

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 4th May, 2004

The House met at 2.30 p.m.

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.025

DISTRIBUTION OF 2002/2003
GOVERNMENT REVENUE

Mr. Speaker: Mr. Obwocha! I forgot something. Mr. Obwocha is in Addis Ababa. His Question is, therefore, deferred.

(Question deferred)

Next Question by Mr. Kalembe Ndile!

Question No.142

EFFECTS OF MARRIAGES BETWEEN YOUNG
MEN AND ELDERLY WOMEN

Mr. Ndile asked the Minister for Planning and National Development:-

- (a) whether he is aware that due to poverty in the country, young men in their twenties are marrying women aged over seventy years; and,
- (b) if he could assure the House that the trend will not adversely affect the social fabric of the society.

Mr. Speaker: Where is the Minister for Planning and National Development?

Mr. Poghio: On a point of order, Mr. Speaker, Sir. I am just seeking your guidance on the Question which is framed in English and asked in another language. How does that work?

Mr. Speaker: Order, hon. Members! I think, let us again go through the correct position of law, which are the Standing Orders. The Standing Orders say that if an hon. Member has begun speaking in one language, that is either English or Kiswahili, that hon. Member will continue speaking in either Kiswahili or English until he or she finishes. Now, asking a Question which is on the Order Paper is not speaking. So, he begun speaking by opening his mouth to ask the Question in Kiswahili. So, he will continue asking it in Kiswahili until we have finished with it.

(Applause)

Where is the Minister? Mr. Ndile, I am sorry the Minister is not there. I will check on the Question

later.

Next Question by Mr. Karaba!

Question No.085

NUMBER OF 2003 KCPE CANDIDATES IN KERUGOYA/KUTUS

Mr. Mukiri: Mr. Speaker, Sir, Mr. Karaba telephoned me this morning and said that he will not be available to ask this Question.

Mr. Sungu: Are you the Government?

(Laughter)

Mr. Speaker: Order! Proceed!

Mr. Mukiri: Mr. Speaker, Sir, he requested me to communicate this to the Chair. He requested that the Question be deferred.

Mr. Speaker: Very well. Question deferred.

(Question deferred)

Next Question by Mr. Kamotho!

Question No.109

PROVINCIAL BREAKDOWN OF
ADDITIONAL PRIMARY SCHOOL ENROLMENT

Mr. Kamotho asked the Minister for Education, Science and Technology what the total number of additional primary school children is per province since the introduction of free primary education in January 2003.

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

The following are the additional numbers of pupils who have enrolled in primary schools per province since the introduction of free primary school education. Coast Province, 143,984; North Eastern Province, 22,770; Eastern Province, 177,341; Central Province, 62,536; Nairobi, 38,877; Rift Valley, 263,338; Nyanza Province, 238,838 and Western Province, 167,721. So, a total of 1,135,405 young people enrolled in primary education after the introduction of free primary school education in Kenya.

Mr. Kamotho: Mr. Speaker, Sir, I am happy with the Assistant Minister's answer. However, could he tell us what the Government has done to provide comparative physical facilities which are handy to the primary schools which received these new children?

Dr. Mwiria: Mr. Speaker, Sir, as I have said before, support to primary schools is based on enrolment. So, we have certain amounts of money which are given to every school on the basis of the numbers of children enrolled. However, in terms of facilities, I realise it remains a problem that we have expanded the opportunity without the Government necessarily coming in to provide the physical facilities. However, it has been understood and appreciated that there is a limit to how much the Government can do and that a lot else is also going to be asked from the Kenyan public and others who have a vested interest in education in this country by way of supporting the

provision of physical facilities.

Prof. Oniang'o: Mr. Speaker, Sir, at the start of the free primary education, we were told as many as three million children were out of school. Could the Assistant Minister tell us what measures he is putting in place to ensure that those who are still out of school actually enrol as soon as possible if not by next year?

Dr. Mwiria: Mr. Speaker, Sir, in terms of getting more young people enrolled in schools, it is not just the business of Government. However, the best we are doing now is to encourage the provincial administration, religious organisations and even Members of Parliament like ourselves to be mobilisers of the young people who have not enrolled to ensure that they enrol in schools. We are also supporting non-formal centres so that the youth who are not specifically of primary school age are able to join other educational institutions. So, really it is a bit tough but much will depend on what others apart from the Government will do.

Mr. Mwanzia: Mr. Speaker, Sir, I think I want to go back to the physical facilities because that is the issue with free primary education. Currently in most of the schools, many of the students learn under trees. Could the Assistant Minister tell us what he is going to do about this because if I remember very well, the President in his Speech last year said the Government will provide physical facilities like construction of classrooms? Could the Assistant Minister come up with a policy over this problem because there are so many children who are studying under trees in very pathetic situations?

Dr. Mwiria: Mr. Speaker, Sir, let me say that although the issue of shortage of classrooms is a problem nationwide, there are cases where we are negotiating with some donor organisations to support grading of facilities, especially in large towns like Nairobi and Mombasa. There are also NGOs which are supporting construction of facilities in various parts of the country. Let us also realise that once the money from the Constituency Development Fund reaches down there, I think we should be able to contribute a little bit. However, more importantly, again let us mobilise our communities to join the efforts of the Government. That is to join us in supporting our efforts.

Mr. Wario: Bw. Spika, nasikia kuwa idadi ya watoto walioongezeka ni zaidi ya milioni moja. Je, ni walimu wangapi wameongezwa ili kutatua tatizo la wanafunzi kukosa walimu?

(Applause)

Dr. Mwiria: Mr. Speaker, Sir, we recruited 4,500 primary school teachers and we hope that by August this year, our request to recruit an additional 20,000 teachers shall be honoured.

Mr. Kamotho: Mr. Speaker, Sir, another question which is related to this problem is: Could the Assistant Minister consider issuing a public statement on secondary schools so that all those children who were benefiting from the bursary fund during last term are not sent out of school until the money from the bursary fund is disbursed to the constituencies and distributed to the schools?

Hon. Members: Say, "Yes."

Dr. Mwiria: Mr. Speaker, Sir, I have been asked to say, "Yes".

Mr. Speaker: What are you saying?

Dr. Mwiria: Mr. Speaker, Sir, let me say, "Yes, we shall consider."

(Laughter)

Question No.081

MEDICAL FACILITIES FOR MATUNGU
HEALTH CENTRE

Mr. Were asked the Minister for Health:-

- (a) whether she is aware that Matungu Health Centre lacks medical facilities to cater for maternity and emergency cases;
- (b) if she could provide an ambulance to the health centre; and,
- (c) if she could consider upgrading the centre to a sub-district hospital to cater for the large population around it.

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

(a) I am aware that Matungu Health Centre does not have a maternity wing and also lacks some necessary equipment to handle maternity cases. It, however, has basic facilities and trained personnel who are able to handle cases that are not complicated. Improvement of health facilities at the centre will be included in the Medium Term Expenditure Framework (MTEF).

(b) We are reviewing the Ministry's budget for the next financial year and we shall factor in the purchase of ambulances for high priority areas including Matungu Health Centre. Meanwhile, the vehicle at the District Hospital and the ambulance allocated to the Catholic Mission Hospital in Mumias, will continue to support the health centre.

(c) The centre lacks critical facilities namely: X-ray room, theatre, laboratory, pharmacy, administration block, laundry, mortuary and kitchen. The Ministry will facilitate provision of these facilities so that the centre is upgraded to a sub-district hospital as recommended by the District Development Committee (DDC). Meanwhile, the MOH, Butere-Mumias District, has been requested to submit financial requirements for completion of the community-initiated maternity wing which is currently only 75 per cent complete.

Mr. Were: Mr. Speaker, Sir, we realise that the community in Matungu has contributed towards the construction of a maternity wing and it is currently 75 per cent complete. Could the Assistant Minister consider giving out Kshs1 million during this financial year for the completion of the maternity wing?

Mr. Konchella: Mr. Speaker, Sir, I said that we are waiting for the figures. Once we have the figures, we shall factor them and then, provide funds in the next financial year.

Dr. Khalwale: Mr. Speaker, Sir, the Assistant Minister is telling the House that patients will be ferried by the ambulance belonging to a private mission hospital. We have witnessed, in both the Press and the electronic media, the Minister for Health giving ambulances to certain areas in this country. Could the Assistant Minister tell us what criterion is used to give ambulances mainly to Ukambani constituencies?

(Laughter)

Mr. Konchella: Mr. Speaker, Sir, the ambulance that is in the Catholic Mission Hospital does not belong to it, rather it belongs to the Government. We simply gave them the ambulance so that it can assist them. Again, they treat the same people of Mumias and not other people outside the community. I am not aware of what the hon. Member is saying concerning Ukambani. In any case, Ukambani is part of this country.

Mr. Gitau: Mr. Speaker, Sir, health care in this country is undoubtedly vital. Having good facilities in the health centres is not only desirable, but also essential. What is the Ministry of Health going to do to make sure that all the health centres in the country are well equipped to fight diseases in this country?

Mr. Konchella: Mr. Speaker, Sir, I believe the Bill on the National Social Health Insurance Fund will be brought to this House. In fact, it is being discussed today in the Cabinet meeting. It will be here in the House some time next week.

An hon. Member: Why not today?

Mr. Konchella: The Minister for Health will present the matter to the Cabinet meeting today. So, once we pass the Bill in Parliament, we will look for funds. We hope we will be able to raise a sufficient amount of money to equip the hospitals and provide for all the requirements.

Mr. Were: Mr. Speaker, Sir, the Assistant Minister said that the Ministry will facilitate the provision of facilities in Matungu Health Centre so that it can be upgraded to a sub-district hospital. When will this be done?

Mr. Konchella: Mr. Speaker, Sir, I listed the things that are required. Going by the list, it requires a substantial amount of money which I said we will factor in the MTEF within the next two financial years.

Question No.150

COMPLETION OF SIGOWET NYAYO WARDS

Mr. Keter asked the Minister for Health:-

(a) whether she is aware that Sigowet Nyayo Ward in Belgut Constituency which was initiated by the Government under the Nyayo Ward projects has been abandoned; and,

(b) when the project will be completed.

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

(a) I am aware that Sigowet Nyayo Ward in Belgut Constituency, which was initiated by the Government under the Nyayo Ward projects, stalled before completion due to lack of funds. However, the project stalled in August, 1989 after the estimated work done was 65 per cent. The project will require Kshs40 million to complete. This will also be factored in the next MTEF.

(b) This project and another similar one were started without the involvement of technical staff in the Ministry and as such, were not captured in the Government Budget. The Ministry has tasked all the Provincial Medical Officers of health to evaluate their viability and cost so that funds can be sourced to complete them.

Mr. Keter: Mr. Speaker, Sir, Sigowet Health Centre, is a facility on a busy highway which hon. Ogur uses quite often as he goes to his constituency. Could the Assistant Minister consider roofing the health centre and the few wards so that it can be used as we wait for the funds?

Mr. Konchella: Mr. Speaker, Sir, we have asked the Provincial Medical Officer to undertake evaluation of all these projects and if he will consider roofing as a priority, then, we will consider allocating money for that in the next financial year.

Mr. Poghiso: Mr. Speaker, Sir, I notice that the Assistant Minister is answering all questions asked by saying, "it will be factored in the MTEF." Is that going to happen only to health centres whose questions have been raised here, or is it the policy for all health facilities in the country?

Mr. Konchella: Mr. Speaker, Sir, I said that most of the Nyayo Ward projects did not involve the technical staff in the Ministry. What we are doing now is to request the Provincial Medical Officers of Health to evaluate all of them so that we have a way of analyzing and knowing what priority we can put on them and whether some may actually need to be done because they may be unviable. However, we are not going to be conclusive until we get reports from all departmental

heads in the Ministry of Health.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. The Assistant Minister has given us a stereotype answer for both Questions by Mr. Were and Mr. Keter. He has been talking about the MTEF. Matters of health are specific---

Mr. Speaker: That is not a point of order!

Dr. Khalwale: Is he in order to talk about the MTE Framework without being specific about when he will give us the money?

Mr. Speaker: Dr. Khalwale, go and find out what a point of order is. Before I go to the next Order, where is Mr. Mukiri? Has he gone outside? Mr. Gitau, who is behind you?

Mr. Gitau: It is hon. Peter Kenneth, a *Mzungu*.

(Laughter)

Mr. Speaker: No, behind you.

Dr. Ali: Mr. Speaker, Sir, the Assistant Minister has stated that the money will be allocated in the Medium Term Expenditure Framework (MTEF). Which one is that? In which financial year will this framework begin? Is he talking about 2004, 2005, 2010, or 2015? Which medium term expenditure framework is he talking about? Could he be specific?

Mr. Konchella: Thank you, Mr. Speaker, Sir. The Government budgeting process is based on a medium term framework of three years. Each year that elapses it brings the issue of the Budget for that particular year. So, once we budget for the 2004/2005 financial year, we then start the next framework for 2006 up to 2008. So, the current one that I am talking about is the one for 2005 to 2007.

Mr. Bahari: Thank you, Mr. Speaker, Sir. The Assistant Minister is saying that the PMOs have been asked to evaluate those abandoned projects. At the beginning of last year, we were told that the Ministry responsible for national reconstruction was compiling a list of all the abandoned projects. Which is which?

Mr. Konchella: It is the same thing. I do not see the difference.

(Laughter)

Mr. Speaker: Last question on this issue! Mr. Keter!

Mr. Keter: Mr. Speaker, Sir, the Assistant Minister has clearly said that the Ministry of Health and the Provincial Medical Officers (PMOs) are going to provide a Bill of quantities. Is that Ministry responsible or is it the Ministry of Roads, Public Works and Housing which is responsible for that?

Mr. Konchella: I think hon. Members should know the Government procedures, and that the technical staff of the Government is the responsibility of the Ministry of Roads, Public Works and Housing. The PMOs can only request for their assistance to assess and be given a feedback so that they can forward the same here.

Mr. Speaker: All right, next Question, Mr. Ndolo!

Question No.087

SAFETY PRECAUTIONS IN KENYA SHELL
INDUSTRIAL AREA DEPOT

Mr. Ndolo asked the Assistant Minister for Local Government:-

- (a) what measures are in place to ensure that safety precautions are taken by Kenya Shell Petroleum Depot in Industrial Area against life-threatening accidents;
- (b) whether he could inform the House of the number of effective fire fighting stations within the Industrial Area and the status of other facilities; and,
- (c) what category of personnel is based in these stations.

The Assistant Minister for Local Government (Mrs. Tett): Mr. Speaker, Sir, I beg to reply.

(a) The Kenya Shell Depot has put in place adequate measures for use in the initial stages of any fire outbreak before the arrival of assistance from the City Council and other fire services. It also has adequate fire detecting facilities. The Kenya Shell Depot is connected to the City Council of Nairobi by an automatic fire alarm system. Kenya Shell has trained five fire marshals and wardens for in-house fire fighting. Kenya Shell also conducts joint fire drills regularly in conjunction with the City Council of Nairobi. (b) There is one City Council of Nairobi fire station at Enterprise Road in Industrial Area, which is always manned around the clock. Other facilities include two fire engines at Kenya Pipeline Company.

(c) Regarding the City Council of Nairobi fire station at Enterprise Road, we have fully trained fire fighters manning the station on 24-hour basis. The category of staff is comprised of one station officer, four leading firemen, 22 fire-fighters and eight drivers.

Mr. Ndolo: Thank you, Mr. Speaker, Sir. I thank the Assistant Minister for that answer. Statistics show that a week cannot pass without fire causing huge damages in Nairobi. Could the Assistant Minister tell this House what measures the Ministry is taking to ensure that the fire menace is controlled in Nairobi?

Mrs. Tett: Mr. Speaker, Sir, an agreement has been reached with major installations neighbouring the Kenya Shell Petroleum Depot, such as the Kenya Pipeline Company, which has two fire engines to avail the equipment in case of fire.

Mr. Manoti: Mr. Speaker, Sir, Nairobi is too large. Sometimes it becomes very difficult for those old vehicles to move from central Nairobi to Kariobangi since we have a central unit of controlling the fire station. Could the Assistant Minister consider having branches for these vehicles so that they can be nearer to assist in case of fire breakouts?

Mrs. Tett: Mr. Speaker, Sir, the Ministry of Local Government is in the process of sourcing for assistance to fund the development and equipping of all the fire stations. The Arab Bank is willing to give us some funding for reconstruction. This will be applied to selected towns, and, indeed, all over Nairobi.

Mr. Sungu: Thank you, Mr. Speaker, Sir. I am concerned about the planning aspect. Whenever you travel to any of our towns or cities, you will find that there are some exceedingly dangerous installations like these petroleum depots which are located in exceedingly crowded areas. What happened to the planning element? Could the Assistant Minister undertake to ensure that such facilities are located away from crowded areas, residential areas and areas where they can cause extra damage to other facilities?

