

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 21st April, 2004

The House met at 9.00 a.m.

[The Temporary Deputy Speaker (Mr. Poghiso) in the Chair]

PRAYERS

PAPERS LAID

The following Papers were laid on the Table:-

2003/2004 Supplementary Estimates (Recurrent Expenditure)
2003/2004 Supplementary Estimates (Development Expenditure)

*(By the Assistant Minister for Finance
(Mr. Katuku) on behalf of the
Minister for Finance)*

NOTICES OF MOTIONS

REDUCTION OF SCHOOL FEES FOR CHILDREN OF TEACHERS AND LECTURERS

Mr. J.M. Mutiso: Mr. Temporary Deputy Speaker, Sir, I beg to give notice of the following Motion:-

THAT, in view of the Government's inability to offer competitive salaries and allowances to teachers and lecturers in public institutions, this House resolves that all teachers and lecturers in public institutions shall pay 25 per cent less of all total fees and other monies required for education of their children in public schools and other Government institutions of higher learning, while in service.

ESTABLISHMENT OF PASTORALIST DEVELOPMENT AUTHORITY

Mr. Wario: Mr. Temporary Deputy Speaker, Sir, I beg to give notices of the following Motions:-

THAT, while appreciating the Government's commitment to developing the North Eastern Province and other marginalised districts, aware of the high levels of poverty, illiteracy, unemployment and insecurity in the districts within the Arid and Semi-Arid Lands (ASAL), concerned about the lack of market for livestock, poor infrastructure and the effect of drought within those marginalised areas, this House urges the Government to establish a Pastoralist Development Authority to address the problem affecting pastoralists within the arid and semi-arid areas.

REVIVAL OF BURA IRRIGATION SCHEME

KWAMBA, ikieleweka kuwa mradi wa kilimo wa Bura uliwafaidi watu wa tabaka mbali mbali kote nchini, ikifaamika kuwa kuweko kwa mkataba wa African Growth and Opportunity Act (AGOA) kunatarajiwa kufufua viwanda vya nguo, ikieleweka wazi kuwa mradi wa Bura kwa sasa umesambaratika na kufilisika, Bunge hili linaomba Serikali kutenga pesa za kufufua mradi huo wa Bura chini ya National Irrigation Board.

AMENDMENT OF THE REGISTERED LAND ACT

Mr. M. Kariuki: Mr. Temporary Deputy Speaker, Sir, I wish to give notices of the following Motions:-

THAT, aware that many Kenyans have been fraudulently deprived of their land by fraudsters through a first registration under the Registered Land Act, Chapter 300 of the Laws of Kenya, further aware that Section 143 of the said Act denies the High Court jurisdiction to interfere with first registration titles even where fraud has been proved, this House do grant leave to introduce a Bill to amend Section 143 of the Registered Land Act to empower courts to cancel and revoke fraudulently obtained titles.

LEGISLATION TO ESTABLISH HEROES ACT

THAT, whereas Kenya has its heroes and heroines who have contributed in a special way to our liberation and development in various sectors over the years, and aware that those heroes and heroines deserve a place in our history as a nation, this House urges the Government to bring up a legislation to establish a Heroes Act for the burial of those heroes, and provide for a system of naming our streets and institutions after the departed heroes.

INTRODUCTION OF INFORMAL SECTOR
SMALL ENTERPRISES AND HAWKING BILL

THAT, noting with concern the growth and proliferation of uncontrolled small-scale enterprises and hawking in our streets and road reserves, and appreciating that this informal sector is a source of livelihood of the overwhelming majority of our urban population who cannot procure jobs or who have been retrenched or retired, and aware that, that sector of our population needs to be economically empowered and given legal protection and regulation, this House do grant leave for the introduction of a Bill for an Act of Parliament entitled the Informal Sector Small Enterprise and Hawking Bill, to establish a regulatory and oversight authority to provide for micro-finance to small business enterprises and to the hawking fraternity.

ESTABLISHMENT OF RESEARCH FUND

Prof. Olweny: Mr. Temporary Deputy Speaker, Sir, I beg to give notice of the following

Motion:-

THAT, in view of the fact that research work in public universities is poorly funded by the Government, considering that most scholars in the universities partly depend on foreign donor support for their research undertakings, this House urges the Government to establish a research fund to assist scholars in our universities.

ORAL ANSWERS TO QUESTIONS

Question No.084

COSTS INCURRED IN TEA MARKETING

Mr. Mwanicha asked the Minister for Agriculture:- (a) in view of the fact that tea at the Mombasa auction sells at an average of US\$2.5 (Kshs160) per kilogramme, whether he could table the costs incurred that reduce the farmers earnings per kilogram to only Kshs9; and,

(b) what measures he is taking to ensure that the current payment of Kshs9 per kilogram is raised to Kshs15.

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

(a) Processed tea (made tea) at Mombasa auction is sold at an average of US\$1.63 or Kshs126.46 and not US\$2.5 as indicated by the hon. Member. Also, tea farmers, on average, earn Kshs19.23 per kilogramme of green leaf and not Kshs9.00.

In addition, I wish to give the following breakdown in terms of operation costs which affect farmers payments. Of the total amount, the manufacturing cost is 11 per cent, packaging cost is 3.96 per cent, leaf collection cost is 6.39 per cent, semi variance costs is 3.34 per cent, fixed cost of administration is 6.86 per cent, fixed cost of finance is 6 per cent. The total is 37 per cent and, therefore, the farmer gets the balance of 63 per cent, which in this case, is Kshs79 of made tea. On average, it takes 4.25 kg of green leaf to produce 1 kg of made tea.

(b) There are certain factors that influence to create the situation where farmers do not make ends meet. The demand for tea in the world market, the cost of farm inputs and fuel, determine the final price due to tea farmers. It is, therefore, not possible for my Ministry to influence payments as the said factors are parameters beyond the reach of the Ministry. However, the Government is exploring new avenues to create high demand of Kenyan tea, with a view to increasing farmers' earnings as follows:

(i) By exploring new markets in non-traditional tea markets such the Russian Federation countries, Middle East and Pakistan.

(ii) The Government has zero-rated duties on importation of processing machinery and packaging materials to enable tea producers to reduce production and processing costs.

(iii) Given the current over-production of tea in the world market, the Government is encouraging producers to diversify tea production and produce other crops such as green teas, orthodox tea and instant teas which can compete effectively in the new markets. Thank you.

Mr. Mwanicha: Mr. Temporary Deputy Speaker, Sir, I thank the Minister for that elaborate answer. However, for the last 40 years since Independence, we have processed tea in our tea factories, we pack it in 50 kg bags and send it abroad through the Mombasa auction for those in the international community to re-package it into 5 grammes packages and re-sell it to our market. Why can we not do that

ourselves and make it ready for the world market? Why can we not do it, 40 years later, after independence?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, the suggestion by the hon. Member is plausible, but there are certain issues, some of which are tariff measures. There are also certain market niches that are now demanding the issue of packaged tea in smaller volumes than the volume that we have been packaging in the past. This is an issue that is being exploited by the Kenya Tea Development Agency (KTDA)---

*(The Vice-President and Minister
for Home Affairs was applauded
as he entered the Chamber)*

This is an issue that is being exploited by the KTDA in conjunction with some of our market partners so as to ensure the suggestion given by the hon. Member gets a favourable reply.

Mr. Keter: Mr. Temporary Deputy Speaker, Sir, there are about 51 factories managed by KTDA throughout the country. The high cost of production in these factories is caused by the high cost of furnace oil. What is the Government doing so that most of these factories that have converted to wood fuel can be assisted in developing some of the forests so that they can have their wood fuel?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, I agree with the hon. Member that the costs, in fact, can come down by almost 6 per cent if we were using fuel wood instead of furnace fuel. The Government may not be able to influence as much as it should, the question of encouraging factories to use wood fuel instead of the furnace fuel. But in conjunction with the Ministry of Environment, Natural Resources and Wildlife, we have a programme that we want to encourage farmers to do at least a certain section of their plant so that the land adjoining factories can be a source of supply of fuel. This is something that is being discussed between ourselves and the Ministry of Environment, Natural Resources and Wildlife so as to be able to take the specific step the hon. Member has suggested.

Mr. Twaha: Mr. Temporary Deputy Speaker, Sir, I wonder if the Minister is aware that in order to fight poverty, we need to raise the value of the Kenya Shilling to increase the purchasing power of wananchi? When we decided to auction tea in US Dollars, we effectively eliminated the transaction motive for holding the Kenya Shilling. There used to be a huge demand for the Kenya Shilling every week in order for foreigners to participate in those auctions. Could the Minister consider reversing the decision of holding those auctions in US Dollars? Could the Minister also agree that the coffee and tea auctions should be done in Kenya Shillings so as to increase demand for the Kenya Shilling and the purchasing power of wananchi and bring down poverty?

The Temporary Deputy Speaker (Mr. Poghio): Order, Mr. Twaha. You are answering yourself!

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, that decision was taken in conjunction with the stakeholders. It will have to take the same process for any revision of the decision to be done.

Mr. Rotino: Mr. Temporary Deputy Speaker, could the Minister give us the policy on the expansion of tea growing areas? There is a tea factory being put up in Kaptara, in Cherangany, which falls in the Minister's Constituency, yet the extension services are not going to West Pokot. Could the Minister consider expanding that extension policy of the Government towards West Pokot, which is also a potential tea growing area?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, I do not entirely agree with the hon.

Member that the Government is limiting itself to my Constituency. Indeed, as a Government and within the Ministry, our extension services traverse the entire country. Whether they have been effective is a different matter. But in the recent strategy that I released for the next ten years, we are clearly focused on ensuring that there is effective extension service in all parts of this country.

Mr. Kamotho: Mr. Temporary Deputy Speaker, Sir, could the Minister, in consultation with the Ministry of Finance and the Ministry of Trade and Industry, consider converting all the KTDA tea processing factories into Export Processing Zones (EPZs) so that the cost of production and processing of tea can be reduced for the benefit of the tea farmers?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, I have noted the sentiments by the hon. Member.

Mr. Karaba: Mr. Temporary Deputy Speaker, Sir, I think the Minister should tell this House that the production cost of tea is very high. This is caused by the increasing prices of fertilisers and furnace oil which should be zero-rated if the farmer is going to benefit. Those are the main problems. What is the Minister doing to reduce the cost of production mainly in view of reducing the cost of fertilisers and furnace oil?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, as far as the furnace oil is concerned, I have made my presentation to my colleague, the Minister for Finance along the line suggested by the hon. Member. As far as the issue of fertiliser is concerned, the Kenya Tea Development Agency (KTDA) has been sourcing for fertilisers directly from the source, but there are certain factors that have created the high cost of fertiliser that is currently on-going. As a Government, we are seriously considering various options with which we want to reduce the over-all cost of fertiliser, not only to tea farmers but also to all farmers in Kenya.

Mr. Manoti: Mr. Temporary Deputy Speaker, Sir, tea farmers are almost losing interest in growing tea. This is because prices have remained constant for many years. Could the Minister undertake to exempt tea factories to purchase machinery and equipment free of tax? This is because tea earns this country a lot of foreign exchange.

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, the hon. Member should be specific about the kind of equipment he is talking about because all agricultural equipment gets into the country free of tax. If he could be specific, my colleague, the Minister for Finance and I would be able to take appropriate action.

Mr. Manoti: Mr. Temporary Deputy Speaker, Sir, I am talking about tea processing machinery.

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, if my memory serves me right, I remember in my answer to part "b" of the Question, I said that the Government has zero-rated all duties on importation of processing machinery and packaging materials to enable tea producers to reduce production and processing costs.

Mr. Kamotho: On a point of order, Mr. Temporary Deputy Speaker. I did not get an answer to my question to the Minister. He did not give an answer, but only said he had noted it.

What does that mean? This is because my question was very specific. It was about the conversion of the tea factories to export processing zones.

The Temporary Deputy Speaker (Mr. Poghiso): By the way, Mr. Minister has taken note. I do not think it is him to make that decision. Who does that?

Mr. Kamotho: Mr. Temporary Deputy Speaker, Sir, but what does taking note mean?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, the Secretary-General of my former party---

(Laughter)

Mr. Temporary Deputy Speaker, Sir, he gave me a specific question and because of the respect I have for him, I said that I had noted it and I will take appropriate action.

(Applause)

The Temporary Deputy Speaker (Mr. Poghismo): Last question, Mr. Mwanicha!

Mr. Mwanicha: Mr. Temporary Deputy Speaker, Sir, when I asked about re-packaging ready for sale to the world market, the Minister talked of tariffs. He, however, said that plans are underway to do that. I am looking for a specific answer. This is because I have heard this, "we are trying". When will this be done? When are we going to have our Kenya tea sold directly to the world market re-packaged from Kenya and labelled "Kenyan Tea"? That is my first question.

My second last question---

The Temporary Deputy Speaker (Mr. Poghismo): Mr. Mwanicha, ask one question only! One question at a time!

Hon. Members: Combine!

Mr. Mwanicha: Mr. Temporary Deputy Speaker, Sir, it is a combined question. The purchasing department in the Kenya Tea Development Agency in Nairobi does all procurement and sends farmers a directive of where to buy. Could the Minister allow factories to purchase on their own?

The Temporary Deputy Speaker (Mr. Poghismo): Mr. Kirwa, I do not know whether you heard all those questions.

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, as far as the first question is concerned, I made an indication that we consulted with the Kenya Tea Development Agency and they did a presentation during the recent Investment Conference on the need to sell our tea directly abroad with our brand name. There are certain problems that we are faced with, but we are trying to ensure that we circumvent some of these problems so as to ensure that our tea gets the highest price possible.

Mr. Temporary Deputy Speaker, Sir, I must hasten to say that the consolation I still have as a Minister, is the fact that the quality of our tea is still the highest in the world.

However, as for the second question, if I heard the hon. Member right, it is about sourcing for farm inputs directly by each and every factory. I will hold consultations, but the little economics I know---

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

The Temporary Deputy Speaker (Mr. Poghismo): Order! Can you finish, Mr. Minister?

