

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Thursday, 3rd July, 2003

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

### PRAYERS

### PAPER LAID

The following Paper was laid on the Table:-

The 11th Report of the Public Investments Committee (PIC) on the accounts of State Corporations, Vol. I, II and III.

*(By Mr. Wamunyinyi)*

### NOTICE OF MOTION

#### ADOPTION OF 11TH PIC REPORT

**Mr. Wamunyinyi:** Mr. Speaker, Sir, I beg to give notice of the following Motion:- THAT, this House adopts the 11th Report of the Public Investments Committee Vol. I, II and III on the accounts of State Corporations laid on the Table of the House today, on Thursday 3rd July, 2003.

### ORAL ANSWERS TO QUESTIONS

*Question No.188*

#### MEASURES TO CURB CATTLE RUSTLING

**Mr. Wario** asked the Minister of State, Office of the President what specific action the Government has taken to curb the prevalent cattle rustling that has hit several parts of the country.

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

To curb the cattle rustling menace, the Government has taken the following measures among others:-

(a) Posting of General Service Unit (GSU) and Anti-Stock Theft Unit personnel to cattle rustling prone areas.

(b) Encouraging community participation in keeping vigil in the affected areas.

(c) Recruitment of Kenya Police Reservists to reinforce regular Government security agents.

(d) Encouragement of surrender of firearms to eliminate negative effects of possession of

unauthorised arms.

(e) Branding of livestock for proper identification in the event of theft.

(f) Opening up of security roads for easier and timely access to areas of conflict.

(g) Revival of traditional peace building and conflict management structures to enhance law and order.

(h) Encouragement of school attendance as a measure towards awareness creation and opening up alternative ways of livelihood for the youth. Discarding of out-dated cultural beliefs and practices that uphold hostile and anti-social conduct.

(i) The Kenya Police have a total of seven helicopters at their disposal for tracking down cattle rustlers where large numbers of stock are involved or when situations demand.

**Mr. Wario:** Mr. Speaker, Sir, we all understand how sensitive this Question is. However, this House is tired of these textbook answers. We want practical answers. With all these listed preventive measures, how did raiders from Uganda manage to take away over 3,000 head of cattle from Turkana just a month ago?

**Prof. Kibwana:** Mr. Speaker, Sir, I do not think that this is a textbook answer. It lists very specific measures that the Government has initiated to curb the cattle rustling menace. One of the significant things that I have pointed out is the involvement of the affected communities because, ultimately, the solution to this problem lies therein.

**Maj. Gen. Nkaiserry:** Mr. Speaker, Sir, this is a serious matter concerning insecurity affecting the pastoralists. The Question is very specific as to what actions the Government has taken to curb cattle rustling. The answer given by the Assistant Minister just says that GSU personnel were posted to the affected areas. Would the Assistant Minister tell this House how many GSU personnel have been posted to the cattle rustling-prone areas? Let us also know how many police reservists have been employed in those areas. Would he be specific?

**Prof. Kibwana:** Mr. Speaker, Sir, this Question is not as specific as the Questioner claims. It is a general Question about the way the Government is responding to cattle rustling. It does not ask us what measures have been taken in specific areas. If I am asked how the Government is responding, in very specific areas, I will be able to give that answer.

**Mr. Rotino:** Mr. Speaker, Sir, I want to say that the Assistant Minister is giving us a very theoretical answer. I want to be very specific. One of the measures that is meant to curb this menace, as enumerated by the Assistant Minister, is the branding of animals. Could he tell us when branding of animals was last done in West Pokot and in some of those cattle rustling-prone areas?

**Prof. Kibwana:** Mr. Speaker, Sir, one of the measures recommended by the Government, and this is a recommendation for the owners, is branding of cattle. The Government cannot itself brand those cattle. I think the Questioner misunderstood what I said.

**Mr. Rotino:** Mr. Speaker, Sir, I think this is the wrong Assistant Minister to be in office.

**Mr. Speaker:** Order! It is the President who decides who becomes a Minister here. For the time being, keep your feet!

**Mr. Rotino:** Mr. Speaker, Sir, is it in order for the Assistant Minister to say that the owners of the animals are expected to brand their animals? It is the responsibility of the Government to brand animals, not the owners!

**Mr. Speaker:** That is a point of argument!

Proceed, Dr. Kuti.

**Dr. Kuti:** Thank you, Mr. Speaker, Sir. Could the Assistant Minister tell this House why the Government is unable to curb the cattle rustling menace? Instead of the Government eradicating cattle rustling, some Government officers, especially police and Provincial Administration, have been instigating it.

**Prof. Kibwana:** Mr. Speaker, Sir, some of the research I was able to access as a university

don indicated that, in the last administration, some highly-placed people were part and parcel of cattle rustling and generally the banditry economy. I am sure that the situation has now changed.

*(Applause)*

**Mr. Sasura:** Mr. Speaker, Sir, is the hon. Member in order to say that some of the research he did on cattle rustling was geared towards the previous Government, when we know that the only research he did at that time was the National Convention Executive Council (NCEC) research?

*(Applause)*

**Prof. Kibwana:** Mr. Speaker, Sir, I said some of the research I accessed.

**Mr. Speaker:** Very well, ask your last question, Mr. Wario. Order! Order! Let us take the issue of cattle rustling very seriously. It is not a joke!

**Mr. Wario:** Thank you, Mr. Speaker, Sir. Knowing the seriousness of this particular problem, and the problem we have with the Kenya police, who cannot track the raiders, is the Assistant Minister in a position to arm the police reservists with automatic---

*(Mr. Muite walked into the Chamber  
without bowing to the Chair)*

**Mr. Oparanya:** On a point of order, Mr. Speaker, Sir. Did you see the hon. Muite enter the Chamber without bowing to the Chair?

**Mr. Speaker:** Order! Order! Maybe Mr. Muite does not recognize the Chair, which the whole House does. You are, therefore, ordered to recognize the Chair of the House immediately!

*(Mr. Muite bowed to the Chair)*

**Mr. Wario:** Mr. Speaker, Sir, knowing the seriousness of this particular problem, could the Assistant Minister, therefore, enforce or empower the police reservists with automatic guns, so that in case we are attacked by cattle rustlers, instead of looking for police, they will be in position to respond to this problem?

**Prof. Kibwana:** Mr. Speaker, Sir, as you have indicated, this is, indeed, a very serious problem and the Government recognizes that. In terms of the new security arrangements, this is one area where the Government is going to focus on.

I agree with the hon. Member; that we will explore appropriately arming the police reservists, so that they are also able to deal with this problem, alongside other security personnel.

**Mr. Speaker:** Thank you, Prof. Kibwana.  
Proceed, hon. Oparanya!

*Question No.290*

REINSTATEMENT OF NAIROBI-BUTERE  
PASSENGER TRAIN SERVICE

**Mr. Oparanya** asked the Minister for Transport and Communications what he is doing to reinstate the passenger train service on Nairobi-Kisumu-Butere railway line.

**The Assistant Minister for Transport and Communications** (Mr. Ligale): Mr. Speaker, Sir, I beg to reply.

The passenger train service on the Nairobi-Kisumu-Butere line was suspended on 15th

September, 2000, to enable the Kenya Railways Corporation address issues of safety of passengers as regards infrastructure, locomotives and rolling stock availability and reliability. The services are expected to resume in phases. First, we are addressing the rehabilitation of carriages and locomotives, followed by the upgrading of infrastructure. In the short-term, the passenger services are expected to resume in the next 12 months for the Nairobi-Kisumu line, followed by the Kisumu-Butere line in another 18 months from now. In the long-term, Kshs3.5 billion is required for the upgrading of the Nakuru-Kisumu line to be able to take heavier Class 93 and Class 94 locomotives and more reliable locomotives.

The following are actions which are being undertaken towards resumption of passenger services on the Nairobi-Kisumu-Butere line.

One, regarding carriages, the corporation has embarked on the Coaching Stock Rehabilitation Programme. Tenders for coach lighting equipment and spares [were opened on 1st July, 2003. Evaluations have started and award to the successful tenderers will be made within 90 days. Orders will be placed in manageable batches. This exercise is estimated to cost Kshs100 million, and it will be drawn from the revenue of the corporation.

Two, regarding locomotives, the corporation, using the Survival Fund from the Government of Kenya, and its own resources, has allocated Kshs37 million in the 2003/2004 financial year, to rehabilitate nine Class 87 locomotives that are repairable, to support train operations on the Nakuru-Kisumu section during the interim period, awaiting completion of the line in the 80 pounds-per-yard rails. Spares worth Kshs8 million have already been ordered. As for the Kisumu-Butere section, the Government has secured approximately Euro4.5 million, which translates to about Kshs383 million, from the Government of Germany, for the overhaul of 12 Class 62 diesel hydraulic locomotives suitable for this line. Already, overhaul of one locomotive is due to be completed by the 1st week of August, 2003. The remaining 11 locomotives will be rehabilitated within 14 months.

Three, on infrastructure, the Nakuru-Kisumu line is being upgraded from 60 pounds-per-yard rail to 80 pounds-per-yard rail to facilitate the use of---

**Mr. Speaker:** Order! Mr. Ligale, you are now reading to the House. You are not replying to the Question.

**The Assistant Minister for Transport and Communications** (Mr. Ligale): Mr. Speaker, Sir, we are indicating what we are undertaking, and it is important.

**Mr. Speaker:** But this is Question Time! There is something called precis.

**The Assistant Minister for Transport and Communications** (Mr. Ligale): Alright Sir, I have given the gist of the answer.

**Mr. Oparanya:** Mr. Speaker, Sir, I have the printed answer here but, unfortunately, the Assistant Minister has not finished reading it.

**Mr. Speaker:** Well, he has said something. Do you have any further questions for him?

**Mr. Oparanya:** Mr. Speaker, Sir, the Assistant Minister says that he is going to spend Kshs100 million from the corporations' own resources. But as I understand now, the corporation is insolvent and, at the moment, it is retrenching its key staff. The Assistant Minister said that in 18 months, the railway line will be operating. I wonder where they will get the Kshs100 million from, unless they get a loan from the Government. I also wonder which staff they will be using, now that they are retrenching their key staff.

**Mr. Ligale:** Mr. Speaker, Sir, Kenya Railways Corporation is not bankrupt, it is still running. In fact, my answer was lengthy because I was indicating the various sources of funds. The corporation is using some of its funds to do some of the work. I have indicated that we are also getting a loan from Germany. The Government is also giving some funds to the Kenya Railways Corporation.

With regard to retrenchment, we are only retrenching some of the staff, but the essential staff

required for the running of the corporation are still available.

**Mr. Speaker:** Very well. Proceed, Mr. Salat!

**Mr. Salat:** Mr. Speaker, Sir, the great Kalenjin leader, Koitalel arap Samoei, had predicted that there would be a very "long snake" coming from the Indian Ocean all the way to Lake Victoria. Could the Assistant Minister tell us whether his Ministry has any plans of extending the "long snake" in order to reach places like Bomet?

**Mr. Speaker:** To expand a "long snake"?

**Mr. Salat:** Mr. Speaker, Sir, does the Assistant Minister have any plans of extending the railway line to places like Bomet?

**Mr. Speaker:** Oh, I see!

**Mr. Ligale:** Mr. Speaker, Sir, there are no immediate plans to extend the "long snake" to Bomet.

**Mr. Osundwa:** Mr. Speaker, Sir, could the Assistant Minister explain the criteria used in resuming the railway services from Nairobi to the Mount Kenya region only? Secondly, could he tell us why his Ministry decided to resume railway services from Nairobi to the Mount Kenya region when we know that it is not economical?

**Mr. Ligale:** Mr. Speaker, Sir, we have outlined measures that we are undertaking to ensure that passenger trains go to Kisumu and Butere. We are also undertaking some measures to ensure that a train goes to Nanyuki.

**Mr. Muiruri:** On a point of order, Mr. Speaker, Sir. Is hon. Osundwa in order to mislead this House that the resumption of the Nairobi-Mount Kenya railway service is uneconomical when available accurate figures confirm that the Nairobi-Ruiru railway line fetches close to Kshs400,00 every day?

**Mr. Speaker:** Is Ruiru in the Mount Kenya region?

**Mr. Muiruri:** Mr. Speaker, Sir, it is part of the Mount Kenya region.

**Mr. Speaker:** Then we will have to revisit our geography!

**Mr. Oparanya:** Mr. Speaker, Sir, since the resumption of the Nairobi-Kisumu-Butere passenger train service is very important for the revival of Kenya's economy, could the Assistant Minister reduce its resumption period from one-and-a-half years to six months?

**Mr. Ligale:** Mr. Speaker, Sir, we are trying our best, but I cannot see it being reduced to six months.

**Mr. Speaker:** Next Question by Mr. M'Mukindia!

*Question No.229*

TARMACKING OF MERU-GITHONGO-  
CHOGORIA ROAD

**Mr. Speaker:** Is Mr. M'Mukindia here? He is not here! The Question is dropped.

*(Question dropped)*

*Question No.337*

SHORTAGE OF HOUSING IN  
KISII MUNICIPALITY

**Mr. Angwenyi** asked the Minister for Roads, Public Works and Housing:-

- (a) whether he is aware that there is an acute shortage of decent public housing in Kisii Municipality; and,  
(b) what plans he has to establish an affordable public housing scheme in the town.

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

(a) My Ministry and, indeed, the Government is fully aware and recognises the acute shortage of decent public housing in both rural and urban areas throughout the country. The problem is more acute in the urban areas, Kisii Municipality included.

(b) To address this problem, my Ministry is reviewing the policy framework, which is outdated, for a more responsive housing policy based on a coherent package of fundamental goals such as the increase of access to affordable housing finance by addressing prevailing high interest rates, recapitalising the housing fund under the National Housing Corporation so as to develop affordable housing and slum upgrading programmes.

**Mr. Angwenyi:** Mr. Speaker, Sir, recently the Minister for Roads, Public Works and Housing stated that the Government will construct 150,000 housing units in the country. How many of these housing units will be constructed in Kisii Municipality?

**Eng. Toro:** Mr. Speaker, Sir, it is not possible now to indicate the number of housing units that will be constructed in Kisii Municipality. The Ministry is currently working in collaboration with stakeholders, on the National Housing Development Programme for 2003/2007, in order to meet the target of constructing of 150,000 housing units per year. To this end, some local authorities have already declared their share of their annual target during the Urban Housing Workshop that was opened by His Excellency the President on 10th June, this year.

**Mr. Abdirahman:** Mr. Speaker, Sir, much of the planning done by the Ministry of Roads, Public Works and Housing and the Ministry of Transport and Communications seems to take place only at the national level. Many times, when hon. Members request to know when a certain project will be undertaken in their respective areas, they are not given appropriate answers by the respective Ministers. I am wondering whether planning in this country is being taken back to what used to happen two decades ago. When will these Ministries involve the local people in their planning policies in order for them to determine what they need?

**Eng. Toro:** Mr. Speaker, Sir, I would like to advise the hon. Member that in this particular case, we involved the local county councils and the urban councils when we held the Urban Housing Workshop. So, it is not correct to say that we are not involving the locals in our plans. Some of the measures that the Ministry is taking to make sure that Kenyans have affordable houses are as follows:-

(i) To recapitalise the housing fund under the National Housing Corporation to enable the corporation to develop affordable housing.