Mrs. Tett: Mr. Speaker, Sir, the Ministry is currently in the process of developing a policy paper, masterplans and our long term development strategy for this sector. Everything is in place and we are doing that.

Ms. Abdalla: Thank you, Mr. Speaker, Sir. As you are aware, charity has to begin at home. Could the Assistant Minister inform us about the report of the fire that engulfed City Hall a few months ago?

(Laughter)

Mrs. Tett: Mr. Speaker, Sir, there is a Question on that issue coming from Mr. Kamanda.

Mr. Speaker: Very well, we will wait for Mr. Kamanda's Question. Last question, Captain Nakitare!

Captain Nakitare: Mr. Speaker, Sir, the Assistant Minister has explained the technicalities of fire fighting in the whole of Nairobi. I would like to get an explanation on the status of the water hydrants along the streets and at what distance?

Mrs. Tett: I have just said that there is a master-plan for all these, including the installation of hydrants, among others.

Mr. Speaker: Next Question, Mr. Khamisi!

Question No.091

TITLE DEED FOR MNARANI PRIMARY SCHOOL

Mr. Khamisi asked the Minister for Lands and Settlement when Mnarani Primary School will be issued with a title deed.

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

Mnarani Primary School is located on private land owned by the Mazrui Family, who hold the head title. The issue of a title for the primary school, therefore, will be negotiated with the owners of the land.

Mr. Khamisi: While I am quite happy with that answer, I would like to inform the Assistant Minister that most of the primary schools in my constituency are actually squatting on private land. Could the Assistant Minister assure this House that those schools located on private land will not be evicted by the land owners?

Mr. Ojode: Mr. Speaker, Sir, all public schools built on private land in Coast Province or in any other place will not be evicted, neither will they be destroyed. There will not be any suggestion at all costs to evict the school children. We are negotiating as a Ministry and if our negotiations cannot yield anything, we will now acquire the land in which the schools stand compulsorily.

Thank you, Mr. Speaker, Sir.

Mr. Kombe: Mr. Speaker, Sir, the law is very clear on this issue. An adverse occupier of a parcel of land for 12 years has an outright right to own it. Many schools are being branded squatters on the Mazrui land and other land owned by absentee landlords. What is the Assistant Minister doing to compulsorily acquire that land and re-allocate it to the school?

Mr. Ojode: Mr. Speaker, Sir, I have said that we are negotiating with the land owner and we will do something. If we cannot agree, then we will compulsorily acquire the land. This will be a uniform kind of policy where we will not discriminate against schools which have not been in existence for the last 12 years. It will be a uniform policy which will affect various schools which are built on private land.

Mr. Speaker: Mr. Karaba, by the way, how did you surface? Have I seen Mr. Karaba or somebody resembling him?

Mr. Karaba: Mr. Speaker, Sir, I am not a stranger. I have just come. The floods are too much in town! Could the Assistant Minister explain to the House the general policy regarding the issuance of title deeds to primary and secondary schools?

Mr. Ojode: Mr. Speaker, Sir, I have dispatched surveyors and Land Adjudication Department officers from the Headquarters to take stock of all learning institutions which have not been issued with title deeds in order for us to issue them with title deeds.

Question No.060

PROVISION OF AI SERVICES
TO LIVESTOCK FARMERS

Mr. Mwanicha asked the Minister for Livestock and Fisheries Development, in view of the fact that the community-based artificial insemination services have completely failed, what action he is taking to ensure that livestock farmers get prompt and efficient services.

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

I am aware that community-based artificial insemination (AI) services have not completely failed. The services were liberalised in 1991 and are offered by co-operative societies, several groups on farms, and individual inseminators plus the Government where privatisation has not taken root. There are more than 450 private artificial insemination service providers and the Government is still giving services in 29 artificial insemination schemes. Before liberalisation, Government services were subsidized and fairly cheap. For example, it cost Kshs10 per set of three in 1966, Kshs1 from 1971 and Kshs40 in 1990. After liberalisation, Government services cost was increased to Kshs300. Currently, private artificial insemination services cost Kshs800 depending on the type of semen.

As private providers took over, the Government gave way. The number of private artificial inseminators increased steadily until a peak of 1997, when due to increased costs, coupled with difficulties in marketing, it stopped increasing. My Ministry is now encouraging more private providers to invest in artificial insemination services by offering equipment at subsidised costs and addressing the issue of high cost of liquid nitrogen and semen importation. However, intensive farmers training is being done to educate them on the benefits of artificial insemination and breeding management in cattle.

Finally, the Kenya Creameries Co-operative (KCC) has been revived and, together with new private marketing companies, they have ensured an increase in milk prices. The Ministry and the Kenya Dairy Board (KDB) are addressing the issue of milk consumption patterns and preservation in processing. The Ministry, together with other stakeholders like the KCC and the KDB are assisting in setting up self-help artificial insemination groups and milk cooling collection centres. The Ministry, therefore, after due consideration of DFC, Bovine preventive measure, has lifted a ban on semen importation.

Mr. Mwanicha: Mr. Speaker, Sir, before liberalisation, semen was costing Kshs40 for an insemination. After liberalisation, as the Minister has said, it cost between Kshs300 to Kshs800 per insemination. That is a very high cost and farmers cannot afford it. Even after paying Kshs800, in most cases, the semen fails. What is the Minister doing to assist farmers? We have said that we want to alleviate poverty.

Mr. Munyao: Mr. Speaker, Sir, I agree with the hon. Member that the cost of semen per insemination was Kshs1 in 1997. As a Ministry, we are trying to bring down the cost of artificial insemination. We cannot think of improved breeds when the cost of artificial insemination is high.

Capt. Nakitare: Mr. Speaker, Sir, whereas the Minister has emphasised on the good artificial insemination practices, could he tell the House why milk production has dropped so much after the privatisation of the artificial insemination services?

Mr. Munyao: Mr. Speaker, Sir, my technical officers, both in the KDB, the KCC and in the Veterinary Department are trying to get the best semens.

Mr. Lesrima: Mr. Speaker, Sir, it is now 15 years since we privatised---

(Loud consultations)

Mr. Speaker: Order, hon. Members! We are hardly communicating, hon. Members. Proceed, Mr. Lesrima!

Mr. Lesrima: Mr. Speaker, Sir, it is now 15 years since we privatised the artificial insemination services. It appears this is not working very well, given the bad state of our roads in the country. Could the Minister consider assisting farmers through the co-operative societies, livestock multiplication centres and farmers' training centres by supplying bulls for the dairy cattle? If we rely on the private sector only, it cannot cover the whole country adequately.

Mr. Munyao: Mr. Speaker, Sir the technical team which is addressing itself on the artificial insemination improvement is also considering the introduction of bulls to the farmers. By the end of that exercise, we will come up with the best way forward. Our main interest is the farmer. We would like the farmer to get the best breeds for milk production and meat.

Mr. Mwanicha: Mr. Speaker, Sir, the Minister has said that they are trying their best to make sure that they provide semen cheaply. These are general answers. What specific steps is he taking, because the bulls that farmers are using are infected with diseases? Farmers are even getting poorer. I want him to give us the definite steps he is taking.

Mr. Munyao: Mr. Speaker, Sir, we are not only trying but also the technical team working on this issue is very serious. Our centre of interest is to assist livestock farmers. An answer will be available very soon.

Question No.024

TERMINAL DUES FOR MS. JOYCE CHEGE

Mr. Wamwere asked the Minister for Labour and Human Resource Development:-

(a) whether he is aware that Ms. Joyce Wairimu Chege was on 11th January, 2002 sacked by Rift Flora Company, P.O. Box 14870, Nakuru, upon her return from one month's leave; and,

(b) whether he could ensure that she is paid all her allowances for the four years she had worked.

The Minister for Labour and Human Resource Development (Mr. Mwakwere): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the services of Joyce Wairimu Chege were terminated by her employer. The employer was Rift Flora Company.

(b) Appropriate measures were put in place to ensure the full payment of her legal entitlements, which include maternity leave for two months, annual leave for three years, and issuance of a certificate of service. I have since communicated my recommendations to the disputing parties, which are the Kenya Plantation and Casual Workers Union and Rift Flora Company.

Mr. Wamwere: Mr. Speaker, Sir, Ms. Joyce Wairimu was sacked, not because she committed a crime, but because she went home to deliver a baby. That to me is not a crime but a service to this nation!

(Laughter)

Given that Wairimu was entitled to a two-month maternity leave and was, therefore, wrongfully dismissed, could the Minister order her employer to reinstate her in her job together with all the other women who have been dismissed from work under similar circumstances in flower growing farms and companies in the EPZs?

Mr. Mwakwere: Mr. Speaker, Sir, I am aware that Joyce Wairimu Chege gave birth on 11th January, 2002, but she had concealed her pregnancy all along. This must have been out of fear of losing her employment in case she was discovered to be pregnant. I will repeat that it was out of fear, that if she revealed her pregnancy, she would lose her job. This problem was prevalent in the year 2002, long before the Ninth Parliament was elected. I want to make it very clear that my Ministry has taken appropriate action to ensure that no woman loses her job simply because of being pregnant. Should there be any cases that are similar to Wairimu Chege's, my Ministry will take appropriate action to address the issue.

Mr. Abdirahaman: Mr. Speaker, Sir, it is not only Joyce Wairimu who is affected but many employees in this country, especially those in the security business and other businesses owned by Asians. They have harassed a number of employees. Most of the time, labour officers have been compromised not to take up employees' cases. I would like to know from the Minister what specific and aggressive steps his Ministry is taking to ensure that the plight of Kenyans, who are affected by this issue, is addressed in the event that labour officers get compromised the way they have been in the past.

Mr. Mwakwere: Mr. Speaker, Sir, without specific reference to a labour officer who does not perform his duties appropriately, I would like to assure this House that we have reviewed our labour laws, and once they are passed by Parliament later in the year, there will be no more malpractices, particularly affecting junior workers, or people who are working in the lower levels of employment in our society.

Ms. Mwau: Mr. Speaker, Sir, I would like the Minister to tell this House what measures he has taken against those concerned in Ms. Wairimu's case and cases of other women who have undergone the same mistreatment. He has talked of stern measures. What are they?

Mr. Mwakwere: In the case of Ms. Wairimu Chege, whose case was put to us by the Kenya Plantation Workers Union together with the cases of Margaret Wanja Mwangi, Grace Wangari and Susan Wangui, we made sure that their dues were paid. That is, their maternity leave, and other leave dues. We also requested the company that had sacked them to consider re-employing them.

Mr. Wamwere: Mr. Speaker, Sir, I would like to say that contrary to what the Minister has told the House, that the sacking of women due to pregnancy is a thing of the past, the truth is that this practice is going on even as this House meets. In Saturday's *East African Standard* newspaper, there was a case of six women, who lost their jobs as a result of pregnancy. The truth is that the Minister's recommendations have not been implemented by Rift Flora Company. Could the Minister assure this House that from here, he is going to make sure that the company implements his recommendations concerning Wairimu and all the other women?

Mr. Mwakwere: Mr. Speaker, Sir, I would like to inform this House that if there are any cases of women losing their jobs as a result of getting pregnant, then they should not hesitate to inform me. If they do so, I will take appropriate action because such a practice is unacceptable and illegal. I am ready to address such problems as long as I am informed of them. My office is open to

receive such information. On the case of the Rift Flora Company employee, I would like to say that we communicated our recommendations to the company. I am told that the company relocated from Subukia to Naivasha. However, that cannot stop us from pursuing the case until Ms. Wairimu is paid her dues.

Mr. Mwandawiro: On a point of order, Mr. Speaker, Sir. Is it in order for the Minister to insinuate that he has no knowledge that workers in this country, especially those working in plantations and the EPZs, are being treated like slaves?

(Loud consultations)

Mr. Speaker: Order, all of you! You must now relax.

Question No.142

EFFECTS OF MARRIAGES BETWEEN
YOUNG MEN AND ELDERLY WOMEN

I will have to defer this Question by Mr. Ndile to tomorrow.

Hon. Members: But the answer is here! The Minister has an interest in the Question!

Mr. Speaker: It does not matter. It can come tomorrow. I have never known of Ministers who have an interest in a Question.

(Laughter)

(Question deferred)

Let us go to Questions by Private Notice.

Mr. Kajwang!

QUESTIONS BY PRIVATE NOTICE

SUSPENSION OF JUDGES

Mr. Kajwang: Mr. Speaker, Sir, I beg to ask the Minister for Justice and Constitutional Affairs the following Question by Private Notice.

(a) Is the Minister satisfied that Sections 62, 77 and 104 of the Constitution were complied with when the suspended Judges were removed from the payroll, evicted from Government houses and required to surrender all Government property?

(b) Does he consider the above measures a suspension from duty pending the decision of the Tribunal appointed by the President or a dismissal?

(c) What meaning does the Minister subscribe to the provisions for security of tenure of Judges as provided for in the Constitution?

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Mr. Speaker, Sir, I beg to reply.

(a) I am satisfied that Sections 62, 77 and 104 of the Constitution were complied with.

(b) I consider the measures taken to be suspensions and not dismissals.

(c) The meaning I subscribe to the provision for tenure of Judges is that they have security of tenure until a tribunal appointed by the President has given its recommendations.

Mr. Speaker, Sir, I would like to add that there has been a misconception that the Judges who were suspended were evicted from their houses. They have not been evicted from their houses. They are still in their official residences. There has also been a misconception that the suspended Judges have not been paid their house allowance. That is not true. They are still drawing their house allowance. There has also been a misconception that the official vehicles assigned to the suspended Judges were withdrawn. That is not true. They still have those vehicles. The only thing they are not enjoying is the salary.

The intention was never to cause any pecuniary embarrassment to the Judges. It was expected that the tribunals would take less than a month to come up with their recommendations. In view of the fact that the tribunals seem to be taking their time, the only thing which is being done is a calculation of the financial liabilities that the suspended Judges may have, advances that they may have taken and overpayments that they might have received before.

Mr. Poghiso: On a point of order, Mr. Speaker, Sir. I am concerned that after answering the Question, the Assistant Minister has proceeded to answer supplementary questions before they are asked. Or, is he giving a statement?

Mr. Speaker: I think he should have put what he is saying in his answer, if he anticipated it. But Questions should not be a basis for debate. Mr. Githae, I think you should answer the Question and let hon. Members ask you questions.

Mr. Githae: Mr. Speaker, Sir, I was just trying to clarify the answer. Now that I have done that, I will wait for the supplementary questions.

Mr. Kajwang: Mr. Speaker, Sir, I was showing my learned friend a letter written by the then Registrar of the High Court Bench who is now an acting Judge. The letter said that the Judges were required to surrender the following items: A bench wig, both red and black robes, one desk top computer, official motor vehicle complete with accessories, all law books which may have been issued to them and the keys to the official residence. On top of that, a letter was later written by the same Registrar telling them that they would keep their houses until 31st December, 2003. This came from the Registrar. Could the Assistant Minister confirm or deny that if somebody's name has been removed from the payroll, is evicted from a Government house, his car taken away, he has no allowances and medical facilities, it is true that such a person has actually been dismissed?

Mr. Githae: Mr. Speaker, Sir, that letter was the standard letter written by the Judicial Service Commission. Since then, what I have explained is the right position. The suspended Judges still have their houses---

Mr. Speaker: Wait a moment, Mr. Assistant Minister! To save this House more time, Judges are not ordinary servants of the Judicial Service Commission. Are they?

Hon. Members: No!

Mr. Speaker: Mr. Assistant Minister, answer that.

Mr. Githae: I said that they have not been evicted from their houses. They are still using their official vehicles. The only thing that they have not been paid is their salaries and as I said, it is now being calculated and will be paid less the financial liabilities they may have. That letter has been overtaken by events.

Dr. Godana: Mr. Speaker, Sir, this Assistant Minister has to be serious before this House. Documentary evidence has been adduced of authoritative instructions about the losses the Judges have to suffer. He is now telling us that this has been overtaken by events. What further letters were written to override the earlier letter and indicate what benefits they still enjoy? Can he table it here?

Mr. Githae: Mr. Speaker, Sir, the fact that they are still in their houses is even better than a letter.

Hon. Members: Aah!

Mr. Speaker: Order, hon. Members! This is a constitutional issue, Mr. Assistant Minister. Kenya and other African countries fall when they disregard constitutional issues, or take them as if they are ordinary matters. I think we must be careful about the Constitution because we all swore to uphold and defend the Constitution of Kenya as it is.

Mr. M. Kariuki: Mr. Speaker, Sir, this is a very serious matter, because Judges enjoy security of tenure. Security of tenure has two sides. There is security of tenure at the personal level and at the institutional level. Section 77, which the Question refers to is the doctrine of presumption of innocence. Even if a Judge is under investigation, he must be assumed to be innocent until found guilty. In that regard, he must enjoy the full terms of service until such time that he is proved guilty. A Judge is a constitutional office holder. He has nothing to do with a Judicial Service Commission. I think the Assistant Minister must take this seriously, because it has badly dented the image of Kenya; we are harassing Judges. We know they are in court, but why are they not enjoying full pay rights now while the matter is under investigation?