Mr. Kirwa: Mr. Temporary Deputy Speaker, Sir, I am at a loss because I thought I was answering the hon. Member's question. I was saying that we will consult on that matter because the Kenya Tea Development Agency as it is today, is not under the ambit of the Ministry. Being a farmers' organisation, we feel that we have a residual responsibility to guide it in terms of policy.

Therefore, the sentiments of the hon. Member are going to get favourable reply immediately I get to the office.

Mr. Mganga: Mr. Temporary Deputy Speaker, Sir, I do not yet have a written reply to my question.

Question No.099

Mr. Mganga asked the Minister for Tourism and Information:-

- (a) whether he was aware that residents of Voi do not receive KBC Television signals; and,
- (b) what urgent measures he is putting in place to ensure that residents of Voi start enjoying KBC TV reception.

(Mr. Tuju was applauded as he went to the Dispatch Box)

The Minister for Tourism and Information (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

I had a written answer which I had to change because it was done by some civil servants who we inherited. I, therefore, beg to reply with your permission, despite the fact that the answers came late.

(a) It is true that residents of Voi do not receive KBC Television signals. KBC is finalising plans to implement state of the art satellite technology on digital platform to deliver radio and television programmes that will have the coverage over the whole of the East African region.

The programmes will then be transmitted to the viewers and listeners through appropriate local transmitters.

The cost of hiring satellite capacity is estimated at approximately Kshs16 million annually while satellite transmission equipment that may cost as low as Kshs6 million for a town like Voi will be utilised.

Taita Taveta including Voi are planned to be served from a transmitter located at Bura on Taita Hills which will among others be the first beneficiary of this transition to new technology in transmission. Traditional terrestrial broadcast approach is more expensive as a typical transmission station like what was initiated in Bura would cost a minimum of Kshs45 million. That traditional approach will, therefore, limit our ability to serve other centres that we want to serve like Garissa, Hola, Wajir, Mandera, Migori, Lamu, Kilifi and others.

Mr. Temporary Deputy Speaker, Sir, my Ministry has already requested for urgent funds to help in the improvement of this transmission equipment using that approach. KBC has to make the transition to a new, relevant and cheaper technology and I beg for the support of the House.

Mr. Mganga: Mr. Temporary Deputy Speaker, Sir, I thank the Minister for that satisfactory answer. This Question has been asked here several times. However, the Minister always says there are plans to make sure that the Kenya Broadcasting Corporation (KBC), formerly known as the Voice of Kenya (VOK) will be transmitted in all corners of the country. The Voi people were even told some years back---

The Temporary Deputy Speaker (Mr. Poghiso): Order, Mr. Mganga! Hon. Members, this is Question Time. Specifically, ask your question. I also ask the Ministers to answer the specific questions because even their answers are getting longer. I think some of the information is supplementary and it can be given at a later stage. That is how we will move faster on Question Time.

Mr. Mganga: Thank you, Mr. Temporary Deputy Speaker, Sir. Given that good answer by the Minister, could he tell us when he will put this programme in place? When can Voi people expect to begin receiving KBC television transmission signals?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, it is a transition to a new technology which will benefit the whole country. The KBC is working on it. The KBC television signals will be

received as soon as possible.

Eng. Muriuki: Mr. Temporary Deputy Speaker, Sir, the Minister read a very long and technical answer. However, could he tell the House what is so special about Voi that most of the other towns in the country receive KBC television signals without requiring all that new technology? **Mr. Tuju:** Mr. Temporary Deputy Speaker, Sir, a transmission station was already under construction in Voi Town. A total of Kshs2 million had already been utilised. To finish the station, it will cost approximately Kshs47 million. That will only cover Voi Constituency. To bring in the new technology, Voi transmission and receiving signals from satellite, will cost Kshs6 million. It is important that we adopt the new technology, not only for the benefit of Voi Constituency, but for the rest of the country, especially the marginalised areas as far as transmission is concerned.

Mr. Waithaka: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister did not even attempt to answer the question asked by Eng. Muriuki. What is it about Voi Constituency and this House would be interested to know that makes KBC television transmission not possible? He is actually telling us about how much the Ministry will spend. Could he answer that very important question?

The Temporary Deputy Speaker (Mr. Poghisio): Now, Mr. Waithaka, repeating a question does not make it a point of order.

Mr. Waithaka: Mr. Temporary Deputy Speaker, Sir, is he in order to deliberately refuse to answer this very important question?

The Temporary Deputy Speaker (Mr. Poghisio): Order, Mr. Waithaka! Adding the words "is he in order," does not make it a point of order either.

Proceed, Mr. Lesrima!

Mr. Lesrima: Mr. Temporary Deputy Speaker, Sir, given that KBC is a giant monopoly that closes down at 11 p.m. could the Minister consider opening up the airwaves and giving the Nation Television and other media houses the opportunity to deliver this very important service to our people?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, the airwaves have been liberalised.

Mr. Wanjala: On a point of order, Mr. Temporary Deputy Speaker, Sir. Although the Minister had problems recently, you have clearly heard him deliberately misleading the House that the airwaves have already been liberalised. However, people in Busia District are not able to receive the Kenya Television Network (KTN) and the Nation Television signals because they have not been licensed to operate there. Is he in order to mislead the House?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, I do not know if I should answer this question because it is a different question and it should be asked on its own.

Mr. Khamisi: Mr. Temporary Deputy Speaker, Sir, the satellite transmission programmes that the Minister is talking about have been in the book for at least five years. The biggest problem that KBC is facing at the moment is lack of funds. The Minister has talked about urgent funds.

Could he tell this House when he will get those funds and how much he is asking for from the Government?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, Mr. Khamisi is very well informed about KBC matters. So, I appreciate his contribution in support of me to answer this Question. I have appealed to the Treasury for more funds. If there are to be more funds, they have to be authorised by this House. So, I beg for the support of the hon. Members.

Mr. Omingo: Mr. Temporary Deputy Speaker, Sir, the Minister did say that part of the cause of his problems in answering this Question are the civil servants who are incompetent. What action will he take against those civil servants who misled him?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, if we were to do what the hon. Member wants us to do; that is to sack all of them, then there will be no KBC.

Mr. Mganga: Mr. Temporary Deputy Speaker, Sir, the Minister says the programme will be effected as soon as possible. If it will take longer than when he has promised it will be effected, could he, in the meantime, consider licensing other media organisations, including KTN, Nation Television, Citizen, and Kiss FM, which have expressed interest to broadcast all over the country?

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, when people apply for licences, we process them in the right way and on merit. In fact, some of my colleagues across the House know that.

Mr. Sambu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Could the Minister define the word "liberalisation"? In his response to the Question, he said they have already liberalised the airwaves. Does the word "liberalisation" mean liberalising parts of the country and enslaving others?

The Temporary Deputy Speaker (Mr. Poghismo): Order, Mr. Sambu!

Mr. Tuju: Mr. Temporary Deputy Speaker, Sir, the hon. Member wanted to speak and we have heard him.

The Temporary Deputy Speaker (Mr. Poghismo): Next Question, by Mr. Ndolo!

Question No.086

TERMINAL BENEFITS FOR KR EMPLOYEES

Mr. Ndolo asked the Minister for Transport and Communications whether he could inform the House the number of employees of the Kenya Railways Corporation (KR) who proceeded on their retirement in the 1996/97 Financial Year and are yet to be paid their full retirement benefits.

The Temporary Deputy Speaker (Mr. Poghismo): Is anyone here from the Ministry of Transport and Communications? We will leave that Question until the end then.

Question No.080

SUPPLY OF ELECTRICITY TO
MATUNGU CONSTITUENCY

Mr. Were asked the Minister for Energy:-

- (a) whether he is aware that Matungu Constituency is the only constituency within Butere/Mumias District without electricity; and,
- (b) what steps he has so far taken to ensure that electricity is supplied to Matungu Constituency.

(Loud consultations)

The Temporary Deputy Speaker (Mr. Poghismo): Order, hon. Members! Consult in low tones.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) It is true that Matungu Constituency is the only constituency in Butere/Mumias District without electricity.

(b) The Ministry of Energy is holding discussions with donors who have indicated their desire to support rural electrification and it is anticipated that Matungu Constituency will be one of the beneficiaries in the next financial year, once funding is concluded.

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

The Temporary Deputy Speaker (Mr. Poghiso): Order! Where is the owner of the Question?

Mr. Were: Mr. Temporary Deputy Speaker, Sir, I am the owner of the Question! During this financial year, Kshs500 million was set aside for Rural Electrification Programme in the whole country. Out of that money, every district was allocated some amount of money towards that end. Butere/Mumias District was allocated Kshs12 million for the Rural Electrification Programme. Out of that amount, how much will be used to supply electricity to Matungu Constituency?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, considering the fact that the only constituency which did not benefit from the Spanish fund in Butere/Mumias District is Matungu, the Ministry will set aside some money to, at least, address the problem of lack of electricity in Matungu Constituency. We have markets like Munami, Ejinja and Koyonzo in this constituency in which I will consider one of the projects.

Mr. Manoti: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister has misled the House. The Questioner specifically asked: Out of the Kshs12 million allocated to Butere/Mumias District for Rural Electrification Programme, how much has been allocated to his constituency? Could he inform the House how much money has been set aside for the Rural Electrification Programme in Matungu Constituency?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I have answered that question. The Questioner indicated clearly that Kshs12 million has been set aside for the Rural Electrification Programme in Butere/Mumias District, which has more than one constituency. That is why I have said clearly that we had set aside Kshs2 million for the supply of electricity in that constituency, but considering the fact that it did not benefit at all from that programme, we will allocate it additional funds.

Mr. Abdirahman: Mr. Temporary Deputy Speaker, Sir, Matungu Constituency is not the only constituency in this country which does not have electricity. I would like to know from the Assistant Minister, the specific plans they have put in place in the subsequent year for the supply of electricity to Wajir South, Isiolo South, North Horr and many other constituencies which do not have electricity?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, next year's Budget is on the way and we shall address what the hon. Member has raised. However, we have noted that the manner in which electricity was distributed previously by the former Government was not right. The supply of electricity was concentrated in some parts of the country. However, the Ministry will ensure that the donor funds which will come will be distributed equally. First of all, we will consider the areas which were left out by the former Government.

Capt. Nakitare: Mr. Temporary Deputy Speaker, Sir, I would like to know from the Assistant Minister whether it was right for him to tell this House that Matungu is the only constituency in this country which does not have electricity, and yet Saboti Constituency, formerly represented by the late Vice-President did not even get a single cent from the Ministry on the Rural Electrification Programme. I would like the Assistant Minister to tell this House, whether Saboti Constituency is one of the constituencies which have been ignored by his Ministry, and if so, why.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I did not say that it is only Matungu Constituency which does not have electricity. I was very clear. I said that in Butere/Mumias

District, it is only Matungu Constituency which does not have electricity.

However, I sympathise with the hon. Member. Having known the party the late Vice-President belonged to, the hon. Member should not have expected the constituency to be supplied with electricity. But this Government is very specific. It will supply electricity to every Kenyan, irrespective of his or her party affiliation.

Mr. Were: Mr. Temporary Deputy Speaker, Sir, the Government promised to create 500,000 jobs annually. With the supply of electricity to rural areas, various activities will come up, for example, *Jua Kali* projects and small-scale industries. What is the extent of the electrification programme the Government plans for Matungu Constituency in the three and half-years that it will be in power?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, the people of Matungu Constituency will benefit from Phase III of the Spanish funded project. I would like to assure the hon. Member that we shall supply electricity to his constituency.

Mr. Osundwa: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister is deliberately misleading this House. We have no Spanish funded electricity project in Western Province, but we have the French assisted credit. Could the Assistant Minister tell this House what he is talking about?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I have said that we have Phase III of the Spanish funded project. This project will come up, and Matungu Constituency will be considered.

Question No.086

TERMINAL BENEFITS FOR KR EMPLOYEES

Mr. Ndolo asked the Minister for Transport and Communications whether he could inform the House the number of employees of the Kenya Railways Corporation (KR) who proceeded on their retirement in the 1996/97 Financial Year and are yet to be paid their full retirement benefits.

The Temporary Deputy Speaker (Mr. Poghisio): Mr. Ndolo, I will defer your Question because the Minister is not available!

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

COMPENSATION FOR VICTIMS OF
UNEXPLODED ORDINANCE

Mr. Ngoyoni: Mr. Temporary 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 on 18th February, 2004, two boys, namely Sukule Timado (12 years) and Iltinga Mirgichan (14 years) were injured by unexploded ordinance at the British Army Training Field at Lore Soro?

(b) Is he further aware that 15 head of cattle were also killed during the above incident?

(c) What measures is the Minister taking to ensure that the families of the victims are compensated and hospital bills incurred at Wamba Hospital settled?

(d) Could the Minister halt any further military exercises until the area is cleared of any unexploded ordinance?

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, may I request you to defer this Question to Tuesday next week in the afternoon, because the answer is not ready?

The Temporary Deputy Speaker (Mr. Poghisio): Mr. Ngoyoni, do you have any problem with that?

Mr. Ngoyoni: Mr. Temporary Deputy Speaker, Sir, I have no much problem, provided that the Assistant Minister brings a comprehensive answer on Tuesday next week. This is because the British Army soldiers are still practising and people are being blown up. I hope that the Assistant Minister will come with a comprehensive answer on Tuesday, next week.

The Temporary Deputy Speaker (Mr. Poghisio): Then that is okay. The Question is deferred to Tuesday next week!

(Question deferred)

SURGEONS FOR NYAMIRA
DISTRICT HOSPITAL

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

(a) Is the Minister aware that there is no surgeon at Nyamira District Hospital despite an earlier promise that the Ministry will send two surgeon doctors to the hospital?

(b) When will the Minister post surgeons to this hospital?

The Minister for Health (Mrs. Ngilu): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

I am aware that Nyamira District Hospital has a surgeon by the name of Dr. Oigara who was posted to the hospital in June, 2003. This surgeon has, however, decided to operate from Kisii Town which is an anomaly, which we are addressing immediately. We are in the process of identifying a second surgeon to be posted to the hospital as earlier promised. Since a surgeon has already been posted to the hospital, he has been instructed to begin operating from Nyamira with immediate effect as we identify a second surgeon.

