue and apply it on the ground; and, particularly, the Ministry of Local Government.

The responsibility for monitoring and compliance with the Act, and the provisions of the Act should also be clearly established. The Bill does give guidelines on the exercise of the duties which it has established, but not on the additional suggested ones. Parts (III) and (IV) of the Bill

deal with administrative issues and the management of the Exchequer and the Accounting Officers. I have already given my misgivings about the wisdom of providing for the appointment of Accounting Officers who are not Permanent Secretaries. I can see that in the way the Bill is drafted, you could end up with some Permanent Secretaries who will be appointed Accounting Officers and, in other Ministries, some other officers are appointed as Accounting Officers. We need to have uniformity across the length and breadth of Government. It is also better for predictability of the Government conduct.

Mr. Temporary Deputy Speaker, Sir, if I may go back to some of the provisions, Section 6(2) provides that the Minister has powers to limit or suspend an expenditure involving the Consolidated Fund if, in his opinion, such a suspension is necessary. To avoid any arbitrary use of such power, we think it is necessary that the Act should specifically provide that the Minister shall justify his decision, in some quick way, to the National Assembly of Kenya. Again, we have just heard Mr. Raila say that his Ministry deals with a lot of infrastructural projects. Quite often, projects are delayed because the Treasury can decide to go slow. If Mr. Raila has a plan to make a priority for a particular road, let us say, between Kisumu and Bondo, and somebody in the Treasury does not feel that, that should be a priority, they go slow. He said that the gimmick or the trick that is used is that of delaying the counter-signature, which can actually cause the frustrations that we are referring to.

Mr. Temporary Deputy Speaker, Sir, Section 9(2) of the Bill allows the Treasury to determine the banks which will hold the Exchequer Account. But it does not tell us how the Minister will decide which banks will have the privilege of holding the Exchequer Account; that is the Government Account. With our history of failed banks, I think it is important again, as a Parliament, to insist that the decision to decide which bank will hold the Exchequer Account should not be left entirely to the Minister without any further guidelines, to ensure transparency in the banks chosen to hold that account. Parliament should approve the banks chosen. That should also be specifically provided for in the Act. Parliament should be able to know, maybe, through periodic reports, or through approvals, that banks a, b, c and d have been authorised to hold the Exchequer Accounts. We should get periodic reports after every three months or every quarter of a year or annually. We should get a statement on how those Exchequer Accounts have performed, and the status of those banks. Otherwise, we could end up with a Minister who decides - because he has the power - to open an Exchequer Account in a bank which he may know will be collapsing soon. That is what happened to Euro Bank last year. We do not want to have more Euro Banks going down with public funds.

Section 15(2) gives the Minister power to personally authorise such investment. Again, it is crucial that Parliament has the power to approve such investment. It is crucial that we do not give the Minister for the time being responsible for Finance unfettered power. I would have thought the Minister, who is an old hand at the Treasury and who has been a faithful Member of the Opposition side of the House for years before he moved to Government, would practice what he always preached, and that is, to have all individual powers of Ministers reigned in through legal checks. That kind of legal check is crucial

Section 15 also provides that Accounting Officers--- Well, I have already dealt with that; the appointment in Treasury. I think it is important that Accounting Officers shall be qualified so that we set out in some predictable manner, again in the statute or in some subsidiary legislation or Gazette Notice, standard minimum qualifications for persons to be appointed Accounting Officers, even as Permanent Secretaries.

Sections 18 and 19 provide for the disciplining of Government officers and Accounting Officers in case of doing something improper. Again, these sections do not provide for these

persons' right to be heard before any disciplinary action is taken. It looks like the responsibility for discipline or the power to discipline, because that is how they will see it, has been given unfettered to the Accounting Officer. I wonder whether that is what we desire in this age and era.

Section 22(1) provides that in case a Government officer receives Government revenue and is not authorised to collect it, he should remit it to an authorised person within seven days. If he is not authorised to receive it, it is illegal and there is no reason why he should be given a window of opportunity to keep it and play around with it for seven days. I think the rule should provide that he should surrender it immediately, in addition to penalties which will automatically attach for receiving Government revenue while you are not authorised in the first place.

Section 25(1) provides that Parliament may appropriate money to establish a fund which is to be established by the Minister. However, Section 25(4) provides that the Minister may wind up such a fund, but it does not include that this should be subject to Parliament's approval. There is a danger here. We are being told that the Minister will advise Parliament that it is necessary to establish this fund, but it is up to the Minister to wind up the fund without even reporting to Parliament. I think if it was necessary that Parliament approves the establishment of the fund, it is also necessary that the Minister notifies Parliament and gives his justification for winding up the fund otherwise, we could end up with funds which Parliament may approve inadvertently when they were ostensibly meant for the public good, but, in fact, were meant for some hidden, secret Government missions to operate slush funds and when the mission is accomplished, the Minister knows he can wind them up before the secret is discovered. I do not think this is healthy.

Section 27 provides that the format of the annual estimates of revenue and expenditure shall be in accordance with directions issued by the Treasury. It is obvious that the estimates that the Minister normally lays before the House are prepared by his staff in the Treasury, while the estimates which he brings here are prepared by other departments without the oversight of the Treasury officials; one can understand the logic of this rule. But where, in fact, as is the practice, it is the Treasury which is responsible for the final format of the estimates, I do not see the wisdom of providing that the Treasury will give guidelines or instructions. Are we requiring the Treasury to give itself instructions on how to prepare those estimates? I think it is a redundant provision.

Section 28 provides that the Treasury shall prepare reports on Budget performance. One should cover the first half of the financial year, which I think is good, and the second report should cover the entire financial year. In other words, the first one is interim for the first half, and the second is cumulative for the entire year. These are designed to compare actual expenditure with budgeted focused amounts. It is provided that the reports are to be presented to Parliament. I think this is a welcome development. But the section does not define the time frame of presentation of these reports to the National Assembly, and if we recall the problem we have had with the Controller and Auditor-General's reports, where, in fact, these reports come in two or three years later, I think we need to tighten up these provisions.