Mr. Githae: Mr. Speaker, Sir, the proof of the pudding is in the eating. I have said that the only reason why they were not paid their salaries was because it was expected that the tribunals would finish their work within a month. In view of the fact that the tribunals seem to be taking their time, their salaries are being calculated and will be paid less imprests and other financial liabilities. The intention was never to cause any pecuniary embarrassment to the Judges. I fully agree that there is presumption of innocence, and that is why the five suspended Judges of the High Court have not been replaced. The two Court of Appeal Judges have not been replaced either. We fully subscribe to that presumption of innocence.

Mr. Kembi-Gitura: Mr. Speaker, Sir, we all know that justice delayed is justice denied. We were told that cases affecting the suspended judges will be heard immediately and that they will either be exonerated, or otherwise. Recently, when the same Assistant Minister was answering a Question here, he said that some magistrates were suspended on very flimsy grounds. However, the Government has not paid them their pension and other benefits. Why can these judges not be paid their salaries in the meantime because it is their Constitutional right and they have not been dismissed from the service? Currently, they are enjoying those other benefits which would be settled against their end benefits, if they are found guilty. As I speak now, they are suffering untold hardship. The most embarrassing thing is for a judge to file a case in court to claim his benefits.

Mr. Githae: Mr. Speaker, Sir, let me clarify that I never said that the magistrates were suspended on flimsy grounds. The particular case I referred to was for the Registrar of the High Court. I said after the Registrar gave his defence, the complainant was found to be malicious.

Now, coming to the issue that Mr. Kembi-Gitura has raised, as I said, and this is a matter of record, the suspended judges are still occupying Government houses and using their official vehicles. Their salaries are being calculated and they will be paid soon.

Mr. Speaker: Order, Mr. Githae! To help this House so that we can make progress, is it their right, or is it a favour to be granted by you?

Mr. Githae: Mr. Speaker, Sir, it is their right. As I said, they will be paid.

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

Mr. Speaker: What is it, Mr. Maore?

Mr. Maore: Mr. Speaker, Sir, given the gravity of the Question before us, would I be in order to plead with the Chair to defer this Question, so that the Assistant Minister can come back here with a written answer, rather than having him respond at the whims of his thinking?

Mr. Speaker: What is your reaction, Mr. Githae?

Mr. Githae: Mr. Speaker, Sir, there is nothing to be deferred. I said these judges will be paid. What is there to defer?

Mr. Kajwang: On a point of order, Mr. Speaker, Sir. You can see that the Assistant Minister is not even answering the Question. We are talking about a constitutional right. We are referring to a constitutional provision which protects the office of a judge. They are entitled to all the benefits that a judge normally enjoys until such time that the tribunals investigating them decide on one way or another. He is talking as if he has some powers to vary those privileges. Right now, if one of those judges falls sick, and one of them has been suspended together with his wife, who is a judge; he has nothing to eat and cannot go to hospital. This is terrible for a Government which purports to be based on a Constitution. It is a rogue Government!

(Applause)

Mr. Speaker: What is your reaction, Mr. Githae?

Mr. Githae: Mr. Speaker, Sir, Mr. Kajwang has said exactly what I said. It is their right. They will be given that right as per the Constitution.

Dr. Godana: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: What is it, Dr. Godana?

Dr. Godana: Mr. Speaker, Sir, when Mr. Maore requested that this Question be deferred, the Assistant Minister shot up and said there is nothing to be deferred. There is everything to be deferred. Would I be in order to ask again the Chair to defer this Question and the Assistant Minister comes back to the House with a letter confirming that what he has said here has been communicated to each and every judge?

(Applause)

Mr. Speaker: Order, Members! As I said earlier, this is not an ordinary Question. It is also not hypothetical. It is an issue involving the Constitution of Kenya and our ability to respect and enforce the same Constitution with due diligence, and respect the institutions thereby created by the State. I do understand the mood of the House. When the House is at arms on an issue like this, it is because, I rightly believe, the House would like to see the Constitution respected because it is the watch-dog of the Constitution. For that reason, I will give the Assistant Minister time to come and satisfy this House that, indeed, he will strictly apply the provisions of the Constitution, and that the Constitution is the final guide, not him.

This Question is, therefore, deferred to Thursday, next week.

(Question deferred)

Next Question!

ILLEGAL SEIZURE OF MALABA
-MALAKISI GINNERY

Mr. Bifwoli: Mr. Speaker, Sir, I beg to ask the Minister for Co-operative Development and Marketing the following Question by Private Notice.

(a) Is the Minister aware that AFRICOT Company that illegally seized Malaba-Malakisi

Ginnery belonging to a farmers co-operative union, has not complied with the order to return it to its rightful owners?

(b) What action is the Minister taking to ensure that the Ginnery is handed back to Malaba-Malakisi Farmers Co-operative Union?

(c) When will the Co-operative Bank of Kenya waive interest accrued on a loan borrowed by the Co-operative Union as promised by the Minister?

The Minister for Co-operative Development and Marketing (Mr. Ndwiga): Mr. Speaker, Sir, I beg to seek the indulgence of the House to give me more time because I do not have a satisfactory answer to this Question. If I could be allowed to bring an appropriate answer later.

(Loud consultations)

Mr. Speaker: Order, Members! We must listen. Mr. Bifwoli, what is your reaction?

Mr. Bifwoli: Mr. Speaker, Sir, I also agree that the answer is not satisfactory. However, when will the Minister bring to the House the appropriate answer?

Mr. Speaker: Mr. Ndwiga, when will you be ready?

The Minister for Co-operative Development and Marketing (Mr. Ndwiga): Mr. Speaker, Sir, Tuesday, next week.

Mr. Speaker: Is that okay, Mr. Bifwoli?

Mr. Bifwoli: Yes, Mr. Speaker, Sir.

Mr. Speaker: Very well. The Question is, therefore, deferred to Tuesday, next week.

(Question deferred)

Next Question, Mr. Kamanda!

CAUSE OF FIRE AT CITY HALL

Mr. Kamanda: Mr. Speaker, Sir, I beg to ask the Minister for Local Government the following Question by Private Notice.

What caused the fire that destroyed part of City Hall on 2nd March, 2004?

The Assistant Minister for Local Government (Mrs. Tett): Mr. Speaker, Sir, I beg to reply.

The cause of the fire to date is still pending under investigation by the Director of Criminal Investigations Department (CID), and other investigation agencies, including the Government Chemist. This matter is being co-ordinated by the Office of the President.

Mr. Kamanda: Mr. Speaker, Sir, I am not satisfied with the answer given by the Assistant Minister. This is because the Minister did undertake to issue a report on the cause of the fire within one week after it occurred. Secondly, right now City Hall is being repaired. You cannot undertake to repair a building which is insured unless you have done all the investigations. Could the Assistant Minister be serious about this issue because the residents of Nairobi City know who burnt down the City Hall offices? I have a report here with me showing who burnt City Hall offices. If the Government is unable to get the people behind this fire, I can facilitate their work by giving them the names of the people who burnt down the City Hall offices.

Hon. Members: Name them!

Mrs. Bett: Mr. Speaker, Sir, those are private investigators and we cannot go by their report. The Government can only rely on the CID to carry out the investigations and submit the

report. The CID are co-ordinating the investigation. This investigation involves the Government Chemist and the Provincial Administration. However, as far as the private investigation is concerned, that is not a Government arm.

Dr. Godana: On a point of order, Mr. Speaker, Sir. Mr. Kamanda has said that he has a report - even if it is by private investigators - which has the names of the people who burnt City Hall. Would I be in order to ask him to lay the report before the House?

(Mr. Kamanda laid the report on the Table)

(Applause)

Mr. Speaker: Order! Order, hon. Members! First of all, take your document back! You know this is not a dumping site. We must get the legitimacy of tabling a document. You just do not come and dump things here. Now, what is it that you were attempting to table?

Mr. Kamanda: Mr. Speaker, Sir, I have a report here---

Mr. Sungu: On a point of order, Mr. Speaker, Sir. I very much support Mr. Kamanda tabling that document. But Mr. Kamanda has effectively crossed the Floor? Is he in order to cross the Floor?

An hon. Member: Yes! He crossed!

(Loud consultations)

Mr. Speaker: Order! Mr. Kamanda is totally out of order! How did you transport yourself from that position to my right and you came directly to this side?

(Several hon. Members stood up in their places)

Order! Will you sit down? Otherwise you will be out! Mr. Kamanda, will you take your baggage there, return to where you were and then from there, I will question you about that paper before you even attempt to approach here? But you must go there, bow and go back to where you came from.

An hon. Member: Kuja haraka! Kuja haraka!

(Mr. Kamanda withdrew the report, bowed and went back to his place)

Mr. Speaker: Order! Now Mr. Kamanda, from there, will you tell me what is it you are holding? Is it signed and, if so, by who?

Mr. Kamanda: Mr. Speaker, Sir, I have a report from the insurance company which has hired a private company called Hawks Eye Technology. An insurance company is allowed to hire a private investigator. They have filed their own report.

Mr. Speaker: That is fine! But is it signed?

Mr. Kamanda: Mr. Speaker, Sir, it is signed. They have even listed the prime suspects! One is Mr. Chege Thiong'o of Mara Restaurant.

Mr. Speaker: Order! Will you sit down, Mr. Kamanda? Listen to my following question. Hon. Members, we must, at all times, retain the dignity of this House. I want to find out the authenticity of that document, before we can allow it to be tabled. Among the things you require for

authenticity is the maker. Has the maker owned to the truth of the document by signing it? Now, I am asking you: Is it signed and, if so, by who?

Mr. Kamanda: Mr. Speaker, Sir, this report was even in the papers the other day, and it was not disowned by the owners. The person who has signed is Mr. Eliud M. Muchoki. He is a former Assistant Commissioner of Police.

Mr. Speaker: So, he signed it?

Mr. Kamanda: Yes, Mr. Speaker, Sir.

Mr. Speaker: Well, if it is signed, you could table it.

(Mr. Kamanda laid the report on the Table)

(Applause)

Mr. Speaker: Order, hon. Members! I am now able to lay my hands on the document that was purported to be tabled by Mr. Kamanda. On page 10, the document is supposed to have been a report prepared by Mr. Eliud Muchoki, but he has not signed it. So, the document--- It is not a document actually. Lacking a signature disqualifies it totally from being called a document. I, therefore, disallow it.

Dr. Godana: On a point of order, Mr. Speaker, Sir. I have no desire to argue with the wisdom of the ruling of the Chair. But this is a very important Question. On the face of it, except for the fact of lack of a signature, the document is attributed to a professional body. We know that insurance companies have a legal right and, as a matter practice, hire private investigators to report on every insurance claim before they make their commitment to payment or otherwise. Would I be in order to ask that the Question be deferred until we actually cross-check whether the lack of signature was an oversight on this particular copy or whether---

Mr. Speaker: Dr. Godana, although you are labouring to say that you are not disputing the ruling of the Chair, you are, in fact, doing exactly that. You are, in fact, going further and saying that, probably, you could do a better job than the Chair by going behind that document. I am now saying that you would not! That is because the document is not signed! It is my duty to declare---

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

Mr. Speaker: Order! Will you sit down? It is my duty to refuse any purported document which is not a document. If the hon. Member brought a signed document, I would have allowed it. But I will not allow the tabling of every paper that has no authenticity.

Mr. Munya: On a point of order, Mr. Speaker, Sir. Would it be in order for Mr. Kamanda to undertake to bring a signed document, so that he could assist the House?

Mr. Speaker: That is not my duty. My duty is to preside on what is---

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

Mr. Speaker: Order! Could we now proceed with the Question?

Mr. Kamanda: Mr. Speaker, Sir, I would like this Question to be deferred, so that I can bring the original report.

*(Applause as the Vice-President and
Minister for Home Affairs
entered the Chamber)*

Mr. Speaker: I think the applause to the Vice-President and Minister for Home Affairs has disrupted my hearing. What were you saying?

Mr. Kamanda: Mr. Speaker, Sir, I am asking for the deferment of this Question, so that I can bring the original copy.

Mr. Speaker: Very well. The Chair will, at any time, do anything that will help the House. If that will help the House, I will defer the Question.

(Question deferred)

CLOSURE OF SIAYA MEDICAL
TRAINING COLLEGE

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

(a) Could the Minister inform the House under what circumstances the Medical Training College in Siaya was closed down on 12th April, 2004?

(b) What immediate measures will the Minister take to re-open the college?

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

(a) The Siaya Medical Training College has not been closed. It is a satellite college of Kisumu Medical Training College and usually has one class of students based there. The students do a special rotation in the Nyanza Provincial General Hospital, Kisumu, as part of their training. It is for this reason that the students at the college relocated to Kisumu Medical Training College recently. However, another class at the Kisumu Medical Training College has reported to Siaya Medical Training College as from 26th April.

(b) As stated in (a), the above college was not closed. It will, therefore, continue to operate as usual and arrangements are also in place to upgrade it to a complete college. I believe this will be done by September this year.

Mr. Weya: Thank you, Mr. Speaker, Sir. I think our proposed future 'Prime Minister' has been misinformed. The Siaya Medical Training College was closed on 12th April and all the students were sent back to Kisumu. The Ministry had assured us as politicians---

Capt. Nakitare: On a point of order, Mr. Speaker, Sir. Is the hon. Member in order to refer to the Minister for Health as a proposed 'Prime Minister' when that position does not exist?

Mr. Speaker: What did he say? Mr. Weya, what did you say?

Mr. Weya: Mr. Speaker, Sir, I will withdraw and apologise. Is it in order for the hon. Prime---

(Laughter)

Mr. Speaker: Order! Order! Mr. Weya, relax! Are you so fixated with the 'Prime Minister' that you are actually unable to ask any question without referring to a non-existent Prime Minister in the House? Please, come to the world we live in. The world we live in today does not have a Prime Minister. So, please, ask as it is.

Mr. Weya: Thank you, Mr. Speaker, Sir. The Minister said that the Medical Training College, Siaya, was not closed. But I am aware that it was closed on 12th April, this year. The Ministry had assured us that they would come and put some money into the college in Siaya and the community has even gone ahead and purchased material and put up a foundation. Could the Minister tell us when she will put money into that college?

Mrs. Ngilu: Thank you, Mr. Speaker, Sir. First of all, your good thoughts about me are welcome and I support the proposal.

(Laughter)

As I said earlier, the college is not closed. It is a satellite college and it is true that the students in that college were relocated to Kisumu for practicals. That had to happen because there is no hospital in Siaya where they could do their practicals.

However, the Board of Management has approved the Academic Board's recommendation that we have a fully-fledged college by the end of this year. The District Development Committee has also approved the establishment of the college and set aside 15 acres of land for the same. The District Health Management Board team has donated buildings for the college. The Kenya Medical Training College (KMTC) has taken possession of the land and buildings and the Director of KMTC, with the local community, have formed a committee to oversee the development of the college. Therefore, we believe that, by September this year, it will be a fully-fledged college.

Archbishop Ondiek: Mr. Speaker, Sir, just a few minutes ago, the Minister accepted a proposal from the hon. Member for Alego Usonga. Is it in order for a married lady to accept another proposal?

(Laughter)

Mr. Speaker: What have you said? Order! Order! What exactly are you saying, hon. Archbishop? Order! Archbishop Ondiek, I gave you the Floor to ask a supplementary question to the Minister. What have you asked?

(Laughter)

Archbishop Ondiek: Mr. Speaker, Sir, what I asked was, is it in order---

(Loud consultations)

Mr. Speaker, Sir, is it order for the Minister to mislead the House by saying that the college was not closed, when I know that it was closed?

(Applause)

Mr. Khamasi: On a point of order, Mr. Speaker, Sir. We know that Archbishops do not tell untruths. Indeed, I was seated here next to him. What hon. Archbishop Ondiek has repeated is not exactly what he said. Perhaps, the Chair would want to know exactly what he said so that he can repeat.

Mr. Speaker: Order! Order! I agree with hon. Khamasi that Archbishops are not expected to ever tell untruths. That is the first one. Archbishops are also, under ordinary circumstances, expected to remain on the `straight and narrow' and to abstain at all times from either speaking or suggesting things that are embarrassing and immoral. So, I hope that the Archbishop and every other Member learns from hon. Khamasi; always to speak the truth and always to be straight when you are in this House. You must respect the integrity and morality of every Member here. I would like to ask every Member present here, please look at the galleries; and particularly the Speaker's Gallery. Your own children are seated there. Be mindful of that.