Mr. Masanya: Mr. Temporary Deputy Speaker, Sir, this is a very serious matter because it concerns life. I was at Nyamira District Hospital about ten days ago and I was told that the surgeon the Minister is talking about is a visiting surgeon. Patients have died on the way while being rushed to Kisii District Hospital or Kisumu.

Could the Minister tell us when she will post a resident surgeon at Nyamira District Hospital?

Mrs. Ngilu: Thank you, Mr. Temporary Deputy Speaker, Sir. First of all, I would like to thank the hon. Member for bringing this issue to my attention. We posted a resident doctor to that hospital. He was not supposed to operate from Kisii Town, which is 20 kilometres away! The claim was that there was no house for the doctor in Nyamira. But I found out that, that is not the case. Therefore, I have given instructions that Dr. Oigara should report immediately, while I look for a second surgeon for the same hospital. If he fails to do that, he will obviously lose his job.

Dr. Galgallo: Mr. Temporary Deputy Speaker, Sir, I am shocked that the Minister could come and tell this House that a member of staff, who was posted to a hospital, failed to report to that hospital for about one year, and no action has been taken against him! Has there been a breakdown of administration since we left power last year?

(Applause)

Mrs. Ngilu: Thank you, Mr. Temporary Deputy Speaker, Sir. I think hon. Members are aware - and Dr. Galgallo also knows, that the Ministry of Health has scaled up service delivery to

Kenyan much more than they ever did before.

Mr. Obwocha: Mr. Temporary Deputy Speaker, Sir, when the same Minister came here the last time we asked this Question, she talked about disciplinary action against that doctor. Now, she is saying that she is going to force that doctor to go to Nyamira, to be a resident there! Is she really serious? That is because she was supposed to take action against that doctor! He had refused to go to that hospital and work there. She promised that she was going to get another doctor who was willing to work at Nyamira District Hospital. So, why is she forcing that doctor to go Nyamira? We want a surgeon who is willing to work for the people of Nyamira.

Mrs. Ngilu: Thank you, Mr. Temporary Deputy Speaker, Sir. That is true. What I am going to correct is the fact that he had claimed there was no house for him to live in, and that is why he was staying 20 kilometres away from the hospital! I agree that is a great anomaly. I would like to assure hon. Members that I am going to take immediate action.

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, this Government does not condone corruption. That doctor has been earning a salary that he has not worked for! That is corruption! What steps has the Minister taken to recover all the monies the doctor has earned when he was not at his work station?

(Applause)

Mrs. Ngilu: I will investigate immediately. But I want to say that, that doctor had claimed that there was no house that he could live in. However, I have found out that, that is not true! There is a house that he can stay in, in Nyamira, and he is going to do just that!

The Temporary Deputy Speaker (Mr. Poghisio): Last question, Mr. Masanya!

Mr. Wanjala: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to mislead this House that there was no house for the doctor to stay in at Nyamira, when the doctor was drawing a house allowance? Why did he not rent a house?

Mrs. Ngilu: Mr. Temporary Deputy Speaker, Sir, the hon. Member should listen more keenly. I said that he had "claimed" that there was no house that he could live in. I have established that there is a house and he is going to live there. However, we are not short of doctors and, if Dr. Oigara is not going to be in Nyamira, I am going to post another surgeon.

The Temporary Deputy Speaker (Mr. Poghisio): Mr. Masanya, last question!

Mr. Masanya: Thank you, Mr. Temporary Deputy Speaker, Sir. At Nyamira District Hospital, we have only two doctors! Could the Minister consider adding more doctors to that hospital?

Secondly, could the Minister inform me in writing when she will post those surgeons because we have been cheated before?

(Laughter)

The Temporary Deputy Speaker (Mr. Poghisio): Order, Members! Mr. Masanya, you have---

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

The Temporary Deputy Speaker (Mr. Poghisio): Order! He is just on another point of order! What could you possibly be having?

Mr. Omingo: Mr. Temporary Deputy Speaker, Sir, did you hear the hon. Member use unparliamentary language? Parliamentarians do not cheat!

(Laughter)

The Temporary Deputy Speaker (Mr. Poghisio): Order, hon. Members! Let us give the Minister a chance to answer the last question!

Mrs. Ngilu: Mr. Temporary Deputy Speaker, Sir, first of all, the question has been asked and I would like to respond. I have no problem giving a written confirmation that I am going to send a doctor to Nyamira District Hospital. However, may I also appeal to hon. Members that the Ministry of Health is going to ensure that we have more health workers in all hospitals, health centres and dispensaries.

I appeal to you to support me when we put up a National Social Health Insurance Scheme. That is the only way the poor will access quality healthcare. It can never be done in any other way. I appreciate the problems that people are going through, but it is a result of bad governance that was there before.

(Applause)

The Minister for Roads, Public Works and Housing (Mr. Raila): On a point of order, Mr. Temporary Deputy Speaker, Sir. Did you hear the hon. Member say that he wants the Minister to give him an answer in writing? The Standing Orders are very clear! A Member can ask a Question to be answered orally in the House. But if he requires a written answer, he does not need to ask a Minister a Question in the House. He can write to the Minister, and the Minister will provide a written answer.

(Several hon. Members stood up in their places)

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

The Temporary Deputy Speaker (Mr. Poghisio): Order, Members! Next Question! We are not going to have countless points of order! What is it, Mr. Obwocha?

Mr. Obwocha: Mr. Temporary Deputy Speaker, Sir, did you also hear what Mr. Raila said? He is misleading this House! It is true that a Minister can answer a Question orally or give a written answer. But we do not have a written answer for this Question! So, we want her to give us a written reply.

Mr. Temporary Deputy Speaker (Mr. Poghisio): Order! Actually, I think it is good to ask the Question. It belongs to the House. The answer also belongs to the House! I am not going to encourage a situation where every Member will be asking for a personal letter from the Minister. I think the answer should come to the House and it is for all of us.

(Applause)

Next Question, Mr. Leshore!

OUTBREAK OF FOOT AND
MOUTH DISEASE
IN SAMBURU DISTRICT

(Mr. Leshore) to ask the Minister for Livestock and Fisheries Development:-

- (a) Is the Minister aware that there is an outbreak of foot and mouth disease in Samburu District?
- (b) What urgent action is he taking to vaccinate all the animals and to avail the vaccines in the affected district?

The Temporary Deputy Speaker (Mr. Poghisio): Is Mr. Leshore not here? The Question is

deferred.

(Question deferred)
TRAINING PROGRAMME FOR
KPLC MANAGERS

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Energy the following Question by Private Notice.

(a) Could the Minister explain the circumstances under which all the five divisional heads as well as the Deputy Managing Director at Kenya Power and Lighting Company Limited are being sent on a two year training programme?

(b) Could the Minister inform the House the names of the people who will replace them while they are away on training?

(c) Could he also inform the House the cost of that programme?

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

With your indulgence, I will give a lengthy reply.

(a) As all Members are aware, the current power situation in the country is characterised by frequent electricity supply blackouts or outages averaging 11,000 per month. This is not only totally unacceptable by any standard, but is also contributing to the high cost of doing business in the country. For example, the industrial community in Kenya has continued to complain that such outages and wild voltage fluctuations currently account for, at least, one third of the bills relating to--

Dr. Galgallo: On a point of order, Mr. Temporary Deputy Speaker, Sir. We are in Question Time and the Assistant Minister is at liberty to bring a Statement to the House if he so wishes. Please, ask him to answer the Question as it appears on the Order Paper.

(Applause)

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

The Temporary Deputy Speaker (Mr. Poghisio): Order! I was still listening to see where the Assistant Minister was heading with his answer and I was basically looking to see if he is answering the right Question. So, let us hear him out. You only heard maybe, the first part but if the Assistant Minister is going to use this chance to issue a Ministerial Statement, then, of course, he is out of order.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, you know as I answer, I would like to inform Dr. Galgallo that we did not rig the past elections but we ousted the KANU Government from power. However, this Question is very comprehensive---

Dr. Galgallo: On a point of order, Mr. Temporary Deputy Speaker, Sir. You have heard the Assistant Minister saying that KANU was ousted from power. To my understanding, that sounds like a coup. Was there a coup in this country?

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, it was a coup through the ballot box. However, the Question is very clear and I have to give a comprehensive and detailed answer to it. Unless the hon. Members are not ready to listen to the answer, then I really do not know where they will get the true and correct position.

Mr. Temporary Deputy Speaker, Sir, I beg to answer.

The Temporary Deputy Speaker (Mr. Poghisio): Mr. Assistant Minister, I will expect you

to answer the Question as it is on the Order Paper.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, I will surely do that. I beg to reply.

(a) As all Members are aware, the current power situation in the country characterised by frequent electricity supply blackouts or outages averaging 11,000 per month is not only totally unacceptable by any standards, but is also contributing to the high cost of doing business in Kenya. For example, the industrial community in Kenya has continued to complain that such outages and wild voltage fluctuations currently account for at least one third of the bills related to electricity consumption---

The Temporary Deputy Speaker (Mr. Poghismo): Order, Assistant Minister! I do not see anything here about outages. Where are you taking us with this answer?

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, let me answer it orally. The reason why we want to take those people for retraining is because we are already faced by those outages and power blackouts and as a result we have realised that we really need to enhance the officer's individual capacity and, therefore, we require them to go back to relevant colleges for re-training. In the meantime, we have the World Bank and other---

Hon. Members: That is too long an explanation!

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, are you allowing me to be harassed?

The Temporary Deputy Speaker (Mr. Poghismo): I will protect you.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, please protect me.

Mr. Temporary Deputy Speaker, Sir, at the same time, those people who will replace them will be sourced internationally. We shall use the required standards to ensure that we have other managers replacing them in the meantime. However, they will still be in the country.

(b) As indicated in the answer to part (a) of the answer---

Hon. Members: What is indicated in part (a) of the answer?

The Assistant Minister for Energy (Mr. Kiunjuri): Now, that is the problem. You have not even heard what is indicated in part (a) of the answer.

Mr. Temporary Deputy Speaker, Sir, the consultants will be expected to be appointed through the International Competitive Bidding (ICB) upon Cabinet approval. It is, therefore, not possible to give any names at this point in time.

(c) The cost of the proposed training programmes is low since the Chief Managers will pursue their post graduate training in Kenya. On average, it costs about Kshs450,000 per student for a two year science-based master's course such as engineering. For an MA (Economics) and MBA, the overall cost is below Kshs400,000 per student. Based on these estimates, the overall cost should not exceed Kshs2.3 million for the five Chief Managers.

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, this programme reads some mischief in Kenya Power and Lighting Company (KPLC). That is why I wanted to know the names of the people who will be acting in these positions, assuming that these people are not being laid off so that I can know that there is no mischief. We do know that in our parastatals, there is some practice of victimisation and there is a feeling that the people who worked with Mr. Gichuru, the former Managing Director, should all be laid off.

Mr. Wanjala: Which is okay!

Hon. Members: No!

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, this is a nation and if the people who are working there are qualified, then they should be left to work. My question is:

Why did KPLC not organise for these people to pursue parallel degree programmes which they can attend after work?

(Applause)

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, the decision has not been already arrived at. It is a proposal that will be presented to the Cabinet for approval. If Members are willing to give any contribution or information that will assist the company, then we are ready to listen to them.

Ms. Abdalla: Thank you, Mr. Temporary Deputy Speaker, Sir. I was listening very carefully to the answer from the Assistant Minister and he said that the jobs that will be left behind by these employees will be advertised internationally and will be awarded through international bidding. Is a Government that promised Kenyans 500,000 jobs and importing the same expertise that it is looking for internationally serious? Secondly, could the Assistant Minister tell us what exactly these qualifications are and whether they are not here, so that we can understand if there is no mischief in this move?

(Applause)

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, you will agree with me that when I wanted to give a comprehensive answer, the hon. Members were all demanding that I go to part (b) and (c) of the Question. All that the hon. Member is asking is contained in this answer. I wanted to explain to hon. Members the reason why we arrived at that decision but they were not ready to listen to it.

So, with your guidance and the indulgence of this House, how can they harass me to give them answers that they have refused me to read to them?

Hon. Members: Give us the answers!

The Temporary Deputy Speaker (Mr. Poghio): Order, hon. Members! Mr. Assistant Minister, this is a supplementary question and basically the hon. lady is saying that you are sourcing people from outside. Is that not what you are saying? So, are the qualifications of those people not available here in Kenya? So, answer the question!

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, to answer her question, we have said that we require competent people and consultant contracts will be awarded through International Competitive Bidding (ICB). That means Kenya is included in the international world. Kenyans will also compete. That does not mean that we shall not consider Kenyans.

Mr. Ethuro: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to continue misleading this House that the Government needs to contract expertise internationally, when I know for a fact that when we were in school, the KPLC used to sponsor students to pursue electrical engineering in public universities?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, KPLC requires over Kshs20 billion to bring it back into the fold. To get the Kshs20 billion, we have really been discussing with donors like the International Monetary Fund (IMF) and the World Bank---

Hon. Members: On a point of order, Mr. Temporary Deputy Speaker, Sir.

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

The Temporary Deputy Speaker (Mr. Phogio): What is it, Mr. Mganga? It had better be a point of order!

Mr. Mganga: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has explained the

cost of taking all these officers for training. Is it in order for the Assistant Minister to give us the cost of training these people and at the same time state that they are going to recruit people internationally and that it will be subject to approval by the Cabinet? In fact, that means there is no Cabinet approval for persons being taken for training. So, which is which?

The Temporary Deputy Speaker (Mr. Phogisio): That is not a point of order!

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, that is certainly not a point of order. However, let me answer the hon. Member.

The problem here is that hon. Members are not patient enough to allow me to go through this answer. You will agree with me that the Question required a lengthy answer.

(Loud consultations)

Mr. Temporary Deputy Speaker, Sir, could they allow me now to give out the answer in a more comprehensive way?

The Temporary Deputy Speaker (Mr. Phogisio): The last question, Mr. Angwenyi!

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, since we did not have adequate time for the Assistant Minister to give a fully comprehensive answer, could we defer this Question?

(Applause)

The Temporary Deputy Speaker (Mr. Phogisio): Mr. Angwenyi, you were asking the last question!