Mr. Temporary Deputy Speaker, Sir, in addition, I submit, and I hope the Minister's representative here is listening--- The Assistant Minister is the 'Minister' when the substantive Minister is not here. Additionally, I wish to propose that the Minister should bring an amendment to provide for at least three new types of reports; one, a pre-Budget report that is to encourage Parliament to debate on Government fiscal policy intentions and the Budget suggestions. Secondly, a pre-election report. This is to inform voters of Government finances before an election and to stimulate public debate and interest in the management of public finances. Thirdly, a long-term report to assess the long term implication of current Government policies, and this should accompany major changes to revenue or expenditure. In this last case, of course, the report should be linked to the development plan, and that is what makes it necessary to be called a long-term

report.

In summary, I wish to submit that the Bill, in principle, is a positive move towards better management of Government finances. I think there are definitely major loopholes on which we hope, at the Committee Stage, we will be able to improve. I also wish to note and indeed, remind Members that Chapter 13 of the Draft Constitution, the Bomas Document, has actually an elaborate set-up on more effective and efficient management of public finances. If that Constitution will see the light of the day--- I hope this Government is as committed to it as they have solemnly promised the people of this country for the last one year. The Government has repeated at solemn fora; at the inauguration of the Bomas Conference, by none other than the President himself--- If that Constitution sees the light of the day, we will have taken a major leap forward in terms of reigning in the system of management or mismanagement that has disturbed us for long.

Finally, the Minister, in working out amendments at the Committee Stage, should consider some provisions which enhance citizens participation in better understanding of the budgetary process. I think we should demystify the Budget process. We should even demystify the format, so that ordinary citizens should be able to pick up the document and say, "for my constituency or my location, there is this." The way the Budget is designed, I think technocrats have perfected the trick of making it a very technical field which cannot be understood by ordinary mortals, not even by the Parliamentarians, let alone by ordinary citizens. I think it is time, if this Government has the welfare of the citizens at heart as it has always been claiming, that they showed some gesture in this regard.

With those remarks, I beg to support.

(Applause)

The Temporary Deputy Speaker (Mr. Khamasi): Hon. Members, I think this is a very important Bill and many Members would like to speak on it. I would just like to draw Members' attention to our Standing Order about repetition. If you avoid repetition, then most of us can be able to contribute. So, I am urging Members to avoid repetition as per our Standing Orders.

Mr. Wambora: Thank you, Mr. Temporary Deputy Speaker, Sir. May I take this opportunity to thank the Minister for Finance for introducing this very critical Bill, which is quite comprehensive, that shall introduce transparent and accountable financial requirements. I believe that a proper public financial management Bill or law or requirement, would be able to bring about good governance. That is how I see the importance of this Bill. Good governance has made a difference between rich and poor countries. It has made a difference between progressive and backward countries; developing countries and least developed countries. So, this is a very critical Bill.

However, I can see several things have gone wrong in the past, not because of lack of knowledge on the part of managers of public finances. It is not even because of ignorance, because we have very knowledgeable people in the Treasury and even Accounting Officers.

This has happened for the following reasons. The problem must have been a "do-not-care and get-rich-quick" attitude by the officials. It has also been risk-taking because no action is taken against those who break financial rules. The problem has also been a lack of financial discipline and lack of proper implementation.

There has also been another problem of obsession with prestigious and extravagant expenditure by public officials including Ministers; state-of-the-art vehicles, services and furniture. You will find the kind of prestigious expenditure which is even more than the one we have in the G7 countries. It is outrageous, and what we need to do, which is the way forward, is what the Minister has started doing; legislating a very comprehensive Bill which will ensure accountability

and transparency of financial management requirements. This is what we are doing now.

Mr. Temporary Deputy Speaker, Sir, however, I also feel that there is something else which will see us to a stage of good governance through prudent financial management. This is the adherence to the code of ethics by all the public officials who are responsible for Government financing. I also see the need for strict and no-nonsense implementation of public financial management laws and regulations, and the change of attitude by public officials so that they can see that this is hard-earned public finances.

I wish to take this opportunity to stress the point of procurement because this is one loophole. Our procurement systems and practices are one big loophole where our public resources are getting lost. I am advocating for a more open tender system, whereby the stakeholders are invited to the meetings of the tender committees, including the Press. This is because unless we do that, then we are going to have the kind of problems of exaggerating the quotations as we have just heard about this afternoon.

I want to finish my contribution by looking at two sections of the Bill. I want to look at Section 10 which says, "A bank at which the Exchequer Account is kept shall not allow the Exchequer Account to be overdrawn." From experience of the Goldenberg, we have known that bankers can collude with signatories of the Exchequer Account. This is not comprehensive enough and it requires amendment because I can see a situation of collusion between bankers and Accounting Officers. To avoid that, there is need for amendment of that section.

I also wish to look at Section 32 of the proposed Act, which talks about personal liabilities for the losses.

"A Government officer is personally liable to the Government for any losses or damages resulting from a failure to do what he is required to do under Section 31".

The weakness of this section is that it is addressing itself only to omissions. However, there are several chances of damages or losses which can be brought about by commission. A good example is that Section 10, where an Exchequer Account can be overdrawn by an Accounting Officer. There is also a case where an Accounting Officer can misallocate the fund voted for by Parliament or misappropriate funds, and that is an act of commission. All these acts of commission and omission should be incorporated under this section so that a Government officer who is responsible for such losses or damages is liable.

With those few remarks, I beg to support.

*[The Temporary Deputy Speaker
(Mr. Khamasi) left the Chair]*

*[The Temporary Deputy Speaker
(Mr. O.K. Mwangi) took the Chair]*

Mr. Omingo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Motion. It is high time Kenyans did their business like in the corporate sector. We have to treat Kenya as a limited company where shareholders, who are the taxpayers, demand of their executive to prudently invest and account for resources of this nation for the purposes of paying dividends to the socially disadvantaged members of the public. Their taxes must be utilised properly.