(Applause)

Mr. Weya: Mr. Speaker, Sir, Siaya District Hospital has a lot of patients as it caters for three constituencies. I would like to thank the Minister and hope that her promise is not a false one like the NARC Government has done in the past.

Thank you.

Mrs. Ngilu: Mr. Speaker, Sir as I said, again I would like to assure---

Archbishop Ondiek: On a point of order, Mr. Speaker, Sir. My question has not been answered!

Mr. Speaker: In fact, it should not be answered because you never asked it the first time you were given the Floor!

Archbishop Ondiek: Mr. Speaker, Sir, I asked the question!

Mr. Speaker: Order, Archbishop Ondiek! I think that is enough!

(Archbishop Ondiek stood up in his place)

Order, Archbishop Ondiek! In fact, you should be very happy that, indeed, this House has not considered taking action against you on two scores; for telling untruth which you did and for speaking some terrible things about an hon. Member in this House. So, you must be happy. Relax completely and pray to God that the House is always magnanimous to you!

Next Question!

RURAL ELECTRIFICATION IN TESO DISTRICT

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

(a) Is the Minister aware that some centres earmarked to benefit from the on-going French Government sponsored Rural Electrification Programme in Teso District have been left out?

(b) What urgent measures is the Minister putting in place to rectify this serious anomaly?

The Minister for Energy (Mr. Ochilo-Ayacko): Mr. Speaker, Sir, I beg to reply.

(a) The Minister is aware that one trading centre in Teso District, initially earmarked to benefit from the on-going French Government sponsored Rural Electrification Programme, has been left out of the programme. This was due to financial constraints. The hon. Member may wish to note that this also applies to other trading centres in other districts within the French project sponsored areas.

(b) The Ministry of Energy is looking for funds from various donors and these centres will be given preference.

Mr. Ojaamong: Mr. Speaker, Sir, you will find that this French Programme has been going on for some time. It was surveyed, planned and budgeted for. Could the Minister confirm or deny that some Ministers, or Government officials, are using undue influence on him to remove some centres from some districts and replace them with those that they come from?

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, the Minister speaking is under no undue influence from whatever quarter. As a matter of fact, the hon. Member who asked this Question has influenced me to implement Rural Electrification Programme in his constituency for Ojaamong Primary School and to include, under the intended French Programme, Chemasari Market.

Capt. Nakitare: On a point of order, Mr. Speaker, Sir. You have just heard the Minister say that he has been influenced by an hon. Member of Parliament to do a job in his constituency. We would like more clarification on this. What influence is this?

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, I said it with a light touch. The hon. Questioner talked of "undue influence". He sought assistance for two projects in his constituency and as usual he got it. Even the other hon. Member who has asked a question has sought assistance and he has been helped.

Mr. Onyancha: Mr. Speaker, Sir, could the hon. Minister consider tabling a list of all those projects that stand to benefit from the French Government sponsored Rural Electrification Programme countrywide so that we all know which programmes are on?

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, if Mr. Onyancha wishes to get details regarding his constituency, he is at liberty to come to the Ministry any time. The list is undergoing certain variations and modifications.

Mr. Keter: Mr. Speaker, Sir, what is the Government policy in providing rural electrification? There are so many self-help groups or markets which have paid the 10 per cent since 1995.

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, the Government policy in providing rural electrification is to give priority to market centres, health centres, secondary schools and areas of high population densities. The only limitation is finance.

Mr. Speaker: Last question, Mr. Ojaamong!

Mr. Ojaamong: Mr. Speaker, Sir, as you have heard from the Minister, the project I requested him to implement was going to be funded from the Exchequer. However, what I am talking about is the French Rural Electrification Programme. You will find that, up to some three weeks ago, the centre was included in the Programme. It was budgeted for but, unfortunately, all of a sudden, it has been removed. Could the Minister assure the people of this centre that they will be given priority in the next phase of the Programme?

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, it is not correct to say that this centre was removed only last week. When the final contract was being issued to the implementor of the contract, it came out clear that there were no sufficient funds so every district had a shortfall, including Teso District. However, in the next donor-funded rural electrification project, we have identified this project and another one called Chemasiri Market. The hon. Member should be pleased.

Mr. Speaker: Very well! That is the end of it!

Order, hon. Members! It is the end of Question Time! You can see that we are really way out of the usual one hour. Today I am over-generous; do not blame me for it but do not also think that I will be generous tomorrow. It will be one hour and we will stick to it. In the meantime, there are several hon. Members who have asked for Ministerial Statements and I will proceed. There are also two Ministers who want to give further Ministerial Statements and I will allow them. Take all the time but tomorrow, it will be strictly one hour.

Shall I begin with the Ministers who want to give the Ministerial Statements or with hon. Members? Mr. Salat, you wanted to seek a Ministerial Statement.

POINTS OF ORDER

MURDER OF MRS. NANCY CHEPKURUI SIELE

Mr. Salat: Mr. Speaker, Sir, thank you for giving me this opportunity to seek a Ministerial Statement regarding a murder most foul.

I will like to seek a Ministerial Statement from the Minister of State, Office of the President on the cover-up of the grisly murder of Mrs. Nancy Chepkurui Siele of Narok South Constituency in Narok District. The Case Number is CR782/62/2003. It is alleged that a Mr. Naiwop ole Sankei

and his brother, Mr. Baliso ole Sankei, stole their father's shotgun which they used to kill Mrs. Nancy Chepkurui Siele, an expectant mother who was fetching firewood in a bush near her house. Witnesses say that, after shooting her, the suspects tied her up and burnt her remains beyond recognition. The matter was investigated and a charge preferred against the suspects; Mr. Naiwop ole Sankei and his brother, Mr. Baliso ole Sankei. I have also established that the investigating officer has been transferred to Mombasa and that the matter was also withdrawn from the High Court in Nakuru. The suspects were also released in a case of cover-up that involves senior police and judicial officers. I would like the Minister to give a Ministerial Statement urgently.

Mr. Speaker: Very well! Mr. Wambora and everybody, please try to be brief! We must be time-conscious.

IRREGULAR PURCHASE OF TEXTBOOKS

Mr. Wambora: Mr. Speaker, Sir, I rise to request a Ministerial Statement from the Minister for Education, Science and Technology on the teachers in Embu District who either conned or colluded with a supplier to pay them in advance for the supply of textbooks under the Free Primary Education Programme.

There have been worrying reports in the mass media about misappropriation of millions of shillings of public funds in Embu District whereby some teachers, mainly from my constituency, Runyenjes, have made advance payments for the supply of textbooks under the Free Primary Education Programme. I wish to ask the Minister for Education, Science and Technology to issue a Ministerial Statement on the matter clarifying the following issues: One, how much money was irregularly paid by the concerned in respect of the undelivered books. Two, who are the people involved in the misappropriation of the funds and what action the Government has taken, or is likely to take, to recover the lost funds or prosecute the parties concerned. Three, what measures the Ministry is putting in place to ensure that pupils in the affected primary schools get textbooks, so that their learning is not adversely affected. Finally, what measures the Ministry is putting in place to ensure that such advance payments for goods and services under the Free Primary Education Programme, does not recur.

REHABILITATION OF AIR- NAVIGATION SYSTEM AT JKIA

Mr. Keter: On a point of Order, Mr. Speaker, Sir. I rise to seek a Ministerial Statement from the Minister for Transport and Communications regarding the state of our air-navigation system at the Jomo Kenyatta International Airport (JKIA).

Mr. Speaker, Sir, first of all, I would like the Minister to tell the House whether the landing system at the JKIA is functional or not. Could he also assure the House that it is not transmitting the wrong signals to the aircraft landing there, hence, endangering them? Secondly, when was the calibration at the JKIA done? Thirdly, he should tell us how much money was paid to the company and whether it is has the capacity to service all the communication links at the Airport.

CANCELLATION OF LDP RALLY BY POLICE

Mr. Ndolo: On a point of Order, Mr. Speaker, Sir. Two weeks ago, I sought a Ministerial Statement from the Minister for Justice and Constitutional Affairs on the incident that took place at Igoji, Meru, involving LDP officials. The Minister promised to issue the Ministerial Statement

within one week. Could he tell us when he will issue that Statement?

The Assistant Minister for Justice and Constitutional Affairs (Mr. Githae): Mr. Speaker, Sir, it is true that the hon. Member raised that issue. However, the request for a Ministerial Statement was addressed to the Office of the President. The incident is about security and has nothing to do with the Ministry of Justice and Constitutional Affairs. The Minister confirmed as much.

Mr. Speaker: Is that the position, Mr. Ndolo? Did you address your request to the Office of the President?

Mr. Ndolo: Mr. Speaker, Sir, the matter concerns justice. I think Mr. Githae is the one who is supposed to issue the Statement--

Mr. Speaker: Well, I have not asked what you are saying now. At that time, to whom was the request addressed?

Mr. Ndolo: Mr. Speaker, Sir, it was addressed to the Minister for Justice and Constitutional Affairs. The HANSARD will bear me out.

Mr. Speaker: Well, I will find out the position from the HANSARD.

FOREIGN TRIPS BY MINISTERS

Mr. Munya: On a point of order, Mr. Speaker, Sir. I wish to seek a Ministerial Statement from the Vice-President and Minister for Home Affairs on the top five most travelled Ministers since the NARC Government took over power. The Ministers spend most of their time moving around the globe and some of them do not even come here to answer Questions. We would like to know the top five most travelled Ministers since NARC took power and the substance of their visits abroad.

Mr. Speaker: Mr. Vice-President and Minister for Home Affairs, the hon. Member wants to know the flying mileage covered by your Ministers. Are you ready to tell the House who are the most travelled and how many kilometres? He wants to know the five most-travelled ones. He says that your Ministers are "living in the air"; travelling. They are not in Kenya to discharge Government business. Do you have any reply?

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Speaker, Sir, I have not got the statistics on that matter. Once I get the statistics, I will bring them to the House.

However, Mr. Speaker, Sir, almost every Minister has an Assistant Minister. There is no reason why a Ministry should not perform simply because the Minister is out of the country. Secondly, Ministers go out of the country in performance of their duties to enhance the development of this country.

REHABILITATION OF SCHOOLS DESTROYED BY FLOODS

Prof. Oniang'o: On a point of order, Mr. Speaker, Sir. I wish to seek a Ministerial Statement from the Minister for Education, Science and Technology. As we are aware, there are floods all over the country, which have destroyed schools and rendered roads impassable. They have also disrupted learning in many schools and destroyed books. We would like the Minister to tell us what emergency measures he is putting in place to make sure that the affected schools are rehabilitated and destroyed facilities restored. What long-term measures has the Ministry put in place to prepare for floods and other natural havocs, which disrupt learning?

MINISTERIAL STATEMENT

IMPORTATION OF SUGAR

The Minister for Agriculture (Mr. Kirwa): Mr. Speaker, Sir, Mr. Shitanda sought a Ministerial Statement on the importation of sugar into this country, and I undertook to issue a comprehensive Statement on the matter.

As hon. Members are aware, sugar production is an important economic activity in Kenya. It supports about five million Kenyans, or 16 per cent of the total population of this country. Presently, as a country, we produce 400,000 metric tonnes against a consumption of 600,000 metric tonnes. That means, the shortfall of 200,000 metric tonnes is to be imported. Hon. Members are aware that Kenya joined the Common Market for Eastern and Southern Africa (COMESA) free trade area in the year 2002. Since then, the country has experienced sharp increases in imports of sugar from some of the member states that are least cost producers of sugar, among them Sudan, Malawi and Egypt. The imported sugar crowded the locally-produced sugar, because the latter was more expensive. This led to stock-piling of domestic sugar and also depressed the cash flow for the local sugar companies.

Mr. Speaker, Sir, to mitigate the negative impact on local sugar production, the Government negotiated for an extension of the safeguard mechanism under the COMESA Treaty. This was granted and will run between the year 2004 and 2008. The safeguard mechanism allows member states to protect and restructure key local sectors through application of appropriate measures in order to improve their competitiveness. On receiving the approval from COMESA, the Kenya Sugar Board (KSB), in line with its mandate, invoked Article 61 of the COMESA Treaty to apply safeguard measures through Legal Notice No.12 of March, 2004.

During the safeguard period, the maximum annual allowable sugar imports at the lower duty levels for imports from COMESA member countries shall be a total of 200,000 metric tonnes. This will comprise of 89,000 metric tonnes for domestic use and 111,000 metric tonnes for industrial use. Any sugar imports in excess of the allowable 200,000 metric tonnes is subjected to 100 per cent duty and to VAT at 16 per cent.

Mr. Speaker, Sir, pursuant to Legal Notice No.12 of March, 2004, the Kenya Sugar Board (KSB) invited, through an advert, bids for quantities of sugar to be imported. A total of 73 companies, registered importers, requested to import a total of 1.1 million metric tonnes of raw-mill white sugar and refined sugar. The KSB, through its tender committee, approved and issued letters to successful bidders for a total of 89,000 metric tonnes of raw-mill white sugar for domestic consumption for the period starting 1st March, 2004 to 28th February, 2005. The 110,000 metric tonnes of white refined sugar is yet to be adjudicated between the Department of the Kenya Revenue Authority (KRA), jointly with the Ministry of Finance and the Ministry of Trade and Industry.

Mr. Speaker, Sir, most of the importers who were successful have already started importing the same. Further to that, I would like to clarify that, contrary to the wrong impression that has been created, we have implemented safeguard measures in line with the Common Market for Eastern and Southern Africa (COMESA) Treaty. We have not, in any way, contravened the Treaty. Indeed, in our consultative meeting with the COMESA Secretary-General, during his visit to Nairobi, he confirmed that Kenya had not violated any of the COMESA Treaty Trade Articles, Protocol, Rules and Regulations. Additionally, I would like to state that there is no controversy between the Ministry of Agriculture and the Ministry of Finance, and Ministry of Trade and Industry respectively, regarding the interpretation of the safeguard measures. The various organs of

Government, under these Ministries, have agreed on smooth and effective implementation of safeguard measures.

Mr. Speaker, Sir, in conclusion, I would like to assure this august House that the Government is putting in place measures intended to meet the requirements before the year 2008.

Thank you.

Mr. Speaker: I will strictly allow two hon. Members to seek clarification. First, I will have Prof. Olweny and secondly---

An hon. Member: I come from a sugar-growing region!

Mr. Speaker: Order! It does not matter; it is a matter before the House. So, you have no monopoly over sugar. It is a national issue. I will have Mr. Oparanya. So, I will begin with Prof. Olweny.

Proceed, Prof. Olweny!

Prof. Olweny: Mr. Speaker, Sir, I thank the Minister for the Statement. However, the information we have so far is that there are some companies which are violating the regulations set by the Kenya Sugar Board and the Ministry of Agriculture, and these companies are teaming up. They are assisted by the Commissioner of Customs and Excise. Could the Minister tell us the names of these companies which are violating these regulations? **Mr. Oparanya:** Mr. Speaker, Sir, the Minister says that there are some safeguard measures that are being undertaken during this period. Could the Minister state clearly what measures there are to ensure that, by the year 2008, there will be sufficient sugar production in this country?

Secondly, there are some companies which are being given preferential treatment during the importation of sugar while some are told to stick to their limits. Why are some of these companies given preferential treatment? I have a document here which I can table to prove this.

(Mr. Oparanya laid the document on the Table)

Mr. Speaker: Very well! I will hear the voice of the Opposition. Where is Mr. Omingo? Are you satisfied?

Mr. Omingo: No, Mr. Speaker, Sir. Thank you for seeing me. I will get a stool and stand on it because of my height. I am vertically disadvantaged.

The Minister did make a clarification here. However, we do know that, actually, his efforts are being frustrated by the litigations in court. What efforts is he making, in conjunction with the Ministry of Justice and Constitutional Affairs to, at least, look at what is the national goal of this country, as opposed to individuals who are actually self-seekers? Secondly, we did also hear that the Minister's life at one time was in danger, as declared by the Central Organisation of Trade Unions (COTU) Secretary-General. Could he confirm that he is actually safe and sound?

Mr. Speaker: Very well. Mr. Kirwa, please, respond quickly!

The Minister for Agriculture (Mr. Kirwa): Mr. Speaker, Sir, I will start with the last question. Indeed, I leave my life to God. I am not threatened by any quarter because I am discharging my mandate as the Minister in charge of Agriculture.

Secondly, as far as the litigation in court is concerned, there is nothing that is hindering the progress of work because the position that we were given is to maintain the *status quo*. That is for us to be able to harmonise importation and inflow of sugar into the country. This, therefore, means that within the mandate of the Ministry, we are able to discharge our duty.

Thirdly, as for the issue of whether there are any problems or frustrations from the Ministry

of Finance, I am not aware of any so far. What I am aware of is that there was a misunderstanding over the issue of harmonisation. The Permanent Secretary in the Ministry of Trade and Industry called a meeting between the three Ministries and those issues were discussed and finalised.