(ii) A proposed amendment to the Retirement Benefits Authority Act, No.3 of 1997 to enable the National Social Security Act, Cap.258 and the National Hospital Insurance Fund and insurance companies to raise or invest at least 10 per cent of their pensions and life funds in low-cost housing developers and first home owners.

**Mr. Angwenyi:** Mr. Speaker, the Assistant Minister says that his Ministry has a policy of providing affordable housing to Kenyans. First, the policy is not reflected in our current Budget. His Ministry has not shown in any way in the Budget that they are prepared, committed and willing to provide affordable housing to Kenyans. However, in the case of Kisii Municipality, we have not had a housing scheme since Independence. We want to have a housing scheme that would be named after the late Dr. Onyonka, the late Dr. Sagini or the late Senior Chief Angwenyi. These were great people from Kisii. Again, the land on which the Government intends to build these housing schemes has been allocated to private developers. Could the Ministry undertake to repossess the agricultural land which was given to private developers so that they can build these houses in the near future when they start

to implement that policy?

**Eng. Toro:** Mr. Speaker, Sir, those are many questions in one. The reason why the Budget has not addressed the issue of housing is because, at the moment, the Ministry is working on a housing policy. The Revised National Housing Policy Paper, where stakeholders have been involved, will be tabled in Parliament for consideration and adoption within the next few years. The Revised National Housing Policy will create an enabling environment for participation by all stakeholders in housing service delivery.

Mr. Speaker, Sir, when we held the Urban Housing Workshop on 10th June, Kisii Municipality was represented and the representatives participated in the workshop. In fact, it gave a commitment on the number of housing units it will be able to develop within the next four years.

*Question No.287*

RE-INTRODUCTION OF GOVERNMENT  
SUPPORT FOR COMMUNAL DIPS

**Mr. J. Mutiso** asked the Minister for Livestock Development:-

- (a) when the last livestock census was done by the Government in the country;
- (b) what the number of stock which has died of notifiable diseases in Kilome and Kasikeu divisions in the year 2002/2003 is; and,
- (c) if he could consider re-introducing Government support and management of community dips in the country as an anti-poverty strategy.

**Mr. Speaker:** The Minister for Livestock Development! I am sorry he is not in! He was anxious to answer Questions before he was sworn-in. What happened? Anyhow, I will wait for him a little while.

**Mr. Wario:** On a point of order, Mr. Speaker Sir. For the last 20 years the former Government operated without the Ministry of Livestock Development. Now that the Ministry has been created and, a full Minister and an Assistant Minister appointed to serve in it, why have they not turned up to answer Questions that concern their Ministry?

**Mr. Speaker:** That is a very good Question. I do not know!

*(Laughter)*

*Question No.209*

SALE OF EATEC LAND

**Mr. Koros** asked the Minister for Lands and Settlement:-

- (a) if he is aware that land belonging to EATEC in Uasin Gishu District has been sold;
- (b) why squatters in these lands were not considered for settlement despite their working for the company for more than 20 years; and,
- (c) if he could list all the parcels sold in Soi, Ngeria, and Kapseret areas, giving their plot numbers, the prices at which

they were sold and the amount of stamp duty paid to the Government on each parcel.

**The Assistant Minister for Lands and Settlement** (Mr. Ojode): Mr. Speaker Sir, I beg to reply.

- (a) Yes, I am aware that the EATEC land in Uasin Gishu District has been sold to various

individuals.

(b) It is not true that squatters in the EATEC land were not allocated land. I am aware that the company donated a total of 271 acres of land worth about Kshs22 million for the settlement of squatters. Some squatters have already collected their titles from the Land Registry in Eldoret; upon payment of the requisite fees. It should be understood, however, that the issue of settling the squatters on EATEC land was not a matter for the Ministry, but a matter between EATEC and the squatters.

(c) The parcels sold in Soi, Ngeria, and Kapseret areas are as herebelow:

**SOI AREA:**

(i) Soi/Soi/Block 10 (Navillus Farm) - Parcel Nos.1-526; fetched a minimum of Kshs50,000 per acre at the time of sale. It attracted stamp duty of Kshs1,000 per acre.

(ii) Soi/Soi/Block 11 (Kipsomba Farm) - Parcel Nos.1-26; fetched Kshs60,000 per acre at the time of sale and attracted stamp duty of Kshs1,200 depending on size and locality of the parcel of land.

(iii) Soi/Soi/Block 12 (Kipsomba Farm) - Parcel Nos.1-48; fetched a minimum of Kshs60,000 per acre.

(iv) Soi/Soi/Block 8 (Sergoit Farm) - Parcel Nos.1-28; went for Kshs60,000 per acre.

**NGERIA AREA:**

(i) Pioneer/Ngeria/Block 1 - Parcel Nos.1-3538; went for Kshs60,000 per acre.

**KAPSERET AREA:**

(i) Eldoret Municipality/Block 28 (EATEC) - Parcel Nos.1-113; went for Kshs60,000 per acre.

The Government has collected in excess of Kshs2 million on stamp duty in registering the various parcels of land that have so far been submitted for registration. However, most of the land has not been presented for registration and the Ministry expects to collect more money on stamp duty as more documents are presented for registration.

**Mr. Koros:** Mr. Speaker Sir, how can the person who claims to be the owner of the land settle 4,000 squatters in 200 acres only?

**Mr. Ojode:** Mr. Speaker Sir, I did mention here that the 271 acres were set aside for settlement of squatters. I would also want the Questioner to know that this is a private issue. It is a private land---

**Mr. Sambu:** On a point of order, Mr. Speaker Sir.

**Mr. Speaker:** What is it?

**Mr. Sambu:** Mr. Speaker Sir, the land in question is not private land. It is land leased from the Government of Kenya. When did---

**Mr. Speaker:** Order, Mr. Sambu! First of all that is not a point of order.

**Mr. Sambu:** Mr. Speaker Sir, it is a burning issue.

*(Laughter)*

**Mr. Speaker:** Secondly, leased land for the duration of the lease is privy to that extent. Proceed!

**Mr. Ojode:** Mr. Speaker Sir, as I was saying that 271 acres were aside for the squatters who have been working for EATEC. If the hon. Member knows some squatters who have not been settled, he should forward the number so that we can help him by settling those people.



**Mr. Sambu:** Mr. Speaker Sir, the land known as Soi on the southern part of Kapseret alone, comprises of 24,000 acres. I have a photocopy of the schedule here. If there is any doubt, facts can be checked here. It was sold at a minimum price of Kshs80,000 per acre. I know the truth because my people purchased it. EATEC has received more than Kshs1.9 billion. That covers an average of 3 per cent of the land because some of the parcels of land are in the municipality.

**Mr. Speaker:** What is your question?

**Mr. Sambu:** Mr. Speaker, Sir, I am coming to it. The Government ought to have collected a minimum of Kshs57.6 million as stamp duty and even if the land was sold at a lower rate of 2 per cent---

**Mr. Speaker:** What is your question?

**Mr. Sambu:** Mr. Speaker Sir, my question is--- Why should I not also get adequate time--- I am the spokesman for the people who live in the area in question. We are trying to protect Government revenue. They have sold land worth Kshs1.9 billion and they have only remitted Kshs2 million to the Government when they should have remitted over Kshs57 million. Where is the rest of the money? You should ask Mr. Mark Too where the balance of Kshs57million in form of stamp revenue went to.

**Mr. Ojode:** Mr. Speaker Sir, if the hon. Member heard me correctly, we have so far collected in excess of Kshs2million from those who have already registered their parcels of land. I am sure, after the [Mr. Ojode] rest register their parcels of land, we will collect over Kshs58 million.

We have so far collected in excess of Kshs2 million because the registration exercise is still going on.

**Mr. Sambu:** On a point of order, Mr. Speaker Sir.

**Mr. Speaker:** Now, will you leave it at that, Mr. Sambu? This is not a Question by Private Notice. It is a general Question. What is it?

**Mr. Sambu:** Mr. Speaker Sir, is the Assistant Minister in order to mislead the House by saying that the process of registration is ongoing when the buyers have paid stamp duty to the lawyers representing EATEC? Is he in order to mislead the House? Where is the money?

**Mr. Speaker:** Order, Mr. Sambu and relax! The lawyers are not the same thing as Government. Until it gets to the Government, it is not revenue to Government. Mr. Ojode is only responsible to the Government.

Next question Mr. Koros!

**Mr. Koros:** Mr. Speaker, Sir, could the Assistant Minister consider constituting a commission to look into the issue of settling the squatters?

**Mr. Ojode:** Mr. Speaker, Sir, we have already constituted a committee to look into various land issues in Kenya. I believe the hon. Member is also aware that we have an in-house Committee, which will be expanded to look into the problem of squatters as well.

**Mr. Speaker:** Very well. I must now make progress.

*(Loud consultations)*

Order, hon. Members! We must make an attempt to go through all the Questions by Private Notice. Yesterday we skipped some of them. I hope that today, we will go through them.

So, please be understanding. I will try to reach as many as possible.

### **QUESTIONS BY PRIVATE NOTICE**

GOVERNMENT VEHICLES FOR ISIOLO DOS

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

(a) Is the Minister aware that District Officers (DOs) in Sericho and Garba Tulla Divisions of Isiolo District have not been provided with a Government vehicle?

(b) In view of the hardship faced by those officers, and the frequent security needs they have to attend to, could the Minister provide them with a new motor vehicle?

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

(a) I am aware that the DOs in the two divisions are currently without vehicles, after the ones they were provided with got involved in road accidents.

(b) The vehicle attached to the District Officer, Sericho, has been repaired and is due for collection. Replacement of the Garba Tulla DO's vehicle will be given priority in the current financial year.

**Mr. Bahari:** Mr. Speaker, Sir, it is common knowledge that, that is a very remote area. Sericho and Garba Tulla Divisions are 290 kilometres and 100 kilometres respectively, away from the district headquarters. The vehicles have not been available for the last six months. Given the fact that banditry is rampant in the two areas, could the Assistant Minister assure us that the DOs will be provided with vehicles in the next one week?

**Mr. Tarus:** Mr. Speaker, Sir, I cannot make a commitment of one week. But, as soon as the Government acquires new vehicles, a vehicle will definitely be sent to the DO, Sericho.

**Mr. Wanjala:** Mr. Speaker, Sir, the Assistant Minister is aware that several locations were upgraded to divisions, especially in parts of Rift Valley Province, where the former Head of State came from. Mr. Speaker, Sir, in view of the fact that Isiolo District is a hardship area, could the Assistant Minister amalgamate some of the divisions, so that, it will be easy to provide them with vehicles?

**Mr. Tarus:** Mr. Speaker, Sir, I come from that area and no divisions were amalgamated!

**Mr. Speaker:** I hope we will now become serious. It is not fashionable any more to concoct an issue and blame it on what was. Be factual! That is a concoction!

**Maj. Gen. Nkaisery:** Mr. Speaker, Sir, could the Assistant Minister tell this House how many district officers are not provided with vehicles and how the Government will resolve the problem?

**Mr. Tarus:** Mr. Speaker, Sir, that is a different Question.

**Mr. Speaker:** It is quite related to the issue!

**Mr. Tarus:** Mr. Speaker, Sir---

**Mr. Speaker:** Order, Mr. Assistant Minister! The issue the hon. Member has raised is relevant and related. We know that you are in the process of acquiring vehicles, so that you can, among other areas, provide vehicles to Sericho and Garba Tulla Divisions. You must know how many vehicles you are looking for, and for how many divisions. The issue is relevant!

**Mr. Tarus:** Mr. Speaker, Sir, I will table the list.

**Mr. Bahari:** Mr. Speaker, Sir, given the fact that the two divisions have not had vehicles for the last six months, could the Assistant Minister consider allocating them vehicles from any department in his Ministry before he acquires new ones? That will enable the DOs to perform their duties.

**Mr. Tarus:** Mr. Speaker, Sir, the hon. member had indicated that the two divisions, being hardship areas, will require more effective vehicles. I said that, as soon as the Government acquires new vehicles, we shall provide a vehicle to the DO, Sericho.

PURCHASE OF CHEMELIL SUGAR  
COMPANY SHARES

**Prof. Olweny:** Mr. Speaker, Sir, I beg to ask the Minister for Agriculture the following Question by Private Notice.

(a) Is the Minister aware that the Managing Director of Chemelil Sugar Company has deducted over Kshs140,850,457.95 from the farmers' dues for purchase of shares from the company?

(b) Is he aware that the records available in February this year indicate that over Kshs27 million deducted from farmers in the months of February, March, June, October and November was never banked in the shares account?

(c) Who are the signatories to the shares account?

**The Assistant Minister for Agriculture** (Mr. J. Nyagah): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the Managing Director of Chemelil Sugar Company has deducted over Kshs140,850,457.95 from farmers' dues for purchase of shares of the company.

(b) I am also aware that, over Kshs27 million deducted from farmers in the months of February, March, June, October and November last year, had not been banked as of February, this year.

Mr. Speaker, Sir, the deductions, however, were subsequently banked as follows:-

MONTH	AMOUNT(KSHS)	DATE BANKED
February, 2002	6,038,337.55	11.3.2003
March, 2002	4,834,625.35	14.3.2003
June, 2002	5,873,335.60	13.3.2003
October, 2002	4,575,858.00	11.3.2003
November, 2002	5,909,680.00	11.3.2003
<b>TOTAL</b>	<b>27,231,836.50</b>	

(c) The signatories to the Share Purchase Account are nine people. They are:-

NAME	DESIGNATION/TITLE	
1. Mr. Joseph Z. Abuta	Ag. Managing Director	
2. Mr. Hassan Hussein	District Commissioner - Nyando	
3. Mr. Wilfred Olelepei	District Commissioner - Nandi	
4. Hon. Dr. Omamo	Chairman - Chemelil Outgrowers Co. Ltd	
5. Mr. Samwel Chelule	Chairman - Nandi Outgrowers Co. Ltd	
6. Mr. Mr. Omolo Okal	Representative - Muhoroni	Multipurpose
7. Mr. David Kiogon Lagat	Representative - Chemase Location Societies	
8. John Keter	Representative - Meteitei Valley Societies	
9. Patrick Mugunga	Representative - Kisumu Sugar Belt Co-	operative Union

**Prof. Olweny:** Mr. Speaker, Sir, as you can see from the Assistant Minister's answer, some of the money was deducted as early as February, last year, and it took a year before it was banked. It was not until I asked the Question that the money was banked. What was the management doing with that kind of money, and where was it?

**Mr. Speaker:** Mr. J. Nyagah, where was the money? Was it in a box under the bed?

**Mr. J. Nyagah:** Mr. Speaker, Sir, as you know, and it is public knowledge, Chemelil Sugar Company has been going through a very serious financial problem. The money was being used for normal operations of the Company. That is why it was not possible for the management to bank it. But when they were pressurised, they found some money from their resources and banked it.