Mr. Temporary Deputy Speaker, Sir, having sat in the Public Accounts Committee (PAC) for about a year now, I can assure this House that Kenya is extremely a rich nation, to the extent that despite the looting of financial resources in the recent past, this country still stands on its feet. I can assure this House that Kenya would be a superpower nation today were it not for the plunder of the

economy. There came a situation where, for example, somebody enriched himself from the public coffers and walked home a hero, bragging that if you work in the public sector and walk on foot, then you must be an idiot. He believed it is better to eat from where you are working. That capitalistic idea was maximised in the public sector.

Mr. Temporary Deputy Speaker, Sir, it is important that this Bill comes into play to give Kenyans value for their taxes. However, this can only be done if we have proper sanctions put in place. Other than the financial accounting officer reporting, I have not seen serious sanctions. I have some examples, for the benefit of this House and nation. Some contracts, when awarded by Accounting Officers, are varied to a tune of 2,173 per cent of the original cost. It is a shame that somebody would walk home after dishing out taxpayers' money without recourse. It is critical that we also address such kind of issues for the purpose of giving Kenyans value for their money. Not that we never had good laws to follow; it is just unfortunate that these laws were not followed. For example, various accounting officers could commit the Government to pay through the back door. How were they doing it? They could spend money, but not pay back because there were no budgetary provisions, and bring this forth as a cancerous item called "pending bill." Therefore, you need to forfeit it in the budget or Treasury has to grope in the dark to look for money to pay a commitment that was made by an Accounting Officer. However, every time reports about financial impropriety are tabled in this House, no action is taken. The best thing that has been done in the past, and we must stop it now, is to transfer, for example, a Permanent Secretary to an even more lucrative Ministry, where there is a big "cash cow" to bring it down.

Mr. Temporary Deputy Speaker, Sir, there is one other issue that is very critical. I am glad that Mr. Githae is sitting here and he will advise the Government. I am sorry to say that the Attorney General of the Republic of Kenya has been totally inept. I must say it here. It is totally immoral that he has never won a single case for Government. It is reported to him, for example, that Mr. X actually did commit a financial impropriety, but instead of saving the Ministry from the contractors, he advises the respective Permanent Secretary not to appeal because he will lose the case. He actually hands out Treasury money to---

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member on the Floor to accuse the Attorney-General, who is also a Member of this House, by trying to taint his character without bringing a substantive Motion?

Mr. Omingo: Mr. Temporary Deputy Speaker, Sir, let the truth be told. The facts are on record. I am not talking about the Attorney-General alone. Let me talk about the Controller and Auditor-General's office. The officers in that office are totally incompetent and have not delivered. I have facts and figures to prove this. Mr. Githae should advise them to do the right things because they have not been doing the right things. The Assistant Minister should advise them, build capacity in them or take over their responsibilities because they have failed. This is immoral. The Ministries have actually committed illegalities by borrowing directly--- Did the Chair know that the Ministries could engage a donor country and even sign an agreement without Parliament or Treasury's knowledge? I have facts to that effect. Through public borrowing, the Kenyan public have to repay that money, and yet the purpose of borrowing and where the money went are not known. Despite this, the country ends up repaying this money.

Mr. Temporary Deputy Speaker, Sir, you will be surprised today that by December last year, the Kenyan public debt stood at Kshs711 billion. That means that, about 70 per cent of our Gross Domestic Product (GDP) goes to the settling of that debt. This means that, if you make a shilling, you only use 30 cents to develop your country, and use the rest to clear the debt. It is a shame. Why is this the case? It is because we live beyond our means, and yet the laws are in place. The

Controller and Auditor-General is there to point out these irregularities but, again, people operate with impunity. I am saying that I do not see any sanctions in this Bill, which I am craving for. Beyond reporting that so-and-so has committed an offence, let us set up an institution which will criminalise these kind of offences through the Government Financial Management Bill. We should bring these people to book and correct the situation. The import of the Kshs711 billion translates to every child being born, today, in this Republic, bearing a burden of Kshs50,000 without knowing why, how and when the money was taken. We are saying that we want a transparent system. We must live up to that, indeed.

Another issue which has wasted this nation is people "swimming" in status which they have not earned. When you are corrupt, they say you are a glorified boy. You lead a luxurious life on money obtained from common taxpayers who live in the rural areas; you do not provide the roads to facilitate the delivery of crops to the market, and you anticipate economic growth because Kenya is an agricultural country. This must stop. I am glad that the new Government started fighting graft very vehemently in January, 2003. In February, the fight declined and in March, the corruption fuse was reconnected. Today, these boys are swimming in big monies. You can see this on their faces and in the properties they have invested in. We are saying that the culture of looting from our people must stop. We must now stand up and expose those people who are looting our economy so that even if they move around in stolen Mercedes Benz vehicles, their children and grandchildren will know that dad is riding in a stolen car. That must be known. We must expose them.

Why are we saying that we inherited empty coffers from the former Government? Today, some Ministers move around in Range Rovers which cost between Kshs19 and 20 million before paying tax. The Government loses revenue by exempting the Ministers from paying that tax. Some Ministers, today, move around in Range Rover vehicles worth Kshs19 million, and yet some of them sat with me here and were simply paupers. Instead of growing humbly, they want to wade in that kind of wealth at the expense of the taxpayer. This is not justified. Did the Chair know that the Kshs20 million worth of Range Rover could actually build 200 small houses for Kibera residents? We must start learning how to live within our means.

On variation of contracts, you will find a contractor has been awarded a contract--- This is a true story. They revalue a contract to the extent that a contract which was to cost Kshs80 millions, for instance, ends up costing Kshs612 million. There is a pending bill of equal amount. Therefore, whatever was costing Kshs100, for instance, ends up costing Kshs1.2 billion and the Government pays. At the end of the day, it becomes a white elephant. What are we saying? Kenyans have been ripped of. It is high time we stopped preaching water and drinking wine. We must lead by example.

Accounting Officers have been mentioned by every other hon. Member who has spoken in this House. It is true that they have some imaginary powers to an extent that they do not even respect their Ministers. That is why Mr. Katuku comes here with a substandard answer because the Permanent Secretary does not even care about the kind of answer he gives him. Mr. Katuku then walks into this House and says that the answer is inadequate. It would have made sense if Permanent Secretaries were accountable to Ministers. Now, Ministers have to bow to request for Ministerial Statements and information. It is unfortunate.