Mr. Speaker, Sir, as to whether there are any preferred importers of sugar, as I said, the bids went out and 73 companies did apply. The bids were given according to the available volume of sugar to be imported. This, therefore, means that there is no company that is preferred or any other special company.

As to which company is frustrating us, it is the same company that has taken us to court in the last one year. This is Mat International and its associated companies.

(Applause)

Prof. Olweny: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, Prof. Olweny! Will you relax? With or without sugar, the business of this House must proceed.

Now, it is 4.30 p.m. I will not go beyond that. Mr. Githae, I will give you the opportunity to make your Ministerial Statement tomorrow morning.

Next Order!

BILL

Second Reading

THE PRIVATIZATION BILL

*(The Assistant Minister for Finance
(Mr. Katuku) on 21.4.2004)*

*(Resumption of Debate interrupted
on 28.4.2004)*

Mr. Speaker: Who was on the Floor? Mr. M. Kariuki, were you on the Floor?

Mr. M. Kariuki: No, Mr. Speaker, Sir. I had finished my contribution to the Privatization Bill. I was on the Floor during the debate on the Government Financial Management Bill.

Mr. Speaker: Mr. Midiwo was the last one and he concluded his contribution. I will allow Mr. Wamwere.

Please, proceed!

Mr. Wamwere: Bw. Spika, nakushukuru kwa kunipa nafasi hii ili nizumgumze juu ya Mswada huu wa kubinafsisha mashirika ya Serikali au ya umma.

Bw. Spika, ninaupinga Mswada huu kwa sababu umeletwa Bungeni kwa masharti ya Benki ya Dunia na Shirika la Fedha Ulimwenguni. Mambo yote ambayo tunalazimishwa kufanya na mashirika ya kimataifa, sio mambo ambayo tunafanya kwa faida yetu. Tunalazimishwa kufanya mambo haya kwa faida ya watu wengine, na hasa wageni. Ninalinganisha Mswada huu na Mswada wa Kupinga Ugaidi Duniani. Ni lazima tujihadhari na Mswada hii kwa sababu watakaofaidika ni wageni.

[Mr. Speaker left the Chair]

[Mr. Deputy Speaker took the Chair]

Huu Mswada unalenga kutoa mali kutoka kwa walio wengi na kuwapatia walio wachache. Kwa sababu hii, Mswada huu unastahili upingwe.

Bw. Naibu Spika, katika nchi yetu ya Kenya, pengo kati ya matajiri na maskini ni kubwa sana, na mpango wowote ambao utachukua mali ya walio wengi na kuwapatia walio wachache ni mpango ambao, kwa jumla, hautakuwa na faida yoyote kwa walio wengi nchini. Ninapongea juu ya walio wengi, ninaongea juu ya karibu asilimia 99 ya watu wetu ambao wataumia, na huku mali yao yakipewa karibu asilimia moja ya watu wetu. Kuunga mkono Mswada ambao una lengo kama hili ni kupotoka na kukosea nchi yetu au walio wengi katika nchi hii yetu. Pia, ningependa kurudia kusema kwamba Mswada huu unalenga kuwapatia wageni mali ambayo imewachukua watu wetu miongo ya miaka kukusanya, na itakuwa makosa kuunga mkono.

Tunafahamu kwamba mashirika hayo yatakapouzwa, yatauzwa kwa bei ya chini sana, hivi kwamba wale watu ambao walitoa kodi ili yabuniwe watapata hasara kubwa ikilinganishwa na wale watu ambao watayanunua kwa hiyo bei. Kuunga mkono Mswada kama huu ambao mwishowe utawasaidia wageni kuendelea kutajirika, ni kama kuzidisha ukoloni mambo leo katika nchi yetu.

Ukiangalia jamii yetu au ukitoka hapa nje ulinganishe hali ya wageni na hali ya watu wetu, kila mara, utakuta kwamba wageni wako juu na watu wetu wako chini. Hivi ndivyo mambo yalivyo huko ng'ambo. Ukienda ng'ambo, utakuta kwamba wenyeji ambao tunawaita wageni wako juu na sisi tukiwa kwao kama wageni tuko chini. Kwa hivyo, ni makosa kuwa na mipango ya kuwapatia wageni wanaokuja katika nchi yetu mali yetu na sisi tuendeleo kuwa maskini hohe hahe. Kwa hivyo, huu ni Mswada ambao inafaa tujadiliane juu yake na tusiwe na haraka yoyote kuupitisha. Hii ni kwa sababu tukipitisha Mswada huu kwa haraka, wageni watazidi kutajirika nchini mwetu wakati sisi tunazidi kuwa fukara.

Ukweli wa mambo ni kwamba itakuwa vigumu bei ya bidhaa zitakazotolewa na mashirika ya Serikali ambayo yatauziwa watu binafsi kudhibitiwa na Serikali. Kwa sababu hii, utakuta bei itaendelea kuongezeka badala ya kuwa nafuu. Ukiangalia bei ya bidhaa ambazo ziko mikononi mwa watu binafsi, utakuta kwamba ziko juu, ukilinganisha na bidhaa zinazouzwa na mashirika ya umma kabla ya kuingiliwa na ufisadi.

Ukichukua mfano wa elimu inayotolewa na Serikali na uilinganishe na elimu ambayo inatolewa na shule za watu binafsi, utakuta tofauti kubwa sana. Karo ambayo inatozwa na shule za watu binafsi iko juu sana ikilinganishwa na karo ambayo inatozwa na shule za Serikali. Wakati watu binafsi waliambiwa waongoze elimu, watu waliambiwa kwamba hatua hiyo itafaidi wananchi, lakini ukiangalia sasa, utaona kwamba nchi yetu imekuwa na mifumo miwili ya elimu. Mfumo mmoja wa elimu ni wa watu wa kawaida. Karo zinazotozwa katika shule za umma ni za chini, lakini thamani ya elimu iko chini sana. Ukiangalia elimu ambayo inatolewa na shule za watu binafsi ambazo zinatoza karo kubwa, thamani yake iko juu sana.

Bw. Naibu Spika, katika ubinafsishaji wa maji, utakuta kwamba kabla makampuni ya watu binafsi kuruhusiwa kuuzia watu maji, maji yalikuwa karibu haki ya kila mtu. Hakuna mtu ambaye hangeweza kupata maji kwa sababu bei yake ilikuwa chini sana. Ukiingia kwa hoteli na uombe maji, ulikuwa unapewa, lakini wakati huu, bei ya maji ni kubwa hata kuliko ya petroli. Utakuta kwamba chupa ya maji ina bei kubwa kuliko kiasi hicho cha chupa ya soda na hata petroli. Wakati tunachukua bidhaa kama maji, na kuwaruhusu watu binafsi wawauzie watu wetu, tunafanya makosa makubwa. Hii ni kwa sababu, kama huna pesa, huwezi kupata maji masafi. Hivyo ndivyo mambo yalivyo wakati huu. Ukitaka kunywa maji wakati huu, ni lazima uwe na pesa. Kama huna pesa mfukoni, huwezi kuthubutu kunywa maji kwa sababu maji ambayo hayauzwi hayawekwi dawa ili

yawe salama kwa kunywa. Maji ambayo yako salama kwa kunywa ni yale ambayo tunauziwa na makampuni ya watu binafsi kwa bei ambayo wananchi wa kawaida hawezi kuimudu.

Pia, katika huduma za afya, utakuta kwamba hali ni hiyo hiyo. Ukienda katika hospitali za watu binafsi, utakuta kwamba huduma zao ni ghali zaidi, na watu wa kawaida hawawezi kuzimudu.

Huduma za afya zinazopakikana katika hospitali za umma ni za chini, kwa sababu wanoenda katika hospitali hizi ni watu wa kawaida. Ni watu ambao Serikali inaonekana kutojali ikiwa wanatibiwa ipasavyo au la. Jambo hilo linatokea kwa sababu watu wenye uwezo na mali wanapotaka huduma hizo, wanajua kuna Nairobi Hospital na hospitali zingine kama Aga Khan, wanakokwenda kutibiwa kwa bei ya juu.

Bw. Naibu Spika, mimi nikiulizwa, ni afadhali tuwe na hospitali za Serikali ambazo zinasimamiwa vilivyo, ili zitolee wananchi wote huduma kwa gharama ambayo wanaweza kuimudu, kuliko kutofautisha au kutoa huduma tofauti za afya. Kuna huduma zingine ambazo zinatolewa na hospitali za watu binafsi na ambazo haziwezekani kwa umma! Kuna huduma zingine za afya zinazotolewa na serikali ambazo thamani yake iko chini sana, eti kwa sababu ni huduma zinazotolewa kwa watu wa kawaida. Hayo mambo ya kubinafsisha huduma zingine na kuacha zingine mikononi mwa watu mwishowe yatazidisha umaskini na unyimaji wa huduma kwa maskini, badala ya kujenga usawa katika nchi yetu.

Bw. Naibu Spika, imetajwa pia kwamba mtindo huo ukifuatwa, mwishowe tutafika pahali ambapo hata hewa tutauziwa. Mwandishi aitwaye Ngugi Wa Thiong'o ameandika katika riwaya yake moja kwamba itafika wakati mmoja ambapo maskini watakuja kuuziwa hewa hapa Kenya. Wakati kitabu hicho kilipoandikwa, kilionekana kama cha kufurahisha tu; mtu ayasome maneno hayo na afurahi. Lakini ukiangalia tunakokwenda, tunakaribia pale. Kama tunaweza kuuza maji, tungekuwa na uwezo, hata hewa tungeuza. Siku moja, barabara zitakuwa mali ya watu binafsi. Ukitaka kupita barabara fulani, utakuwa unatozwa kodi. Tunajua magereza katika nchi zingine yamefanywa mali ya watu binafsi hivi kwamba, ukifungwa leo, unapelekwa katika gereza la, tuseme, mhe. Kahindi hapa! Halafu, unakuja kutozwa pesa nyingi. Mambo kama hayo hayastahili kufuatwa. Hatuwezi kwamba, kila wakati nchi za magharibi zikifanya jambo, sisi tunakuwa kama bendera za kufuata tu upepo. Ni lazima tufikirie kwa makini ikiwa mambo tunayoyafanya yanatosha au hayatoshi. Lazima tufikirie ikiwa ni ya faida kwetu kuliko kufuata tu yanayofanywa ng'ambo.

Bw. Naibu Spika, sababu kubwa tunayopewa ya kubinafsisha mashirika ni kuzuia ufisadi ambao umekuwa tatizo kubwa katika mashirika ya umma au ya Serikali. Lakini, ukilinganisha kiwango cha ufisadi unaopatikana katika mashirika ya umma, na ule unaopatikana katika makampuni ya watu binafsi, utakuta ya kwamba mashirika ya watu binafsi ndiyo yenye ufisadi zaidi! Zote tunasoma magazeti na kila siku, tunapata orodha ya makampuni ya watu binafsi yakishirikishwa katika ufisadi wa hali ya juu. Tunasoma juu ya makampuni kama vile Sololo Outlets, Lima Ltd, Goldenberg na Mugoya Construction Company. Makampuni hayo yote ni ya watu binafsi! Kuna mengine mengi! Makampuni ya watu binafsi yanashiriki katika ufisadi mkubwa kuliko yale ya Serikali. Kwa hivyo, kuambiwa kwamba tukitegemeza uchumi wetu kwenye makampuni ya watu binafsi kutamaliza ufisadi, ni kupotosha na kutosema ukweli.

Ukweli wa mambo ni kwamba, hata ukienda ng'ambo, hasa nchi ambazo ni za kibepari, utakuta ya kwamba makampuni ya watu binafsi yanafanya ufisadi wa hali ya juu kila siku! Lakini ukilinganisha namna makampuni ya umma yanavyosimamiwa katika nchi za Skandinavia, utakuta ya kwamba yanaendeshwa vizuri sana. Yanaendeshwa bila ufisadi na kwa namna ambayo ni ya kufurahisha kabisa. Mimi nimeishi kule na nimeona namna watu wa Skandinavia wanavyosimamia hospitali zao. Kwa mfano, utakuta kwamba hospitali zao ni safi kabisa! Huduma zinazotolewa kule ni bora zaidi! Hata ukipewa miadi ya kwenda kupata huduma hospitalini na ucheleshwe kwa muda wa nusu saa, unapewa huduma za bure kwa sababu shirika au hospitali inataka kuchukua mzigo huo

wa kukucheleweshwa.

Bw. Naibu Spika, hata ikiwa ni mabasi au magari ya moshi, yanaondoka kwa wakati wao bila kuchelewa kwa nukta au dakika. Na ukiangalia, utaona ya kwamba wale wanasema wameendelea sana, kwa mfano, Waamerika, wanapotembelea nchi za Norway, Sweden na Denmark, wanatazama nchi hizo na kusema: "Kweli hapa ndipo Mbinguni! Kama kuna mbinguni, iko hapa Skandinavia!" Mimi nataka kusema kwamba nilipoenda Skandinavia, ijapokuwa nilikuwa mkimbizi, kwa kweli nilidhania kwamba nimeingia Mbinguni! Kwa sababu kule, uwe huna kazi, bado utapata riziki. Ukifanya kazi, hakuna kunyanyaswa au kunyonywa. Unapewa haki yako. Utakuta kwamba ikiwa ni akina mama, wamepewa haki zao. Hata walemavu, watu ambao hapa hawana faida na tunawakuta barabarani wakiomba--- Mimi sikukutana na mlemavu yeyote akiomba chochote katika mitaa ya Skandinavia.

Bw. Naibu Spika, ikiwa shughuli za nchi hazikusimamiwa na mashirika ya umma huko Skandinavia, maisha katika nchi hizo hayangekuwa yamefaulu namna yalivyofaulu wakati huu. Mimi ningetaka kupendekeza kwamba, Waziri aliyeleta Mswaada huu, Bw. Mwiraria, na Waziri wake Msaidizi, Bw. Katuku, wote wapelekwe Skandinavia, wakae kule kwa miezi mitatu wakijionea namna mashirika ya umma yanavyosimamiwa. Watakuja hapa wakiwa wamebadilisha nia zao. Hawa Mawaziri wamezoea tu kwenda Marekani, kulikojaa ufasidi. Wanakwenda Uingereza na nchi za kibepari kulikojaa ufasidi, halafu wanakuja kutuambia hapa kwamba mashirika ya umma hayawezi kufanya kazi. Yanaweza kufanya kazi kwa sababu tumeona mahali ambapo yamefanya kazi. Lazima tuwe tayari kwenda huko tujifunze. Tusiwe watu ambao wanaamini ya kwamba Waingereza tu peke yao ndio wanaweza kutufundisha namna ya kuendesha maisha. Ukweli ni kwamba, twende katika nchi ambazo mashirika ya umma yamefaulu na tujifunze kutoka kwao, badala ya kuupitisha Mswaada huu.

Bw. Naibu Spika, kinachosababisha ufasidi katika mashirika au katika makampuni sio mashirika yenyewe. Ni watu binafsi na mtu binafsi ukimweka katika shirika la umma, ni lazima atafanya ufasidi wake katika shirika hilo. Ukimtoa kwa hilo shirika umpatie kampuni yake binafsi, bado ataendesha ufasidi katika kampuni hiyo yake ya kibinafsi. Dawa ya kumaliza ufasidi sio kutoa mashirika ya umma na kuweka watu binafsi kama mhe. Godana, lakini dawa ni kuhakikisha ya kwamba kama mhe. Godana ni mfasidi, asisimamie kampuni yake au shirika la umma. Ukimng'oa, utakuwa umeng'oa ufasidi. Lakini hata umpatie kampuni yake binafsi akiwa mfasidi, bado ataendesha ufasidi.

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

Mr. Wamwere: Bw. Naibu Spika, sijasema ya kwamba mhe. Godana ni mfasidi. Ninatoa mfano wa uchesi tu!

Mr. Deputy Speaker: Order, Mr. Wamwere! You must learn that whenever you are asked by the Chair to stop talking, you must stop. I have noticed that whenever you are told "point of order", you continue talking. Now, I have given the point of order to Dr. Godana. Could you please listen to what he has to say?

Dr. Godana: Mr. Deputy Speaker, Sir, I must apologise. I was a bit inattentive but when I heard my name, I turned alert and I heard him talk about corruption but he said that he did not say anything negative about me. Could he confirm that?