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, we do know that this country has got all the expertise with regard to manpower. We also know that every divisional head has a person who can deputise for him or her if at all the heads have to be sent for training programmes. When is this country going to free itself from the yoke of the International Monetary Fund (IMF) and the World Bank which dictate as to whom to appoint and whom to work in certain positions?

Mr. Temporary Deputy Speaker, Sir, when are we going to do that?

Hon. Members: On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Phogisio): What is it now, Mr. Rotino!

Mr. Rotino: On a point of order, Mr. Temporary Deputy Speaker, Sir. You have read the mood of the House and, knowing that some Kenyans are being deprived of their privileges, may I, please, kindly, ask you to defer this Question so that the Assistant Minister can bring to this House a concrete and important answer?

(Applause)

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I understand the concerns raised by the hon. Members. But allow me to say that the answer that I was giving here is so comprehensive that it can be used as a Ministerial Statement. It would have addressed those questions. I agree with hon. Members that we have enough expertise and we shall be denying Kenyans opportunities if we went ahead to source personnel from outside. However, I would request the hon. Members to give me a chance. I can even do it this afternoon. I will issue a comprehensive Ministerial Statement so that they can listen more keenly and correct us where we are failing. It is not in the interest of Kenya Power and Lighting Company (KPLC) to issue jobs to people who are not Kenyans. It is in the interest of this nation that we should listen to what hon. Members want to be done.

With your indulgence, Mr. Temporary Deputy Speaker, Sir, may I seek your permission to

issue a comprehensive Ministerial Statement today in the afternoon.

The Temporary Deputy Speaker (Mr. Phogisio): Very well. The Assistant Minister has the freedom to bring a Ministerial Statement if he wants to. That is, in fact, one of his responsibilities. So, we will put that matter to rest.

Mr. Sirma: Mr. Temporary Deputy Speaker, Sir, I would like him to include the names of the acting divisional heads. Given that the recruitment of heads of divisions at KPLC was done by consultants, I want the Assistant Minister to tell us whether it is not through mischief that they want to put their politically-correct people in those positions.

POINT OF ORDER

RE-OPENING OF KMC

Mr. Ndambuki: Mr. Temporary Deputy Speaker, Sir, mine is a totally different issue and it regards Kenya Meat Commission (KMC). I stand to demand a Ministerial Statement from the Minister of Livestock and Fisheries Development. I want him to tell us exactly when he is going to open KMC; and, whether, indeed, KMC is going to be opened. The last time he was here, he told us that he had not opened KMC because he was putting the board of directors in place. Surely, putting a board of directors in place is a matter of a few hours only. I would like to know whether this exercise is going to take place and the exact date when he will open KMC. Also, is it true that KMC might not be opened because it is in Ukambani?

The Minister for Livestock and Fisheries Development (Mr. Munyao): Mr. Temporary Deputy Speaker, Sir, sentiments noted.

The Temporary Deputy Speaker (Mr. Phogisio): Mr. Munyao, the hon. Member is demanding for a Ministerial Statement. You are not just taking his sentiments.

The Minister for Livestock and Fisheries Development (Mr. Munyao): Mr. Temporary Deputy Speaker, Sir, that will be done tomorrow in the afternoon.

DISRUPTION OF LDP SEMINAR AT EGOJI

Mr. Ndolo: Mr. Temporary Deputy Speaker, Sir, I wish to seek a Ministerial Statement from the Minister for Justice and Constitutional Affairs on the incident that took place on Friday, 15th April at 2.04 p.m at Egoji Market, in Meru Central.

Two Land Rovers, full of policemen, were mobilised to disperse a Liberal Democratic Party (LDP) leaders' seminar in a hotel. Has the Minister forgotten that since the repeal of Section 2A of our Constitution, and the introduction of multiparty democracy, political parties are free to conduct their party affairs without harassment by the police? The Minister should tell the country whether he understands the meaning of political pluralism, good political governance, democracy, freedom of association and freedom of speech.

The Temporary Deputy Speaker (Mr. Phogisio): Who is taking note of that from the Government side?

Mr. Mwenje: But Mr. Temporary Deputy Speaker, Sir, he has just---

The Temporary Deputy Speaker (Mr. Phogisio): He has just sought for a Ministerial Statement and all I need is the Minister's commitment.

The Minister for Regional Development (Mr. Kombo): Mr. Temporary Deputy Speaker, Sir, first of all, I do not understand why it has to be the Ministry of Justice and Constitutional Affairs. What has the incident got to do with the Ministry of Justice and Constitutional Affairs? However, as a Government, we have taken note.

The Temporary Deputy Speaker (Mr. Phogisio): The Statement was sought from the Ministry of Justice and Constitutional Affairs. So take note.

TRAINING OF GRADUATE NURSES

Mr. Bifwoli: Mr. Temporary Deputy Speaker, Sir, I rise to seek a Ministerial Statement from the Ministry of Health regarding the Ministry's policy on training and employment of graduate nurses. The Government of Kenya seems to have started the training of graduate nurses without a proper plan. The idea of training graduate nurses was a very noble one as Kenyans need nurses of high calibre. Students admitted in the university to do nursing degree courses are students who must have attained a B-plus and above. They also must have passed certain science subjects. That means that those students are of a high calibre. They are the top academic cream of this country. Unfortunately---

The Temporary Deputy Speaker (Mr. Phogisio): Mr. Bifwoli, what are you doing now?

Mr. Bifwoli: Mr. Temporary Deputy Speaker, Sir, I am seeking to know the policy of the Ministry of Health on the training of graduate nurses. Why did they start training graduate nurses when the Government is not ready to employ them?

The Temporary Deputy Speaker (Mr. Poghisio): By the way, who is taking note of the request for the Ministerial Statement from the Ministry of Health? For purposes of record, somebody has to make a commitment to bring that Ministerial Statement.

Hon. Members: Mr. Katuku! Mr. Kombo!

The Minister for Regional Development (Mr. Kombo): We have taken note, Mr. Temporary Deputy Speaker, Sir.

(Applause)

DELAY IN PROCESSING CORPORATE BONDS

Mr. Kipchumba: Mr. Temporary Deputy Speaker, Sir, I wish to request for a Statement from the Minister for Finance. Barclays Bank of Kenya applied to the Capital Markets Authority (CMA) to be allowed to issue corporate bonds sometime last year. While CMA has denied having failed in its responsibility in granting the said bond to Barclays Bank, both the Treasury and the Central Bank of Kenya have denied being the cause of the delay.

Mr. Temporary Deputy Speaker, Sir, I would like to demand that the Minister tells us what the cause of the delay is because Barclays Bank of Kenya has stated very clearly that it would like to use the said bond to promote investment in terms of lending in the mortgage sector.

PUBLICATION OF REPORT ON BUSIA PLANE CRASH

Mr. Temporary Deputy Speaker, Sir, my second request for a Statement is to the Ministry of Transport and Communication. Sometime last year, a few of our hon. Members of Parliament, including Cabinet Ministers, were involved in a plane crash in which we lost one of the Ministers. The Minister for Transport and Communications immediately instituted a Committee to investigate the crash and report on the cause of the accident. One year down the line and, in spite of losing one of the Cabinet Ministers, the Minister has not told us or made public as to what was the cause of the

accident.

The Temporary Deputy Speaker (Mr. Poghisio): You are asking the Minister to do that, so, do so quickly!

Mr. Kipchumba: Yet we used the taxpayers money and lost our hon. Member.

The Minister for Regional Development (Mr. Kombo): On a point of order, Mr. Temporary Deputy Speaker, Sir. While we take note of what the hon. Member is saying, I just wanted to say that in the Commonwealth Parliamentary practices, hon. Members seek Ministerial Statements, they do not demand for them. It is not adversarial. So, I just thought that this should be passed on to hon. Members so that we follow the practice as it is in the Commonwealth Parliaments.

(Loud consultations)

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

HARRASSMENT OF KAMELEI TRADING
CENTRE RESIDENTS BY ANTI-STOCK
THEFT OFFICERS

Mr. Rotino: Mr. Temporary Deputy Speaker, Sir, I am sincerely seeking a Statement from the Minister, Office of the President---

The Temporary Deputy Speaker (Mr. Poghisio): I am glad that you are immediately putting into practice what hon. Kombo has said.

(Laughter)

It was on Sunday, 18th April, 2004 when an Anti-Stock Theft Unit stationed in Kamelei Trading Centre in Tapach Division of Sigor Constituency went on a shooting spree at around 8.00 p.m. and some people were injured in the process. Therefore, I am seeking a Ministerial Statement addressing what really happened and the steps the Government is taking because that is not the first time the same unit has caused havoc in that trading centre. We want to know what they are doing about this incident, otherwise, we shall keep the unit out.

The Minister for Livestock and Fisheries Development (Mr. (Mr. Munyao): Mr. Temporary Deputy Speaker, Sir, I take note of that.

Mr. Rotino: Did you say something?

(Laughter)

Mr. Mganga: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister has mumbled things that nobody could understand. Could he be more clearer and articulate what exactly he wanted to communicate to the House?

The Minister for Livestock and Fisheries Development (Mr. Munyao): One thing which is very clear is that I did not speak in Kitaita, but in English. I said that I have taken note of that.

(Laughter)

PROTECTION OF FLORA AND FAUNA
FROM ERUPTING GEYSER

Mr. Moi: Mr. Temporary Deputy Speaker, Sir, I rise to urgently and unequivocally seek a Ministerial Statement from the Minister for Environment, Natural Resources and Wildlife regarding the phenomenon known as the Geyser. What is the Minister doing to protect the Flora and Fauna from the poisons emanating from the Geyser.

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, we have taken note.

The Temporary Deputy Speaker (Mr. Poghisisio): Very well, next Order!

MOTIONS

CONVERSION OF NSSF INTO STATE PENSION FUND

THAT, in view of the fact that many Kenyans who are over 60 years old are unable to work due to unavailability of employment, old age, or sickness; this House do grant leave to introduce a Bill for an Act of Parliament to amend the National Social Security Fund (NSSF) Act, Cap.258, Laws of Kenya, in order to convert the Fund into a State Pension Fund where every working Kenyan shall contribute a percentage of his or her earnings.

(Mr. Oloo-Aringo on 14.4.2004)

*(Resumption of Debate interrupted
on 14.4.2004)*

The Temporary Deputy Speaker (Mr. Poghisisio): Who was on the Floor?

Hon. Members: He is not present!

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

Mr. Khamasi: Thank you very much, Mr. Temporary Deputy Speaker, Sir---

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. We consider this Motion as being very important. I take note, that last week, the National Social Security Fund (NSSF) organized a very nice workshop regarding the same issue. I am wondering whether Mr. Oloo-Aringo would consider either withdrawing this Motion and coming up with another comprehensive one as we agreed at Amboseli, or whether he wants to continue with this Motion as it is. He was also in the Amboseli meeting where he agreed that we should expand the avenues of NSSF to come up with a major comprehensive pension scheme instead of the way it is now. I am wondering whether the Mover of the Motion could consider withdrawing this Motion and then come up with a proper Motion---

The Temporary Deputy Speaker (Mr. Poghisisio): Mr. Mwenje, in the absence of anything at this point, because we do not have any instructions whatsoever, we are going to continue with what we have. It is important that we note that, once a Motion has been moved, seconded and Question proposed, it is before the House. Standing Order No.50 stipulates:-

Once a Question on a Motion has been proposed, the Motion shall be deemed to be in the possession of the House, and cannot be withdrawn without the leave of the House.

So, nobody has sought the leave of the House to withdraw this Motion. So, we will proceed

because the Motion is properly before this House. If you have anything that you want to do, you can do it outside this particular arrangement because the Motion is properly before the House.

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am glad that hon. Oloo-Aringo has just walked in. The reason why---

The Temporary Deputy Speaker (Mr. Poghisio): You cannot pursue that issue further---

Mr. Mwenje: Even if that was the situation, if hon. Oloo-Aringo would seek the leave of this House to withdraw the Motion in order to come up with a proper Motion---

Mr. Temporary Deputy Speaker, Sir, I am seeking your guidance!

The Temporary Deputy Speaker (Mr. Poghisio): Order, Mr. Mwenje!

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am seeking your guidance!

The Temporary Deputy Speaker (Mr. Poghisio): It is not proper for you to stand on a point of order and continue to argue about this issue because somebody else is on the Floor!

Mr. Mwenje: I am not arguing, I am only requesting the Chair to---

The Temporary Deputy Speaker (Mr. Poghisio): Since hon. Oloo-Aringo is present, just talk to him. Do not bring up this issue through the Chair!

(Laughter)

Mr. Khamasi: Mr. Temporary Deputy Speaker, Sir, you have made the correct ruling. Mr. Mwenje has been here long enough and he knows that the Motion is now the property of the House and even Mr. Oloo-Aringo cannot claim its ownership. We must continue to debate it until its completion.

I want to support the Motion and congratulate Mr. Oloo-Aringo for seeing sense in bringing this Motion. We would like to see Ministries being pro-active and bringing Bills to this House as opposed to hon. Members seeking leave of the House to introduce amendments or Bills. We would like to see the Front Bench being more pro-active and bringing people-friendly Bills to this House, so that we can discuss them. That will save time.

Mr. Temporary Deputy Speaker, Sir, the National Social Security Fund (NSSF) was open for looting. When you read the litany of stories about it, it is a sad story. The politically-correct people invaded the Fund. Some of them sold small parcels of land at exaggerated prices; for example, half an acre for Kshs20 million. Useless disused quarries were sold to the Fund by politically-correct people. The Fund has not been of much use to the elderly, who have left employment. The amount of money retirees take home is very little. It is about Kshs60,000 for the small contributors and by the end of the day, that money is not useful.

Mr. Temporary Deputy Speaker, Sir, I was a contributor towards the NSSF at one stage. I contributed for more than 23 years and I only took home about Kshs150,000. I got this money after demanding it for nearly six months and spent it in less than three days. So, it is a matter of concern. Retirees take too long to get that money. They spend too much money coming to Nairobi, going to the NSSF offices, being tossed around and being mis-directed from one office to another. By the time they get the money, it is already spent just on their movements. They then recede back into poverty. This is a very sad affair. If this Fund was turned into a State Pension Fund, the majority of senior citizens of this country would be fairly looked after.

