

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 25th November, 2009

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

COMMUNICATION FROM THE CHAIR

WELCOME TO DELEGATION FROM NATIONAL ASSEMBLY OF FRANCE

Mr. Deputy Speaker: Hon. Members, I wish to introduce to you and welcome this morning a delegation from the National Assembly of France who are seated at the Speaker's Row. They are as follows, and forgive me if I do not pronounce their names in the perfect French manner:-

Hon. Jacques Le Guen, MP,
Hon. Jean-Yves Le Dueaut, MP,
Hon. Jean-Pierre Grand, MP; and,
Hon. Jacques Desallangre, MP.

They are accompanied by Mr. Pascal Marchain, Secretary, Parliamentary Friendship Groups, Kenya and Ethiopia.

They are Members of the French-Kenya Parliamentary Friendship Group. They have been in the country since 22nd November, 2009.

The Friendship Group promotes personal links between French Parliamentarians and their foreign counterparts. In addition, it enriches relations with the country where they have established a friendship group. The delegation will be visiting a number of development projects, including CDF projects in some constituencies, among other places. The delegation leaves the country on Sunday, 29th November, 2009.

On behalf of the House, and on my own behalf, I wish the delegation a fruitful and happy stay in Kenya.

Thank you.

CONSIDERED RULING

CONDUCT OF A MEMBER CANNOT BE DISCUSSED WITHOUT A SUBSTANTIVE MOTION

Hon. Members, I have another Communication to make from the Chair.

Hon. Member, you will recall that on, Wednesday 18th November 2009, during Questions to the Prime Minister, the Chair was called upon to give directions and clarification on the following issues:-

(a) Whether an allegation that a Member of the Cabinet who has an ongoing court case and is, therefore, in office contrary to the provisions of the Public Officer Ethics Act, amounts to an imputation of improper motive against that Member;

(b) Whether the provisions of Standing Order No.82(1), which requires that a Member of Parliament may be required to substantiate facts immediately, override the provisions of Standing Order No.79(4) which prohibits the discussion of the conduct of a Member of Parliament unless a substantive Motion is brought and three-day notice is given.

These issues were raised by Messrs. Jeremiah Kioni, Danson Mungatana, Isaac Ruto and Gitobu Imanyara.

Hon. Members, I have the following observations to make.

(i) The provisions of Standing Order No.82(1) are predicated upon prior compliance with those of Standing Order No.79(4). Whereas Standing Order No. 82(1) deals with the issue of substantiation of an allegation when the matter is already before the House, Standing Order No.79(4) outlines the procedure of bringing the matter before the House and should, therefore, be complied with first.

(ii) The criteria for determining what amounts to an improper motive is subjective and calls for the evaluation of the circumstances of each case. Indeed, a mere statement that a Member has an ongoing court case does not amount to imputing improper motive as it is only a statement of fact.

However, when an allegation that some Members of the Cabinet have ongoing court cases is followed by another allegation that those Members are, therefore, in office contrary to the provisions of the Public Officers Ethics Act, the two allegations read together amount to a direct affront on the conduct of those Members. It imputes a perception that the conduct of those Members is such that they should not be in office and are, therefore, insincerely in office. The precedents of this House are quite clear that an allegation of insincerity amounts to an imputation of an improper motive.

On the 8th March, 1966, the then Speaker (Mr. Slade) observed as follows:-

“It depends entirely on what is being alleged. If there is an allegation of perfectly reasonable motive, it is not out of order; a motive which anybody might have without being thought the worse of. But the moment there is a suggestion of insincerity, for instance, you are alleging improper motives and I will not have it. We were well on to that line of suggestion with what Mr. Oselu Nyalick said”

One cannot, therefore, solely rely on the fact that a list of Members with ongoing court cases has previously been tabled before the House. The real issue is whether there was any imputing of improper motive at the time of that tabling.

The Chair also takes cognisance of the presumption of innocence enshrined in Section 77(2) of the Constitution which requires that every person who is charged with a criminal offence be presumed to be innocent until he is proved guilty or has pleaded guilty.