**Mr. Haji:** Mr. Speaker, Sir, could the hon. Assistant Minister tell us why the NARC Government appointed him the Assistant Minister and yet he was a full Cabinet Minister in the previous Government? Is that not a demotion?

**Mr. J. Nyagah:** Mr. Speaker, Sir, in fact, His Excellency the President, Hon. Mwai Kibaki, promoted me. I am now an Assistant

Minister from the Back Bench.

**Mr. Speaker:** I think the question was even irrelevant! What has it got to do with sugarcane farming and banking?

*(Laughter)*

**Mr. Sungu:** Mr. Speaker, Sir, I cannot help, but agree with your sentiments because this is a very important Question and it should not be belittled by such irrelevancies.

**Mr. Speaker:** Order! Mr. Sungu, I am the Speaker, not you! I am in full control.

**Mr. Sungu:** Mr. Speaker, Sir, I withdraw my remark.

**Mr. Ogur:** Mr. Speaker, Sir, the money was huge---

**Mr. Speaker:** What are you saying?

**Mr. Ogur:** Mr. Speaker, Sir, I am talking about the huge sums of money---

**Mr. Speaker:** Who gave you the permission to interrupt Mr. Sungu?

**Mr. Ogur:** Mr. Speaker, Sir, it is Mr. Sungu who did not ask for permission!

*(Laughter)*

**Mr. Speaker:** Mr. Sungu, proceed!

**Mr. Sungu:** Thank you, Mr. Speaker, Sir. This money is being held in the private account of about ten individuals. We would like to know whether this money is earning interest or not. Why is it not being held in the company's account? This money has been kept away from the farmers for so long. There is the risk of theft. As I speak now, Mr. Joseph Z. Abuta is no longer the Managing Director of Chemilil Sugar Company and yet he is still a signatory to that account. How will he account for this money?

**Mr. J. Nyagah:** Mr. Speaker, Sir, due to the recent changes in the management of Chemelil Sugar Company, there will be a meeting on 15th July, 2003. That meeting is expected to resolve that the new District Commissioner (DC), Nyando District, Mr. Hassan Farah, the new DC, Nandi South District, Mr. Rashid and the new Managing Director, Prof. Nyabundi be the new signatories. However, it is necessary to have a meeting to resolve this, so that things can be done properly.

**Prof. Olweny:** Mr. Speaker, Sir, this is a private joint account of nine people and I do not think the farmers are in control of this arrangement. Why did the company not think of helping the farmers to come up with a company to control this arrangement?

**Mr. J. Nyagah:** Mr. Chairman, Sir, this account was opened---

**Hon. Members:** He is the Speaker, not the Chairman!

**Mr. J. Nyagah:** Mr. Speaker, Sir, I am very sorry. I have forgotten---

**Mr. Speaker:** Why have you forgotten?

**Mr. J. Nyagah:** Mr. Speaker, Sir, eight months is a long time for someone not to be answering questions.

*(Laughter)*

Mr. Speaker, Sir, the farmers met in April, 2000 and decided to have this kind of arrangement, including opening the account. The farmers again met on 26th June, 2003, and continued with this arrangement. This arrangement was as per the farmers' request and they chose who would represent them and who would open the account. Therefore, the farmers are fully in control of the account.

ACQUISITION OF VEHICLES FOR  
GOVERNMENT MINISTERS

**Mr. Omingo:** Mr. Speaker, Sir, I beg to ask the Minister for Finance the following Question by Private Notice.

(a) Could the Minister inform the House how many vehicles have been acquired in the last four months with cubic capacity rating

above 2000, and what are their registration numbers and make?

(b) How many vehicles are attached to each Minister?

(c) What deliberate policies are being put in place to ensure that this facility is not misused by those in office?

**The Assistant Minister for Finance (Mr. Katuku):** Mr. Speaker, Sir, I beg to reply.

(a) A total 32 vehicles with over 2000 cc rating have been acquired for use by various Government Ministries/Departments in the last four months. I will lay the list on the Table so that all hon. Members may have access to it.

(b) The following Ministries have the following number(s) of cars:-

<u>Minister</u>	<u>No. of Vehicles</u>		
Vice-President and Minister for National		Reconstruction	7
Minister for Lands and Settlement	3		
Minister for Health	3		
Minister for Transport and Communication	3		
Minister of State in the Office of the President	3		
Minister for Energy	3		
Minister for Labour and Human Resources Development	1		
Minister for Justice and Constitutional Affairs	1		
Attorney General	1	Minister for Education, Science and Technology	
Minister for Local Government	2		
Minister for Home Affairs	2		
Minister for Agriculture	2		
Minister for Livestock Development	2		
Minister for Cooperative Development	2		
Minister of State in the Office of the Vice-President	2		
Minister for Gender, Sports, Culture and Social Services	2		
Minister for Water Resources Management and Development	2		
Minister for Roads, Public Works and Housing	2		
Minister for Environment, Natural			

Resources and Wildlife	2
Minister for Tourism and Information	2
Minister for Trade and Industry	2
Minister for Finance	2
Minister for Planning and National Dev.	2

(c) In order to ensure against misuse of Government vehicles, I propose to institute the following measures:-

- (1) Ministers will be restricted to the use of two vehicles only.
- (2) We shall continue to restrict the purchase of vehicles of over 2000 cc rating.
- (3) All vehicles will be expected to have Government of Kenya (GK) registration number plates.
- (4) The Government Vehicle Check Unit will be instructed to intensify checks on all GK vehicles.
- (5) I shall send out a comprehensive circular on austerity measures on the use of GK vehicles by 15th July, 2003.

*(Mr. Katuku laid the document on the Table)*

**Mr. Omingo:** Mr. Speaker, Sir, we do appreciate the fact that the Government, in their right thinking, said they had inherited empty coffers. Three vehicles allocated to a Minister, in addition to one vehicle that is provided under the Parliamentary grant, those are four vehicles. What is the justification of each Minister having three vehicles and what is the economic sense for this?

**Mr. Katuku:** Mr. Speaker, Sir, as I said, we will be issuing a circular by 15th July, 2003, to restrict each Minister to two vehicles. In this process, we will expect Ministers who have more than two vehicles to surrender them.

**Mr. Mwenje:** Mr. Speaker, Sir, we know that there were vehicles inherited from the previous Government. Why was it necessary to buy new vehicles? From which Budget did they buy these vehicles? Was it necessary for them to buy new vehicles when there were vehicles used by the previous Ministers?

*(Applause)*

**Mr. Katuku:** Mr. Speaker, Sir, Mr. Mwenje says rightly that we inherited empty coffers. Some of those vehicles were used by the previous Government during the campaigns and they were not in operation when we took over. Therefore, it was prudent to purchase vehicles, not only for Ministers, but also for other operations of the Government.

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. The Assistant Minister has touched on a very serious matter. He says that some vehicles were used during the campaigns by the previous Ministers. Could he tell us who were those Ministers so that they may be surcharged?

**Mr. Katuku:** Mr. Speaker, Sir, some of those Ministers who were using those vehicles lost during the last General Elections.

**Mr. Speaker:** Order, Mr. Katuku! You must account to Parliament! You are being asked; who are those Ministers who used Government vehicles during campaign? In any case, does that justify the purchase of three vehicles per Minister?

**An hon. Member:** Withdraw!

**Mr. Katuku:** Mr. Speaker, Sir, I have nothing here to withdraw because all the Ministers in the previous Government were using Government vehicles to campaign. Therefore, there is nothing to substantiate on this issue.

**Hon. Members:** Which ones?

**Mr. Katuku:** All of them!

**Mr. Speaker:** Order! What Mr. Mwenje is worried about is this: Even if those vehicles were

used, does it justify your purchase of three new vehicles per Minister?

**Mr. Speaker, Sir,** I think there is confusion here. I have said the Government has purchased 32 vehicles from January this year, to date; not necessarily for Ministers but for all Government operations.

**Mr. Maore:** Mr. Speaker, Sir, you have heard the Assistant Minister, who is in charge of the empty coffers they inherited, say that Ministers campaigned using Government vehicles. That would constitute an abuse of office. Could he give a list of those Ministers and tell the House when they will be arrested? Why is it that those Ministers who were campaigning in Naivasha during the by-election used a police helicopter and Government vehicles openly?

*(Applause)*

**Mr. Katuku:** Mr. Speaker, Sir, the Government is in the process of taking action on this and I am not aware of what Mr. Maore is alleging about Naivasha. I am not aware of any Government Minister who used a Government vehicle. If any of the Members has any information regarding this, please let me know. All I know is that the helicopter had been hired.

**Mr. Shitanda:** Mr. Speaker, Sir, the Assistant Minister has told us that the vehicles were used for campaigns because they are write-offs. I know there is no Government yard holding vehicles which have broken down. Could he tell this House where these vehicles are?

**Mr. Katuku:** Mr. Speaker, Sir, some of the vehicles are in the garages, and some in the yards. In fact, we are in the process of repairing some of them. If you want to confirm this, please consult me later and I will show you where they are.

**Mr. Sasura:** Mr. Speaker, Sir, I think this Government should feel ashamed. Is it in order for the Assistant Minister to mislead us that there are only three Ministries with Mercedes Benz vehicles but when "General Mathenge" came to Kenya, there were more than six Government Mercedes Benz vehicles that were used to receive him?

**Mr. Mwanicha:** Mr. Speaker, Sir, is it in order for Mr. Sasura to say that "General Mathenge" was at the Jomo Kenyatta International Airport when we know that he was not there?

*(Applause)*

**Mr. Speaker:** Order Members! Order! Order Members! Question Time is up. It appears to me that the Assistant Minister is very casual in his response to the House. You are very casual! I think you should be serious.

When would you like to respond to that issue?

**Mr. Katuku:** Mr. Speaker, Sir, on a serious note, if I was being casual, I have said that the Government has purchased 32 vehicles from January to June this year. The Member is talking about six vehicles. What does he expect me to say? We have so many vehicles in the Government, but I am talking about the ones the Government has purchased from January to June this year. However, the Government has many vehicles, even more than what we are saying.

#### GOVERNMENT POSITION ON INFORMAL SCHOOLS

**(Mr. Ndolo)** to ask the Minister for Education, Science and Technology:-

Could the Minister inform the House the Government's position on informal schools in the light of provision of free education in the country?

**Mr. Speaker:** Mr. Ndolo is still not here? That Question is dropped.



**Mr. Ndolo:** Mr. Speaker, Sir, I am here.

**Mr. Speaker:** I am sorry Mr. Ndolo. That Question will be the first to be asked on Tuesday.

*(Question deferred)*

**Mr. Omingo:** I would like to ask the last Question.

**Mr. Speaker:** Time cannot allow me.

**Mr. Omingo:** Mr. Speaker Sir, thank you for allowing me to speak. I am not against the Ministers of the Government who are sitting here. However, I would like to know from the Assistant Minister why the Government has to buy vehicles because the others have broken down. The Ministers have three Mercedes Benz vehicles and six other vehicles while the Assistant Minister is saying that the vehicles have broken down. We know that some of them have two vehicles to ferry them from Mombasa when they arrive from a trip. Is this a justified expenditure? I can name them because I know them. Is it fair that this is happening in terms of misuse of funds?

**Mr. Speaker:** Very well, you have finished now. Mr. Assistant Minister, please answer that very briefly, and then we move to the next Order.

**Mr. Katuku:** Mr. Speaker, Sir, I am not aware of which Minister the hon. Member is referring to. The Government is putting measures in place to ensure there is no misuse of Government vehicles. We are going to restrict Ministers to two vehicles only. We are also putting measures in place to ensure that there is no misuse of the vehicles.

**Mr. Speaker:** Very well. Let us move to the next Order! Question Time is up.

**Mr. Y. Haji:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** What is it Mr. Haji?

**Mr. Y. Haji:** I asked a Question about a Kenyan who was languishing in a foreign country. I have information that the man is now dead. The Ministry of Foreign Affairs has abdicated its responsibility because it is not informing us where that Kenyan is.

**Mr. Speaker:** Mr. Haji, I know that Mr. Wetangula was ready with the reply, but look at the time. Mr. Wetangula, you will have to answer that Question later because of time. I am sorry, you cannot do it now.

**Mr. Wetangula:** Mr. Speaker, Sir, I am not making any Statement. I had informed hon. Haji that the Ministry is making contacts with the Government of Malawi and will bring details concerning Mr. Khalif Abdul Hussein on Wednesday afternoon.

**Mr. Speaker:** Very well, next Order!

**The Minister for Local Government (Mr. Maitha):** Mr. Speaker, Sir---

**Mr. Speaker:** Sorry, Mr. Maitha. I know you had a Statement to make, but the time is over. I am sorry about that.

## BILL

### *First Reading*

#### THE RETIREMENT BENEFITS (AMENDMENT) BILL

*(Order for First Reading read-  
Read the First Time - ordered to*

*be referred to the relevant  
Departmental Committee)*

### COMMITTEE OF WAYS AND MEANS

*(Order for Committee read)*

*(Mr. Speaker left the Chair)*

#### IN THE COMMITTEE

*(The Temporary Deputy Chairman  
Mr. Phogisio) took the Chair)*

### MOTION

#### APPROVAL OF TAXATION MEASURES

THAT, the proposals relating to:-

- (a) Customs Tariff;
- (b) Excise Duties;
- (c) Value Added Tax;
- (d) Income Tax; and
- (e) Miscellaneous Fees and Taxes,

contained in the Financial Statement for the Year of Account 2003/2004 be approved.

*(The Minister for Finance on 2.7.2003)*

*(Resumption of Debate interrupted  
on 2.7.2003)*

*(Loud consultations)*

**The Temporary Deputy Chairman** (Mr. Phogisio): Hon. Members, you may be seated now.

**Mr. Mwenje:** Bw. Katuku, kwa nini mnanunua magari na kuyaendesha ovyo ovyo? Tutawakanyaga nyinyi!

**The Temporary Deputy Chairman**(Mr. Phogisio): Order Mr. Mwenje! Order! Order Members! We are now in Committee. Mr. Miriti was on the Floor. Is he here?

**The Assistant Minister Ministry for Trade and Industry** (Mr. Miriti): Mr. Temporary Deputy Chairman, Sir, thank you for giving me this chance to speak. Yesterday, I congratulated the Minister for Finance for reducing tariffs on electricity and empowering Kenyan power generating companies. In Nithi Constituency which is where I come from, there are many permanent rivers with many water falls. I am sure we shall take advantage of the reduction to generate more power, as we are endowed with the natural resources.

**The Assistant Minister for Trade and Industry** (Mr. Miriti) I would also call upon the Ministry concerned with power generation to focus on small scale generation so that they can

empower the hydro-electric schemes which are in place today. This will ensure that local consumers access power without necessarily going to the Kenya Power and Lighting Company (KPLC).

I am gratified that the Minister touched on agricultural products. We know most farmers who are growing coffee, tea, macadamia nuts, cotton, tobacco and fruits especially in Meru South Town will be very happy now that they have a Government which is concerned with their welfare. For a long time, farmers have been agonizing because of the---

*(Loud consultations)*

**The Temporary Deputy Chairman** (Mr. Poghisio): Order, hon. Members! Order, Mr. Gor Sungu!

**The Assistant Minister for Trade and Industry** (Mr. Miriti): Thank you, Mr. Temporary Deputy Chairman, Sir. For a long time farmers have been agonizing because of being neglected and their products were not getting markets. Coffee and tea were rotting in farms and the macadamia nuts industry was not in a position to be developed because of neglect. Now we can see farmers all over the country getting empowered and they are creating resources for the country.