I propose an amendment to the law dealing with the appointment of Accounting Officers. Let them be hired on a three-year contract. Let us evaluate them and if they are not competent, we throw them out. After all, they are not indispensable. Let them serve the public for a three-year contract. The Accounting Officers are the ones who have messed up this economy. They are also busy "pocketing" the new Ministers so that they can dance to their tunes at the expense of the Kenyan taxpayer. Accounting Officers are very arrogant. We should subject them to that kind of

sanction. Let them be appointed for a three-year period and if they overshoot their financial and budgetary provisions, we tell them that their tenure is over. They should proceed home because they did not deliver. We have many technocrats who have gone to school and they can do those jobs. I would like to point out that the Accounting Officers are a problem.

Mr. Temporary Deputy Speaker, Sir, on accountability of Government resources, the Minister has presented a Bill which is meant to improve efficiency, our economy and delivery of effective services. These are very handy kind of provisions. This country should be run like a private company, where each shilling you invest must give a social value. Every penny you invest must add to the social value of the Kenyan taxpayer. It is important that we check the wastage.

There is carelessness among Government officials and as a result, we lose revenue. Members of the donor community sometimes give us grants with very simple conditionalities to be met before they release the money. Since the technocrats in the Ministries do not care, because there is nothing there for them, they sit on the conditionalities and the donors withdraw their grants. The effect of that is that Kenyans lose the grants they were supposed to receive. It is high time we evaluated members of the Executive, so that those who do not perform leave their offices. I have already said, let us not even have an Accounting Officer or a Permanent Secretary at the Ministry, but anybody who is a technocrat can hold that office for three years and is sent home if he does not deliver.

*[The Temporary Deputy Speaker
(Mr. O.K. Mwangi) left the Chair]*

*[The Temporary Deputy Speaker
(Mr. Poghisio) took the Chair]*

Clause 17(2)(h) provides for something we can call "whistle blowing" for financial impropriety. But again, we must have sanctions beyond whistle blowing. Let people be made to account for their financial mismanagement by introducing legal sanctions. In some cases, you will find that the Treasury has seconded its officers to certain Ministries. You cannot discipline somebody whose loyalty is elsewhere. It is high time that the Ministries were self-reliant.

If you want an Accounting Officer--- The only link between you and him is asking for the money from the Treasury. But the person who works under you must be able to take instructions from you. The officers are seconded to their Ministries but, unfortunately, they do not take instructions. They are answerable to somebody else, and they work for X. That secondment role must be transferred with responsibility to discipline and sanction. Let us not have somebody committing a crime here, and you send him elsewhere for discipline. It is you who knows what kind of crime he has committed. Please, be given powers to sanction and censure that officer; to measure the kind of impropriety he has committed.

Mr. Temporary Deputy Speaker, Sir, we have had issues of officers in the service holding cash on behalf of the Government, in terms of imprest. There are obvious rules which govern the surrender of imprest. The Government has lost billions of shillings through surrender of imprest. You also know that imprest rules stipulate that 48 hours upon return from your trip, you must surrender an imprest. Some, who are even ex-Ministers in this House, are still holding some imprest! It is unfortunate! But I am sounding a warning that with the transparency and accountability now - the Public Officer Ethics Bill - please, own up and let Parliament lead by example! Let us not carry imprest all over. In the books, when people read about Minister X or former Minister X sitting on an imprest of about a Kshs1 million, we cannot be able to convince

other people that we are sensible enough to give them clean laws. Let Parliament take the lead! Parliament must be able to assert itself, both in quality, quantity and above all, excellence. We cannot sit here to tell people: "You must do X", when we are running away doing Y! We are preaching water and drinking wine.

Mr. Temporary Deputy Speaker, Sir, the reason why I find this Bill very dear to my heart is because it is linked with the Public Audit Act, which the President signed. The linkages between this Bill and the Public Audit Act are there. There is inter-relationship. But, unfortunately, we are also citing a law here, which we anticipate to link up with the one that we are making, but it is not operational! That is why the Minister promised to comment about that. But we are again saying that, when Parliament makes laws, can we, for heaven's sake, deliver to those laws? Can we live by the statutes that we make and convince others that we mean whatever we say?

Mr. Temporary Deputy Speaker, Sir, there is a very mysterious item in our budgetary provisions called: "A single-line item!" There is nothing special about the military audit, and I must say here in public that, through that single-line item, we have lost billions of shillings in terms of procurement. You are told that the Department of Defence requires Kshs18 billion and as a country you sit and say: "Thank you, God! Because it is the Department of Defence, they will spend prudently and report to us!" It is high time that we opened that pot. It does not make sense any more to sit back and wait for a single-line item in the current transparent environment.

(Applause)

If it is the military strength, the JED Defence Journal produces a report of each defence force in the world. You are not hiding anything! Even when you recruit personnel in the Kenya Army, you pretend and sit down behind the secrecy and confidentiality of the armed forces. Open up! If you do not open up, you are going to be fished down.

Mr. Temporary Deputy Speaker, Sir, we must stop this single-line item in various Ministries. There is nothing confidential! Other countries have done it. You can have officers auditing that particular line item under oath, so long as it is reported to Kenyans that, that has been done! We cannot sit back, pretend and help the men and women of this nation swim in a pretentious world of confidential information; that we do not want to disclose which jets we are buying. Even when they are parked at Eastleigh, we always display them during national holidays! We want to pretend that people do not know about them. They exist and we know them! Let us know what they are worth for purposes of accountability and transparency.

Mr. Temporary Deputy Speaker, Sir, now, when we talk about efficiency in financial management, let me say this: It is one thing spending money, and another thing spending for a purpose; getting value for money. When we talk about spending vis-a-vis efficient spending, that is where we come to the point of linkages. Why would the Ministry of Tourism and Information, for example, buy a pencil for Kshs20 when, at Uchumi Supermarkets, we can buy it for Kshs5? If you are hiding behind this, again, we must be able to come out and pluck those who are looting.

The Temporary Deputy Speaker (Mr. Poghismo): Order, Mr. Omingo! I have heard you using unparliamentary language, which is "looting".