Hon. Members, therefore, in the circumstances, the Chair reiterates its ruling as given on the 18th of November, 2009 about the need to comply with the requirements of Standing Order No.79(4), which requires that there be a specific substantive Motion, of

which at least three days' notice has been given before discussing the conduct of any Member. The said Standing Order Provides as follows:

"No Member shall impute improper motive to any other Member except upon a specific substantive Motion of which at least three days' notice has been given calling into question the conduct of that Member."

The Chair will always uphold and safeguard the dignity of the Members of this House in line with the Constitution and the Standing Orders.

Thank you, hon. Members.

Dr. Khalwale: On a point of order, Mr. Deputy Speaker, Sir. I want to thank you for that clarity. I wish to remind you that in the same afternoon, you did not allow the Prime Minister to respond to the clarification which hon. Kioni wanted. Now that you have made it clear and pointed out that the matter is subjective, do you not think it is necessary that we allow the Prime Minister to respond on policy and not on the specific key issue? This is because the policy which hon. Kioni was looking for was that now that the Prime Minister had said that as far as the issue of the International Criminal Court (ICC) was concerned, the Government was going to respect the law. The policy issue that hon. Kioni wanted to find out was: Will the same Government, as a matter policy, respect the Public Officer Ethics Act in so far as cases that are in court are concerned? Could you allow the Prime Minister to respond to that?

Mr. Deputy Speaker: Hon. Bonny Khalwale, you can raise that at the appropriate time, which is in the afternoon today. The Chair will think about it and give appropriate direction on it at the appropriate time. Thank you.

Next Order!

NOTICES OF MOTIONS

BALANCING OF COSTS BETWEEN REGULAR AND PARALLEL SYSTEMS OF UNIVERSITY EDUCATION

Mr. Chanzu: Mr. Deputy Speaker, Sir, I beg to give notice of the following Motion:-

THAT, aware that the minimum university entry requirement is a C+ attained at KCSE; concerned that there has been an exponential increase in students attaining the qualifying mark and against disproportionate capacities in the local public universities; alarmed at the continued drastic increase in the cost of university education; this House urges the Government to balance the cost between the regular and parallel systems of university education in order to ensure equity and accord more students an opportunity to pursue education locally at that level, while providing the institutions with sustainable sources of income.

SETTING UP OF SMALL HOLDER IRRIGATION SCHEMES IN CONSTITUENCIES

Mr. Kaino: Mr. Deputy Speaker, Sir, I beg to give notice of the following Motion:-

THAT, considering that the country relies on rain-fed agriculture for food production; aware that rainfall is inadequate and unreliable; appreciating the need to ensure that all households can reliably and affordably access basic food items; aware that the Government has put in place measures to develop and revitalise various irrigation projects which had collapsed, this House resolves that the Ministry of Agriculture, in collaboration with the Ministry of Water and Irrigation, move to set up small holder irrigation schemes of at least 2,000 acres in all constituencies where applicable so as to facilitate food crop production.

Mr. Deputy Speaker: Next Order!

QUESTIONS BY PRIVATE NOTICE

FEASIBILITY STUDY ON CONSTRUCTION OF BRIDGE ACROSS KILINDINI HARBOUR

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

(a) What feasibility studies have been carried out to establish the possibility and/or viability of constructing a bridge across the Kilindini harbor? Can the Minister table the same?

(b) In view of the serious accidents that have occurred in the past, including the Mtongwe ferry disaster and the frequent ferry breakdowns, resultant jams and near stampedes as happened recently, what is the Government doing towards construction of such a bridge as a permanent solution to this problem?

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

(a) A feasibility study carried out between 1989 and 1994 by a consultant commissioned by the Government noted that the construction of a bridge across Kilindini Harbour would have huge cost implications in view of the logistical challenges of providing adequate clearance for the passage of ships. In addition, the approach road would extend deep into the town. Accordingly, a bypass to the Likoni Ferry was considered more viable.