On the question of computers and their accessories, we know that Kenya is yet to be a computerised state. Very few Kenyans know about computers. We cannot advance in scientific and technological fields unless we have computer knowledge. I hope that the relevant department will create a situation where Kenyans will be advised on how to access simple technological aspects so that as we move towards industrialisation in the year 2020, we have Kenyans knowing exactly what they do.

We know there are so many educated and uneducated people who cannot fix even very simple items in their houses. This is because of lack of knowledge in technology. Development of computer technology will assist us in our research areas. There is no way we can do scientific research unless the country is adequately accommodative in computerisation.

I was happy to see the Finance Minister address even simple matters like that of poultry keeping which has been neglected for a long time. In Kenya, we have the most expensive chicken in the market. We always wonder why neighbouring countries, even European and American States, offer very cheap chicken. They do that because their governments have always addressed the way poultry is produced. We hope the consumers and poultry keepers will now ensure that chicken will be cheaper so that it is accessible to Kenyans. It is the cheapest type of protein which can be accessed by Kenyans. A chicken takes only very few weeks to grow unlike beef and mutton. If we encourage more farmers to keep poultry, then every Kenyan will access protein and we shall contain malnutrition.

Mr. Temporary Deputy Chairman, Sir, in the area of agriculture, we have very many problems in Nithi Constituency because of poor infrastructure. As farmers produce more coffee, tea, cotton, tobacco and fruits, we would like the Minister for Roads, Public Works and Housing to consider improving the access roads to coffee and tea factories, and areas where we sell tea so that we can sell our tea easily. In the past, we have lost a lot of produce because markets and factories cannot be accessed. Whenever it rains, it is very difficult for farmers to access coffee industries even as close as one kilometre away.

**The Temporary Deputy Chairman** (Mr. Poghisio): Order! Your time is up.

**The Assistant Minister for Lands and Settlement** (Mr. Ojode): Thank you, Mr. Temporary Deputy Chairman, Sir. I want to give a quick look at the taxes which were brought here by the Minister for Finance.

You will remember that within this year's Budget, the agricultural sector was not funded properly. I am saying that because the agricultural sector in Kenya as a whole is the backbone of the economy of this country. For example, in Nyanza, the production of cotton has gone down

tremendously because the Government is not giving any incentives. The Minister for Agriculture should be giving free seeds. He should send extension officers to go to the fields and talk to the farmers. They should tell the farmers that they need to produce more cotton and expand their farms.

When you look at the staff at the Ministry of Agriculture, they are so lax that none of them goes out to educate farmers on the need to produce more for the country. When we look at livestock production, you will find that we do not have the officers in the fields to encourage our people to keep cattle. A number of grade cattle are dying due to lack of information to farmers on how to keep cattle.

Education comes first in order for any economy of any country to thrive. Last financial year when I was an Assistant Minister for Education, we had about Kshs500 million which was supposed to be disbursed for the needy students. The Kshs500 million was not equitably disbursed. This money was given out to the politically correct people and regions which were supporting the KANU Government then. As a result of this, majority of children who actually deserved to get the bursary fund never got it. Now that Kshs817 million has so far been voted for this year's bursary, I propose and I have written a letter to that effect to the Minister concerned - that this amount of Kshs817 million should be disbursed equitably to all constituencies. Each constituency will be getting a minimum of Kshs3.8 million to educate the needy and orphaned students.

*(Applause)*

On bursary funds, we should form District Bursary Committee (DBC) and Constituency Bursary Fund (CBF) in order for us to get this money. The District Education Boards (DEBs), the Parents and Teachers Associations (PTA), religious and political leaders and the primary and secondary school head-teachers should constitute these committees. These committees must oversee the disbursement of those funds. If we do so, majority of Kenyan children, irrespective of regions and any other atrocities that might have befallen them, will be able to go to school. What is happening now, as I speak, is that if you are not known and you request for bursary funds for your children, you will be lucky to get Kshs5,000 or Kshs10,000. However, that money will not be enough to educate a student in Form I, II, III, or IV. It is not obvious that the students who got bursary funds last term or year, will also benefit in the preceding years.

At the school level, there should be a committee comprising of the headteacher, the deputy headteacher, a senior teacher, the chairman and the treasurer of the Board of Governors (BOG), PTA's representative, the sponsor and local leaders to oversee the disbursement of these funds. Schools themselves should publish on their notice boards the money received as bursary funds, the recipients and the amounts allotted to each student. Why am I saying this? This is because if we do not come up with those committees, the Kshs817 million will not be utilised for the intended purpose. I was an Assistant Minister in the Ministry of Education, Science and Technology and I experienced this problem. Probably, I got bursary funds only for 5 or 10 students in my constituency. What happened to the other Kshs500 million? The Ministry of Education, Science and Technology should tell us whether they will accept to disburse this money from constituency level or not. Ndiwa Constituency, which I represent in this House, will be allocated Kshs3.8 million as bursary funds. If I am given that money, the needy students in my constituency will never have a problem. We all know very well about the effects of HIV/Aids pandemic. What will happen to the orphans? Previously, students from families capable of paying school fees used to get bursary funds whereas those from poor families were not getting anything. May be it was because bureaucracy or their parents did not know somebody to assist them. Why should we plead for money which is drawn from the Exchequer? There is no need.

Mr. Temporary Deputy Chairman, Sir, with regard to poultry farming in this country, there is a shortage of agricultural extension officers to assist the farmers. The Ministry of Livestock

Development must come up with a policy to employ more officers and give incentives to farmers. This is the only way we can revamp this sector.

Mr. Temporary Deputy Chairman, Sir, on health, we have said that the anti-retroviral drugs should be supplied to various health centres. You find that in the whole of Nyanza Province, it is only one or two hospitals which are benefiting from the supply of these essential drugs. It is important for majority of health centres in my constituency to be given the anti-retroviral drugs in order for the HIV/AIDS positive patients to benefit.

Mr. Temporary Deputy Chairman, Sir, on roads, we all know that the Government is really trying. I do commend the Minister, the Assistant Minister and the Permanent Secretary in the Ministry of Roads, Public Works and Housing. They are doing a very good job. Over the last three or four years, the Government disbursed a total of Kshs1 billion for the construction of the Rodi-Kopany-Karungu Road. As I speak now that road is in a very pathetic situation. Why was the contractor paid Kshs1 billion?

Why can't those engineers who signed the certificate of completion be charged? By so doing, other engineers will know that if they certify shoddily done projects, they will be prosecuted. The Katitu-Kendu Bay Road was constructed by HZ Company in 1983. Since then, no maintenance has been done to it. The road is in a very sorry state. The Government will spend three or four times the amount of money which would have been used on other roads to construct that road. That road cannot be rehabilitated. It is completely worn out. The Homa Bay-Rongo Road is in a pathetic condition. I do not need to elaborate on this. What will the Government do in order to rehabilitate that road? We know very well that without good roads, we will not raise enough revenue to pay teachers, civil servants and run other sectors of Government.

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

**The Assistant Minister for Education, Science and Technology** (Mrs. Mugo): Mr. Temporary Deputy Chairman, Sir, I too would like to add a word or two words on taxation and expenditure of the taxes collected.

We appreciate the effort put forth by the Minister for Finance in making sure that we get enough funds to spend on the citizens of this country and to make service delivery possible. This is something that has eluded this country and left people very poor. I just want to commend the Minister for giving much money to the Ministry of Education, Science and Technology. This money will assist children from not so well to do families go to school.

So, I would ask the Minister to set aside a specific amount of money specifically for the girl-child. This should also be the case for the outlying districts, especially in the Arid and Semi-Arid Lands (ASAL). We know because of the nature of the living conditions there, their families move from one area to another in pursuit of pasture for their livestock. The girls in those areas need good boarding schools where they would be catered for fully to enable them to study properly. We have a case where we hardly have any girl entering university from those areas. They are either married very early, or they drop out of school because of the difficulties they face. I know it is not any easier for the boys who are also in nomadic areas. But the girls experience special problems which are specific to girls. This nation owes it to those girls to make sure that they too get good education. As we know, women still lag behind in this country, in matters of education.

I am also very concerned about electricity. Some parts of this City still have no electricity, for example, my constituency of Dagoretti. Half of Dagoretti has no electricity especially the locations that were carved out of Kiambu District. The sad part of it is that those people are still being charged land rates. They are supposed to pay rates on land that was inherited from their forefathers and yet the titles are freehold and not leasehold. That was an oversight. I do not understand how they were ever taken into account for paying rates. I would ask the Minister for Local Government to make sure that those

rates are exempted. They should not be counted any more in the books of income as a major tax. As I speak now, many people in Dagoretti are going to lose their land because they are being charged arrears in tax amounting to over Kshs500,000. There is no electricity, water and dependable roads. There are no services that can make them develop their plots so that they are able to get enough rent to pay for these rates. I would request the Minister for Finance to make sure that the rates in Dagoretti are exempted so as to save the land of those people from being auctioned.

Mr. Temporary Deputy Chairman, Sir, on the question of roads, I commend the Minister for Roads, Public Works and Housing because he is doing a good job; but there is still a lot that needs to be done,

especially to open up roads leading to schools. During the rain season, there are many teachers and pupils who cannot safely access their schools. I think the Ministry of Roads, Public Works and Housing should put special emphasis into making sure that all the roads that lead to schools are all-weather and that they have safe bridges for the children to cross so as to be out of danger of drowning.

Mr. Temporary Deputy Chairman, Sir, I would also like to say something about the money allocated to the informal sector by way of loans. This is long overdue because we know that this is one sector that generates employment. I am talking about the gender. There are very many *mama mbogas* and they are the ones who maintain their households. They need very little money to be able to feed, cloth their children and maintain the households. Many of them are single parents. I would request that, when the Minister for Finance works out this legal framework, gender is considered and specific amounts of these funds are earmarked for women. I say so because, we find most of the time, women and their needs are marginalised. We would like also to see women represented in those committees, or those who will work out the format. We should have enough women represented in the policy making of that legal framework so that they too can bring the specific needs of those *mama mbogas*.

Mr. Temporary Deputy Chairman, Sir, I would also like to commend the Minister for Local Government for the effort he has put forth to make sure that funds are properly utilised and especially for Pumwani Maternity Hospital which was in shambles. But we still would like to see more maternity beds in the City and in this country. I say so because maternal health and child care still lag behind and when any funds are being discussed, people do not consider the specific needs of maternal care or child health care.

Mr. Temporary Deputy Chairman, Sir, when it comes to HIV/AIDS, we know that women are more affected than men. Their children are affected too. A certain amount of money should be set aside to help orphans and infected mothers, so that, their households could continue functioning. That could be possible by creating a HIV/AIDS fund to help those poor families.

Thank you.

**Mr. Sudi:** Mr. Temporary Deputy Chairman, Sir, thank you for allowing me to contribute to this Motion. The tariffs which we are discussing today, such as Customs Tariffs, Value Added Tax, Income Tax and so on, help the Government to raise revenue. While we are approving taxation measures to raise revenue, I would like to inform the Minister concerned that some taxes imposed on certain items are extraneously huge, and they are causing people to opt for illegal means, which are cheaper and affordable, in order to survive. I know that the Government has to raise revenue in order to provide services to its citizens. While I appreciate the need to raise revenue I request that, that revenue should be properly used. In the past, we have been raising revenue and not using it properly. That is where the problem has been.

I come from a constituency where the people I represent cannot afford to enjoy the resources from the Government. In Marakwet, there are no hospitals. We rely on health centres which are very far. If the money the Government raises could be used to build and equip the district hospital, the people of that area would benefit from the Government.

Mr. Temporary Deputy Chairman, Sir, likewise, the roads in Marakwet are in a very pathetic state. I do not know where the money goes to and yet, I see huge figures in the Budget. The money does not reach the Marakwet people to assist in building good roads. I urge the Minister to provide funds to tarmac roads in Marakwet. It is the only district in the North Rift without an inch of tarmac.

Mr. Temporary Deputy Chairman, Sir, if we raise all the revenue that the Minister has budgeted for, the people could enjoy better services. Instead of the revenue going to developed areas, let it be channelled to Arid and Semi-Arid Lands (ASAL), where there is no development.

We would like to see more revenue channelled towards the Rural Electrification Programme to create employment. That will stop Kenyans from flocking to towns in search of employment. If that can be done in every divisional headquarters, we can build village polytechnics and Form IV leavers could enrol and graduate with useful skills. If that money is channelled to every district, the citizens of Kenya will be proud of the Government. Otherwise, we shall be passing budgets every year, and they will not assist our people at all. We should make life affordable by removing illegal taxation that causes the people to engage in illegal activities.

Mr. Temporary Deputy Chairman, Sir, of late, the Government has been targeting brewers of illicit brews. The people drink illicit brews because of high taxation on beer, wines and spirits. If taxation on beer, wines and spirits could be lowered to affordable rates, Kenyans will not drink illicit brews. I urge the Minister to lower the taxation on alcoholic beverages to affordable levels. I urge the Minister to make sure that the measures he has taken are implemented to the letter.

Thank you.

**The Assistant Minister for Transport and Communications** (Mr. Ligale): Thank you, Mr. Temporary Deputy Chairman, Sir, for giving me an opportunity to contribute to this important Motion on the levying of the various taxes proposed in the Minister's Budget Speech.

On Import Duty, I would like to make two comments. First of all, I would like to commend the Minister for Finance for waiving import duty on capital goods, plant and equipment in order to attract investors into our country and stimulate the growth of our economy. All of us in the NARC Government promised the nation during the campaigns that we would create 500,000 jobs per annum.

The only way we can achieve this objective is by ensuring that our economy grows. If we allow investors who want to invest in this country to bring in equipment and plant machinery without paying import duty, they will be motivated to invest in our country. So, I would like to commend the Minister for waiving import duty on industrial equipment.

Mr. Temporary Deputy Chairman, Sir, I also note that in the same vein the Minister for Finance waived Import Duty on equipment used for generation and distribution of electricity. This will go a long way in assisting our economy to pick up. We do hope that this will reduce the cost of electricity, and that the saving realised will be passed on to domestic consumers. We want our people, especially those in the rural areas, to afford electricity. I hope that a big chunk of the savings resulting from this tax waiver will go towards distribution of power to our rural folk.

Mr. Temporary Deputy Chairman, Sir, computers and computer accessories are important, if our country is to be industrialised by the year 2020. This is our ultimate goal. Any country which does not get into the information technology (IT) era will not be industrialised. I would like to commend the Minister for waiving Import Duty on imported computers and their accessories. Computers are very important to our people, particularly in this era of the IT.