Mr. Omingo: Sorry, Mr. Temporary Deputy Speaker, Sir. I did not get you.

The Temporary Deputy Speaker (Mr. Poghismo): You said "looting".

Mr. Omingo: Mr. Temporary Deputy Speaker, Sir, I am saying "taking" from one hand to the other. They take wrongly by dipping their hands too deep into the coffers. That is what I mean.

Mr. Temporary Deputy Speaker, Sir, we are asking: Why should we buy a pencil for Kshs20 when we can buy it for Kshs5? I mean it is only common sense. Do you know what

happens? Some of us go home and tell our wives or children: "You know, I have come from a long day's work and I want a shower to relax after a long day's work." The long day's work is stealing.

The Temporary Deputy Speaker (Mr. Poghisio): Mind your language, Mr. Omingo. It is important that you do so.

Mr. Omingo; Sorry, Mr. Temporary Deputy Speaker, Sir. It is "taking". I am sorry.

The Temporary Deputy Speaker (Mr. Poghisio): I am not going to continue checking on that.

Mr. Omingo: I am sorry, Mr. Temporary Deputy Speaker, Sir. It is, maybe, the last time.

Mr. Temporary Deputy Speaker, Sir, I want to wind up by saying that to some of us who are sitting here, and they are very good friends of mine, I want to pass a message that it was so juicy to criticise KANU. It was very nice to criticise KANU. It was very interesting because we knew somebody had to go away in order to pave way for us, but remember also, somebody is very excited to discuss you after one year of operation. What have you delivered to Kenyans? What is the change of heart? I have never heard hon. Githae giving out two lines which were an extravagant expenditure in KANU and surrender them openly to the Exchequer and say, "I do not want any bills for these two extra lines." However, in fact, what they have done is that they have taken about three more lines, each. As you finish one year of KANU's history, you are creating one year of NARC history.

I am saying this with that kind of emotion because I know some of those Members on the other side of the House are people with whom we suffered together, but they are losing track very quickly. I am saying that it is high time that we corrected each other for posterity, and we know that we must work together plugging the financial loopholes for the benefit of our children, and that, we should leave the Kenya we are living in today, better than the Kenya that we found.

With those few remarks, I beg to support.

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. It is very clear that Moses gave to the Israelites 10 commandments which would govern their lives. In this Bill, the Minister for Finance has given us 38 commandments which, if followed, will improve the financial management of the way the Government is run.

Mr. Temporary Deputy Speaker, Sir, let me first of all begin by talking about what the Bill says, that Government resources must be used efficiently with as little cost as possible. There are some things that I have observed, and I think it will be good if we give our views to the Treasury so that some of those things can be improved. One of them I think was mentioned here by a previous speaker, which is about recycling of papers and he even mentioned Parliament as one of the culprits. I think we can even go further. Even envelopes have to be recycled. I find it ridiculous for an officer in the next room to my office sending me a letter which is not even confidential in a new envelope and yet, everyday, we receive thousands and thousands of letters. I would recommend to Treasury to issue instructions that paper must be recycled and typed on both sides. Envelopes must be recycled if they are internal and that will enable us save some little money.

Mr. Temporary Deputy Speaker, Sir, the other point that I have realised in most Government offices is that you find lights are on throughout the day, whether it is dark or the sun is shining. Even here in Parliament, we are culprits of misuse. I always see lights on all over Parliament during the day. We need to give instructions that lights must be switched off during the day when they are not needed.

Mr. Temporary Deputy Speaker, Sir, concerning water, taps in most Government offices are left running all the time. This makes the Government incur a lot of expenses on water bills. The Treasury should give instructions that water should not be wasted. It may not seem to be a lot of

money, but if you talk of 26 Ministries, that would translate to quite a substantial amount of money.

We need to standardise the purchase of vehicles for Government officers. Presently, you will find different kinds of vehicles for various Ministries in our country. Treasury needs to give instructions such that, if there is need to acquire vehicles for Ministers, then, the make and model of the vehicle should be standardised for all of them. The same should be the case for Assistant Ministers, Permanent Secretaries and other senior Government officers. This will enable vehicles to be bought on fleet terms, thereby, allowing us to save substantial amounts of money. The recent purchase of motor vehicles for the police is another issue to ponder. Nairobi does not require four-wheel drive vehicles. Even if not all roads in Nairobi are tarmacked, one does not need a four-wheel drive vehicle in Nairobi. Such vehicles should be taken to the rural areas and the saloon cars be given to Urban areas like Nairobi, Mombasa, Nakuru and Kisumu. That way, we will be able to save some little money.

I want to talk about the pooling of motor vehicles. At times, when we go to functions, each car carries the driver, a bodyguard and a Government officer and yet it is possible to pool vehicles so that two or three Government officers use the same vehicle. When I asked about that, I was told that protocol demands that a Government officer be carried alone. I think we need to change some of these things in order to save some money.

With regard to policemen, I think we have too many policemen guarding senior Government officers. My view is that senior officers be guarded by the National Youth Service (NYS) personnel, then, the policemen be released to do the duties for which they were recruited; that is, to ensure security of the citizens of this country.

Mr. Temporary Deputy Speaker, Sir, Treasury needs to give instructions--- We have been told that a certain cadre of Government officers ought to be driven around. Some of us are young, and given authority, we could drive ourselves using the Government vehicles. We really need to change some of these rules.

With regard to tendering, Government offices often buy items at exorbitant prices when the same items can actually be found in supermarkets at lower prices. Other Governments have sorted out this problem by stipulating maximum prices at which items used on a daily basis can be bought. Treasury should prepare a list of prices. The list should stipulate, for example, that the maximum price for purchasing a roll of toilet paper must be so much. The same should be the case for other items, such as soap. After all, we use these items on a daily basis.

Mr. Temporary Deputy Speaker, Sir, a colleague of mine mentioned something to do with disbanding the Immigration Department. He said that the department issued a tender to a company which had quoted the highest bid. I now have the documents. He blamed the NARC Government for following in the former regime's footsteps. This tender was opened on 28th November, 2002. We were not in the Government at that time. It was paid on 16th January, 2004. I think we had just barely been sworn in. Some of us had not even been given offices. But the point is that it is good that the hon. Member has referred to this issue. We also want to know why somebody wanted to buy 300,000 passports in 2002. I do not know how long it would take us to issue all those passports. They are just too many. It is good that information has been given to us, and I want to thank hon. Maore for doing that.