Mr. Temporary Deputy Speaker, Sir, in other parts of the world, senior citizens; those elderly people who are over 60 years, are looked after very well. They even get remissions when they shop in mega stores. We should be driving ourselves towards that trend where we must appreciate the services which senior citizens of this country offered to us in various capacities when

they were still strong enough.

Mr. Temporary Deputy Speaker, Sir, this Motion should be supported because, after all, all workers will retire at the age of 60 years and they will require this facility. As I speak, pensioners get peanuts. Some get a pension of Kshs320 and others Kshs500 per month. This is a very little amount of money. Some of them have to travel to district treasuries. By the end of the day, after deducting the transport cost which they have used to reach those district treasuries, probably the balance they take home maybe only a few shillings which can only buy a few kilograms of sugar.

Mr. Temporary Deputy Speaker, Sir, it is necessary that, once the NSSF is converted into a State Pension Fund, it includes an escalation factor, so that the pension moves in relation to the inflation factor at the same rate. It pains to realise that people who bought life insurances in 1970 or 1972, which is like buying a pension, for example, for Kshs50,000--- The maturity of that particular policy was to be in about 40 years' time, if it matures now, these people will get very little money. We must also make sure that, once the NSSF is converted into a State Pension Fund, it is crafted in a manner that, at the time one retires, he has enough money to live on.

Mr. Temporary Deputy Speaker, Sir, I support this Motion and ask the Government to take over its implementation. It is not fair to leave the cost of bringing this Bill to the House to Mr. Oloo-Aringo. Unfortunately, hon. Members of the Front Bench are not there. We need to see the Ministry of Labour and Human Resource Development moving in that direction and taking over once this Motion is passed. I know this Motion has the support of this House and we would like to see the Ministry taking over immediately and draft a Bill for discussion in this House.

With those few remarks, I beg to support.

Mr. Onyancha: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. From the outset, I would like to say that I support this Motion. This is a timely Motion because people tend to suffer during their old age. Sickness tends to come very fast to people once they have attained old age and have retired. They lose the ability to work in their farms and in business endeavours. Hence, coming up with this kind of scheme would alleviate problems in old age for our workers. These are citizens who gave their best when they were able to work for this country. It is amazing that at the end of their hard work, the Government just leaves them to live in squalor. In this country, retirement is almost equated to sacking. Somebody is left thinking that he is headed for death and, therefore, life becomes very difficult for that citizen who gave his service to this country. The Kshs80 contributed by each worker currently is very little. I think that in the new scheme, there will be need to stagger the amount so that workers can contribute depending on their abilities, and so as to save a lot of money that they can use in their old age.

Mr. Temporary Deputy Speaker, Sir, the NSSF has been misused in terms of the way it is run. Money has been misused and there has been haphazard investment. I believe that once the new pension scheme becomes operational, better management will be put into place, so that people of unquestionable integrity can manage the Fund so that all the citizens can benefit to the utmost.

Mr. Temporary Deputy Speaker, Sir, you can bear me witness that this country has suffered from corruption, and the NSSF has not been spared. Never again should financial invaders be allowed to invade the NSSF the way they have done before. I am appealing that the proposed pension scheme should be handled in a manner that the workers of this country benefit from it in their old age. Kenyans live in poverty even when they are gainfully employed. Citizens can only enjoy quality life if they have a scheme of this nature. This is a scheme that should be supported by this House. It does not really matter whether this is by an hon. Member or the Government. All we want to see is a scheme that can work so that workers of this country can enjoy quality life at the end of their working life.

I beg to support.

*(The Temporary Deputy Speaker
(Mr. Poghisio) left the Chair)*

*(The Temporary Deputy Speaker
(Mr. Ethuro) took the Chair)*

Mr. Kipchumba: Thank you, Mr. Temporary Deputy Speaker, Sir. I wish to support this Motion, which has come at the right time when many of our institutions are supposed to be reformed. I like the fact that this Motion seeks to ensure that those who are out of employment, the old, and the sick can be taken care of at the sunset of their lives. I would like to say that retirement at the age of 60 is late. I would have liked the retirement age to be 55. In view of the fact of people save very little money owing to the high cost of living, many people retire and have nothing to survive on thereafter. It is important that this Motion targets Kenyans of all ages. We would like people of all ages to live decent lives. We do not want people to live luxurious lives but lives that would ensure their survival. We are not asking for too much from the working class members of this country. We are just saying that those who are working should sacrifice some of their money and assist the old. Those who are working enjoy life to a certain extent. As soon as they retire, some of them get stressed and die almost immediately. Just as in the developed world, we would like the retired people to have a life that they can enjoy before they depart from this world.

In the past, we have seen situations where the NSSF resources have been wasted. If the resources were invested properly, the amount of money that would be generated would ensure that what is paid by the working population was very little money. We have seen in the Controller and Auditor-General's reports the amount of waste that is incurred year in, year out, by this institution. If NSSF made proper investments, this country would have used the money to ensure that those in old age are well taken care of.

As much as we may want to take care of those in old age, NSSF should be reformed. There is no point of Kenyans putting all their money into the NSSF, which then buys plots which, at the end, do not have any investment returns. There is no need of constructing a building worth billions of shillings, whose returns will not be realised in the entire lifetime of the current contributors. It is important that, in future, the Government works out legislation to ensure the proper management of NSSF. It is only through ensuring a proper and responsive management, that is line with the changing trends, that savings will be realised by those who save through this institution. Just as some of my colleagues have said before, there was a seminar to ensure that this institution is reformed. We would like that reforming to be done as soon as possible.

With those few remarks, I support.

Mr. Muite: Thank you, Mr. Temporary Deputy Speaker, Sir. When everyone is agreeing on an issue, it is time to rethink it. The other side of the coin must always be examined. There is a saying that "fools seldom differ." Hon. Members of Parliament are not fools. I am just talking of the importance of looking at both sides of the coin.

This is a good Motion. However, we need a reality check. We need to know how many working Kenyans are there in terms of numbers. We need to know what they are earning, how many of them are over 60 and can qualify for the pension scheme in a welfare state. Can we afford it? How much money will be contributed by the number of people who are working? What figures are we suggesting would support the many Kenyans who are over 60 years of age under the scheme? Is it practical? Is it affordable? There are countries in the world, and Germany is a very good example, where they are driving themselves out of the market in terms of manufacturing goods because the

number of workers is very small. The number of pensioners who are over 60 years of age is very high and is still rising. So, you have a situation where a very small number of the productive and working people is being over-taxed in order to sustain a very large number of retired people, who are not working. This is the reality check that we need to consider before we implement these good ideas.

The welfare state is very good, but the economy has got to be able to afford it. You have to activate the economy to a point where you are able to sustain the welfare state, which we want to create. It is a very bad thing to raise expectations and then you find that you cannot afford it. Let us link this noble idea of supporting retired people to the economy. The statistics concerning the expected foreseeable growth of the economy, are there. We should not pass this Motion in the abstract without inter-relating it to the reality of the growth of the economy and the figures which indicate the diminishing number of workers. The ones who are working will continue to diminish. As health services improve, the number of elderly people will continue to increase.

Let us come up with realistic proposals. One has to cut one's dress according to the cloth available. What is the money available and what contribution can we make? Even these young working people also want to be left with enough take-home pay at the end of the month to be able to buy their own houses. They want to be able to re-pay their mortgages and educate their children without much stress. They also want to live. The priority is towards them, even if we are compassionate. If you cannot afford to take your parents to Nairobi Hospital when they fall sick, you must do what you can afford. This is the reality check that I am talking about.

Mr. Temporary Deputy Speaker, Sir, before this Bill is introduced--- I am not opposing the issue of leave; the leave can be granted. When the Bill is drafted let us have facts, figures and statistics so that we know what we are talking about. We should not have a blanket, general omnibus sort of Bill to say that everybody over 60 years will be able to draw from the National Social Security Fund. Our brothers in Western Province are very gregarious. You go there with your *mrija* and put it in the pot. You drink as much alcohol as you want when seated round a pot. However, somebody has to brew the alcohol and put it in there. There is no use putting your *mrija* in if there is no alcohol. We have got to have somebody brewing enough alcohol to put into this container, so that each one of us can put in their *mrija* and drink to their fill.

So, the NSSF needs to be funded with enough money for it to support everybody who is over 60 years of age. It is not that I am not compassionate; I am. I have been involved in rehabilitating water projects in my constituency. When people start saying that they cannot charge for that water above a certain figure because the old people will not be able to afford that Kshs500 or Kshs1,000, I explain to them, in terms of capacity building, that they are not helping those old people, because when the project collapses, it is those old *mamas* who will suffer even more by travelling very long distances to fetch water.

I tell them that it is much better for us to set the charges for the water at a practical and reasonable level. I tell them that if you want to assist that old lady you should take the Kshs500 or Kshs1,000 from your pocket and pay for her instead of setting the level of the water charges so low that, within a year, that water project will collapse because you are unable to pay for electricity or repair the pump when it breaks down. While I support this Motion, when it comes to the Bill, let us have the figures.

I beg to support, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Ethuro): It is time for the Official Responder.

The Assistant Minister for Labour and Human Resource Development (Mr. Odoyo): Mr. Temporary Deputy Speaker, Sir, in the context of humility, I would like to donate five minutes of my time to any hon. Member. After I have spoken, but still during my time, I will donate five

minutes of my time also to the Attorney-General. So, my first donation is to any hon. Member, out of total respect and humility at the discretion of the Chair.

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. We need to combine the NSSF and the NHIF because they are doing almost the same work. I think it is expensive to maintain the two institutions. We need to cultivate the culture of respecting our old people. We do not respect our old people. We do not give them seats even when they enter buses. You will find a 15-year-old girl or boy sitting down when an old person is standing. I think it is unfair and we need to start respecting our old people.

The pension that Kenyans are currently getting is really peanuts. Sometimes it is as low as Kshs400. If you take away from it fare to go to the DC's office to collect it, and bank charges, you will see that they actually end up with zero pension in their pockets. Another group that has been left out is in the informal sector. I think every Member of this House has employed a maid. Do you pay them pension? We need to bring in maids, gardeners, casuals and our drivers, so that they can also benefit from the proposed scheme.

The main problem is that we have got parallel pension schemes or provident funds. The employer pays something and yet we are also expected to pay the NSSF contributions. We need to have one State-provided pension scheme, to which every person will contribute, say 5 per cent, and the employer will contribute 10 per cent. This should be applicable to everybody. We can abolish the current provident funds and pension schemes so that we have one State Pension Scheme which would have a lot of liquidity. We could also invest these funds outside Kenya, for example, like what Mauritius, Ghana and Zambia have done. Their pension scheme funds are invested in other countries. I think we need to do that.

Mr. Temporary Deputy Speaker, Sir, the other problem is how we have run our National Social Security Fund (NSSF). It has been used as a cash-cow. It was the place where, if you wanted money, you would only sell to them old quarries, or some dilapidated houses and you would make money. It was basically used for looting purposes. That is why they are unable to give good interest rates. They can only give interest rates of about 6 per cent. About ten years ago, there were some pension schemes that were giving interest rates as high as 20 per cent. We also need to increase the retirement age.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

The Attorney-General (Mr. Wako): Mr. Temporary Deputy Speaker, Sir, I rise to support the spirit of this Motion. Indeed, the Government has been concerned over time, not only by the issues raised by this Motion, but generally by labour laws. Our labour laws are outdated and they infringe on the International Labour Organisation (ILO) conventions. That is why the office of the Attorney-General did set up a task force to review all labour laws, including the NSSF legislation. I am pleased to inform this House that, that task force, chaired by Justice Cockar, the long standing Chairman of the Industrial Court, will deliver its final report to me on 28th April, 2004.

On the issue of this Motion, I would like to inform this House that the Government has gone a long way to focus on the issues of the NSSF. In fact, yesterday the Cabinet did discuss this. We all know and the hon. Members have mentioned the shortcomings of the NSSF. We would like to see this Fund reformed so that the benefits cover areas such as old age, invalidity, survivors and funeral grants. Already Kshs2,500 is being given as funeral grant. Other areas include maternity grants, employment injury and unemployment relief. I can assure this House that, in fact, a Sessional Paper is already in the final stages of preparation.

Along with that, and I mentioning this because of the ILO conventions, the Ministry of Health has also come up with a proposal on the National Health Insurance Fund (NHIF). In fact, I

did set up a task force which was established in May, 2002, composed of various stakeholders. They have come up with a very comprehensive Sessional Paper and a Bill on this issue. It is the intention of the Government that, in due course, this House will debate the Sessional Papers on the two Bills. However, because of the ILO conventions, it will be necessary to coordinate the NSSF and the NHIF because we do not want to end up having workers paying double for these two Funds. According to the ILO conventions, we must have a comprehensive policy and come up with one legislation to cover all the areas. Therefore, as we support this Motion, we should bear in mind that there will be need to come up with a more comprehensive legislation and Sessional Paper to be debated by this House in order to enact a comprehensive legislation in which the workers of this country will benefit. As a result of that, as usual, we have come to an understanding with Mr. Oloo-Aringo in the last Parliament and even now, that we support this Motion, but we also discuss an amicable way to ensure that the ultimate product has the Government's input, which is also comprehensive to cover not only the limited scope of this Motion, but also what the Ministry is doing in the area of the NHIF.

Mr. Temporary Deputy Speaker, Sir, with those remarks, I beg to support.

The Assistant Minister for Labour and Human Resource Development (Mr. Odoyo):

Mr. Temporary Deputy Speaker Sir, I beg to say a few words on behalf of the Ministry of Labour and Human Resource Development. There comes a time in the life of a Parliament, when important Motions do tend to pass by without us noticing. This is one of those Motions that have the potential of influencing and changing the lives of our people at the lowest ends of society. The society is based on, among other things, the notion that the rich should help the poor, the strong should help the weak and the advantaged should always help the disadvantaged. This is one Motion that is geared on these particular tenets. Therefore, I wish to state from the outset that the Government is in support of this Motion as already said by the Attorney-General.