(b) The Government is carrying out a detailed design for the construction of a bypass to Likoni from Miritini on the Mombasa-Nairobi Highway through the old explosive jetty to Tsunza Peninsula over water to Bombo and connecting the proposed Dongo Kundu Port and Likoni-Ukunda Road (A14) near Ng'ombeni. Another link will be constructed to connect the new road to the new Kipevu terminal built by the Kenya Ports Authority (KPA). The project design is expected to be completed in May 2010, and thereafter my Ministry will source funding for the implementation of the project.

Mr. Wamalwa: Mr. Deputy Speaker, Sir, I had asked the Assistant Minister to table the feasibility study's report. He has talked of cost implications. I do not know what he means by that. What are the costs? Has he had time to compare what it would cost in terms of man hours and congestion at the port? Has he tried to convert that into money and compared it against the costs he is talking about?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, under “a”, the question is about what feasibility studies have been carried out. It did not specifically ask for the feasibility report, as the hon. Member is saying. However, more importantly, I want to say that the consultants who did the work clearly indicated that they had identified specific challenges; indeed they had even looked at the possibility of having a tunnel. You will realize that the tunnel would not be feasible because of the unreliable source of power, which is very necessary if you are doing a tunnel. Then there is the issue of disaster management and preparedness. That also became a big challenge. However, I can endeavour to table the report, as the hon. Member has requested.

Mr. Wamalwa: Mr. Deputy Speaker, Sir, I do not know whether the Assistant Minister has read the Question carefully. Under “a”, I had requested him to table the report; this is very clear.

Mr. Deputy Speaker: Hon. Assistant Minister, the Question is very clear.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I undertake to Table the Report.

Mr. Deputy Speaker: Yes, the hon. Member for Lari!

Mr. Njuguna: Thank you, Mr. Deputy Speaker, Sir, for the opportunity to direct a question to the Assistant Minister. Aware that there has been a lot of fear and ferries are stalling in the waters, what is the Ministry doing to introduce new ferries at the Kilindini Port so that lives of passengers are not jeopardized?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, thank you for the question. Clearly, the mandate of the Ministry of Roads does not include the management of ferries and other forms of transport. Previously, the Ministry of Roads and Transport used to be one Ministry. Then, it would have applied, but now our mandate starts and ends with roads and bridges.

Thank you.

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, the issue of feasibility studies has been an excuse which the Government has been using time and again. Could the Assistant Minister confirm that feasibility studies have been done by successive Governments from the Kenyatta regime, specifically on the bridge and on the issue of the tunnel? During the Moi regime, another feasibility study was done and right now you are talking about yet another feasibility study scheduled to end in 2010. Could the Government confirm whether this is just a gimmick or does it have specific programs of putting funds aside to ensure that a tunnel is constructed across the Mombasa Harbor?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I may not be able to talk authoritatively about feasibility studies outside my Ministry. However, in 1989 and 1994, a feasibility study was done specifically on this particular bridge. But what we are currently doing is not a feasibility study, it is the design for the bypass to be able to take care of the problem that you have already indicated, and that will be completed by May, 2010, upon which we will be able now to provide funding to be able to ease the congestion

Mr. Yinda: Mr. Deputy Speaker, Sir, in Mombasa, the crossing from the island to the North Coast also used to be linked by a pontoon bridge which was dismantled. At the present time, the congestion from the island to the North Coast makes movement almost impossible. What is the Ministry doing to reintroduce the pontoon bridge linking the island to the North Coast?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I think that is what we are doing as part of the design work and I think we will ensure that it is incorporated when we are doing the bypass.

Mr. Mungatana: Thank you, Mr. Deputy Speaker, Sir, for giving me the chance to ask this question. The Dongo Kundu Bypass is a story that has been repeated by at least two Governments that I have known now. Could the Assistant Minister tell us specifically when we should expect to have the Dongo Kundu Bypass project done and approximately how much money the Government is going to spend on that one? Kenyans have been hearing this story for a long time, particularly at the Coast and you know what it will mean if we have that bypass constructed.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, my Ministry realizes the importance of this linkage and specifically with regard to tourism in the North Coast and, therefore, we place a lot of importance to this connection. The current design estimates indicate that we will require 27.1 billion to be able to do the bypass. We will be able to get the finer details by May 2010, upon which, we will start sourcing for the funds.