Mr. Temporary Deputy Chairman, Sir, with regard to Excise Duty, I would like to comment on three items, to be precise. On locally assembled vehicles and accessories, I am glad that the Minister removed Excise Duty on those vehicles in order to encourage fabrication, not only of those vehicles but also of spare parts so that jobs can be created for our people. Some of the people who will benefit from the Minister's move include *Jua Kali* artisans, who can fabricate quite a number of

spare parts which are required in the motor industry. But I would like to caution that the quality should not be compromised. We should produce vehicles which meet international standards. I would like to tell local manufacturers and assemblers of locally assembled vehicles that whilst the Minister waived Excise Duty on Completely Knocked Down (CKD) kits required to assemble these vehicles, they should ensure that the quality is high. This is because we want vehicles which people can purchase and use for long periods without having to replace them.

Mr. Temporary Deputy Chairman, Sir, the Minister for Finance also reduced Excise Duty on fuel oil by 50 per cent. This is meant to enhance industrial production by our people. I plead that some of these benefits should be passed on to the consumers, so that people who purchase locally produced goods can benefit. I trust that this will be done.

One area I am a bit uncomfortable with is the increase of Excise Duty on mobile phone air time. The Minister did increase Excise Duty on air time by as much as 100 per cent. I regard this to be rather punitive. As a matter of fact, it will not assist us, especially now that we are trying to attract an investor to invest in our country as a third mobile phone operator. Not many people will be very keen to invest in this subsector because the indications in the market are that the purchase of mobile phones has gone down. This is because not many people use mobile phones because of the increased cost of air time. This is a bit punitive and I hope that it is a matter the Minister may wish to revisit in due course. Dumping of petroleum products has been going on in this country. This is one area which has been very difficult to police in the past. When petroleum products are imported into this country with a view to their being exported to inland countries like Uganda, Rwanda, Burundi and the Democratic Republic of Congo (DRC), very often, they end up in our market, and yet Excise Duty happens not to have been paid on them. This has become a major problem to our economy.

I am glad that all the East African Community Ministers for Finance have agreed to ensure that from now on, anybody who wants to export petroleum products will have to pay a cash deposit equivalent to the duty which will be payable. The cash deposit can be claimed after confirmation that, indeed, those fuel products have been exported. I would like to commend these Ministers for coming up with this measure. I hope that in implementation, our officers will be vigilant and ensure that, that regulation is adhered to, to the letter. This is because we do not want fuel products dumped in our market.

Mr. Temporary Deputy Chairman, Sir, I am also pleased that the Minister for Finance waived duty on donor-financed projects in order to speed up their implementation. We want to ensure that our economy picks up as quickly as possible. In the past, when it was mandatory that Ministries pay duty and then claim it later on after the implementation of the projects, there were delays in the take-off of projects. I am glad that the Minister waived Excise Duty on donor-financed projects in his Budget to speed up their implementation.

Mr. Temporary Deputy Chairman, Sir, I am a bit uncomfortable with the requirement that the waiver of the duty payable by our officers who have served in overseas stations, particularly those of the Ministry of Foreign Affairs, on returning to this country be restricted to those vehicles which are registered in the officers' work station. A number of our officers work in Europe, Japan, the United States of America (USA) and Canada. These officers use left-hand drive vehicles when they are in their foreign work stations. When they return to this country, they would like to import a vehicle which they can use here. Therefore, those officers would like to order new right-hand drive vehicles. So, to restrict them to bringing into the country vehicles which they had registered in their foreign work stations is being unfair to them. I understand the argument by the Minister that this facility has been abused in some cases. If this facility has been abused, such abuse is a matter we can deal with. Let us seal the loopholes which have led to this facility being abused. We should not punish honest officers who, when returning to this country, want to buy right-hand drive vehicles which they can use here. We should not restrict them to importing vehicles which were registered and used in their



foreign work stations because doing so is punitive.

Mr. Temporary Deputy Chairman, Sir, the Minister's decision to reduce Value Added Tax (VAT) from 18 per cent to 16 per cent was extremely welcome. That is because it affects every Kenyan and particularly, the poor who are living below the poverty line. I would like to commend the Minister for that generous decision because it will assist Kenyans to afford various essential commodities and live slightly above the poverty line.

On Income Tax, I would like to commend the Minister for increasing the amount of lumpsum payable tax-free for retirees, from Kshs240,000 to Kshs480,000 as that will greatly assist them. The issue of payment of dues to corporate members free of tax is also commendable.

With those few remarks, I beg to support.

**Mr. Akaranga:** Thank you Mr. Temporary Deputy Chairman, Sir, for giving me this chance to contribute on this important debate. I want to thank the Minister for coming up with good proposals on various items.

I would like to start with the promotion of electrification in the rural areas. The reduction of exercise duty on fuel oil by 50 per cent is welcome news for our people. This reduction will reduce the high cost of electricity, both for industries and household consumers. But, while the Minister reduced the duty on fuel oil on the ground, the labour charges imposed by the Kenya Power and Lighting Company Ltd.(KPLC) is extremely high. This means, the reduction on duty on fuel oil has been transferred to the labour cost. The Minister is therefore supposed to look into this.

It is shameful that 40 years after independence, most of our towns do not have electricity. Perhaps, by reducing duty on fuel oil, we are going to improve electrification all over the country.

I also noticed that there is tax reduction in exercise duty on soft drinks. This is going to encourage most of our people to go for soft drinks but unfortunately, the Minister did not reduce tax on carbonated soft drinks. I do not know the reason behind this, but I propose that he looks into it.

Mr. Temporary Deputy Chairman, Sir, I would also like to congratulate the Minister on increasing the fines on unscrupulous traders, from Kshs500,000 to Kshs2 million and amending Section 15 of the Trade Description Act. Having worked in the private sector, I found that majority of people do not pay taxes. They import goods, but do not pay taxes and perhaps, increasing the fine will encourage them to pay taxes accordingly.

I am however, not happy because the Minister did not reduce the price of kerosene. Due to the fact that most rural areas lack electricity, majority of the people use kerosene. Considering the poverty levels in this country, unless we reduce kerosene prices, our people will continue suffering. The Minister did not only ignore reducing kerosene prices, but also for other goods such as flour. Majority of Kenyans cannot afford a single packet of flour and yet, that is our staple food. For the Minister to work for the common man, let him reduce the price of flour too.

On the VAT, I noticed that the Minister reduced it from 18 per cent to 16 per cent, but, I feel that 16 per cent is still on the higher side. He should look into possibilities of reducing it further, because the NARC Government has many goals to achieve. It wants to create employment for 500,000 people per year and to do that, we need to reduce the VAT to encourage industrialisation.

Although the Minister did not touch on Pay As You Earn (PAYE), there is need to address this issue. There is need to lower the minimum taxable income for our people which is currently Kshs9,680. If this figure is reviewed, our low income group will have more purchasing power.

Mr. Temporary Deputy Chairman, sir, most Kenyans stay in shanties and even when you see them putting on ties, like we are doing here, they cannot afford decent housing because the taxes are too high. This too, needs to be reviewed.

Mr. Temporary Deputy Chairman, Sir, while contributing to this debate, an hon. Member raised the issue of bursary. I would like to congratulate the Minister for increasing the allocation to the National Bursary Fund. As one of my colleagues suggested, the allocation of this money should be

based on the constituency, so that every constituency in this country can benefit. Also, the disbursement of these funds should be done openly. Once the money arrives at the district education office, it should be distributed to the constituencies, so that needy students in each constituency can benefit.

I would like to congratulate the Minister for proposing the amendment of the Kenya Broadcasting Corporation (KBC) Act with a view to removing the Corporation's power to impose radio and television licences on *wananchi*. If you buy a television set or a radio receiver, you are required to pay at least Kshs1,000 for a licence from the KBC. Now that we have many radio and television stations, that tax is no longer necessary. So, I thank the Minister for that initiative.

With those few remarks, I beg to support.

**Mr. Rotino:** Mr. Temporary Deputy Speaker, Sir, I thank you very much for giving me the opportunity to contribute to the debate on the proposed tax measures. I would like to congratulate the Minister for coming up with this Budget and the tax measures he has proposed to enable him raise revenue with which to fund the Budget. I will discuss a few areas which some of my colleagues have already touched on.

Kenyans are suffering because of heavy taxation. Players in many of this country's economy are being taxed excessively. In Uganda, vehicle spare parts, including second-hand spare parts, are much cheaper than they are in Kenya. Many of our young entrepreneurs import these items from Dubai and Japan alongside other business people from Uganda and other East and Central African countries. The items arrive at the Port of Mombasa in the same vessels and containers. Ugandan and Rwandese traders transport their good from Mombasa to their countries. Although the cargo destined for this country is off-loaded at the Mombasa, it is subjected to extremely high tariffs. That is why the prices of the same items in Kenya are extremely high compared to those in Uganda. Why do we tax our people so heavily if we want to encourage young entrepreneurs to come up? The Minister should have considered this factor and reduced taxes. Most of our people who live along this country's border with Uganda, prefer travelling to Kampala to buy items which they can buy in Nairobi and Mombasa. So, the Minister should have considered such factors.

Mr. Temporary Deputy Chairman, Sir, honesty among the staff of the Kenya Revenue Authority (KRA) is questionable and something needs to be done about it. Some of the richest people in this country are clerical officers who work at the KRA. You will find these people living in very posh areas of Nairobi and Mombasa, and driving very expensive cars. The salaries they earn cannot be compared with the houses in which they stay and the cars they drive. Some of us have dealt with KRA staff and we know that at the end of each day, they go home with a lot of money. Kenyans pay taxes in the belief that the revenue collected enables the Government to meet its financial obligations. However, if we are to meet our revenue collection target, something needs to be done.

I would like to thank the Minister for reducing the Value Added Tax (VAT) from 18 per cent to 16 per cent. However, that is not enough. The rationale of reducing VAT is to enable poor Kenyans at the village level to walk into a shop and buy a pair of shoes or a shirt. Many Kenyans prefer buying second-hand clothes at Gikomba Market because they are cheaper there. When VAT is reduced, Kenyans can buy items which they would otherwise not have afforded. If you go to buy an item from shops owned by our Asian brothers, they ask you whether you would like to be issued with a purchase receipt or not. Many Kenyans prefer not to be issued with a receipt because an item is cheaper that way. For example, the shopkeeper will tell you: "If I issue you with a purchase receipt, I will charge you Kshs2,200 for this item, but if I do not issue you with a receipt, I will charge you Kshs1,800." That practice is very common; many of us know what goes on out there.

Therefore, I suggest that the KRA launches an educational exercise to educate Kenyans, right from the rural areas, on the importance of being issued with a receipt when they buy any item, so that

all the sales by shopkeepers can be documented. This tax evasion is very common in this country, and it leads to loss of a lot of revenue. If revenue is collected efficiently, our Ministers will not have to travel to the United States of America (USA) to beg for some money from President Bush, who in turn gives our Government conditions to fulfil before it is granted any loans or grants. The KRA staff should be motivated so that they do not accept bribes from businessmen of Asian origin. That way, they can be honest in the course of their duties. We should remunerate them adequately, so that they can perform their duties honestly and shun the habit of taking bribes from unscrupulous businessmen.

Kenyans want to see things being done in a transparent manner. I would like to cite a Question brought to this House about a new fleet of cars in which Ministers ride. This is one area where the Government is not being transparent. Why should Ministers drive many and very big cars? Within the six months the Government has been in power, it has bought about 32 new and expensive cars; this is taxpayers money. Kenyans will ask why we have allowed Ministers to drive very big cars when the police and District Officers in the rural areas do not have simple cars. We should be reasonable in our expenditure, so that our people are not taxed heavily. The KRA should create a department and charge it with the responsibility of educating our people on the importance of paying taxes, so that they can pay taxes willingly.

Mr. Temporary Deputy Chairman, Sir, agriculture is the backbone of this country's economy. Every time the President and Ministers make speeches, they repeat this statement but we do not back what we say with actions. We tax our farmers heavily, for example, on diesel. I would like to go further and urge the Minister to scrap road licences for farm machinery such as tractors. We should look into ways and means of reducing the cost of diesel used by farmers. The farmer buys diesel in bulk just like other commercial transporters. We should encourage the Agricultural Finance Corporation to give farmers loans at less than 5 per cent interest. Giving farmers loans at the current interest rate of 12 per cent is not helpful. We do not subsidise the farmer. One of the ways of subsidising the farming sector is by making sure that, the AFC gives loans to farmers at five per cent interest rate.

I thank the Government for opening the Kenya Farmers Association (KFA). Agricultural inputs like fertilizer should be sold to farmers through KFA so that it is subsidized by the Government. I want to speak about fertilizer and the Minister should listen to this very well. Fertilizer donated by foreign countries like the USA and Japan should not go through the Treasury. It should be donated to the relevant Ministry; the Ministry of Agriculture. At the moment, all these things are donated to Treasury as grants, which then gives them to commercial entrepreneurs. As a result of that, you will get fertilizer retailing at Kshs600 in Mombasa. In Kitale and Eldoret, we buy it at Kshs1,200 yet these entrepreneurs have not paid anything for it. They have only paid handling and transport charges. I plead that, come next year, all donations in the form of fertilizer should be donated to the Ministry of Agriculture because it has the machinery to distribute it.

Mr. Temporary Deputy Chairman, Sir, I want to talk about tax evasion. We have a lot of people, especially Asians, who evade taxation. The Kenya Revenue Authority personnel know this very well. We speak from experience because we know what these businessmen do.

With those few remarks, I beg to support.

**Mr. Mwanzia:** Mr. Temporary Deputy Chairman, Sir, thank you for giving me this chance to contribute to the Motion on taxation measures. Let me thank the Minister for Finance for presenting a balanced Budget. As you are aware, when he was presenting the Budget, all Kenyans were either sitting around a television, radio or came here to listen to the Minister. They had all the hopes and expectations of a better Budget this time. Mostly, they were interested in taxation. If you remember, previously, most of the Budgets were all geared towards taxing the Kenyans heavily. As a result of that, Kenyans are among the most heavily taxed people in the world. The money that was at their disposal had been reducing and their welfare reduced to nought. They could not afford to even buy the

basic necessities of life. Much of the money they had was taken away through taxation. We have appreciated the generally reduced taxation.

I would like to commend the Minister for reducing the VAT. This has been one of the biggest problems affecting virtually everybody in this country. If you buy foodstuff, it is taxed under the VAT. Although we appreciate the reduction from 18 per cent to 16 per cent, we would have liked to see the Minister reduce it further to about 10 per cent, especially on foodstuff. If this is done, many people would then afford at least a decent meal a day. Foodstuff and even clothing have become very expensive because of VAT. Everything has been subjected to taxation. Although this is a good beginning, next time we should do better.

I also commend the Minister on the general reduction of taxation on the Custom and Excise duties which is going to encourage a lot of investment. In fact, this is one area that had discouraged investors from investing in Kenya. We expect somebody to come and invest, and get a return from it. We thank the Minister for considering this reduction. Everybody was looking forward to this.