Coming back to the Bill, Mr. Temporary Deputy Speaker, Sir, one of the things I have liked about this Bill is that, for the first time, the Treasury will have the legal authority to supervise the finances of other Ministries. To me, it is not a bad thing for the Treasury to supervise other Ministries. That will ensure proper accounting and proper management of Government finances. I do not see anything wrong with that.

Secondly, for the first time, auditors have been given legal authority to insist on the

presentation of all documents for auditing purposes. One of the reasons why the Controller and Auditor-General is two or three years behind in his accounting exercise is because there are some Accounting Officers who have denied his officers access to some of these documents. Therefore, this has delayed the auditing of Ministries. Under this Bill, auditors are entitled to access to all documents, and any person who does not produce those documents commits a criminal offence whose fine is Kshs100,000.

The other good thing about this Bill is that it prohibits overdrafts being given to Government Ministries, and anybody who grants an overdraft to a Government Ministry also commits a criminal offence. This will ensure that the Ministries do not overspend or over-draw from their vote heads. For the first time, I can see financial discipline being carried out by quite a number of Ministries.

The other good thing about this Bill is that investments must be personally approved by the Minister. It is so sad that if this Bill was brought about five years ago, the Euro Bank saga would not have happened; because, then, the parastatals that had deposited money in the bank would not have done that because the Minister would not have approved investment of parastatal funds in such kind of a shaky bank. So, that is good, but also late in the sense that it should have come about ten years ago. Then, it would have been able to save quite a few million shillings that sank with Euro Bank.

The other good thing about this Bill is that passing of the buck is now prohibited. The Accounting Officer is the person responsible for all accounting functions and the good financial management of the Ministries' funds. The policy of see no evil, hear no evil will come to an end as soon as this Bill is passed.

Mr. Temporary Deputy Speaker, Sir, the other thing, and I think one or two speakers have talked about it, is whether the Accounting Officers will also be Permanent Secretaries. At the moment, the President appoints the Permanent Secretaries, and Accounting Officers are appointed by the Treasury. Under normal circumstances, the Permanent Secretary would be appointed the Accounting Officer. There is no controversy. I think a very important provision is the removal of the Accounting Officers. In other words, if the Treasury comes to know of a Permanent Secretary who is not using the funds voted in by Parliament wisely, then the Treasury, under this Bill, will be authorised to remove that Accounting Officer. If the Treasury removes a Permanent Secretary from being the Accounting Officer, I can see a possibility of that Permanent Secretary being sacked. If he is not sacked, then it means we will have one person who is the head of the Ministry, but he is not the Accounting Officer. That may create some problems.

Mr. Temporary Deputy Speaker, Sir, for the first time, whistle blowing has been recognised and the whistle blowers are given protection. Today, we know that some of the people who blew whistles on corruption were dismissed or transferred to very remote areas. In this Bill, whistle blowers are now protected and they have a duty to report to their immediate bosses if they identify any financial transaction which is not in line with the Ministry's regulations. They cannot just pretend that they are not seeing it or have not heard of it. That is very good.

Mr. Temporary Deputy Speaker, Sir, this Bill, as I said, is ten years late because, under it, opening of accounts must be approved by the Treasury. If this Bill had been in existence, the cases we are hearing about in the Goldenberg Commission of Inquiry, where some officials opened Central Bank of Kenya accounts with some shylock finance companies, claiming that they had deposited money in favour of the Central Bank of Kenya, would not have happened. The Treasury would not have authorised the opening of those illegal foreign bank accounts.

The other good thing is that when this Bill is passed, the misuse of imprest will come to an end. At the moment, some officers in the Government obtain imprest, but they do not surrender it. So, in effect, the Government gives them interest-free loans. Under this Bill, the Minister will be entitled to prescribe a rate that those who do not surrender imprest will have to pay. I would request

the Minister to make that rate higher than the bank interest rates, then there will no need for somebody to use imprest as a bank loan. It will be cheaper to borrow money from a bank than to use the imprest as a loan.

Mr. Temporary Deputy Speaker, Sir, we have had cases where Government documents have been destroyed. For example, we have been told in the Goldenberg Commission of Inquiry that some documents of the Central Bank of Kenya were destroyed in Karura Forest.

This Bill prohibits the destruction of Government documents without the Minister's authority, which is a good thing.

In conclusion, I would like to say that under the Constituency Development Fund, each constituency is going to get Kshs6 million this year. In the following financial year, we have been promised Kshs20 million. The issue of leaders asking Ministers, and even the President, to repair roads in their respective constituencies will have to come to an end. We will use that money for such purposes. According to this Bill, the Accounting Officer can only use funds that have been voted by Parliament. It will be a criminal offence to divert them to something different. A fine of Kshs100,000 will be attached to this offence. Once this Bill is passed, there will be financial discipline in the management of Ministries.

With those few remarks, I support the Bill.

Mr. Wario: Ahsante, Bw. Naibu Spika wa Muda, kwa fursa uliyonipa ili niweze kuchangia Mswada ulio mbele yetu. Kabla sijauchangia Mswada huu, ningependa kuzungumzia zabuni zilizoapanwa hapo awali. Zabuni hizi zilisemekana eti zilipeanwa wakati wa uongozi wa Serikali ya KANU. Kwa bahati mbaya, sasa hivi Serikali ya NARC haina mamlaka yoyote ya kuzuia ufujaji wa pesa za umma. Hivi majuzi, mambo madogo ya kuwekelewa yaliwafanya Wabunge wa KANU kushikwa. Sasa, kwa vile wahusika katika zabuni hizo wametoka katika upande mwingine wa Bunge hili, ufujaji unasemekana kuwa mambo ya zamani. Hayo tumeyasikia.