Mr. Wamwere: Bw. Naibu Spika, Waswahili husema Mgala muuwe, haki yake umpe. Hata hivyo, ni vizuri ya kwamba mhe. Godana amethibitisha kwa kweli ya kwamba sikuwa namkashifu. Nilikuwa natumia jina lake kama mfano tu, kwa kusema ya kwamba chanzo cha ufasidi ni usimamizi mmbaya na usimamizi huo mmbaya ukipatikana katika kampuni ya mtu binafsi, bado utakuwa ni ufasidi. Ukiwemo katika shirika la umma, bado utakuwa ni ufasidi na kwa hivyo, dawa ni kung'oa wafisadi na kutowapa nafasi ya kuendesha mashirika; yawe ya umma au

yawe ni ya watu binafsi. Lakini hapa, badala ya Mswada huu kulenga kutuondolea watu wafisadi, naona ya kwamba unalenga zaidi kuchukua mashirika na kuyapa watu hata bila ya kuthibitisha kama watakuwa watu wafisadi au watukuwa ni watu wanyofu.

QUORUM

Maj. Madoka: Mr. Deputy Speaker, Sir, do you note that there is no quorum in the House?

Mr. Deputy Speaker: Well, there is no quorum. Could the Division Bell be rung?

(The Division Bell was rung)

Hon. Members, we now have a quorum. Proceed, Mr. Wamwere!

Mr. Wamwere: Bw. Naibu Spika, nilikuwa nasema ya kwamba kasoro iliyofanya mashirika ya umma katika nchi hii yaanguke, haikupatikana eti kwa sababu mashirika hayo yalikuwa ya umma au ya Serikali, lakini ni kwa sababu pia nchi hii ilikuwa na uongozi mbaya sana wa kisiasa; uongozi ambao uliingilia usimamizi wa mashirika hayo. Watu walipopewa mashirika hayo wasimamie, walikuwa wanapewa, ili wajitajirishe. Mimi nakumbuka wakati moja nikihudhuria sherehe ya kuchanga pesa za Harambee, nilimsikia Rais akisema ya kwamba ni afadhali wale ambao wanachuma wanapofanya kazi na kile wanachochuma wanatoa kidogo kwa wale ambao hawana.

Bw. Naibu Spika, kama katika Harambee kiongozi wa nchi ataweza kuwaambia wasimamizi wa mashirika ya umma ya kwamba ni sawa sawa kuyafilisi na kuchukua walichopewa wasimamie eti kwa sababu wakati mwingine watatoa kidogo cha hicho wachangie mradi wa Harambee, ufisadi huo ndio uliomaliza mashirika yale. Sio ya kwamba yalikuwa ya umma, lakini ni kwa sababu uongozi ulikuwa mbaya. Ulikuwa ni uongozi wa kutetea ufisadi na waliopewa kusimamia walijua walikuwa wanapewa ili wajitajirishe kwa mashirika hayo. Kwa hivyo, ukiangalia, utakuta namna mashirika ya umma yalivyozidi kudidimia na yalivyozidi kuzama, ndivyo wasimamizi hao walizidi kutajirika. Na watu hao hao walikuwa hata wanaenda kuchukua pesa kutoka hazina za mashirika hayo na kuzipeleka kwa mikutano ya Harambee, hata bila kuficha. Mtu alikuwa anachukua Kshs2 milioni za shirika anaosimamia na anaenda kuchanga kwa Harambee na kusema:- "Huu ni mchango wa shirika ninalosimamia". Hakuna mashirika yanayoendeshwa namna hiyo ambayo yanaweza kukaa bila kuangamia na hiyo ndiyo ilikuwa sababu kubwa ya mashirika hayo kutofanya vizuri.

Bw. Naibu Spika, kama tuna haja ya kuyavusha, tunaweza kuyavusha. Tunaweza kuyasimamia vizuri kwa sababu naamini ya kwamba uongozi tulio nao ni uongozi tofauti. Ni uongozi ambao unazingatia uadilifu na hauna haja ya kutajirika haraka kama unavyoangamiza mashirika ya umma. Kwa hivyo, ya kwamba sasa tuna uongozi tofauti, tunaweza tukafikiria kama kweli tunaweza kuyapa mashirika haya nafasi ya pili, tuone kama yatapona ama yataendelea kudidimia. Na watakaopewa kazi ya kusimamia mashirika haya, wajue mtu akichukua pesa za umma na kuziweka mfukoni mwake, tuwe tayari kuwaadhibu, kwa sababu usipomwadhibu mwizi, utakuwa unampa moyo wa kuendelea kuiba.

Bw. Naibu Spika, najua wengi hapa hawatakubaliana na mimi nikisema ya kwamba wakati mwingine, nafikiria mfano tunaostahili kuiga katika kuwaadhibu wafisadi ni mfano wa Wachina.

Bw. Naibu Spika, ukiiba kule Uchina, basi jua utanyongwa au utapigwa risasi. Kwa sababu wafisadi wanaelewa adhabu watakayopata ni kali, hawathubutu hata kidogo kufanya ufisadi. Lakini hapa Kenya, ambapo wafisadi wanahesabiwa miongoni mwa mashujaa---

Bw. Naibu wa Spika, kwa hayo mengi, naomba kupinga Mswada huu.

Dr. Godana: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to make some very modest contributions on the debate on this Privatisation Bill.

In principle, the idea of a privatisation Bill is most welcome. In fact, privatisation law has been long overdue. It is proper that we transfer ownership and control of public assets from the public sector to the private sector. The process of such a transfer should be as transparent and as fair as possible and, therefore, be done in accordance with the established rules which are predictable so that citizens who feel something underhand is being done, can point to the rules and say, "Here, you are not following the rules." The reason is that these assets are the collective savings of Kenyans. If, for example, it is Telkom Corporation, then, it represents the collective savings of Kenyans over the last 40 years. It is right that when we transfer those collective savings from the Kenyan public to private ownership, the public should be satisfied that the process is just, transparent and without unjust enrichment on the part of those who may be in position of making key decisions. For that reason, therefore, the idea is most welcome. However, going through this Bill, I think it has been so badly drafted and sufficient safeguards are not vested in it. For that reason, I stand to oppose the Privatisation Bill and wish that the Minister withdraws it so that he can negotiate better with all Kenyan stakeholders for a better deal.

(Applause)

Mr. Deputy Speaker, Sir, the whole idea behind this Bill is to put the privatisation process squarely in the hands of the Executive, that is, the President and the Cabinet. We are told that the Minister will prepare the programmes for the Commission, then, submit them to the Cabinet and once it has approved the proposals, there is no chance again for citizens outside the Executive to have a say or carry out a watchdog function. I want to remind this Government and the Assistant Minister who is representing the Minister here, that the NARC Manifesto stated, in black and white, that all appointments of Government officers to senior public positions shall be subject to parliamentary approval. Today, not a single one has been brought here and they have no intention of honouring that pledge to Kenyans. That means, they went out to cheat. They conned their way to power because people believed that there was going to be a genuine change. I find it ridiculous that the appointment of the Chairman of the Privatisation Commission is under the hands and privilege of the Executive alone. We can now see the opportunity for those who want to take advantage of privatisation to staff the Commission with their own people. I also find the provision that says that the Commission shall appoint a valuer to value the assets wanting. I wish, in fact, it provided that the process of appointing the valuer or valuers--- I think there should be a minimum of three valuers to ensure that there is real competition. Otherwise, this is how you abuse the whole process of valuing what you intend to buy.

Mr. Deputy Speaker, Sir, the whole question about the philosophy of privatisation has not been handled properly in the sections that deal with the goals of privatisation. It is important that the vision is kept clear. Why do we want to privatise? The list of reasons or supposed benefits for privatisation mentioned here sound very cheap to me. For example, one of the goals of privatisation suggested in this Bill is to raise money or revenue out of the proceeds that come from privatisation. That will be a one-time revenue benefit. You are not going to sell Telkom Corporation every year! You will only sell it once. The money will go into the Budget for that particular year and that will be the end. So, that should not be the guiding principle of why we want to privatise.

As I said earlier, I support the idea of privatization in principle. Why? I think this should be the guiding philosophy. The Government is generally an inefficient provider of goods and services and, correspondingly, the private sector or the individual who is motivated by personal profit

because the business concern is his or hers tends, in general, to be a much more efficient provider of goods and services. Even where parastatals in this country should have made profits, they have not done so because the people responsible for their management have never really treated them with the due diligence and care that private owners would treat their own properties. As I said earlier, generally, there are certain areas of strategic services and provision of goods where the Government must actually remain in place.

Mr. Deputy Speaker, Sir, it is obvious that this transition is taking place all over the world. It is obvious that our partners in development and the multilateral donor institutions support privatization. But I think that it is also important, without going against the wind of what is in the global vogue, to dig in certain areas and preserve our national interests. What are these national interests? I want to give you an example.

Ethiopia has, for the last ten years, been the biggest World Bank portfolio in Sub-saharan Africa when it comes to donor resources. No other Sub-saharan black African country continues to receive massive resources for development, infrastructure, roads, hydropower, education and what-have-you as Ethiopia. Granted, that for many years, when Ethiopia was under military rule, they had been excluded from the benefits or the largesse of those institutions. But it is also important to note that the same Government which has come into power is still pursuing certain hardline policy options that they said they would pursue when they were, in fact, a Marxist movement. Now, they say that they have renounced Marxism. But, for example, they have insisted that their privatization programme will give priority to Ethiopians. They even told the World Bank and the International Monetary Fund (IMF), regarding the privatization of banks and financial institutions, that nobody but Ethiopians would be allowed to buy those institutions. What was their reason for that? These were the collective savings of the Ethiopian people, and they felt that it will be improper that those should be acquired cheaply by outsiders.

That is not to say that we do not want foreign investments. I think this Bill could have done much better if it came with clear proposals on how you want to safeguard a strategic share in the cake that is being privatized at the beginning for Kenyans, if not to maintain a monopoly. I know there is a provision that the Minister made in certain areas to decide that certain assets be reserved on a priority basis for Kenyans, indigenous Kenyans or Kenyans of a certain category. But those rules need to be defined very clearly. For example, it may be necessary to say that minimum control of 51 per cent of the shares of the Kenya Commercial Bank has to be in the hands of Kenyans if it is going to be privatized. Similar provisions should be applied and some formula can be worked out, and they can come up with these formula.

Mr. Deputy Speaker, Sir, without going too much into the details of each and every provision, I think the principal objections that I have to the Bill as I said earlier, are that:-

(1) It does not sufficiently safeguard the interests of Kenyans; and,

(2) Even more seriously, I find that the whole tenure of this Bill seeks to put the power of taking control of private assets; of deciding who will take control of private assets squarely in the hands of the Government, and I see a danger here which we cannot ignore especially in these days when we see the NARC Government behaving as if it believes that there is no tomorrow and, therefore, they want to enrich themselves today.

With those few remarks, I beg to---

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

On a point of information, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Do you want to be informed, Dr. Godana?

Dr. Godana: Yes, I will be glad to be informed.

Mr. Deputy Speaker: But you finished making your contribution!

Dr. Godana: No!

Mr. Deputy Speaker: No, you finished!
Proceed, Mr. ole Ntimama!

(Laughter)

Mr. ole Ntimama: Thank you, Mr. Deputy Speaker, Sir. One does not need to be a legal professional or a draftsman to know that this Bill has been prepared so unprofessionally that we do not know what will happen when it becomes law. It is very difficult to imagine that this Bill, which is so badly drafted in such a hurry to try and privatise parastatals, will be implemented with it becomes law.

I support privatisation. I also support a situation where we will move from public to corporate business. Even if there is some looting, finally, it is the private and the corporate businesses that will deliver better than the public institutions. I wish to request the Minister to withdraw this Bill and redraft it afresh, so that we can get a good law. This Bill does not seem to have a focus at all. It cannot be implemented. It was a mistake to introduce the Bill to the House the way it is.

Mr. Deputy Speaker, Sir, for the last 40 years, there have been very many programmes of privatising some of the parastatals in this country. I have not seen any job done properly. All these jobs of privatisation have been done haphazardly and they have never been concluded at all. Privatisation has always been controlled by personal interests. There was a very good reason to support parastatals and revive them. This was meant to jumpstart the economy of this country. Which parastatal is working today? Which parastatal is serving Kenyans today out of the scores of parastatals that have been established in this country? All of them have been looted. Most of this money has gone into individual's pockets. The country has suffered and the economy has crumbled. These parastatals were established to support the economy of this country, but they have not. They have supported the pockets of individuals. I wonder whether valuation of these parastatals will be properly done to make sure that the valuations given by professional valuers will be followed by the Government when privatising these parastatals.

It is also true that most of these parastatals have been milch cows for some powerful individuals, for example, the Kenya Power and Lighting Company, Telkom Kenya and other major parastatals. These parastatals were supposed to serve and promote the economy of this country. However, they have been looted and continue to be looted today. Most of the people who have looted these parastatals are still in power and have made a lot of money for themselves because there are no deterrent measures. There is nothing that will deter these people from destroying these parastatals.

Mr. Deputy Speaker, Sir, if it was not for the fact that this Bill was badly drafted Bill, I would support privatisation in principle. It is better to go corporate than being public. Here, again, we have to find a dividing line between - what we called in old Communism and---

Mr. Kipchumba: On a point of order, Mr. Deputy Speaker, Sir. Given that we have reached a stage where hon. Members are virtually repeating what has been said, would I be in order to request that the Mover be called upon to reply?

Mr. Deputy Speaker: I would not like to do that. First of all, Mr. Kipchumba, you have already spoken. Normally, it should be someone else to request that the Mover be called upon to reply. Nevertheless, the Chair is still not satisfied that the Bill has been adequately debated. Maybe I can consider that at another time.

Proceed, Mr. ole Ntimama!

Mr. ole Ntimama: Mr. Deputy Speaker, Sir, I can see that many hon. Members still want to contribute to this Bill. It is only fair to give them an opportunity to do so.

Just the other day, I said that we are losing the war against corruption and a Member of the Front Bench stood up and said that I was probably playing to the Gallery. In the many years that I have been in this House, I have never played to the Gallery. I have my own principles. I meant it when I said that we are losing the war on graft. These parastatals are all graft-ridden and, unless we control corruption in the public sector, this country will continue to sink low. This country was an economic colossus in the region. Now, it is an economic dwarf even compared with countries like Tanzania and Uganda. This has been because of corruption, which does not seem to be stopping at all. If we lose this war, we could probably lose the backbone of ruling this country as a Government. We are probably going to live in a poor man's house, if these things continue the way they are.

Mr. Deputy Speaker, Sir, the level of poverty in this country is rising. Today, nearly 64 per cent of our people live below the poverty line. It is worse for the pastoralists, whom I represent. About 75 to 76 per cent of the pastoralists are living below the poverty line. The pastoralists have neither water nor dams. As a matter of fact, the Government must start thinking of what to do to stop corruption. If it is not stopped, we will sink lower and lower. We will look so small in the region, which is probably not very good for a country like Kenya which, as I have said, has been an economic colossus.

I support some previous speakers like Dr. Godana. The appointment of commissions and tribunals must be done with care.

Maybe the Cabinet can propose, but ultimately this Parliament must be given the final authority to appoint some of these people. This is the only fair and truthful way of appointing commissions and tribunals. I hope that the Government is serious. I know that the President was serious when he said that we were going to get a new Constitution by the end of June. Parliament should be given the authority to monitor some of these appointments, so as to either confirm or refuse to confirm the names of those appointed.

This Parliament has the right to confirm, monitor and investigate the right people to run our parastatals and other institutions. It is important that we support the fact that the Draft Constitution must be put in place. We cannot continue to cheat members of the public. Some people have been saying that the Draft Constitution is not good for Kenyans. Who are Kenyans? They are the 72 per cent people of Kenya who supported the Draft Constitution at Bomas. Those are the Kenyans that I know of, and not a few individuals who look after their own interests and egos.

Mr. Rotino: On a point of order, Mr. Deputy Speaker, Sir. I hate to interfere with my friend, but he is so irrelevant that he is talking about the Draft Constitution instead of the Privatisation Bill.

Mr. ole Ntimama: Mr. Deputy Speaker, Sir, I am trying to say that Parliament is very important. I want the Draft Constitution to be implemented, so that Parliament can have the right to confirm some appointments, including those of members of a commission like the one that will be dealing with the privatisation of parastatals.

Mr. Deputy Speaker: That is exactly how I understood Mr. ole Ntimama's contribution. He alluded to the Draft Constitution to empower Parliament to approve appointments. He is not irrelevant.

Mr. ole Ntimama: Mr. Deputy Speaker, Sir, probably what Mr. Rotino is going to say will be more irrelevant.

(Laughter)

I want to say frankly that what I have said is important, and is part of what we are talking about. I still say that this Bill should be referred back to the Ministry for it to draft something better.

With those few remarks, I beg to oppose.

Mr. Khamasi: Thank you, Mr. Deputy Speaker, Sir, for giving me this chance to say a few things about this Bill. I will be very brief, because what I would have contributed has already been said.