Mr. Temporary Deputy Speaker, Sir, the NSSF was established in 1965 by an Act of Parliament, Cap.258 of the Laws of Kenya. The Fund commenced operations in 1966 as a department within the then Ministry of Labour, with the objective of providing social protection to the workers against such contingencies as old age, disability and death. Today, the NSSF operates as a provident fund in which members register upon joining the labour market. The contributions are collected both from the employer and the employee.

To date the Fund offers its members a provident benefit, paid on attaining the age of 50; an age benefit paid on attaining an age of 55 years; invalidity benefit paid to a member who suffers permanent disability; survivors benefit and immigration and grant benefits. To finance the scheme in its present status, the employer and employee both contribute about 5 per cent. This combines to about Kshs160 per month. These rates were revised in 1977 and in 2001. However, since then, their value has been eroded by inflation, devaluation and a series of minimum wage reviews.

Mr. Temporary Deputy Speaker, Sir, under the current provident fund scheme, a member's benefits are strictly equal to the total savings and interest he or she has earned. That actual benefit paid normally has little relationship with the member's earning level at the time of qualifying. Benefits for early invalidity or death are also minimal and the lumpsum is paid upon retirement. For example, there are cases where somebody has retired with a lumpsum from the NSSF, he goes to his home market and there, the so-called "vultures" misuse all the money. By the time he gets home, after three days, all the NSSF benefits have disappeared in some other people's pockets. We know of cases where people retire and they die within 30 months because of the value and the way the provident fund is structured. It is because of this that the amendment that was proposed in this Motion is important. The social security amendment proposes to transform the NSSF into a State Pension Fund. In this regard, we expect that it will have a far-reaching impact on the economy,

because it will provide a regular benefit. In case of loss of earnings, regardless of the length of one's membership, one should be able to earn an income if one retires, becomes disabled or disadvantaged.

Mr. Temporary Deputy Speaker, Sir, a social insurance scheme is a system where members pool and share risks. The benefits cover old age, invalidity, survivors, funeral grants, loss of employment, injury and employment relief. I wish to assure this House that the Government is committed to the eventual conversion of the National Social Security Fund (NSSF) into a social insurance pension scheme that is viable and relevant to the needs of the majority of workers and Kenyans. At this moment, the Ministry is spearheading the reform and, as the Attorney-General has said, a lot of work has been done, including at various levels of the Government and the Cabinet. So, we are committed to undertaking the reforms that are required by the people of Kenya.

In response to the views expressed by hon. Members, I wish to assure this House that the envisaged reforms will take into account the state of the economy, inflation, the formal and informal sectors as well as the casual workers. It will look into a case where the retirement age limit will be pushed to 60 years. We are also going to undertake a serious transformation of the integrity of the NSSF. We will have in place a body which will be capable of serving Kenyans effectively by providing them with a regular pension as and when they retire, as opposed to giving them a lumpsum amount, which they squander within a few days.

Mr. Temporary Deputy Speaker, Sir, I wish to state that we have had some consultations with the Mover of the Motion at various levels of the Government, including the Leader of Government Business. Generally, we have reached a consensus that, at the discretion of the House, and we seek the indulgence of the House, that the Government will take over this Motion with a view to providing a more comprehensive Bill that will take into account the National Hospital Insurance Fund (NHIF) and other bodies that are willing to serve as social safety nets in this country.

Mr. Temporary Deputy Speaker, Sir, there is always the question of the International Labour Organisation (ILO). The ILO supports initiatives like this one. I want to assure the House that the idea of providing a social safety net is at the heart and soul of the ILO. This is covered under the ILO Convention No.102, which was enacted in 1952. We cannot cure all the social ills of this country by providing a social safety net, but we shall make a long leap in providing for our people, especially those who are disadvantaged. The need for a pension fund is such that the time is now rather than later.

I wish to assure the House that time has come when we should have savings that will accrue from the national social pension fund. Such savings can also be utilised by the country to undertake major social projects. One of the greatest disability of this country is that we are forever depending on investments from overseas. There has to be a national consciousness to enable all Kenyans save and those funds should be used in a manner that is productive and beneficial to all pensioners in this country. There are many projects, many companies and many ideas which, if they pooled funds from the national social pension scheme, we shall be able to undertake.

I wish to draw the attention of the House to the fact that we have turned a new leaf at the NSSF. There used to be a time when money was misused. We all know the saga of the Kshs265 million, land scams and the money that was looted by some individuals. As we have said in the past, some of them are even in this House. I wish to assure the House that the NSSF has turned a new leaf and today, we are now putting in place a Board of Trustees that will respond to the needs and wishes of Kenyans in a manner that will ensure that the funds reach the eventual target group, who are the retirees, and who, for some reason, are affected one way or the other.

Mr. Temporary Deputy Speaker, Sir, we support this Motion and urge this House to also

support it. The Government will take it over.

Thank you.

Mr. Oloo-Aringo: Mr. Temporary Deputy Speaker, Sir, I know that many hon. Members would like to speak on this Motion. I would like to donate four minutes of my time to Mr. M. Kariuki and another three minutes to Mr. Nderitu.

Mr. M. Kariuki: Mr. Temporary Deputy Speaker, Sir, I wish to add my voice in support of this Motion.

Mr. Temporary Deputy Speaker, Sir, it cannot be gainsaid that there is actual, very serious and urgent need to restructure the NSSF, in view of the tales we have heard about the abuse of office occasioned by those who were running it and the amount of looting that has taken place.

I just wish to capture one point. After the Second World War, the Western European states decided to have a social security system. The economies of those countries were not doing very well. In fact, their economies were in a very poor state and yet they ventured to have a social security system. I dare say that the reasons they considered necessary for a social security system was out of the reality of their history. They had two world wars, and one of the questions they asked themselves was: "How do we guarantee ourselves security? I remember visiting a friend of mine in Berlin, who introduced me to a neighbour, who happened to be one of the richest people in that city. I asked him: "Why do you stay among ordinary people?", and he replied: "The lesson of history in this country is that the security of a rich man depends on whether the poor man has had his meal that day. If the poor man does not have his meal, you are not secure."

It does not matter how many guns you have at your disposal. The social security of the entire country depends on whether each individual has a meal for that particular day. It is out of this background that we have a social security system. I think that will be a bold move in this country towards poverty eradication, particularly to the disadvantaged people, who are out of jobs. I reckon that since we embraced the IMF conditionalities, especially the Structural Adjustment Programmes (SAPs), so many workers have been retrenched. These retrenched die even before they get their benefits. I think that is still the case with the Kenya Railways and the Civil Service up to now. Therefore, this is a very important move, which will enable us to secure our aged people and those who have retired.

Mr. Temporary Deputy Speaker, Sir, I would like to make one caution. We need to create wealth to be able to sustain this Fund. In order to engage people in employment in a manner that is gainful, we have to expand the base of this particular Fund. I welcome the Mover's idea that even self-employed individuals should be invited to this Fund, so that it can be big enough to meet the requirements of everybody.

However, I would like to point out that the average life expectancy in this country is now much less than 50 years. In fact, it stands at 46 years. In some districts, it is as low as 36 years. Basically, besides the other normal problems we have about the HIV/AIDS pandemic and malaria, this has to do with retrenchment programmes, where people's welfare is not taken care of. It has to do with the retirement age of 55.

In Europe, the normal retirement age is between 65 and 71 years, so that if you are going to depend on this Fund, it is probably for about ten and 15 years. If you retire somebody at the age of 55 and he enjoys good health for 30 years, he will have to draw from this Fund for 30 years. That is overburdening the Fund. So, people at the age of 70 are still very much energetic. So, we should consider the retirement age being raised to that extent, so that everybody will be able to make a useful contribution, and for the twilight years of ten and 15, they will benefit.

Finally, let me remind the Minister for Labour and Human Resource Development that, up to now, the Government of Kenya has not signed the ILO Convention Article 83. I raised that issue

last year. That clause ensures that the security of workers and their right to engage in trade union activities is safeguarded. It is, therefore, time that Kenya woke up and signed that particular Convention.

Thank you.

Mr. Nderitu: Mr. Temporary Deputy Speaker, Sir, first I would like to add my weight, and say that my friend should have brought this Motion maybe, 20 years ago, when he was in this House. It would have protected the wanton theft of the funds from the NHIF and the NSSF. That notwithstanding, I tend to believe that every person born in this country starts paying some tax at a tender age. It starts from day one, when nappies and other clothes are being bought. There is a factor of taxation in whatever is spent on this child, up to the age of 18 years, when he or she is able to feed himself.

Mr. Temporary Deputy Speaker, Sir, if you analyze it critically, every person, up to the age of about 60 years, contributes a magnitude of close to about Kshs6 million. We are saying that these people should, and will pay some amount of money. Actually, what they now pay for the NHIF is sufficient. The Kshs150 per month is sufficient to enable them live comfortably. If this Motion is approved, it will assist all those people who retire at the age of 60 years.

Thank you, very much.

Mr. Oloo-Aringo: Mr. Temporary Deputy Speaker, Sir, I would have liked to donate some time to my other friends, but the time is exhausted.

Let me conclude by saying that it is true that the hon. Attorney-General, the Leader of Government Business, the Ministry of Labour and Manpower Development and myself have agreed that we will review this particular Motion after the House has passed it. My request to this House, is to pass this Motion as it is, because sometimes the Government goes to sleep. But if this Motion has been passed by the House, I would still resurrect the Bill and bring it to the House. I am, therefore, urging the Government not just to tell us that the Cabinet has made this and that decision. We want to see a Bill here. We want to see Sessional Papers here. It is only then that we shall reconsider this question of bringing the Bill. But until then, I would like this House to pass it as it is, to give me the freedom to bring the Bill into this House to amend the National Social Security Act.

Mr. Temporary Deputy Speaker, Sir, I am very pleased that the Government has woken up. Our people are crying. They are crying because we have not addressed the social question. The social question which involves social security has been the root cause of our poverty. Now, we are addressing the question of poverty by addressing the whole social question of our people. It is for that reason, therefore, that I think the whole House is unanimous that we should bring this reform now, and not tomorrow. I am, therefore, asking the Minister that if they do not move, the Bill is almost three-quarters ready, and we could bring that Bill into this House within the next one month. So, I am asking the Government that within that one month, if we do not have the Policy Paper here or the draft Bill, then I will still use this Motion under Standing Order No.95, to bring the Bill to amend the Social Security Act.

Mr. Temporary Deputy Speaker, Sir, the Government knows that there are many obsolete and useless laws in our statute books; even those ones on social security. For example, we must remove some of the things like the Pensions Act, Cap.185; the Pensions Increase Act, Cap.190; the Provident Fund, Cap.191; the Widows and Orphans Pensions Act, Cap.192; the Asian Widows and Orphans Pensions Act, Cap.193; the Asian Officers Families Pension Act, Cap.194; the Widows and Children's Pensions Act, Cap.195, so that we have a comprehensive social security legislation in this House.

Mr. Temporary Deputy Speaker, Sir, let me also plead with the Minister for Finance to lead from the front. I am asking, particularly, NARC Ministers. We have stories, for example, that there

have been attempts to prevail upon the directors of the National Social Security Fund, so that they withdraw some of the cases which are before the court today. Let me say this: Parliament will not take that kindly. Any Minister who is going to try to save the thieves who stole money from the National Social Security Fund is going to face the wrath of this House and the wrath of the people of Kenya. So, let us leave the Board of Trustees to do its work. Let us leave the courts to do their work so that we can recover some of the money that was lost. Therefore, because the Minister is my friend, I just want to caution him. We are cautioning him, but let him not tamper with the process which has already been taken by the Board of Directors, and let us also hope that the Government will actually move with speed to bring the necessary Sessional Paper here and the necessary legislation, so that we can overhaul the social security of this country.

Mr. Temporary Deputy Speaker, Sir, we have made a lot of progress in terms of overhauling some of the laws of this country. We have a new draft Constitution, and we are hoping that this draft Constitution can be brought to this House. When it comes to this House, it will also underline what I am saying, that, indeed, the Constitution itself now recognizes social security as a human right. To me, that is the beginning of the change; that in the Constitution, we are protecting the human rights of our people and we are putting social security as one of those aspects of the human rights.

Mr. Temporary Deputy Speaker, Sir, because this issue has been exhaustively debated, I want to move that this House approves this particular Motion for us to proceed. Thank you.

(Question put and agreed to)

ESTABLISHMENT OF AUTHORITIES ON
LIVESTOCK MARKETING

Mr. Mahamud: Mr. Deputy Speaker, Sir, I beg to move the following Motion:-
THAT, in view of the socio-economic importance of the livestock industry to a large segment of the Kenyan population; taking note of the fact that livestock farming is a key economic activity of many Kenyans; aware that the development of livestock industry has not been backed by legislation similar to that of other sub-sectors in the larger agricultural sector; this House calls upon the Government to establish three statutory bodies, namely: Kenya Livestock Research Institute (KELRI); Kenya Livestock Development Authority (KELDA) and Kenya Livestock Marketing Board (KELMAB) which will deal with research, development and marketing of livestock and livestock products respectively.

Mr. Temporary Deputy Speaker, Sir, this Motion not only seeks to promote and sustain the development of the livestock industry, but it also aims to diversify the economy, and much more than that, create wealth and employment opportunities to many Kenyans.

Mr. Temporary Deputy Speaker, Sir, as you are aware, most livestock in this country is in the ASAL areas which constitute about 80 per cent of the land mass in this country. That means that only 20 per cent of this country is devoted to proper agriculture. It is very unfortunate because Government policies have not been geared towards the development of proper agriculture. The livestock sector has been left out, in spite of the fact that it contributes 47 per cent of the total agricultural Gross Domestic Product (GDP) in this country.

Mr. Temporary Deputy Speaker, Sir, there are so many other problems facing that sector, including lack of regular census for livestock. I cannot remember the last time a livestock census was carried out in this country. I am happy to note that recently, the Minister made an announcement that soon, there will a livestock census in this country. That will be a good thing

because it will be used for planning. Those who are willing to invest in that sector cannot do so, because they do not have the required statistics. They do not have the population of livestock. For example, they do not know how many camels, cattle, sheep and goats we have. So, the Minister's directive, which he issued recently, is welcome and we would like it implemented with speed.