Mr. Temporary Deputy Chairman, Sir, I also want to thank the Minister for Finance for what he has done. During our campaigns, we went around, especially in Ukambani, telling everybody we met that we shall provide them with clean water for drinking, for livestock and irrigation. We are to set in motion mechanisms which will make these people get water. We are very happy, indeed, and we congratulate the Minister, because he has started going in the right direction by zero rating the tax on equipment for drilling boreholes. We expect him to also extend the zero rating to water pump generators, so that they also become very cheap. This is because once you drill a borehole, then you need to pump out the water. We hope that the tax on water pump generators will also be zero rated.

Piping has also become very expensive. We thought the Minister would reduce the tax on pipes so that at least people can get water. If we can have several boreholes in Ukambani; especially my area of Machakos and Kalama, because now the drilling equipment has been made a bit cheaper, my people will have access to water. At least, it will initially make water for drinking available. After this, we can then use this water for irrigation. Machakos, being a low-lying area, is well known for horticultural farming. The introduction of irrigation would create employment and bring income to the people. We would have liked if the zero rating would have been extended to services dealing with damming or the construction of dams. We need more dams which can be constructed cheaply.

Mr. Temporary Deputy Chairman, Sir, I would also like to comment on mobile telephone air time. When mobile telephones came into being, many people got connected to other areas, at least, in those areas which were not served by Telkom Kenya's fixed lines. By increasing the duty on air time by 5 per cent, mobile phone services have become expensive and unaffordable to our people. I would like to request that this 5 per cent increment be actually waived or withdrawn, so that more of our people can get connected, because there are many areas within this country and within my constituency of Machakos where there are no fixed telephone lines. The only cheap means of communication is the mobile telephone.

Mr. Temporary Deputy Speaker, Sir, I would also like to comment on the Retirement Pension Scheme. As one of the many people who have retired from the Civil Service, I know that our take-home lump sum money has been reduced by the taxes. One could get a lot of money, but it was only Kshs260,000 which was exempted from taxation. By raising the taxation to an amount of Kshs480,000 or Kshs500,000, you have made it possible for people to take home a bigger lump sum, with which they can use to start small businesses.

Mr. Temporary Deputy Chairman, Sir, it is our wish to encourage you to continue increasing the disposable income available to our people, so that at least they can invest in small businesses when they retire. This will also enable them to be self employed or even to employ another extra person. On this same note, I would also like to request the Minister to remove the Holding Tax charged on some benefits, like the income gained from shares. This will encourage many people to invest in stocks and

shares.

Lastly, Mr. Temporary Deputy Chairman, Sir, I would commend the Minister--

**The Temporary Deputy Chairman** (Mr. Poghisio): Order, Mr. Mwanzia! Your time is over.

**Mr. Mwanzia:** Thank you, Mr. Temporary Deputy Chairman, Sir. I beg to support.

**The Temporary Deputy Chairman** (Mr. Poghisio): I will now call on the Mover to reply.

**The Minister for Finance** (Mr. Mwiraria): Mr. Temporary Deputy Chairman, Sir, I would like to donate ten minutes of my time to hon. Prof. Kibwana.

**The Assistant Minister, Office of the President** (Prof. Kibwana): Thank you very much, Mr. Temporary Deputy Speaker, Sir. I rise to support the Motion. As has been stated by other hon. Members, this Budget is one of the most able budgets since Independence.

Mr. Temporary Deputy Chairman, I want to begin by stating that the measures taken on poultry farming are going to be very positive in terms of encouraging cheaper production of poultry and, therefore, more money to farmers. I think that the egg production sector in particular, is one area where retirees are very much involved. Therefore, one looks at this measure positively because it is going to assist some of our retirees to produce cheaper eggs so that they overcome competition particularly from down south.

Mr. Temporary Deputy Chairman, Sir, I am also very much supportive of the measures which will make our sportsmen and women to get more donations because now there will be no tax on those donations. I think one aspect within our country which we need to emphasise on, is to try to ensure that not only schools, but also mature people are involved in sports so that Kenya becomes a sporting nation. This used to happen. There were even competitions among the mature people in terms of athletics and so on and this is something which should be encouraged particularly by the relevant Ministry so that our people are physically fit.

Mr. Temporary Deputy Chairman, Sir, although a lot has been talked about in terms of information technology, I think the measures that have been proposed by the Minister will assist even to get clones which are cheaper. I am focusing more on these computers going to primary and secondary schools because particularly in the western world, they have a culture of kids beginning to use computers from very early ages. This makes them very productive in their later years in school and also in terms of their work.

Mr. Temporary Deputy Chairman, Sir, there are many measures which are meant to ensure that taxes are not high like the measure taken on taxes on cigarettes and so on. I think that perhaps, one area where the Ministry needs to put more emphasis on is to give incentives to people who are responsible for a lot of tax collection so that they can get something over and above the emoluments. I am sure this will assist the country in terms of high collection of taxes. I was very encouraged to see Kenyans for the first time, I think since Independence, queuing to pay taxes. This really indicated a lot of patriotism and I hope that therefore, the Ministry is going to collect a lot of money.

Mr. Temporary Deputy Speaker, Sir, I always keep on going back to alcoholic beverages. In this Budget, there is a provision for the nurturing of alcoholic spirits and also for taxing beers in a certain way so that there is more money from alcohol in terms of taxes. However, people should take less alcohol. There are three types of brews; the first generation being local native brews; the second generation beer being *mzungu* beer and the third generation being these poisonous drinks. Adequate taxation measures should be taken to make it impossible for people to have these poisonous beers. Indeed, we should explore the possibility of outlawing these beers entirely and perhaps, revert back to what we used to do in the past where local brews were being sold in clubs during restricted hours to make sure that our people did not really get into a lot of drinking as they do now. This is because in many local areas, there are local breweries. I hope that we are really going to focus on this aspect and do away with these poisonous or *shenzi* beer.

Mr. Temporary Deputy Chairman, Sir, the measures taken on casinos and gambling to ensure

that there is more tax imposed on them in the form of excise duty, I think, are very encouraging. In actual fact, we know that gambling is addictive like alcohol and drugs and this is something that on the whole, we should try to discourage.

Mr. Temporary Deputy Chairman, Sir, I think also measures taken to support medium-size investors so that they are able to invest more and provide jobs are very welcome. In actual fact, these measures are meant to create more jobs and are very much in consonance with the Government policy to create about 500,000 jobs per year. I do believe that because this is a tall order which is very challenging to meet, it is important for each Ministry to actually be charged with the duty of unveiling how it can catalyse the creation of extra jobs. For example, the Ministry of Roads, Public Works and Housing is doing very well in terms of involving youth to do manual work. All ministries actually, as a matter of necessity, need to be asked to show how they can create more jobs.

Mr. Temporary Deputy Chairman, Sir, again, the measures proposed by the Minister are very sympathetic to the retirees. I think the measures that the Minister has proposed together with the Pensions (Amendment) Bill introduced by hon. Musila will go a long way towards ensuring that retirees have got more money so that they can start their second life with a bit of comfort.

Mr. Temporary Deputy Chairman, Sir, I am also very encouraged by the introduction of miscellaneous fees under the Bankruptcy Act, Companies Act and so on and so forth. Actually each Ministry should show what payment each citizen has to pay. If possible, we should have a booklet actually itemising all the monies that are required to be paid for certain services so that we can minimise corruption and encourage transparency.

Mr. Temporary Deputy Chairman, Sir, finally, the main challenge of this Budget, which has got very good proposals, is its implementation: This is why I think each Ministry should really take stock of all uncompleted projects and come up with a schedule about how they are going to be completed. If we do this then, generally, we will get to a situation where each Ministry is able to implement the Budget.

I support the Budget.

**The Minister for Finance** (Mr. Mwiraria): Mr. Temporary Deputy Chairman, Sir, I will donate five minutes of my time to hon. Karaba.

**The Temporary Deputy Chairman** (Mr. Poghio): Order, Minister. It is important if you can organise whom you are donating your time to so that you do not have to keep standing at the Dispatch Box every time to donate your time. Just donate your time once and for all.

**Mr. Karaba:** Thank you very much, Mr. Temporary Deputy Chairman, Sir. I would like to thank the Minister for Finance, for allowing me to say something about the Budget. According to me, the Budget was very good. I would also like to echo the issue concerning recruitment of teachers which did not feature well in the Budget Speech. Teachers should be recruited to take care of the free primary education whose volume has resulted in an increase of 1.2 million pupils joining school countrywide. It is true that every other year we have about 10,000 teachers either retiring or dying as a result of illnesses. Replacement of teachers is, thus, required urgently. If we need to maintain the quality of education, we should, therefore, think about recruitment of teachers and I would urge the Government to think about it.

Mr. Temporary Deputy Chairman, Sir, the issue of computers was very well covered. I would suggest that every school in this country be made to offer computer studies. Computer studies ought to be made compulsory if we really intend to industrialize Kenya by the year 2020.

Mr. Temporary Deputy Chairman, Sir, I would also like to talk about the duty on fuel particularly industrial fuel. This fuel is very important to tea farmers. In Kirinyaga, farmers have to use firewood to dry their tea leaves leading to a high rate of desertification. Notable is the fact that about 22 per cent of Kenya is arable while the other 78 per cent is desert land. If we allow the tea farmers and factories to continue cutting trees for firewood, our forests will be depleted and there will be no rainfall in the near future. I, therefore, commend the Minister for Finance for lowering the duty on fuel by 50 per cent - that will definitely promote tea farming.

Mr. Temporary Deputy Chairman Sir, concerning medicine, we need to think more of the very serious diseases like kidney failure, heart related diseases, malaria *et cetera*. The Minister for Finance ought to have zero rated the drugs that are used in the treatment of these diseases so that we can have a healthy population in Kenya.

Mr. Temporary Deputy Chairman, Sir, lastly, with regard to the Kenya Revenue Authority (KRA) employees, I feel they should go for refresher courses so that they can learn how to take good care of money paid by Kenyans. They should manage it properly and also put the money to good use. A case in point is where we had to lower the Value Added Tax (VAT) from 18 per cent to 16 per cent. Let that money which is earned through taxation of various agricultural commodities go to the improvement of agriculture. For example, if it is money generated from coffee or tea, it should be ploughed back to the improvement of the same industry and not to transfer the money from one area to another. We need to care for the cash crops like coffee, tea, and cotton. The same amount of money should be put to the improvement of infrastructure, particularly the roads. The roads serving areas that grow main cash crops are in a very poor state. This hampers productivity. If we really need to make Kenya an agricultural based industry, then, we need to improve the infrastructure and the processing of agricultural products. Only that way shall we be able to export our high quality products.

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

**The Minister for Finance** (Mwiraria): Mr. Temporary Deputy Chairman, Sir, I would like to reply by first of all thanking hon. Members for their many compliments, open and candid expression of views, even where they did not accept the taxation measures that I have proposed, and most important, for their very useful suggestions on what the Government should do to speed up development in this country. A lot of the hon. Members who have spoken have emphasised the fact that: "Yes, we have a good Budget, but the proof of the pudding is in the eating! We want to see the proposals in the Budget being implemented properly".

My reaction to this is that that statement is very true. On the day I read the Budget Speech, I made it very clear that it was the responsibility of us all to work together to implement the proposals of the Budget successfully. Every hon. Member has a role to play in the sense that, all of us come from constituencies which have district finance officers, district accountants, district supplies officers and, more importantly, district roads engineers who have to sit and work with us. So, it will not be easy for the Ministry of Finance alone to supervise those officers down in the districts. I really call upon hon. Members to give us the support that we definitely require, if we are going to give value for money to the Kenyan people.

Mr. Temporary Deputy Chairman, Sir, since every hon. Member lives in his or her constituency, many of them can tell you what a lorry-load of building stones cost off-head. But many of them will not notice when Government officers start paying twice what an ordinary *mwananchi* is paying for a lorry-load of building stones or sand. Quite candidly, I think that is a role we can all play. I would like to appeal to hon. Members to give the Government that support.

Several people have spoken about the removal of export duty on macadamia nuts and cashew nuts. One hon. Member, in fact, said that by removing that duty, we were exporting jobs to outside countries. May I, with respect, state that, as far as cashew nuts are concerned, the people who exported jobs to India and China are the ones who bought the cashew nut factory in Kilifi. They pulled it down, removed some parts and left the *wananchi* at the mercy of vagary. I come from an area where macadamia nuts grow and do very well. After we had introduced duty on export of macadamia nuts, farmers in my constituency, and in many other constituencies, could not find any buyer for their nuts. That is because there are not enough factories to process all the nuts that we have in Kenya. It is for that reason that I thought it is much better to encourage the farmers to grow the crop by selling their nuts outside. They could get a good price or even a buyer, rather than letting

the nuts go to waste.

Mr. Temporary Deputy Chairman, Sir, with regard to export tax on hides and skins, Kenyans will remember the days when Bata shoes were made in large quantities in Kenya, and were available for everybody. Those of us who have been in Nairobi for a long time will remember the days when you could go to Kariokor Market and make a shoe of your liking at an affordable price. That industry collapsed the minute we started importing second-hand shoes and cheap new shoes from other countries. The intention of the NARC Government is to industrialise this country; to get industrial development as quickly as possible. For that reason, we feel that it is better, because we have enough tanneries in the country, to stop the export of raw hides and skins. We should encourage people to tan hides and skins here, and make shoes, leather belts, jackets and handbags within Kenya. That way, we can ensure that we are increasing the pace of industrial development.

Mr. Temporary Deputy Chairman, Sir, it is true that we did not cover all the agricultural crops in the Budget. The reason is that many of those crops have not received adequate attention from the Government. I know, for instance, that we need to increase cotton growing. We need to encourage its production. The only way we can do that is by making arrangements for cotton to be grown the way people grow tea. Tea belongs to the farmer. It is taken from the farm to the factory, where it is processed and auctioned in Mombasa. Perhaps, that is why tea farmers get the best prices of any primary commodity. It is my humble submission that cotton can be grown in the same way that tea is grown. Cotton farmers should not only own the cotton crops in the shamba, but also the ginneries. Once cotton is processed, it can then be sold, so that the benefits go to them.

We, as a nation, must look after our farmers. Nobody else will look after them, and whether we like it or not, Kenya is an agricultural country. Agriculture is going to remain the mainstay of our economy for years to come. So, in areas where people grow sugar-cane, we must give those farmers incentives and make sure that the factories which exist there pay them for their cane once they deliver it. It is an open secret that the only reason why Kenya cannot manufacture cheap sugar is because there were people, some of them Ministers for Agriculture in the past, who used their opportunities in the former Cabinet to milk sugar companies like Nzoia Sugar Company. A lot of equipment was bought and could not be used.

So, it is better to tell the truth. Let us fight--

**Mr. Mwenje:** On a point of order, Mr. Temporary Deputy Chairman, Sir. While I appreciate what the Minister is saying, I would like to know what is happening today, that sugar is still being imported?

**The Temporary Deputy Chairman (Mr. Poghisio):** Order, Mr. Mwenje! That is a question and not a point of order. What is your point of order?

**Mr. Mwenje:** Mr. Temporary Deputy Chairman, Sir, the Minister has said that sugar used to be imported by people in the former Cabinet. Is the situation the same today? We are still seeing sugar being imported into this country.