However, this Bill is long overdue. It should have been brought here a long time ago. In fact, the privatisation that has been done in the past is a sad story. It is a sad story because the wealth of Kenyans was given away to a few individuals without proper compensation. I would prefer that the Minister looks at this Bill once again and brings in a clause to ensure that those who stole from the people of Kenya can have their properties repossessed, or made to pay its worth. Most of the people who got what belonged to the people of Kenya, got it only for a song and proper compensation was not paid.

Mr. Deputy Speaker, Sir, this is a bad Bill. I say so because it is not homegrown. It is a Bill which has been imposed on this Government, and it has brought it here without giving it sufficient thought, or including in it the input of Members of Parliament. It is no wonder that it was exempted from being referred to the relevant House Committee.

We are literally giving away what Kenyans have worked for, for very many years. We do not know to whom we are giving and what we are giving away. Kenyans have established their parastatals over the years with very large capital bases, and we want to privatise these parastatals without giving any direction on how this will be done. It is very important that this is looked at. I want to plead with Members of this House, particularly on the opposite side to realise that killing this Bill does not solve the problem. We can kill this Bill tonight and tomorrow the Government will go on doing what it has done in the past.

It is better that we actually pass this Bill and amend it at Committee Stage in the manner in which we think is reasonable, so that at least there is an Act in place which can direct privatisation. We might decide to kill this Bill today, but next week, the Government will continue privatising State corporations and there will be no law guiding it. It is very important that at Committee Stage, every Member of this House who feels very strongly about certain clauses, which can be amended or introduced, should bring them to this House so that this country can have an Act which can regulate privatisation. This is what we have been crying for.

I want to plead with everybody here that we pass this Bill, but amend it at the Committee Stage the way we want. I want to tell my friends on the opposite side that we are not happy with this Bill the way it is, but it is necessary that at least this country has got an Act in place, which can actually guide and regulate privatisation, which has been done in a very haphazard manner, which has robbed Kenyans of what they have worked for, for very many years.

With those few comments, I beg to support.

Mr. Kosgey: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity. I will also be very brief. Why did the Government invest in the first place? It invested because Kenyans did not have money. We did not have the necessary capital to set up businesses. Now that some Kenyans are in a position to buy these businesses, the Government has no business involving itself in business. It is there to provide a conducive environment and the necessary infrastructure for business to thrive in this country. Therefore, the need to privatise. However, this being Kenyans' wealth, which has been invested on their behalf by the Government, who should then own these privatised assets? It should be Kenyans. When I talk of Kenyans, I mean the majority of Kenyans. This wealth should be spread out to cover each and every corner of the Republic. This can be done only through the Nairobi Stock Exchange.

Mr. Deputy Speaker, Sir, this Bill is wrongly drafted. I think the Government should withdraw this Bill and actually bring it back so that it provides for privatisation through the Nairobi Stock Exchange. That way, it will receive the support of each and every Kenyan.

Now, who is a strategic partner? A strategic partner is somebody from overseas who has got a little capital and who comes to buy our assets at a throwaway price. We have heard of strategic partners coming from countries as far as Zimbabwe. Do you really believe that there is money in Zimbabwe to be invested here? We are allowing our property to be taken by other countries when Kenyans are there. Whenever there is a floatation in the Nairobi Stock Exchange, we have had it---

The Assistant Minister for Labour and Human Resource Development (Mr. Odoyo):
On a point of information, Mr. Deputy Speaker, Sir.

Mr. Kosgey: I do not want any information.

The Assistant Minister for Labour and Human Resource Development (Mr. Odoyo):
On a point of information, Mr. Deputy Speaker, Sir.

Mr. Kosgey: Aah! *Umezoea. Wewe keti chini.*

The point I am trying to make is that whenever we have had a floatation, it has always been oversubscribed. This means Kenyans have money. I am glad that the Minister is here because we want to privatise, but to Kenyans only. We do not want foreigners to buy what we have already set up. If there is any foreign capital, let them set up new ventures, which are not owned by us. We do not want our parastatals being bought at a throwaway price.

[Mr. Deputy Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, the Minister should take this Bill back, redraft it and allow Kenyans to buy parastatals through the stock exchange. We should even have a clause providing that no individual should buy more than a certain number of shares. Acquisition of shares should be evenly spread. We have had in the past very poorly done privatisation, where valuations were not done. In fact we never knew who did the negotiations. The next thing you heard was that an individual had bought a very strategic company, which was meant to be for the benefit of all Kenyans. This Bill should also ensure that the assets of Kenyans, which for some unknown reasons have fallen into private hands at a throwaway price--- We have had hotels which were owned by Kenyans privatised through private treaties.

In the Draft Constitution we have a provision for and approval by this House of appointments to various parastatals. Although we do not have that law in place, I do not see the reason why there is no similar provision in this Bill. There is nothing to prevent a provision in this Bill to the effect that appointments of members of the proposed commission will be approved by this Parliament. We had better start doing what Kenyans really want. They want Parliament to approve all that the NARC Government has been doing arbitrarily. For example, it has been appointing old people who have long passed their sell-by-date. If their appointments were brought to this House they would never have been approved.

I, therefore, support and propose that the Government actually withdraws this Bill immediately, to go and re-draft it properly to accommodate the sentiments that we have expressed; otherwise, we will defeat it. We would not want to defeat this Bill because we want an Act of Parliament that provides for privatisation. If the Government withdraws this Bill, redrafts it so that it contains the provision that Members of Parliament will approve appointment of members of the

commission and the privatisation programme, which is mentioned in the Bill, then we will pass it.

With those few remarks, I beg to oppose the Bill the way it is.

Mr. G.G. Kariuki: Mr. Temporary Deputy Speaker, Sir, I will not spend a lot of time on this debate because it has been quite clear from the time we started debating it that it needs some re-examination. We have to ask ourselves several questions. Why did we start the way we did? We have discovered that there are problems, but what problems are these? Has this Bill been explained effectively? At Independence we formed parastatals. Forty years later, we are trying to dismantle what we formed many years back. What is the problem? Is it mismanagement? Supposing all parastatals are economically viable and they are generating money for the Government, would we still privatise them? These are the questions we need to ask ourselves. Are we privatising our State corporations because we cannot manage them? Why can we not manage them?

Mr. Temporary Deputy Speaker, Sir, after Independence, we did not allow privatisation. We all went public. At that time, some countries were referred to as capitalists and other as socialists. For example, in Tanzania, there was no private institution which was accepted by the *Ujamaa* philosophy. However, Kenya ventured into creating a capitalistic base. We will continue to do so. If all parastatals are sold to the private investors, we should ask ourselves who in particular will buy them? Will it not be foreigners of Asian or European origin? Why should we sell our national assets? Why can we not convert them into public companies by selling shares to our people? We know that in this country, the public has a lot of money. These parastatals would be bought by money saved by Kenyans. It is only a matter of three, four or five people coming together and talking to a bank and seeking for a consortium and the three or four banks will support them to take over these assets.

Mr. Temporary Deputy Speaker, Sir, whether those assets will be sold on commercial market rates, we do not know. When the previous regime disposed of a few public assets, it sold them to politically-correct individuals. These were the people who were given the opportunity to buy those assets. Of course, they did not buy those assets with their own money, but they used public savings. Even today, it would be the same. So, why can we not use public savings to have more of our people buy these assets, rather than to sell them to a few individuals? The public could be requested to buy shares. Any company in this country can be bought by the public. We have seen in the past that whenever the Government wants to sell a public asset, it is over-subscribed by Kenyans. So, the philosophy of what we are trying to do now; changing from what we have been doing before, needed to have been discussed fully in a Parliamentary group meeting; either the Speaker's *Kamukunji* or by a meeting of all hon. Members of Parliament, so that we understand fully why we are changing the direction. Is it out of the pressure by the World Bank (WB) or the International Monetary Fund (IMF)? Are they the ones who are forcing us to privatise our State corporations? Is it because we cannot manage them?

Mr. Temporary Deputy Speaker, Sir, for example, if we open up to sell our State corporations to foreign investors, I am sure, almost all will be bought by South Africans. They have found a sleeping nation which is called Kenya. We are calling it a "working nation", but it is totally a sleeping nation. That is because now, the South Africans have dumped all their goods in this country. This country has become a dumping ground for all those things and yet, we are negotiating with them to buy what is remaining with us.

I think we must go back to the drawing board. The Minister for Finance must listen to what hon. Members are talking about. That is because "killing" this Bill will also not be a very wise idea. The best thing is for us to agree to pass it in the Second Reading, and refer it to a Committee before the Third Reading, so that we can have consensus. Now, this country works on a consensus and that

is a fact. The Government and the Opposition need to sit down and agree on whether we are doing it for the national interest, or we are just doing it to please certain bodies in and outside this country. That is what we must do. Why have we failed before? Who said that we cannot - with the transparency in the new political environment - manage those things properly? There are so many bodies which are monitoring corruption. Those bodies can easily detect those who are misusing the finances of those companies.

Mr. Temporary Deputy Speaker, Sir, again, you would see, at the end of every year, during Jamhuri Day, every company would publish something in support of the sitting President. Whoever tells them to do that, God knows! Nobody tells them not to behave that way. I think a business is a business and, therefore, you cannot afford some money to misuse in any business, unless you are getting under-hand money. That is what the truth is.

I would urge the Minister, as I stand here, to kindly re-think and see if he could agree with the sentiments expressed by hon. Members, and try to bring this Bill back for renegotiation, so that every hon. Member here would accept that the philosophy is clear and understandable.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Kaindi: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to say a few things regarding this particular Bill. I know a lot has been said by my colleagues, but I want to start by saying that it was a great misfortune that this Bill was not referred to the Committee that I belong to, which is the Finance, Planning and Trade Committee. We should have looked at some of the issues and, probably, guided the House into the debate. But now that the Bill is here, I think it is important that we point out a few things that we think are right, and a few things that we think are wrong, so that in the process of finally passing this Bill, we can provide Kenyans with a Bill that makes sense.

Mr. Temporary Deputy Speaker, Sir, the question of privatisation in this country refers to privatisation of parastatals. But when one looks at the Public Investments Committee (PIC) reports that have been passed by this House year in, year out, one wonders whether it is not really necessary, first, before we even talk of privatisation, to prepare a separate report on the current status of each of those enterprises. If you look at those reports, and even if you look at the executive summary which is usually tabled before the so-called "Big Five" in this country, it speaks of volumes of mismanagement of those enterprises that we are talking about and saying that they should be privatised. Therefore, my view is: Before we even privatise, let us ask ourselves: Where did we go wrong? It starts with the roles. The role of the Controller and Auditor-General must be clearly specified. As a Member of PIC in the Eighth Parliament, we found instances of conflict of interest, where the Controller and Auditor-General would pose questions as to how parastatals are being managed and disbursements to those parastatals, when we knew that, as a matter of fact, the Controller and Auditor-General is one of the principal signatories to the Consolidated Fund. He is supposed to disburse money. He is supposed to be a signatory. He is also supposed to audit. I think those roles must be clearly spelt, even before we talk about privatisation. Today, if you are talking about the current state of the parastatals, there are so many abandoned projects! Nobody is telling us what is happening.

The Public Investments Committee, in its reports, has pointed out many times that it is important to determine the status of the projects within the parastatals. If you look at the National Social Security Fund (NSSF), it has very many unfinished projects. The same applies to the Kenya Medical Research Institute (KEMRI). There are houses there that have never been finished and we are still talking about privatisation. We are not giving details on how we are going to handle those particular assets. Granted, we are talking about valuation of assets, but what is the current state of those assets? We have pending arbitration cases in court concerning works, professional and

otherwise, that was undertaken with respect to those projects. Nobody is telling us, this is the way the Bill is going to provide wisdom towards determining those projects. And here we are saying, this is a good Bill, it is going to help this country. How will it help this country? Look at the Kenya Meat Commission (KMC), for example. It is moribund and nobody has made a decision on which way forward. We are talking about the KMC being re-opened as one of the strategic parastatals and yet, we have not decided whether to privatise it now or after it has been re-opened.

Therefore, I think, before we allow privatisation to take effect, let us go back and take stock. These parastatals are not very many. Let Parliament be appraised of the current status of each parastatal; the state of their assets, the valuation status of their assets, so that we can be able to say, yes, we are providing a Bill that has wisdom, but not a general Bill that spells to us principles that are not going to help this country.

I do not even want to go far, because today, there are individuals who have lined themselves so that when this Privatisation Bill goes through, they will be able to get these parastatals for a song. I have even heard that there are concessions now being worked out to privatise the core business of railway lines, just like we did privatise the core business of the Kenya Ports Authority (KPA). One of its principle core business was grain handling. It was privatised haphazardly, and that took away 33.3 per cent of the core business of the port. We gave the grain handling to an individual. We have not even been told by KPA how much now it has been able to collect as opposed to when KPA itself used to manage that particular sector.

If you look at all the parastatals, you can departmentalise their operations into small segments and you are able to say the criteria of privatisation for this particular one ought to be this way. But is that provided in this Bill? We have a Bill spelling out principles; a Bill that does not look into issues; a Bill that does not look into specifics. We are not talking about privatisation of things that we do not know. We are talking about privatisation of parastatals that we very well know and each Member here is able to address the problems within those parastatals.

The current Chairman of the Public Investments Committee (PIC), for example, should have come here and given us a brief before we even talk about this Bill. I have heard Members saying it should be shelved. That may be one way of dealing with it. But my view is that if wisdom has to prevail, let Members be prepared to come here with as many amendments as possible so that the Minister for Finance can see the wisdom in what they are saying, that this is a bad law.

Therefore, I am saying that when we talk about privatisation, let us remove personal interests from these matters. We used to classify parastatals into strategic parastatals and others as service parastatals. Today, as we talk about privatisation, we are not talking about the strategic parastatals. The National Cereals and Produce Board (NCPB) is strategic to the farmers and so is the KMC for the livestock farmers. If you talk about the Kenya Railways Corporation, it was not mainly created to make money; it was created mainly to provide an important service to the people of this nation. I am told through certain quarters that the concession intended for Kenya Railways Corporation is to privatise all the container handling from the port through railway lines. It is not going to be done by the Kenya Railways itself; it will, probably, be done by individuals.

I think we need to re-think about these things. Let the Government be sincere in its intentions. We cannot talk about a privatisation Bill when, on the other hand, we are very busy making programmes on how to privatise certain segments of those parastatals.

Therefore, this might be a good Bill, but I am saying Parliament has the right of determining the way our parastatals are going to be dealt with.

I will not talk about personnel, but I want to talk about audit. At one time in the Eighth Parliament, the privatisation of Kenya Reinsurance Corporation was brought to this House. There was a lot of gusto and muscling, so that, that Bill could be passed. We knew there were pending

issues. We knew the audit report that had been provided was shoddy. We have even actually found out that the so-called professional audit organisations can be compromised. The report that was brought to this particular House did not talk about the sale of a Kenya Reinsurance Corporation farm near Karura Forest. As a Committee, we told the Minister for Finance, "No, you cannot do it. Let us have a clear audit report which states categorically, the state of that parastatal." As we talk about privatisation today, nobody knows what is happening in Kenya Reinsurance Corporation.

There are parastatals that we need to have insight into before we discuss these matters. I am asking, which other way do we go? We have reports in this House. As a PIC, we would have looked at some of these summary reports and made a conclusive report to this House, which would have guided Parliament and this House into re-looking into this Bill properly.

Without audit, we are wasting our time. We cannot discuss about privatisation when we do not have the audit report. It spells doom on the intentions of that Privatisation Bill. Therefore, I want to join my colleagues in saying yes, to the Privatisation Bill, but we must caution our Minister, that what he has to do must be devoid of influence from other quarters.

With those few remarks, I beg to support, with amendments.

Mr. Chepkitony: Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to also contribute to this Bill, just as my colleagues have done. But I will be very brief because most of the points have been raised by the various speakers.

I would like to mention that for the last 12 or so years, since 1993, we have been talking of privatisation in this country. I think we should learn a lesson from what has been done from 1993 up to now in the privatisation process. The drafters of this Bill should have drawn lessons learnt from the exercise which was done. I see in the Bill, the Commission that is going to be created will not look any different from the privatisation unit which was in the Treasury.

Mr. Temporary Deputy Speaker, Sir, in the Privatisation Commission, we should have representatives from various sectors. We should not only have the parastatal sector or people appointed by the Minister, but we should allow the Federation of Kenya Employers (FKE), Kenya Association of Manufacturers (KMA) and other privately-run bodies to participate and help guide the Privatisation Commission. This will then ensure that we have a balanced way of handling the issue of privatisation. This has not been taken care of in this Bill.