Ningependa kusema ahsante na kumpongeza Waziri kwa kuuleta Mswada huu. Alivyosema mzungumzaji wa mbele yangu, iwapo Mswada huu ungekuwa sheria, ufujaji wa pesa za umma uliofanyika hapo awali, na unaoendelea kufanyika hata sasa, usingekuwepo. Ufujaji wa pesa katika nchi hii ulikuwa dhuluma kwa Wakenya. Walinyang'anywa haki zao na pesa ambazo zingetumika kutoa nafasi za kazi kwa watoto na kuleta miradi ya maendeleo mbali mbali zilikwenda kwenye mifuko ya watu binafsi. Si jana tu, bali hayo yote yaendelea hata leo. Hata hivyo, na ingawa ninatoa pongezi na shukrani kwa Waziri kwa kuuleta Mswada huu, ni wajibu wetu sisi, kama Wabunge wa Upinzani, kuuangalia Mswada huu, kuuangaza na kuukosoa kasoro, ili Kenya iendelee mbele.

Mbinu zetu katika ununuzi zachangia pakubwa katika ufisadi. Zinatufanya tutumie wakati mwingi kabla miradi ya maendeleo kutekelezwa. Mswada ulio mbele yetu waweza kutofaulu iwapo hatutazirekebisha mbinu za ununuzi. Tusipofanya hivyo, Mswada huu waweza kutosuluhisha maswala ya kiuchumi yanayoikumba nchi hii.

Wakenya wameerevuka sana, kiasi kwamba hawataki kuona ndururu ikitumika vibaya. Nina furaha kwa sababu Waziri yuko na sisi hapa. Kama Kshs250 million zilizotolewa kwa AFC zingetolewa kwa kila wilaya, zingetosha kupunguza umaskini. Lakini sasa, kwa sababu ya msimamo wa kisiasa, Waziri alitoka pesa hizi kwa sehemu mbili tu ambazo anazipendelea.

The Minister for Finance (Mr. Mwiraria): On a point of order, Mr. Temporary Deputy Speaker, Sir. Could the hon. Member offer proof that the AFC has only supported farmers in two provinces, or withdraw his remarks because the AFC has offices throughout Kenya and they have been operating?

The Temporary Deputy Speaker (Mr. Poghiso): Mr. Minister, you have changed the whole thing now from being a point of order.

Mr. Wario: Ahsante, Bw. Naibu Spika wa Muda, kwa kuona ukweli huo. Lakini Waziri

angetuambia kama kuna afisi [**Mr. Wario**]

ya AFC huko Garissa au Tana River. Waziri angetuambia sehemu hizi zilipewa pesa ngapi, ningetoa ushahidi nilio nao. Serikali haijapeana pesa zozote kwa AFC zitolewe kwa sehemu hizo kwa sababu sehemu hizi haziifurahishi Serikali ya NARC.

Iwapo tutakuwa na sera kama hizi, utoaji huduma kisiasa utakoma. Ni muhimu kwa pesa zinazotengwa kwa mradi fulani ziutekeleze mradi huo. Wiki iliyopita Bunge hili lilisikitika sana kwa sababu Kshs40 million zilizotengwa kwa miradi ya maendeleo katika afisi ya Makamu wa Rais Wizara ya Mashauri ya Humu Nchini zilitumiwa kulipia deni la mtu binafsi. Waziri alisimama katika Bunge hili na kutuambia hizi ni pesa tulizotenga kwa mradi wa maendeleo katika afisi ya Makamu wa Rais, lakini leo zinatumiwa kulipia deni la mtu binafsi. Wakenya wanawaona, wanawasikiliza na mtawaambia kwa nini mnatumia pesa kwa njia hii.

Nina hofu kidogo na Hoja hii. Ukiangalia kifungu cha 6(2), utaona kuwa Waziri ataamka, aingiwe na hofu na aseme mradi fulani haufai na unafaa uondolewe. Pengine mradi huo utakuwa muhimu na wa kuwanufaisha Wakenya. Ningeomba Waziri atakapona mradi kama huo, aulete Bungeni na aliombe Bunge limruhusu kuutekeleza au kuuondoa. Akiamua kuhusu miradi peke yake, mambo kama ya AFC yatafanyika, na miradi katika wilaya za Tana River na Garissa haitatekelezwa. Ili kuwe na haki, inafaa kifungu 6(2) kitake uamuzi kuhusu miradi ufanywe na Bunge.

Bw. Naibu Spika wa Muda, kama nilivyosema hapo awali, ni muhimu iwapo matumizi ya pesa za umma yatahalalishwa na sheria ya nchi hii. Unaambiwa sheria zinataka hivi, lakini wakati wa matumizi hakuna mtu anayefikiria kuhusu sheria hizo. Wakati umewadia ambapo Serikali inatakakikana kufuata sheria zote kuhusu matumizi ya pesa za umma.

Ningependa kugusia juu ya ukaguzi wa pesa za Serikali. Iwapo ungepata fursa ukae katika afisi za wilaya wakati wakaguzi wanapoingia, utajuwa kuwa ufiada bado uko. Watu hawa wanapokuja, wale waliopora pesa hawafichi kitu. Wanawaambia wakaguzi hao walivyotumia pesa vibaya. Wakaguzi wanafungiwa chao na ripoti inapotoka waporaji wa pesa wanadhulumiwa kwa makosa madogo madogo tu. Kwa hivyo, ili miradi ifaulu inafaa afisi ya Controller and Auditor-General iende mashinani katika wilaya. Haifai kuwa na mtu mmoja tu hapa Nairobi ambaye kule wilayani anachezewa shere.

Ukiangalia kifungu cha 9(2) utaona Waziri ana mamlaka ya kusema Exchequer Accounts zitakuwa katika benki gani. Inafaa uwezo huu uwe wa Bunge kwa sababu Bunge itaifikiria nchi nzima.

Bunge hili lingekuwa ni bora zaidi kuchagua benki kuliko Waziri kupewa hayo mamlaka. Sote tunakumbuka kashifa kuhusu Euro Bank. Hatujawahi kusahau na kashifa hii. Ingawa tunamheshimu Waziri wa Fedha, ni lazima tuelewe ya kwamba yeye ni binadamu na anaweza kufanya makosa. Makosa kama hayo yanaweza kutatuliwa na Bunge hili.