**The Minister for Finance (Mr. Mwiraria):** Mr. Temporary Deputy Chairman, Sir, the two issues are not related, but I will say what is wrong today. During the last five years, the Government of Kenya opened the floodgates for COMESA products to come into this country duty-free. People from as far as Brazil brought sugar to Africa. They took it to a country X, fraudulently labelled it as belonging to COMESA countries, and then an hon. Member finds it in Kisumu. Let us face the facts; we have to look at this matter and find out how we will co-exist with other nations under COMESA.

**An hon. Member:** On a point of order, Mr. Temporary Deputy Chairman, Sir. Is the Minister trying to disown the COMESA Treaty? If so, what are his plans?

**The Temporary Deputy Chairman (Mr. Poghisio):** That is not a point of order. Proceed, Mr. Mwiraria.

**The Minister for Finance (Mr. Mwiraria):** Mr. Temporary Deputy Chairman, Sir, I detest



the interruptions, particularly when they are not serious.

What I am saying is that adequate care was not taken when we threw open the floodgates. We belong to COMESA and we want to remain there. All I am trying to say is that care was needed. We did not do it. We have not even looked seriously at the World Trade Organisation Treaties which we have become party to, but we will discuss that on another day.

Mr. Temporary Deputy Chairman, Sir, let me finish by referring to the few items which hon. Members would have wanted to be made duty-free. We have heard hon. Members asking that building materials be made duty-free. I can understand, and I sympathise with their sentiments.

Some hon. Members have asked that jewellery, which is only used by the wealthy people, particularly the women, be made duty-free. I would like to say that the kind of jewellery we are taxing does not include the beads which our ordinary Maasai, Turkana and Meru women wear. We are charging those who can afford gold, diamond as well as other expensive metals. By the way, men also wear a little bit of jewellery. I am wearing two gold rings. If I am to buy them tomorrow, I will have to pay duty like everybody else.

Mr. Temporary Deputy Chairman, Sir, it is true we are charging duty on water. That has made water more expensive than milk. Quite honestly, we have to take care of the poor people who can only afford a glass of milk a day. We do not tax milk, cooking flour as well as other foodstuffs.

**Hon. Members:** Why should a glass of water be more expensive than a glass of milk?

**The Minister for Finance** (Mr. Mwiraria): We can get cheap water if we are ready to boil it.

**The Temporary Deputy Chairman** (Mr. Poghisio): Order, Mr. Minister! Just address the Chair; do not worry about what the hon. Members are saying.

**The Minister for Finance** (Mr. Mwiraria): Mr. Temporary Deputy Chairman, Sir, I beg your pardon. Let me, perhaps, conclude by saying that hon. Gracious Ladies in this House should not feel that we do not understand or even sympathise with them. There is one thing I felt we taxed without knowing; the sanitary towels. Honestly, we did not even know they were being taxed. I only heard it in this House.

Mr. Temporary Deputy Chairman, Sir, with those few remarks I beg to move.

*(Question put and agreed to)*

**The Minister for Finance** (Mr. Mwiraria): Mr. Temporary Deputy Chairman, Sir, I beg to move that the Committee doth report to the House its consideration of the Resolution and its and its approval thereof without amendment.

*(Question proposed)*

*(Question put and agreed to)*

*(The House resumed)*

*[Mr. Deputy Speaker in the Chair]*

## REPORT

### APPROVAL OF TAXATION MEASURES

**Mr. Phogisio:** Mr. Deputy Speaker, Sir, I am directed to report that the Committee of Ways and Means has considered the proposals relating to Customs and Excise Duties, Value Added Tax,

Income Tax and Miscellaneous Fees and Taxes as contained in the Financial Statement for the Year 2003/2004 and approved the same without amendment.

**The Minister for Finance:** (Mr. Mwiraria): Mr. Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Resolution.

*(Question proposed)*

*(Question put and agreed to)*

## MOTION

### ADOPTION OF REPORT ON NOMINATION OF KNCHR COMMISSIONERS

**Mr. Muite:** Mr. Deputy Speaker, Sir, the Departmental Committee on the Administration of Justice and Legal Affairs is

established under Standing Order No.151. This Committee is charged with the mandate of constitutional affairs and the administration of law and justice, among others.

**Mr. Deputy Speaker:** Order Mr. Muite! Start with the Motion, then you proceed as per the Order Paper.

**Mr. Muite:** Mr. Deputy Speaker, Sir, I beg to move the following Motion:-

THAT this House adopts the Report of the Committee on the Administration of Justice and Legal Affairs, on the nomination of Commissioners of the Kenya National Commission on Human Rights, whose list was laid on the Table of this House on Wednesday, 2nd July, 2003. The Departmental Committee on the Administration of Justice and Legal Affairs, is established under Standing Order No. 151. This Committee is charged with the mandate of constitutional affairs and the administration of law and justice among others. Its functions as provided in Standing Order No.151(4) are:-

(a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;

(b) To study the programme and policy objectives of the Ministries and departments and the effectiveness for the implementation;

(c) To study and review all legislation after First Reading, subject to exemptions under Standing Order No.101 A(4);

(d) To study, assess and analyse the relative success of the Ministries and departments as measured by the results obtained as compared with its objectives;

(e) To investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House, or the Minister; and,

Finally, to make reports and recommendations to the House as often as possible, including recommendations of proposed legislation. These are very far-reaching obligations and powers. As from now on, the Committee on the Administration of Justice and Legal Affairs intends to invoke the entire responsibilities which are placed on them by the law.

The Members of this Committee are hon. Enock Kibunguchy, MP; hon. Gideon Ndambuki,

MP; hon. Moses Cheboi, MP; hon. Cecily Mbarire, MP; hon. Peter Awiti, MP; hon. Jim Choge, MP; hon. David Were, MP; hon. David Marende, MP; hon. Mirugi Kariuki, MP; hon. Amina Abdalla, MP and myself as the chairperson.

On April 23rd, 2003, pursuant to the provisions of Section 6(3) (4) of the National Commission on Human Rights Act, 2003, the National Assembly called the Committee on the Administration of Justice and Legal Affairs to consider application for the positions of Commissioners to the Kenya National Commission on Human Rights. The mandate of the Committee as provided by the Act is as follows:

1. Consider all applications received as provided by Section 3 of the Act.
2. Recommend to the National Assembly 12 suitably-qualified persons for nomination as Commissioners.

On behalf of the Members of the Committee on the Administration of Justice and Legal Affairs, I wish to present to this House, the report to the Committee and the names of the 12 suitably qualified persons for further consideration by the House. On receiving the application, the Committee on the Administration of Justice and Legal Affairs established a staff committee consisting of hon. Mirugi Kariuki, MP; hon. Amina Abdalla, MP; and hon. Kenneth Marende, MP. The mandate of that staff committee was to scrutinise all the applications and to shortlist those who met the minimum qualifications as per the provisions of the Kenya National Commission on Human Rights Act, 2003.

Mr. Deputy Speaker, Sir, the sub-committee held three sittings during which it shortlisted 126 applicants from a total of 844 applications which had been received. The sub-committee agreed in advance on the criteria and a system of scoring points, where one point was accorded for any of the following:

1. Academic qualifications and work experience relevant to the field of human rights.
2. International and national advocacy in human rights matters.
3. Knowledge as trainers on human rights.
4. Working with marginalised groups, such as the physically challenged, pastoralists and other minorities.
5. Experience in working with people living with HIV/AIDS.
6. Experience in working with organisations dealing with distressed persons, for example, battered women, torture victims, abused children and such other victims.

Mr. Deputy Speaker, Sir, the sub-committee submitted its report to the main Committee, shortlisting 126 names. The Committee selected 32 names from this list and conducted interviews for these 32. It is from that list of 32 that the Committee selected the 12 names which it is recommending to this House. Three applicants were picked from each region and the basis of selecting the three from each region was simply the three top candidates as shortlisted in terms of the points they had scored by the sub-committee.

The main Committee then added another six individual applicants to represent special categories, that is gender, physically challenged and the youth. The Committee again agreed in advance on the criteria to be employed in awarding points. I would like to elaborate here that since this is the first time that this process of vetting by Parliament is being employed, I would wish to explain to the Members of this House how we went about it. When we met as Members of the Committee on the Administration of Justice and Legal Affairs, each Member was handed a sheet divided into four columns and the first column was presentation. Each Member, individually without consulting the other Member, was supposed to award the candidate being interviewed a maximum of five points, if that particular candidate was absolutely outstanding. You could award four or slide the scale down to zero if the presentation did not come across properly.

The second column was the knowledge on human rights. This also depended on the curriculum vitae and the knowledge of the applicants on human rights work. Then one would award

points from zero to five and so on and so forth. If you were given the opportunity to serve as a Commissioner, what is your vision? How do you see the Kenya Human Rights Commission performing? Where would you like to see it going? If one had a very articulate vision, then he or she would get five points.

The importance of this is that each one of us would do the scoring separately without any prior consultations. At the end of the interview of a particular candidate, the sheets of papers would be collected and staff of the Clerk would average it out. We would then know how high or low that particular candidate performed. It was transparent, it was not partisan, and it was a way of avoiding being influenced by lobbying.

The Committee recommends to the House the following 12 applicants to be considered by the House for onward transmission to the President, who will appoint nine persons out of the 12 to serve as the Commissioners. These are Mavisi Violet Khadi who came in through Western Province; Philip Tirop Kitur, who came in through Rift Valley Province; Khelifa Khalifa who came in through Coast Province; Fatuma Ibrahim Ali, who came in through North Eastern Province; Maina Kiai, who came in through Nairobi Province; Maurice Odawo Onduru, who came in through Nyanza Province; Wahu Kaara, who came in through Central Province; Godana Doyo Adhi, who came in through Eastern Province; Catherine Muuma, who came in through Special Category, Gender; Hassan Omar Hassan, who came in through Special Category, Youth; Lawrence M. Mute, who came in through Special Category, Persons with Disability, and Wambui Kimathi, who came in through the Special Category, Gender.

The Committee further resolved to make special mention of Mr. Wallace Gichere, whom we also interviewed. Mr. Gichere is a journalist of international repute and a human rights activist. He is now confined to a wheel chair as a result of severe injuries sustained to his head when he was thrown from the window of his Third Floor Flat and hit the ground with his head.

The Committee thought that truly, Mr. Wallace Gichere represents the people tortured. Although, because of the injuries he sustained on his head, he may be challenged in certain respects, the Committee was of the view that if an appropriate pleasing(?) by the Commission at its secretariat is possible, it would be a more suitable thing to do because it would give the Commission a human face and would be a reminder of what this country must never again allow to happen.

Mr. Deputy Speaker, Sir, while deliberating on these nominations, the Committee was strictly guided by the provisions of the Act, particularly Section 6(8) which provides as follows:-

"In nominating or appointing Passive Commissioners, the National Assembly and the President shall have regard to;

- (a) Kenya's ethnic, geographical, cultural, political, social and economic diversity, and;
- (b) the principle of gender equity."

Out of the 12 names which my Committee has forwarded to this House, you will notice that five are women and seven are men.

Mr. Deputy Speaker, Sir, the Committee further seeks the indulgence of the House to table its report after 30 days as required by the Act. It is my pleasure to recommend the report to the House for adoption.

Finally, I have the curriculum vitae (CVs) of the 12 people who were nominated and I would like to place the CVs of each one of them on the Table of the House for scrutiny by the hon. Members, if they so wish.

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

**The Assistant Minister, Office of the Vice-President and Ministry of National**

**Reconstruction** (Mr. Mungatana): Mr. Deputy Speaker, Sir, in seconding this Motion, first of all, I would like to commend the excellent job that was done by the Committee headed by Mr. Muite. They have done an extremely good job and they must be commended for it.

Mr. Deputy Speaker, Sir, it is a historic occasion for me because this House, for the first time, has been given the opportunity to scrutinise appointments which will have significant impact to the whole nation. This process was absolutely transparent. There is no question about it. As the hon. Member read, there were 844 applications which were received, out of which, 126 applications were short-listed. From those 126 applications, 32 applications were further short-listed. Then they came up with the final list of 12 names which are now before this House for consideration.

Mr. Deputy Speaker, Sir, this is a method, as the hon. Member put it, that we want to try and have in place, so that this House can have power. I hope it is a warm-up session to what we will be seeing in the new Constitution. We want this House to have all power to vet all significant national positions. We, in the Government, promised to change the whole system that existed. We no longer want to see political god-fatherism in appointment of significant national positions. I do not see any better way to do it, than to give power to this House to scrutinise, so that we come up with the right material of persons to hold significant positions in the country, on behalf of all Kenyans.

Mr. Deputy Speaker, Sir, from the appointment, you would notice, again that there was clear preference to gender issues. This is a departure from the past where gender issues were not put in the forefront as we would have wanted. As a result, there was a deliberate disregard against one of the genders and they were left behind.

Mr. Deputy Speaker, Sir, you would also notice that the Committee gave clear significance to disabilities. We have one such member who has been recommended to represent the disabled in the proposed names which will be submitted to the President.

Mr. Deputy Speaker, Sir, the Act was very clear that there has to be geographical consideration, and you would see that each province is represented. This is a clear departure from what we have been witnessing, where everything was concentrated in Nairobi. But if you look at what the Committee of this House has done, you would realise that it has nominated one person from each province. So, all the provinces in this country are represented. This is a good example of what we expect to see in the future, especially when we pass the new Constitution.

Mr. Deputy Speaker, Sir, I would say that this Committee has done exceedingly well in carrying out the mandate that was given to it. I would urge this House to pass this Report as soon as possible so that we can have the nine people appointed by the President. It is also a clear statement by this House that this country is moving to a different form of governance. It is no longer some private discussions that are going to take place in State House. So, this House is forwarding the names to the President so that he can exercise his discretion and appoint the nine commissioners from those 12 names. Only three names will be dropped.

I am very happy to second this very historic move. I hope the House will move to stamp its authority and make sure that in future, all important appointments will follow suit.

With those few remarks, I beg to second.

*(Question proposed)*

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to briefly support this Motion.

Mr. Deputy Speaker, Sir, for the first time in the history of this country, Parliament is asserting itself and taking charge of the destiny of Kenyans. This House comprises the representatives of the people of Kenya. The face and barometer of Kenya is right here, and all shades of ethnicity, regions

and so on, are represented here. It is gratifying to see that for once, a Committee of this House has made a decision, taking into account professionalism, gender, regional balance and many other factors that go to identify and cement our diversity. This country is united in its diversity. Mr. Deputy Speaker, Sir, the eminent Kenyans that the Committee has brought to the House, which I fully support, have an onerous task of not only acting as watchdogs to possible abuses of human rights, but also, championing the interests of this country, to spring us from the dark past where in every international forum where abuses of human rights were talked of, the first country to be mentioned was Kenya. We have a duty now to make sure that we move back to the group of nations that enjoy proper civilization and respect for human rights. We should not rest on our laurels, that we have a change of Government and, therefore, things have changed.

This Committee will have to be told and understand that the same Provincial Administration that abused the human rights of Kenyans is still in place; that the same police that meted brutality on Kenyans over and over is still in place; and that many other structures that compromised the upholding of human rights are still in place. So, they have a duty to, first and foremost, embark on a course of public education. We need everybody involved in handling people's ideas, rights and so on, to be made to understand that human rights are not privileges but rights, and that those human rights are not applied selectively. They are applied to all irrespective of their gender, ethnicity, regional origin, level of education and status in society. All Kenyans are equal and must remain equal before the law as is guaranteed in our Constitution.