Mr. Temporary Deputy Speaker, Sir, for a long time, as I said earlier, some parts of this country have been marginalised right from the colonial times. An example is the arid and semi-arid areas. They constitute about 80 per cent of this country. From the colonial period, policies have been such that the Government was not willing to spend a lot of money on those areas, simply because it said it was uneconomical to invest in areas with nil returns. Let me say that, that policy emanated from somebody called Sir Charles Elliot in 1907. He said that there was no need to develop Northern Kenya because it has no returns. That policy was followed by subsequent independent Governments of this country. Maybe, this Government could reverse that trend, now that it has created the Ministry of Livestock and Fisheries Development. The Minister himself comes from an arid and semi-arid area. We would like the Government to honour its promises by developing those areas.

Mr. Temporary Deputy Speaker, Sir, people who live in arid and semi-arid areas are very poor. In fact, they are poorer than other Kenyans. They experience other problems like livestock diseases, inadequate veterinary services and above all, they do not have good security. We were hearing of cattle rustling every day. They steal thousands of animals from people. Today, you are very rich, and the following day, you are very poor. That is common in arid and semi-arid areas and, particularly, Northern Kenya, where insecurity is rampant.

Mr. Temporary Deputy Speaker, Sir, the other problem they experience is inaccessibility to basic services and credit. In that regard, we would like the Government to intervene, so that it could improve the living standards of those people. That is also a way of creating more revenue for the Government.

Mr. Temporary Deputy Speaker, Sir, let me now turn to the rationale of the corporations to promote the livestock sector. For a long time, as I said earlier, the Government used to support the larger agricultural sector. There are about 30 parastatals in this sector, most of which are dormant. The Minister for Finance is soon going to privatise most of them. That is the wider agricultural sector. Some of those parastatals include the Sisal Board, Cotton Board and so many other boards for small sub-sectors. But the wider livestock sector does not have adequate state corporations except, maybe, the Dairy Board. Perhaps, it is only the Dairy Board that works. But even that one is not given the attention it deserves.

Mr. Temporary Deputy Speaker, Sir, for the livestock sector to contribute meaningfully to the development of this country and create employment opportunities, I would like the Government to come up and support us to introduce the three state corporations which I have proposed. The Government should not tell us that because they are privatising the others, these ones cannot be accepted.

Mr. Temporary Deputy Speaker, Sir, some of the functions of these corporations would include providing cheaper and better animal feeds and nutrition; improve breeds for beef and milk animals, research on indigenous livestock with a view to improving local breeds. People in the ASAL areas are still rearing the indigenous breeds of cattle, for example, that do not give adequate milk. I think it is high time we got some kind of a research based parastatal that will deal with research on breeds and the type of food that the animals are given, so as to produce enough milk. There should also be research on diseases and disease control, and more so, research on dry land farming and food production in general.

Mr. Temporary Deputy Speaker, Sir, the other rationale to establish the Kenya Livestock

Develop Authority (KELDA) is that it would provide legal and administrative framework for the general development and sustainable livestock production and animal health improvement in the country. Specifically, this organisation shall promote food security and also provide appropriate drought monitoring management. The other important thing that this organisation would do is the provision of education to farmers, extension officers and other stakeholders.

Currently, the laws and policies concerning the livestock industry are very restrictive and marketing of livestock is not easy. There are quarantines that control movement of livestock. If this Authority comes into being, it should try to improve these laws and make laws that promote trade.

Mr. Temporary Deputy Speaker, Sir, the other one is the Kenya Livestock Marketing Board. I am recommending that this Board, if constituted, shall provide general policies, programmes on marketing of livestock and livestock products. It should also provide accurate market information and encourage formation of pastoral co-operative societies.

The other rationale for establishing a marketing board is to create and facilitate opportunities for livestock trade and export; promote and establish abattoirs for meat processing, tanneries, animal feeds and dairy processing plants. I am happy to note that the Minister, in his answer to one of the questions the other day, promised that there will be some four abattoirs that will be established in various parts of the country, particularly in ASAL areas. I also wish to thank him for gazetting some abattoirs like, to mention but a few, one in Mombasa, which will enable farmers there to export meat.

In conclusion, I would like to urge this House and the Minister for Livestock Development and Fisheries to take this Motion very seriously. I am saying this because as I said earlier on, this country has completely neglected the livestock sector. We used to be an exporter of meat, but today, if you go the supermarkets, you will see canned meat imported from Australia and Botswana whose people we trained in Egerton University some 15 or 20 years ago. We were the ones who were training them, and today, they are the ones who are giving us consultancy services on how to improve livestock products like meat and market it. This is very unfortunate, and we would like the policy to be reversed and that Kenyans get more employment; that the 80 per cent of this country which is virtually unoccupied will attract people. We should also have good infrastructure like water, roads and electricity so that this question of people fighting and killing us in Nairobi because they are hungry is no longer there.

With those few remarks, I beg to Move, and I would like Mr. M. Kariuki to second the Motion.

Mr. M. Kariuki: Mr. Temporary Deputy Speaker, Sir, I wish to second this Motion and in doing so, I wish to say that the backbone of the economy of this country is agriculture. Only one-third of this country is arable land while the remaining two-thirds is not basically because of lack of water. If we are going to succeed in this ambitious project we have of creating employment to the extent of 500,000 people per year, we have to focus on the backbone of our economy, which is basically agriculture, to see whether we can achieve this particular aim.

In this regard, this Motion is quite appropriate. The future of agriculture in this country depends on our ability to exploit the two-thirds land mass that has not been exploited. This lies in northern Kenya and parts of the Eastern Province, and these are the parts that we should focus on. There is potential in this area, and the fact that human beings and livestock have survived there, and in some parts of it, there is some small semblance of agriculture, shows that there is potential. The question is: What should we do to make this area a place where our people can live, earn a livelihood and benefit the economy of this country? So, it is against this background that one has to look at this Motion. It is a Motion that seeks to empower the people that live on this two-thirds land mass of this country. If you look at the history of this country and the way the colonial Government

set up the infrastructure, particularly the railway line, you will realise that it was constructed basically where the British wanted to exploit the land that they thought was arable. So, the railway line follows a certain track. It goes all the way to Kitale, Nanyuki, Rift Valley, Nyanza and Coast provinces.

Mr. Temporary Deputy Speaker, Sir, it is my very humble submission that the future of northern Kenya lies on whether we are able to plan a railway line for it or not. If we are going to open up that particular part of the country, our first challenge is to determine how we access that area. I do not think, in my view, that roads are the cheapest to construct. The most reliable way of opening up communication to this part of the country is to plan a railway line. It costs very little to maintain a railway line. You may invest initially so much money, but once you build a railway line from Mombasa to Malindi, Tana River, Garissa and Mandera, you have opened up that part of the country. We need that particular infrastructure. If we are going to develop livestock production in those areas, we need a mode of transport that will ensure that livestock can be transported from that part of the country to the Coast Province. We also need to ensure that once we have opened up this particular part of the country, we need livestock holding grounds so that the railway line can facilitate the transportation of livestock, beef or milk to the market within and outside the country.

Mr. Temporary Deputy Speaker, Sir, I think the first challenge goes to research. If you visit the North Eastern, Eastern Province and parts of Rift Valley Province, you will find that people are basically leading traditional lives not because they would not like to improve their lives. If you look at the kind of livestock they have, you will realise that these are people who have not had the benefit of any research carried out in this country. The research stations that we have in this country are situated around Nairobi Province. They include, the International Livestock Research Institute (ILRI) and the Kabete Laboratories, which basically now are moribund. Nothing goes on there. But the people out there who have the largest number of livestock have no access to research facilities and veterinary services which are very essential, given that their mode of living is focused on livestock.

Mr. Temporary Deputy Speaker, Sir, in a country like Botswana, which has the advantage of having gold and diamonds, livestock farming is the means of survival for a larger part of the country. The people who man the livestock industry in Botswana, from the Director of Veterinary Services to the ordinary people who go out to empower farmers, are Kenyans. We have produced more than we really need. That is why we are sending people out there. So, we have the human resource necessary to transform northern Kenya and parts of Rift Valley Province into viable areas. If Kenyan experts are used in Botswana to transform that cattle-based economy into a viable economy, surely, we can make it right here at home.

Mr. Temporary Deputy Speaker, Sir, if our farmers in the livestock industry are going to compete, they need to have the benefit of research in terms of the cross-breeds. The kind of traditional Samburu, Maasai and Turkana breeds of animals that are grazed out there need to be changed into animals that can be productive in terms of the beef and milk they can produce. Research helps in terms of cross-breeding to ensure that we have better breeds of animals that can survive the hardship in those particular areas. So, we need to be competitive. We cannot depend on the animal breeds that we have right now. We have to transform them into quality breeds so that they can compete in the market. Given that milk in those areas has been basically used for home consumption, we should look forward to having milk on a commercial scale. If you ask the private investors to invest in this particular area, they will hesitate, because there is no proper communication system and ready market out there. So, it will take the Government's intervention at the initial stages to set up these three major parastatals, in order to get the economy on its feet. If that is done, then it will be possible to attract private investors in that particular part of the country,

if the Government takes the first step and sets up the parastatals. So, research stations should be based out there in the field, so livestock farmers can access them.

Mr. Temporary Deputy Speaker, Sir, I would like to turn to beef processing. You will notice that the only meat processing factory we have is based at Athi River. Again, this is as a result of the colonial heritage we have had. This is really a very big challenge. Despite the very many promises by the Minister for Livestock and Fisheries Development that the Kenya Meat Commission (KMC) will be open next month, the next month is not forthcoming. We hope the Minister will take the first step and re-open the KMC at Athi River, so that we can request him to open branches to reach the farmers in northern Kenya. This is because, if you have a slaughterhouse in Garissa or Wajir, you are not likely to sell the meat right there because there is no ready market for it out there. Perhaps, you will have to transport that particular product to Mombasa for sale or for export to overseas countries. It is, therefore, important that the Government begins to focus on the meat processing ventures in those particular areas now. This is because the farmers will only be empowered if they have a ready market for their products. I think this is what they lack.

I will not say that the people who live in those areas are poor. It is just that they cannot convert their livestock into money which they can invest. Somebody who owns 500 goats or 100 cattle is really not a poor man by Kenyan standards. The question is: What can he do with his animals when he needs to take his child to school or pay his medical fee? He cannot dispose them of because every other farmer in that area keeps livestock. It is important that we begin to focus on this sector of our economy. The future of this country depends on whether we can revive agriculture in those particular areas.

Mr. Temporary Deputy Speaker, Sir, I beg to second the Motion.

(Question proposed)

Mr. ole Metito: Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support this Motion. The livestock industry is important to our economy. It contributes to about 12 per cent of our Growth Domestic Product (GDP). The population which relies on this industry is enormous, bearing in mind the fact that 8 per cent of our land mass is undertaken by livestock activities.

The value attached to livestock by livestock farmers is second to their lives. However, over the years, the Government has done very little to enhance, back and even facilitate the efforts of livestock farmers in promoting this industry. This is evidenced by the collapse of the KMC, Halal Meat Processing in Ngong, and the collapse of virtually all the cattle dips in ASAL areas.

Mr. Temporary Deputy Speaker, Sir, it is very saddening to note that Somalia, which is the only country in the world without a Government, is far much ahead in the livestock industry than Kenya.

Mr. Temporary Deputy Speaker, Sir, there is need for legislation that will back up and facilitate the efforts of livestock farmers who earn their livelihood through that industry. There is need to address, among other things, the research which should be intensive and elaborate on livestock diseases. There should be ways of combating those diseases. We should revive cattle dips and regular vaccination of those animals. Research should be done on animal breeds and possible ways of integrating them. There is also need for the Government to get its priorities right! For example, the only parastatals that deal with livestock research and development are currently not placed under the Ministry of Livestock and Fisheries Development. So, there is need to do proper research, proper planning and putting the correct things in the right places.

Mr. Temporary Deputy Speaker, Sir, there is also need for development in that industry. That will be achieved by empowering those who are in the industry by, for example, enabling them

to access credit. As it is now, the only credit facilities available to the farmers are through the Agricultural Finance Corporation (AFC), and it is under the Ministry of Agriculture. Therefore, there is need for favourable lending procedures for the pastoralist people, who are the livestock keepers, bearing in mind their lifestyles and living conditions. For example, when giving out credit, the security documents which are required may not be suitable in the case of livestock keepers.

Mr. Temporary Deputy Speaker, Sir, I would also say that there is need to add value to the by-products of that industry. There is need for more abattoirs. Hopefully, the Government has shown some intention to revive and establish some abattoirs across the country. There is need for more milk processing facilities across the arid and semi-arid areas. There is need for more tanneries! I do not know whether there are some existing right now! Provision of basic amenities like water to those areas is very important.

Mr. Temporary Deputy Speaker, Sir, as we have said, research is very important in that industry. We need to reclaim the already taken livestock holding grounds, which are the important areas for research in that industry. Marketing of livestock by-products is also very vital. The by-products should be marketed both locally, regionally and internationally. There is need for more market outlets. The Government has to be more serious in bringing the stakeholders in the livestock industry into the global market.

With those few remarks, I beg to support.

Dr. Galgalo: Mr. Temporary Deputy Speaker, Sir, thank you for giving me the opportunity to contribute to this very important Motion. I would, first of all, like to take this opportunity to thank the Mover for having thought of bringing this Motion here, since I deem it to be quite timely. In the same vein, I would also like to thank the Government, specifically His Excellency the President, for having thought of creating the Ministry of Livestock Development and Fisheries. I think, again, that is an idea which is long overdue, and in his wisdom, he has now put us in the right track in terms of livestock development. We have every confidence that this coming financial year, it is going to get good budgetary support from the Ministry of Finance so as to help us put into practice, some of these ideas which we have always been propagating.

Mr. Temporary Deputy Speaker, Sir, it is so sad for us in livestock rearing areas that over the years, successive governments have ignored the plight of our people. The colonial government considered northern Kenya and all pastoral areas as "closed areas", and we were left behind to manage our own affairs in our traditional ways without the benefit of accessing modern technologies to improve our lifestyles. Unfortunately, previous governments since Independence, have also largely ignored those areas and we are happy that now there is some commitment on the part of the current Government to improve the livestock sector and the lives of pastoral communities.