Bw. Naibu Spika wa Muda, kwa hayo machache, ninaunga mkono Mswada huu.

Mr. M. Kariuki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I wish to support the Bill. Financial management is the centre face of a more transparent and accountable society. The reality of life is that if we want to know the integrity of an individual, test him or her with management of money. There are many critics of the Government, individuals and institutions, who have not been tested with management of money. If somebody has been tested with the management of money and has really proved himself, that is truly a person who deserves to be respected as a person of integrity.

Mr. Temporary Deputy Speaker, Sir, if you look back at our history, say 15 years ago, there have been many scandals relating to finances. Currently, there are commissions investigating those scandals. The bottom line is that we have not been accountable in the management of public

finances. If you look at what is going on and what we have read about fool's gold, you wonder how fool's gold would have led to the loss of Kshs9 billion and yet, there were responsible officers who would have known that money was being lost.

Mr. Temporary Deputy Speaker, Sir, I believe this particular Bill addresses the shortcomings we have had in the last 15 years. Clause 17(G) of this Bill addresses itself to the grabbing of public land and houses. I believe it is out of the realization of our bad history relating to the grabbing of land and public houses.

There have been many incidents of fire in this country. Recently, official records were burnt down at City Hall. We, as Kenyans, are awaiting for the report as to the persons behind it. Prior to that, we have had other fire incidents in the Attorney-General's Chambers and in the Office of the President. All these fire incidents were intended and designed to burn some official records relating to money. I believe this Bill has some specific provisions relating to preservation of records. However, I am concerned when the Bill refers to electronic records. I believe that we have not quite computerised our institutions in this country. There is no mention whatsoever of how we preserve other records. The assumption is that we are in a position to ensure that we have computerised, and that there will be electronic records in every sector of Government management. That may be a pipe dream for the time being. I would expect that there would be broader provisions to take care of other records in Government offices.

If we look back at our history, there have been many shortcomings in the procurement procedures, the failure by commissions not to account for monies given to them, and the printing of false money in 1992. This, I believe, is what the Minister had in mind in drawing this particular Bill, to enhance better financial management in the Government.

However, I am concerned about certain provisions in this Bill. The first one is, of course, with regard to creation of Accounting Officers. It is not clear whether these Accounting Officers will replace the Principal Accounting Officers or the Permanent Secretaries. The definition of the work of an Accounting Officer under Clause 16 of the Bill appears that the Minister may appoint more than one Accounting Officer for the Ministry.

There can be an Accounting Officer in a Ministry or a department of that Ministry. That can lead to quite a high number of Accounting Officers managing the Ministry. I am concerned about the element of bureaucracy. We will end up with a heavy bureaucracy in the Ministries. So, the purpose of making accounting more efficient might be defeated.

Mr. Temporary Deputy Speaker, Sir, I share the concerns that Dr. Godana has expressed. This Bill has failed to define what a treasury is. Sections 17, 18 and 19 have made reference to the Treasury disciplining Accounting Officers. In this country, Treasury is not an institution that is known to the law. There is a general usage of the word "Treasury". We know that there is the Ministry of Finance, but we are not aware of something called "Treasury". For purposes of accountability, there should be a specific officer named in place of the word "Treasury". Let us have a specific officer within the Ministry of Finance to ensure that there is discipline among the Accounting Officers. This loose usage of the word "Treasury" will create problems. If accountability has to be there, it must be to a specific office and individual. When we say that the Treasury will discipline Accounting Officers, we run into danger because of the ambiguity that is exhibited.

Mr. Temporary Deputy Speaker, Sir, Section 15 provides for the creation of new offices. I am worried whether we are not, again, creating a very heavy bureaucracy within the Ministry of Finance. There is also a greater danger to leave it to the Minister for Finance to create, under the regulations, the functions, for instance, of the Internal Auditor, the Director of Budget and the Accountant-General. Since these are statutory roles, I would insist that the Bill should define in very

clear terms what the duties of each officer will be. If we leave it to the Ministry to come up with regulations, we may end up with duplicity. We might have the same functions being signed to two or three officers. So, I would be in a happier position if the provisions of Section 15 defined what each officer is mandated to do under this Act, so that the potential for confusion and conflict would then be taken care of.

Mr. Temporary Deputy Speaker, Sir, for the first time, there is something positive in this Bill. It has placed personal liability on the Accounting Officer for any failure or loss that may be incurred. Section 32 might deal with most of the shortcomings that we have had. We have had major losses of revenue, but no particular individual has been identified to be personally liable.

Mr. Temporary Deputy Speaker, Sir, from the testimonies of the witnesses appearing before the Commission of Inquiry into the Goldenberg Affair, you will realise that no witness wants to assume the personal liabilities of the losses incurred. I think this Bill has come out very clear on that aspect. Once this Bill is passed, we will be able to pin down individuals for being liable for any losses that a particular Ministry may suffer.

Mr. Temporary Deputy Speaker, Sir, I am equally concerned with Section 35, which creates offences of a criminal nature. In my view, Section 35(2) is inadequate. To impose a fine of Kshs100,000 for an offence related to this particular Bill is totally inadequate.

The persons, for instance, who destroy accounting records are people who have a vested interest in those records, running into billions of shillings. So, if we are only going to impose a fine of Kshs100,000 for a person who destroys official accounting records, that is not a deterrent. In my view, the provision for fine should be removed. It should be a straightforward offence, where you go to custody for five years. I think that will serve as a deterrent. Any person who is involved in misappropriation of public funds can raise Kshs100,000. If we were to preserve the element of fine, then a fine of Kshs10 million might, perhaps, be able to measure up to the seriousness of this particular offence. I agree that a five-year jail term is a good enough deterrent. When we make provisions for fine, it dilutes the seriousness of the offence that is being dealt with here.

Mr. Temporary Deputy Speaker, Sir, I believe that the appropriate section for the offences is Section 8. Section 28 is a very important provision that the National Assembly---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Poghiso): Order! Order, hon. Members! Mr. M. Kariuki, you have 20 minutes left.

It is now time for interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday, 21st April, 2004, at 9.00 a.m.

The House rose at 6.30 p.m.