Mr. Deputy Speaker, Sir, now that we are in the process of formulating and redrafting a new Constitution, we all know that human rights is going to take centre stage in our public governance and activities. It is important that this Committee traverses the whole country. We do not want human rights to be a preserve of people who live in Nairobi. They should look at the rights of somebody in Vanga, Lodwar, Sirisia and other places. That is what we are asking them to do and the duty we have put on them is onerous. I have no doubt that they will all rise to the occasion because they are equal to the task. I thank the Muite Committee for carrying out transparent and fair interviews and coming up with a list that everybody in his right frame of mind will support.

With those few remarks, I beg to support.

**Mr. Rotino:** Mr. Deputy Speaker, Sir, thank you very much for giving me another chance to say something on this important Departmental Committee on Administration of Justice and Legal Affairs. As my colleague has said, this Parliament is doing its work now. It is the responsibility of this Parliament to assign people of integrity to various positions in this country. I am extremely happy that, that will help this country to achieve greater heights of development in ten to 20 years, if we move in the same direction. We will have people of integrity and honesty in all departments in every Ministry. I thank this Committee for considering people of integrity from all regions in Kenya. In nominating or appointing persons as Commissioners, the National Assembly and the President shall take into account Kenya's ethnicity, geographical, cultural, political, social and economic diversity, and the principle of gender equality. I hope that when the President will be considering the nine out of 12 nominees, he is going to look at the country at large, and not just pick people from the Mount Kenya region. Among the 12, he should, at least, have two or three from other regions. If he does not do that, we are going to say that he is going to consider the Mount Kenya region.

**The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae):** On a point of order Mr. Deputy Speaker, Sir. The President is also a Member of this House. Is the hon. Member in order to impute improper motives on the President; that he is going to appoint people from the Mount Kenya area?

**Mr. Deputy Speaker:** No, there is no improper motive.

**Mr. Rotino:** Mr. Deputy Speaker, Sir, I said that he should not consider the Mount Kenya region only, but the whole country. But, of course, I know that he is a very intelligent man, he will

appoint wisely. I would not mind if he appointed from Sigor and West Pokot! This time round, in the list of 126 names, I saw a Pokot who had applied. I do not know why he did not qualify? But, next time, I will make sure he is appointed.

Mr. Deputy Speaker, Sir, if you look at the functions of those Commissioners, one the functions is to investigate, inquire into, and report on all matters relating to the mandate, management activities, administration, operations and estimates of the assigned Ministries. It is extremely important that our Ministries are going to be monitored. We have people watching and monitoring the Ministries, so that we have equal distribution of the wealth of this country. We have heard that when money is being allocated in the Budget, it does not spread to all regions equally. Things are done politically. If Ministers come from Nyanza, Coast or Central Provinces, they take all the things to their provinces. I am happy that, at least, there will be a Commission to ensure that all the resources of this nation are distributed equally. Everybody in this country pays tax. Kenyans pay tax so that they can share the national cake equally.

Mr. Deputy Speaker, Sir, it is encouraging to hear that we will have some people who will monitor what goes on in the Ministries. I would like to point out that some tribes or communities are not represented in some Ministries. Because of this, the Permanent Secretaries or Under Secretaries in those Ministries dictate the areas to be allocated money. I am happy that, at least, there is a Commission in place which will look into this issue. This Commission should treat all the areas in this country equally. It should also visit every district in this country to know where they are located. I am saying this because when I looked at the curriculum vitae of the nominees, I found that some of them have studied in major towns. Some of these nominees went to primary school, college, worked and gained experience here in Nairobi. I do not think some of them know where West Pokot district is located.

I hope that the Departmental Committee on Administration of Justice and Legal Affairs, which interviewed these nominees, found out whether they knew the geography of this country well. We might think that this Committee nominated candidates from Rift Valley, Coast and North Eastern Provinces, when it nominated people who are based here in Nairobi. A person may think that these nominees come from North Eastern Province or another province because their names connect them with certain tribes, when they were actually born, have lived, studied and done everything in this City. These nominees should visit every part of this country to know them. This will ensure that when they sit down to deliberate on the issues affecting this country, they know exactly what they are saying. If they visit every part of this country and we give them information about, for example, Sigor Constituency in West Pokot District, they will know the state of the roads in that constituency and make a good recommendation. We speak here with tangible evidence. These nominees should be well conversant with all the parts of this country.

One of the duties which this Commission will have is to study, assess and analyze the success of the various Ministries. People say that if you go to a Government office, you will see officers' coats hung on their chairs. The officers in those offices say that they have gone for 10.00 a.m. tea but do not return until 4.00 p.m., when they come to collect their coats or jackets. I hope that this Commission will be vigilant on what happens in the various Ministries. On Mondays, when we are in our constituencies, I go to Kapenguria District Headquarters at 8.00 a.m. to see some officers, but I do not find them in their offices. In most cases, I will find the DC in his office alone. I would like to inform this House that three-quarters of the officers who work in Kapenguria District Headquarters do not report on duty at 8.00 a.m. on Mondays. This is the case, especially at Kapenguria District Hospital. I can even bet on this. Even if the Minister for Health, or any other senior Ministry official visits this hospital, he or she will not find any officer at 8.00 a.m. Most officers report on duty between 9.00 a.m. and 10.00 am. This is because, over the weekend, they travel to their homes which are outside West Pokot District. These officers report to their work station very

late. I hope that the officers who work in the various Ministries will work like their colleagues in Government parastatals or non-governmental organisations (NGOs).

Mr. Deputy Speaker, Sir, with those few remarks, I thank you and support the Motion.

**The Assistant Minister for Justice and Constitutional Affairs** (Mr. Githae): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. I rise in support of the recommendations of the Departmental Committee on Administration of Justice and Legal Affairs. First of all, I would like to commend this Committee for a job well done. This Committee did a very thorough job. That is an eye-opener to how the NARC Government will handle all the other nominations which may come up.

One thing which has come out very clearly is the manner in which the nominees should be picked. One way of picking nominees is having bodies nominating them, and the other is advertising the vacancies in the newspapers so that the candidates can apply for them. After that, the Committee of Parliament can short list their names. It has also come out very clearly that the best method to go about this exercise is by advertising the vacancies in our newspapers so that those who are interested can apply for them. By doing that you get the best candidates in this country.

It is sad that we had the Standing Committee on Human Rights. When we took over power from the KANU Government, we thought that the Standing Committee on Human Rights was merely a whitewashing body, only to discover later on that its members were credible people. The members of this Committee did a very good job, but they were let down by the person who had appointed them.

None of the seven reports those members wrote and presented to the former Government was acted upon. Therefore, Kenyans thought that the Standing Committee on Human Rights was not doing anything, whereas it had actually prepared very good reports. I would like to assure this House that as and when we receive reports from the proposed Commission, we will implement them. We are saying that from now henceforth, human rights will be given the first priority by the NARC Government. We have opened the Nyayo Torture Chambers so that everybody can see what was happening there. We are saying that never again shall we have an official chamber for torturing people. This should never happen again.

Mr. Deputy Speaker, Sir, I am also very happy to see that the Departmental Committee on Administration of Justice and Legal Affairs was gender sensitive. We are told that when you educate a woman, you educate a family, and when you educate a family, you educate a nation. This Committee has done a very good job. We are also told by elders that women are also very courageous. If some men were told to go and give birth, they would actually run away, but women endure birth pain. Women are very courageous and I am happy to see that there are quite a number of women who have been nominated to the proposed Commission on human rights.

There is a problem in that Kenya has not been signing conventions and treaties on human rights. It is the NARC Government's intention to sign all the conventions and treaties on human rights because we have nothing to hide any more. If something is wrong, we admit that it is wrong because we are not angels. Therefore, we are looking at the human rights conventions and treaties which Kenya has not signed with a view to signing them. We want Kenya to be counted among the countries which are at the forefront of championing human rights.

I would also like to touch on good governance, which the NARC Government takes very seriously. It is very clear that the Departmental Committee on Administration of Justice and Legal Affairs has done a good job. It is also very clear that if human rights will be observed, we will have good governance in this country. We have warned people who like violating the rights of other people to be careful. We have warned the policemen who torture Kenyans that this act is prohibited by the NARC. We have told them that if they torture Kenyans, they will do that at their own peril. The Government will not defend such police officers. Police officers should do their job in accordance with the law. The same thing applies to the prison warders who torture prisoners in



prison. We have warned them that if they torture inmates, they will do that at their own peril. We have warned them that the Government will not support them when they torture prisoners because we are totally against any person who violates the rights of any person.

The Committee has also recommended that one Wallace Gichere should be considered for a position. I have been fortunate to meet Mr. Gichere and know his case is very sad. It is sad that some policemen could throw somebody from the fifth floor to the ground floor of a storey house. Really, there was no good reason for anybody to do that kind of thing. This is a sad case. Mr. Gichere now moves around in a wheelchair and cannot fend for his family. It is good that the Committee has recommended that he should be considered for a position at the proposed Commission's Secretariat. We are saying that, the Government fully supports the 12 nominees who the Committee came up with, and the President will be in a position to appoint nine. I am sure, when we get the final list, it will be full of credible and reputable people, who will be able to look into the Kenyans' human rights.

With those few remarks, I beg to support.

**Prof. Oniang'o:** Thank you, Mr. Deputy Speaker, Sir. I would like to add my voice to the debate going on now, and to commend hon. Muite's Committee for the thorough job they have done. But looking at its chairing and membership, we would not have expected anything less.

Being a trainer and a person who participates in vetting of applications, short-listing and coming up with finalists, I have noted that we had more than 800 applicants. This tells us that this country is very rich in human resource. The people who applied knew very well what the calling was all about, examined themselves and believed they are people of good integrity. So, even with all the hullabaloo on corruption in Kenya, as though everyone is corrupt, we still have many Kenyans who work very quietly and are qualified.

Mr. Deputy Speaker, Sir, from the 800 applicants, there was short listing and we came up with 126. My worry is that this is an overwhelming task and one wonders how we came up with the 126, leaving out other qualified Kenyans. Out of the 126, we have a final list of 12. The reason I am pointing at this is the question of transparency and objectivity. Even after we have vetted and approved it in this House, there still will be some foul cry from people, saying they were unfairly left out. We should then be prepared for those voices coming from the wider community who applied. I have looked at the curriculum vitae of the 12 and realised that because the President is going to select only nine, we shall have a difficult task telling the other three why they were left out. Human Rights is not just a legal issue; I do acknowledge and appreciate the fact that it has a lot of legal language and implications. Therefore, it is right that it be over-subscribed by lawyers. In this list of 12, there are eight lawyers or people with a legal background, one political scientist, two public health nutritionists and an accountant. But most important is the experience that the people have been through. They should have worked in areas of stress, marginalised areas or have been affected and dealt with human rights violation.

Mr. Deputy Speaker, Sir, having said that, I do realise that this is the first time we are forming such a Commission. So, we need to let Kenyans know exactly what we mean by human rights. It seems to be something which we take for granted and often we look at it from a punitive or negative point of view. One would like to see such a Commission, as one of its first jobs, educating Kenyans on what human rights is all about. Kenyans should be told exactly what human rights are. First, we should give it a positive approach and reward people who observe human rights. What we tend to see around is a violation of human rights.

Mr. Deputy Speaker, Sir, every Kenyan wants an opportunity and to be treated like a human being. Therefore, human rights violations take place along gender lines, religious lines, disability lines and age lines. Recently, I watched a video tape on child abuse and saw children being abused left and right. If you watch it, you will shed tears. Cases of child abuse are rampant, especially now that we

have so many orphans due to HIV/AIDS deaths. HIV/AIDS orphans have nobody to take care of them. So, they are let to wander about, not knowing to whom they belong. When children are raped, physically assaulted, murdered or subjected to any difficulty, that constitutes a violation of human rights of the highest order, and the culprits should be severely punished.

Mr. Deputy Speaker, Sir, women are also being abused. We have had so many cases of domestic violence. It is as if men marry women so that they can batter them. You wonder where the love that brings men and women together to become husbands and wives goes to after a while. Where does the love that brings them together to have babies go, so that men begin to beat up women?

Mr. Deputy Speaker, Sir, you find battered women wandering around and looking dejected as if they are not normal human beings. So, abuse of women by men is a very serious issue. One will tell you that men are also abused by women. Men may also be abused, but as a society, we have to remind ourselves that we are people of integrity, and that it is scandalous to go on beating up women and treating them as if they are not human beings. This goes on all over. It is done in our homes, on the streets and in other public places.

**Mr. Ndolo:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Since the Motion has been dully discussed, would I be in order to move that the Mover be now called upon to reply?

**Mr. Deputy Speaker:** You are quite in order. So, I will put the Question right away.

*(Question, that the Mover be now called upon to reply, put and agreed to)*

**Mr. Muite:** Mr. Deputy Speaker, Sir, may I take this opportunity to sincerely thank hon. Members for the bipartisan support they have demonstrated in relation to the Report of the Committee on Administration of Justice and Legal Affairs. We, the Members of this Committee, will endeavour to live up to our responsibility. Indeed, as an hon. Member pointed out while reading through the mandate of this Committee, the Committee has been given very heavy responsibilities and extremely wide powers. Basically, we are charged with the responsibility of auditing the performance of all the Ministries and departments. Therefore, we in this Committee will fully invoke these powers and live up to the responsibilities bestowed upon us.

Mr. Deputy Speaker, Sir, one of the things I wish to point out, while thanking hon. Members, is that when enacting legislation in future, we should fix a reasonable time frame within which certain things should be done. For instance, we have a Standing Order which requires that once a Bill is committed to a Departmental Committee by the House, the Committee reports back to the House within seven days. I have checked with the Office of the Clerk of the National Assembly and established that not a single Departmental Committee has ever managed to report back to the House within seven days, and questions arise as to whether seven days is a reasonable period of time.

Mr. Deputy Speaker, Sir, we had the Committee that inquired into the corruption situation in Kenya, which took many more days. Even the code of conduct has not been formulated. So, it is important for us to, as a House, fix reasonable time frames. I thank the House for agreeing that the Committee on Administration of Justice and Legal Affairs can present its Report outside the 30 days.

Mr. Deputy Speaker, Sir, I beg to move.

*(Question put and agreed to)*

## **BILL**

*Second Reading*

---

THE NATIONAL COMMISSION ON GENDER  
AND DEVELOPMENT BILL

**Mr. Deputy Speaker:** Hon. Members, we have only three minutes before the end of our business today. Is the Minister here?

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, the Minister was here, but he has left.

**Mr. Deputy Speaker:** In any case, there are only two minutes remaining. So, we will adjourn.

**ADJOURNMENT**

**Mr. Deputy Speaker:** Hon. Members, it is now time to end our proceedings today. The House is, therefore, adjourned until Tuesday, 8th July, 2003, at 2.30 p.m.

The House rose at 6.28 p.m.