Mr. Temporary Deputy Speaker, Sir, as has been said by others, one very important area and which is addressed in this Motion, is the area of research. Unfortunately, there has been very little research concerning livestock previously. So, we have been herding our traditional livestock without the benefit of modern research technologies to help improve the quality of our livestock. The area of vaccines is also critical. Just like for human beings, vaccines play a major role in prevention of livestock diseases, and disease-free herds will yield better products. So, the spirit of this Motion is to establish an authority that will be squarely involved in issues of research, with a view to combating livestock diseases, and as hon. M. Kariuki has said, developing cross-breeds that will give us better yields than our traditional herds.

Mr. Temporary Deputy Speaker, Sir, if you go to Nairobi Agricultural Show every year, there are bulls there which are labelled "Boran herds". They are so big because they have the genes for developing into that status which is displayed there. However, in the same vein, one wonders all

along why the Government has not been able to help those communities develop that status of livestock as being displayed here at the shows.

Mr. Temporary Deputy Speaker, Sir, we welcome this Motion and we would urge the Government to look at it in that light of improving our herds. Livestock development has faced other problems. Most of the areas that have livestock are arid areas and by definition, it means there is shortage of water in those areas. Unfortunately, there has not been much effort, previously, to provide water for our livestock. So, what takes place usually is a vicious cycle. We have drought every two or three years, and in the event, our livestock perish. So, livestock keepers work hard, for say three years, to develop their livestock to a respectable number, but in one month of severe drought, the livestock perishes because of lack of water. The farmers, then, have to start from square one again. So, it has been a vicious cycle all along. One must address the issue of provision of water, if at all there is seriousness in the development of the livestock sub-sector.

Mr. Temporary Deputy Speaker, Sir, insecurity has been a major problem and a hindrance to development of the livestock sub-sector. Our communities, unfortunately, have always been fighting over certain resources such as small water points, pasture land and so on. As these communities continue to fight over these scarce resources, the Government has just been sitting and watching. So, at one point you would hear that a *manyatta* has been invaded, 20 people killed and livestock stolen. The following week, the group which was attacked would also launch a revenge attack. This goes on and on and it becomes a cycle of violence. This has seriously hampered livestock development. In the same vein, one cannot fail to talk about security issues in the pastoral areas if one wants to develop the livestock sub-sector.

Mr. Temporary Deputy Speaker, Sir, marketing is another critical thing which this Motion is addressing. Marketing has been haphazard. Livestock farmers have been exploited by middlemen. The farmers struggle in the bushes looking after their livestock for years on end, and when they go to sell the livestock, there is no market available for them. In the event, some middlemen and rich businessmen who have big connections with Government officers, buy the livestock cheaply, only to come and sell the livestock here in Nairobi for good prices. The farmers have been getting a raw deal and that is why it is critical to address the issue of marketing. For livestock keepers to access markets in other parts of the country, and even outside the country, there has to be a deliberate effort to improve the infrastructure in this country.

Mr. Temporary Deputy Speaker, Sir, the idea to expand the railway line may be a good one. Perhaps, it could be the ultimate solution to transport problems in our area, but because of what it might cost to put up a railway line from this part of the country to northern Kenyan, that might take a long time. As an immediate measure, it would be a good idea if the Government looked at the issue of expanding the road network and constructing all-weather roads - not just for the sake of it - to access the livestock keeping areas.

Another issue that has been said through and through and the Minister himself has talked about it is the issue of putting up abattoirs in strategic areas. The advantage of having those abattoirs is that there will be no more transportation of live animals, rather transportation of products like meat, which is easier than to transport live animals. That will also give small-scale leather industries an opportunity to manufacture products for export. They will also be able to access markets in other parts of the country.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

The Assistant Minister for Home Affairs (Dr. Machage): Thank you, Mr. Temporary Deputy Speaker, Sir. Indeed, it is a shame that we attained Independence 40 years ago, and Kenya has to import livestock products. The cheapest egg in Kenya comes from South Africa, whereas the Kenyan-produced egg is so expensive that even the farmers cannot meet the cost to run the farm.

There is something wrong.

Botswana can be described as the best economy in Africa, and it solely depends on cattle farming, of course, with Kenyan expertise, as we have been told. Why not Kenya? It is a false view that cattle and other livestock farming is only in the Arid and Semi-Arid Lands (ASALs). Literally, every homestead in Kenya participates in one way or another in livestock farming. We must also remember not to narrow livestock farming to only cattle, sheep and goats keeping. There is a lot of demand now for honey in the African Growth and Opportunity Act (AGOA) market. Bee-keeping is one area that Kenyans could enhance and make a lot of the foreign exchange that is needed so much here. Crocodile and even snake-farming should be encouraged. Snake venom is gold when it comes to foreign exchange earning. This must be included in livestock farming. Narrowing the farming potential is not good. Turkey farming, duck farming and ostrich farming should be included in this definition of livestock farming.

Indeed, the suggestion that we should expand the railway line to the northern and eastern parts of the country is a welcome gesture. Likewise, I think there should be a consideration of building one line through Maasailand to Kuria, because we produce some of the best cows, sheep and goats in this country, which are very sweet. But we have no market. Research is necessary. Finances should be allocated to this end. Right now, there is a lot of waste under the pretence of having the Lake Basin Development Authority in Nyanza, where we have the Lichota Farm that cost millions of shillings to put up. It has been a white elephant used to produce grade cows for the managers and directors who have access to that facility. The locals have not benefitted at all. The houses are now dilapidated and nobody really cares. It is a waste and a big shame.

Extension workers in the Ministry are not being properly utilized. These are, actually, some of the people who waste a lot of Government revenue by being posted to these areas, and nobody knows who they are or what they do. We have a lot of quacks down there, pretending to run veterinary chemists with dubious drugs that are, instead, used to kill animals because of poor prescriptions and, maybe, information on diseases. It is also important for the Ministry to identify the different areas that would accept different breeds of animals, because different breeds of animals survive in different environmental situations.

Therefore, research is very important and must be carried out very fast. There has to be an inter-dependency in the agricultural and the livestock sectors. There is a lot of waste, especially in the production of cereals, maize husks and other products from the seed farming. These products go to waste without being properly recycled in the production of animal feeds and hence, reduction in the cost of producing feeds and animal products. Why should a litre of milk cost so much to the farmer to produce, when Kenya has all the ingredients to give the farmer cheap fodder? It is just because of poor management. We need to wake up and tap this very important industry, and 100 per cent of Kenyans participate in this sort of farming.

There is a lot of research yet to be done also on the pig industry. This is one of the cheapest livestock to take care of, and a way of cleaning our environment. We need to have our biological factors that help clean the environment. Right now, the Nairobi City Council has nowhere to take its garbage and other waste. If they went into the exercise of rearing pigs and feeding them with the garbage that it has nowhere to take, they will recycle the garbage and develop their capital input into the council and, hence, improve personal emoluments for their workers.

I do not have to over-emphasise that Kenya needs to develop this industry. I fully support the development of these statutory development authorities, whether in the names that have been given here, or as the Minister may so desire.

With those few remarks, I beg to support.

Dr. Ali: Thank you, Mr. Temporary Deputy Speaker, Sir. I was about to revolt, but I am

grateful that I caught your eye at last.

I wish to support the Motion and I think the Mover who initiated it should be congratulated. I wish also to congratulate His Excellency the President for creating this Ministry and putting it under a very sober *Mzee*, whom I think will do a very good job in this sector.

Mr. Temporary Deputy Speaker, Sir, I do not need to over-emphasise the issue of research. It is unfortunate that instead of talking about all the animals in this country, we just talk about some particular ones. One animal which is of very much importance to this country is the camel. When the camel gets sick, the veterinarians do not even know how to treat it. They have no idea what this animal is made of. Australia, which keeps wild camels, decided to domesticate them, to sell to the Middle East when we cannot sell our camels to the Arab market. Our goats, especially the ones in the Arid and Semi-Arid areas, are very much liked by the people in the Middle East. The Australians decided to do research here, so that they can take the animals to their country. They are exporting these animals to the Middle East. We have not made any efforts to promote the livestock industry.

As has been mentioned, Botswana, which does not have even a tenth of the animals we have here, gets billions of dollars from livestock. What can we claim to be getting from livestock farming if the only thing that we focus on is dairy farming? That is what gives us a bit of returns. What about the wider livestock market in this country? Do we even know that it exists?

The Ministry of Livestock and Fisheries Development should work very hard so that we have statistics on the number of livestock we have in this country. We bring in a lot of livestock from other countries, from as far as Djibouti, while the people in Wajir District cannot sell theirs because what comes from outside is cheaper. These are the problems that we are talking about.

We are talking of controlling diseases. How do we control diseases if we cannot control the number of livestock that comes into our country? Some of the livestock sold in this country comes from Ethiopia, yet we have a problem of where to sell our own livestock. These are some of the problems that we are facing. All the veterinary doctors in all the border districts should be encouraged to know their job and do what they are supposed to do. They should not just rush into issuing people with licences to transport livestock.

I am told that during the colonial days, you could transport animals all the way from Mandera District to Nanyuki, where they would be transported by rail. There was a specific route that they would follow. After every 20 to 30 kilometres, there were holding grounds and boreholes with water, where the animals would stay for several days after the long journey, before they moved on.

Right now, the Livestock Marketing Division (LMD) does not exist. The LMD holding grounds and boreholes are no longer there. How does one transport animals from the far areas to the markets that exist in Isiolo and Garissa Districts? It is even impossible to travel all the way. What my colleague, Dr. Galgalo, has talked about is the truth. If one decided to transport livestock, bandits would attack them on their way because of the poverty level. Possibly, such bandits were farmers who have been affected by drought which wiped out their livestock in earlier years. People come from neighbouring countries like Uganda, Sudan and Ethiopia and attack us and steal our animals. The issue of security must, therefore, also be taken care of.

I have already talked on the issue of providing a market for our livestock. There is an organisation related to the ABAR, which gives funds to neighbouring countries like Somalia. The organisation gives funds to NGOs to do research on animals, and gives vaccines to livestock, while here in Kenya, we do not benefit. The organisation is stationed in Nairobi and represents the Horn of Africa, yet we do not benefit from it. We do not want people to come and claim that they are doing research work, and take money elsewhere instead of benefiting the local communities first.

I would like to ask the Minister to start a campaign outside Kenya, especially in the Middle East. He should go round with some Members of this House and look for market for our livestock like goats, sheep, cattle and camels. That would give us a lot of money because those are countries that consume a lot of meat.

I want to give an illustration. There is a small place called Somaliland, which is a province in the old Somalia. It gets millions of dollars per month for exporting livestock to the Middle East. Somaliland is even smaller than Wajir District. However, the whole of Kenya cannot even earn the kind of money earned by it from livestock. That means that we are not doing what we are supposed to do. We should pull up our socks and work hard. Livestock extension officers do not exist any more. The old ones have retired and there are no new people in this field. Who would advise these farmers? In the olden days, at least, they used to go round. We used to have at least one or two extension officers in every division. Nowadays, they are not there and yet we are talking of livestock marketing. The Minister for Livestock and Fisheries Development is here. I would like to urge him to employ some people to advise the local pastoralist farmers on these issues.

On the issue of water, the water that we use, especially in northern Kenya, comes from dams which were built by the colonial government. These dams have silted and they cannot even store enough water for our livestock. These dams do not store water all-year round. As a result, people have to converge at one dam because the others have literally been wasted and are no longer in use. In some of them, the water goes through them and you cannot even call them dams. This Ministry should consider looking into the issue of these dams and not just leave it to the Ministry of Water Resources Management and Development. In such areas where pastoralists need that water for their animals, they should have some input by desilting dams which have silted. This should not just be left to the Ministry of Water. The two Ministries should work together to solve this problem in priority areas.

On camel research, there is a *Mzungu* who keeps camels in Nanyuki. When some of these camels get sick, he goes all the way to Wajir to look for nomads to come and treat his animals. I think this is a shame. We should make use of the new technologies to treat these animals. In areas like Turkana, where cattle always die when there is drought, if they decide to take some camels there, this will possibly help them in the future, because camels can withstand drought conditions more than the cattle in this area.

Mr. Temporary Deputy Speaker, Sir, I beg to support.

Mr. Ogur: Mr. Temporary Deputy Speaker, Sir, I want this House to understand where Nyatike is situated. It is near the Kenya-Tanzania border. It is a semi-arid area. Local animals like cows do very well there, but we have no water nearby. The lake is far away from the animals and they cannot graze on water. They have to go far from the lake shore to get some grass. We are also near the Kenya-Tanzania border, which is a convenient location for cattle, but not useful for fish. This is because there is no demarcation indicating where our fish should go up to. I want the Minister to note this fact so that our people are not arrested when they are chasing our fish. The fish are born on our side and when they go "grazing", across the waters in Tanzania, they become Tanzanian fish immediately. How can that be? When cattle go grazing across the border, they do not become Tanzanian cattle, but when the fish go "grazing" they become Tanzanian fish immediately. The Minister is not aware of this!

When we go searching for our fish, our nets become useless immediately because they do not get the fish which happen to have become Tanzanian. Our livestock that goes grazing up the hills has no water there because the Minister does not build dams there. He does not take care of our livestock and that is why they remain thin. They are tiny. We use these cows for dowry, but the fathers of the girls we marry using these animals as dowry despise us, saying that we are giving

them animals which are too small in size. The animals are small because of lack of drinking water, and the Minister should address this problem. These issues are experienced locally. You do not need a European to teach you how to live with the people of Nyatike or how they should fatten their animals. We need the creation of dams and boreholes to address water shortage. I understand that the Minister has got the know-how to cross-breed animals. Why are we not having these new breeds in Nyatike? The Minister is denying the people of Nyatike access to semen to cross-breed their animals.

The Temporary Deputy Speaker (Mr. Ethuro): Order! Mr. Ogur. You will have seven more minutes to continue with your contribution next week.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Ethuro): Hon. Members, it is now time to interrupt the business of the House. The House stands adjourned until this afternoon, at 2.30 p.m.

The House rose at 12.30 p.m.