Hon. Members have asked why parastatals were formed since Independence. Even before then, the colonial Government used to have parastatals like the Postal Services, Telecoms and other key infrastructure. Some of these parastatals were formed to provide necessary infrastructure. In order for the economy to take off faster after Independence, the Government felt that the State should also participate. This is because if we were to rely entirely on the private sector, possibly the pace of development would have been slow. However, we have to find out why we are going back to privatisation. The Government wanted to pull out of private business because parastatals had become a burden to the Treasury Budget. We wonder why they had become a burden and yet when they were started, they had an intended purpose. I think it is mainly because of poor management. I still believe that parastatals have a role to play in any economy. We should still pursue the mixed economy we have had because privatising everything will not assist the country. There are many countries in the world which still maintain parastatals and their economic growth is fantastic; it is growing well. Look at India; they still have a lot of parastatals and there are so many other countries. We should be careful because if we say we are privatising and we are anxious of having foreign investors, some of them may come but are after making profit. They are motivated by profit and will not come here for free, but to invest and get high returns from their investments. Before they come, they assess us, and when they say that they are going to privatise, we should not be enthusiastic because they are not going to do that.

We may not also rule out sabotage from outside. Somebody mentioned South Africa; that they will come and invest. They may come and buy a parastatal, but they will not run it. They will close it and will then bring goods from their country and flood the Kenyan market. What they will do is to try and create a market here by buying the parastatals which are running. They will then import whatever they have from their country. I believe we should have a section in the Bill which would provide for an agreement between us and the investors. It should be clear that, upon buying the parastatals, the investors should run, invest and expand the parastatals failure, to which the Government will have a right to repossess them. Or there should be a concession so that these people will not come in the name of buying a parastatal to run it.

I am saying this because many of the parastatals which were bought in the last years have gone under. Look at the textile sector. Those companies that were privatised are not running the way they were when they were parastatals. We need to really look at every sector of the parastatals because there are different types of parastatals. There are those that are very attractive, like Telkom Kenya, Kenya Power and Lighting Company (KPLC), the Kenya Railways Corporation and the Kenya Ports Authority. These are key parastatals which provide the necessary infrastructure for the other sectors. Other sectors of the private industry rely on them. They are more attractive and must be privatised by floating shares in the Stock Exchange. Definitely, many people will buy the shares.

I have mentioned that we have non-attractive parastatals, like those dealing in textiles and the Kenya Meat Commission (KMC), which are mainly farmer-supported organisations. If you privatise them, people whose main motive is profit-making will not invest in them. Even if they invest, they will not provide the necessary infrastructure for disadvantaged areas, which require Government support.

Mr. Temporary Deputy Speaker, Sir, I do not want to repeat what other hon. Members have said, but we should differentiate the various types of parastatals, so that we know how to go about their privatisation. I will only comment on the proposed Privatisation Appeals Tribunal. I maintain that its proposed membership is not representative of the whole society, or the business community. There should also be appointments to the Tribunal from the private sector and, preferably, from the Kenya Seeds Manufacturers or the Federation of Kenyan Employers (FKE) and other bodies, so that it is not seen to be a purely Government body.

With those remarks, I beg to urge that the Bill be withdrawn and redrafted afresh.

The Assistant Minister for Lands and Settlement (Mr. Ojode): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to debate on the Privatisation Bill.

On the very onset, I would like to commend the Minister for bringing this Bill to this House to be debated on. I oppose the shelving of the Bill, as suggested by some of my colleagues. However, we can amend the Bill as it is.

Mr. Temporary Deputy Speaker, Sir, you are aware, just as other colleagues of mine have so far said, that we need to look at the legal framework in privatising these companies. You will agree with me that, for the last three years, the process of privatisation was implemented with certain people in mind, who tried to purchase those companies outrightly. The process was abused. For instance, the Kenya Co-operative Creameries (KCC) was sold at Kshs487 million despite the fact that it had assets in excess of Kshs4 billion. Somebody somewhere was interested in taking it at a throwaway price. What happened to Kericho Tea Hotel, with over 20 acres of land? It was sold for Kshs4 million! That shows the level of vested interest by private individuals in the privatisation process.

The Nakuru Milling Corporation was disposed of at Kshs40,000. Its buyers operated it and made profit. They did not pay that Kshs40,000; they left it back to the Government. That shows the

vested interest that those people had in that facility. Firestone makes a profit of more than Kshs200 million annually, but it was sold at a throwaway price. What about Sirikwa Hotel in Eldoret? That beautiful hotel was sold out at a throwaway price.

Mr. Temporary Deputy Speaker, Sir, on the question of the Kenya Meat Commission (KMC), for a long time that we talked about injecting more funds into the KMC to revive and restructure it, no action was taken by the previous regime. However, since the NARC Government came to power, the Minister has been doing a good job. I would like him to continue with the same spirit in order for the NARC Government to be seen to be working and in a transparent manner. As you are aware, the Kenya Re-Insurance Corporation was about to be sold at Kshs800 million, notwithstanding the fact that it has assets worth more than Kshs4 billion. Currently, the Kenya Re-Insurance is making a profit of over Kshs300 million annually.

What is happening in the sugar industry shows that the same people who wanted to buy these companies have shifted their interest to that industry. They want to cripple the sugar sector, so that they can buy the companies at a throwaway price. There is no need for an individual to import sugar and after that take the Kenya Sugar Board (KSA) to court, challenging its regulatory mandate in the industry. This is a country whose leadership has been elected by the people, and whose President is in control. This country has a Cabinet, and there is free atmosphere.

Mr. Temporary Deputy Speaker, Sir, I would like to refer to a write-up by the KSB, which indicates that it is being frustrated. The KSB says:-

"It is very regrettable to note that whereas the majority of the registered importers are complying with the requirements of the regulations, Mat International Limited and its associate companies - that is to say Aberdare Freight, Reedswood Enterprises, *et cetera* - have over the last seven weeks, from 1st March to 21st April, 2004, already imported into the Port of Mombasa, a total of 62,324.5 metric tonnes of sugar worth a CIF value of Kshs1.3 billion with the blessings of the Customs and Excise Department."

This is a sad affair. The KSB is accusing the Customs and Excise Department. The KSB went further to say:-

"This has happened despite various communications to the Customs and Excise Department to deter this under a High Court Order allowing the KSB to implement the regulations. Efforts to get the co-operation of the Commissioner of Customs and Excise and his staff at the Port of Mombasa have been fruitless, and there is a high level of animosity against the KSB staff handling surveillance at the Port.

It is clear, from the response of the registered importers that they are in favour of a co-ordinated import process and willing to play by the rules and regulations set under the Act."

Mr. Temporary Deputy Speaker, Sir, the Customs and Excise Department is an eye of the Government. They cannot allow or support people to import sugar illegally. I will specifically mention some of these companies. As the Minister for Agriculture said, Mat International is one of the problematic companies in total control of the sugar industry in this country. However, it does not have the blessings of the Government, but it is being backed by the Customs Department. Its associated companies include Aberdare Freight, Reeswood Enterprises, Mohammed Saleh Limited, Stuntwave Limited, Africom Merchant, Simba Commodity, Akaba Investments and Kenafric Industries, among others. This is just one man importing sugar into this country in different companies' names. It is so sad.

Mr. Rotino: On a point of order, Mr. Temporary Deputy Speaker, Sir. What Mr. Ojode says is very serious. Could he tell us who the owner of Mat International is because they are conning us?

The Assistant Minister for Lands and Settlement (Mr. Ojode): Mr. Temporary Deputy Speaker, Sir, let the hon. Member relax and allow me to continue. He can get the names of the directors of these companies from the Office of the Registrar of Companies. However, the chairman of Mat International is Mr. Abdi Yero and the Managing Director is Mr. Twalib Hassayan. This is not a laughing matter because in one year's time, all the sugar factories in this country will flop as a result of these people. It is better for the Minister for Agriculture to take immediate remedial measures to stop these companies from importing sugar without express authority from the Kenya Sugar Board.

Capt. Nakitare: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister not to be bold enough to tell us more about this conduit that is siphoning our economy and yet, we are the custodians of the law? Is it in order for him not to substantiate? We would like evidence to be tabled here.

The Assistant Minister for Lands and Settlement (Mr. Ojode): Mr. Temporary Deputy Speaker, Sir, I will not respond to him because he is still new and he does not know the regulations of the House.

The Temporary Deputy Speaker (Mr. Khamasi): Order! Mr. Ojode, whether he is new or not, he is making a very valid point and you must respond to it.

The Assistant Minister for Lands and Settlement (Mr. Ojode): Mr. Temporary Deputy Speaker, Sir, we need some legal framework in privatising these companies.

An hon. Member: They are Kenyans!

The Minister for Lands and Settlement (Mr. Ojode): Majority of these fellows are not foreigners; they are Kenyans. Some of them are based here in Nairobi, some in Mombasa and others in Mandera. This is not their first time to import sugar into this country.

Before we sell these companies, we should come up with a legal framework. I am at a loss that Milling Corporation in Nakuru, and Mr. Biwott who is here can bear me witness, was sold for Kshs40,000 only. That was the selling price, but it was not even paid.

Mr. Temporary Deputy Speaker, Sir, the Minister for Finance will come up with an elaborate plan on how to privatise these companies and sell them out. Majority of those parastatals, as I have said, make profits now. In fact, we should not allow foreigners to come and purchase them. As a matter of fact, I would like to propose that 51 per cent to 60 per cent of the shares of the parastatals to be privatised should be owned by Kenyans.

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

Mr. M'Mukindia: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important and sensitive Bill. All over the world, privatization has always been the very sensitive issue for the very simple reason that the wealth of wananchi is being transferred to a few hands. Therefore, everybody is interested and keen to see how privatization will be done.

Let me say at the outset, that I strongly support the passing of the Privatization Bill and enactment of the Privatization Act which will stipulate how privatization will be carried out in this country. As hon. Members have pointed out, the privatization which has already been carried out in this country has been done in a haphazard and unsatisfactory manner. Some of us were in the Government when privatization started. I remember that a few of us decided to resign from the committee which had been set up to look into this aspect. That was because privatization was being done in an unsatisfactory manner and our views were ignored. It was for that reason that some of us resigned from that committee and left other people to carry out the privatization exercise.

The Minister for Finance must be very careful about privatization. I remember in the 1980s in one South American country, which I think is Bolivia or Peru - but I cannot remember exactly -

the then Minister in charge of privatization carried it out in such a way that wananchi in that country; the Peruvians or the Bolivians, were very unhappy. What happened at the end of the day was that the Minister was assassinated. I am not saying that this will happen in this country, but I think that case illustrates how sensitive privatization is. I am afraid that the Minister is falling into the same trap that the previous committee on privatization fell in, considering the manner in which this Bill has been drafted. At the end of the day, it will be people talking to each other as friends and deciding how to get rich out of Kenya's wealth. To me, that is unsatisfactory and it exposes the Minister to very dangerous situations. Really, this ought to be stopped before it goes further. It is for that reason that while I support the principle of the creation of this Bill and its passing into an Act, I do not support the Bill as it stands now because it will not solve our problems.

First and foremost, like one hon. Member asked earlier on: Why do we privatise? What are we privatizing? There are many types of parastatals, some which are strategic, others which are meant to create jobs, ensure that our people do not starve and others which are used as policy instruments to ensure that Government policy is actually implemented. For example, if you want to do industrialization, how do you do it without an instrument of finance and engineering? How do we set up new factories? How do we enable people to industrialise? If we want to improve the agricultural sector, should we kill the Agricultural Finance Corporation (AFC)? How about an agricultural bank, the Co-operative Bank of Kenya and so on and so forth?

Mr. Temporary Deputy Speaker, Sir, the Bill as it is now does not tell us within what framework of Government economic policy that privatization will be carried out. The Government is asking for a blank card to privatise whatever institution it feels does not meet certain conditions or perhaps our donors are insisting that we must privatise it. This is wrong. The first thing that the Minister for Finance should do is to tell this country the economic policy we are pursuing and his objectives. What exactly do we want to achieve? Then, how does privatization help us achieve those objectives? If he comes to this House after answering those questions, definitely, we shall support him because all of us support economic development of this country. But as the Bill is today, I find it difficult to give a blank card to the Government, which will fall into the same trap that the previous Government had fallen into.

I know the World Bank and other donors have over the years tried even to get rid of organisations like the ICDC which help wananchi establish small businesses. Those lending institutions recommended that the Kenya Industrial Estates (KIE) should be sold out. They have also recommended that the Industrial Development Bank should be privatized. Then, how do you support indigenous enterprises without an indigenous bank which understands the problems of this country? What will happen if we privatise the ICDC? This recommendation comes from the World Bank which is owned by Governments. This is a contradiction. This bank is owned by Governments, and yet it does not want to see Government-owned institutions which actually compete with it. So, one has to be very careful when he or she listens to what the World Bank and the International Monetary Fund (IMF) say. Those two financial institutions are trying to reduce competition, so that they can be the only lenders in the market. We must refuse those recommendations.

(Applause)

The Co-operative Bank of Kenya and the Kenya Commercial Bank (KCB) were privatized and we did the wrong thing. Secondly, if the Government truly wants to create 500,000 job opportunities every year, then it requires those institutions. Without those institutions, the Minister will be totally powerless, and he will not achieve the objectives he wants to achieve.

I totally agree with Mr. Kosgey that this wealth belongs to Kenyans. Therefore, how do we transfer it from the Government which is holding it in trust for us, to a few people? I think it is immoral. It is immoral for me to buy Kenya's wealth at a throwaway price. This is wrong. The Minister should come out clearly and tell us, since it is Government policy to recover irregularly acquired wealth, how he will correct the wrongs of the past in so far as privatization is concerned. That ought to come out very clearly in the Bill. This is because the Government cannot repossess land and buildings on one hand, and on the other hand, not repossess huge enterprises which were privatised in an unsatisfactory and not open manner.

Mr. Temporary Deputy Speaker, Sir, secondly, I would have liked to see a minimum of 40 per cent ownership of those commercial enterprises going directly to Kenyans. Maybe, they are not strategic and the Government does not need them. But I would like to see the Minister commit himself to a minimum of 40 per cent ownership, and also assist Kenyans to buy them either through the Co-operative Movement, Nairobi Stock Exchange or both. I think that should come out very clearly. This Bill does not commit itself, other than to say that can be considered. That way, and I am sorry to be sceptical--- Many people will remember that successive KANU manifestos talked about privatisation. KANU always said that it will set up a special fund to assist *wananchi* to buy shares in the privatised institutions. That never happened! There is no reason to suggest that, that is going to happen, merely because it is being stated.

Mr. Temporary Deputy Speaker, Sir, Mr. Ojode has just pointed out a very important and learning fact; that, despite the fact that we have a Kenya Sugar Board Act in place today, somebody somewhere is going around it and importing sugar without the authority of the Kenya Sugar Board! In other words, he is breaking the law and he is quite happy. What reason is there for us to believe that if we pass this Bill in its present form, the problems that have occurred in the past will not recur? Therefore, I think Ministers have a major problem here. There is a serious problem of credibility. If the Minister for Agriculture says there is no importation of sugar, then we do not expect any importation of sugar. It is as simple as that! If that happens, the whole Government's credibility is questioned, and it is not good for anybody. Therefore, we will be forced to question even the intentions of the provisions of some of these Bills. For those reasons, I think this Bill should go back again and be re-drafted to reflect the views and fears of Kenyans. We are afraid of handing over all our wealth to a few people.

Mr. Temporary Deputy Speaker, Sir, the other thing is this: It is well known by those people who are in business that the day you start selling your fixed assets for purposes of consumption, it is quite obvious that you are becoming poorer. It is, therefore, ridiculous for our Government to sell assets in order to pay for consumption debts. An asset is an investment. It will make more sense if the revenue realised goes into major investments to enable *wananchi* to achieve bigger things. But, at the moment, we are geared towards consumptions and, at the end of the day, you will realise who will gain from that. It is the people who are advising us to do this; foreigners and not Kenyans! If you asked an average Kenyan, he will tell you he does not see any reason why we should privatise the National Cereals and Produce Board, Kenya Sugar Authority and others. Why? It is because they want the service. So, whose philosophy is it, that is saying we should sell off our assets? If, indeed, the Government cannot manage those commercial assets at the moment, let it give them back to the *wananchi* because, after all, they are the owners. It is their savings.

Mr. Temporary Deputy Speaker, Sir, the Bill also is very badly drafted! That has been pointed out by other hon. Members. I think that provides an opportunity for me to say that I know the drafting office at the Attorney-General's Chamber is very poorly manned! It is very difficult to keep good draftsmen and draftswomen. I know that. But it becomes very difficult for us to approve or support a Bill like this when, even a person who is not a lawyer like me, can clearly see that there

are proposals of bad law or something that even looks malicious. One must be very careful because in some of these Bills, people might actually try to create jobs for themselves using Parliament. They want Parliament to stamp authority, so that people can look for jobs for themselves. For example, Clause 33, Sub-Clause 2 talks about the Commission. It says---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! Mr. M'Mukindia, when the debate on this Bill resumes, you will have 15 minutes to continue.

Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday, 5th May, 2004, at 9.00 a.m.

The House rose at 6.30 p.m.