I also want to specifically respond to the hon. Member, who has talked of previous pledges to do that section of the bypass. As you are aware, in Nairobi, we have also had the Nairobi Bypass that has been a big issue for many years. But as you are aware, we have started; we commissioned the road early this year and it will be completed on schedule as we have agreed. So, I want to assure this House that, indeed, once the study is completed, we will prioritize it and work will commence soon.

Mr. Kiuna: Mr. Deputy Speaker, Sir, I would like to thank the Assistant Minister for the way he has answered this Question. But being my neighbor in Nakuru, I would ask him what he is doing about the road between Stem Hotel all the way to Mau Narok, considering that we are the ones who feed them with all the food from Mau Narok and Kisii. Right now, that road is in a deplorable condition and I would like him to tell the House whether they are considering doing something about it.

Mr. Deputy Speaker: Order, Mr. Kiuna! By now, you must be well versed with the rules of the House. The Question on the Order Paper is on Kilindini Harbor and the ferries in Mombasa; it is not on the roads that you are talking about. For you to be able to get an answer on those roads, file a Question and let it come through the process! The Question will then be answered by the Assistant Minister.

(Laughter)

Mr. Chanzu: Thank you, Mr. Deputy Speaker, Sir. Again, on part “a” of the Question, one of the reasons why we end up with these white elephant projects in this country is because of the same question; the issue of feasibility studies. There is a Question that was asked about the cost or the figures and the Assistant Minister said that, that was not part of the Question. I think feasibility study is a very wide thing. So, if you have not included it in the report, I would urge that you include it, because it includes cash flows, earnings and the revenue that you are likely to get out of this and you say that it is not part of the Question. It is part of the Question. I think you should answer that one.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I hope I got it right, but I did indicate that I would be able to Table the Report. In the meantime, the cost of doing the survey,

which is currently going on by Michael Hoffman, UK - this is a consultancy firm - is going to be at a cost of Kshs73, 854,600. This is to ensure that we also do not come up with projects that are not feasible and which will not be able to benefit the people. I think it is necessary to ensure that every project we are doing, conforms to the needs and demands of the people.

Mr. Deputy Speaker: Ask your last question on this, hon. Wamalwa!

Mr. Wamalwa: Mr. Deputy Speaker, Sir, would I be in order to request that this Question be deferred until the Assistant Minister has Tabled these feasibility studies? There have been several studies and I had specifically requested for the Tabling so that we can interrogate the issue of cost and the viability of the proposed bypass, as compared to actually putting up a bridge or an underwater tunnel.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I have undertaken to give copies to the hon. Member and also to Table them here. However, I think it will also be unfair to defer a Question when it has been answered and we have also taken supplementary questions from hon. Members.

Mr. Deputy Speaker: Could you make the report of the feasibility study available to the hon. Member?

Mr. Kinyanjui: I will do so, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Question No.2 by Private Notice! Hon. Baiya!

IMPACT OF US DOLLAR VALUE
DEPRECIATION ON KENYAN ECONOMY

Mr. Deputy Speaker: Mr. Baiya not here? Question No.3 by Private Notice! Hon. Silas Ruteere!

THEFT OF MONEY ON TRANSIT UNDER
M/S G4S SECURITY COMPANY

Mr. Ruteere: Mr. Deputy Speaker, Sir, I beg to ask the Minister of State for Provincial Administration and Internal Security the following Question by Private Notice.

(a) Is the Minister aware of the continued disappearance of money on transit in the hands of M/s G4S Security Company?

(b) How much money has been stolen while on transit in the past six months?

(c) Does the Government still have confidence in G4S in transporting money for public, private and other financial companies?

(d) What is the Government doing to arrest such theft of public funds and restore investor confidence?

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I seek the indulgence of the Chair that I answer this Question by next week. Let me get the facts. The hon. Member is asking for a report on the events that took place in the last six months. I will be able to answer it elaborately on Wednesday morning.

Mr. Ruteere: Mr. Deputy Speaker, Sir, next week is too long a time. What I require is simple data on the events that took place in the last six months. In any case,

these occurrences have been there. The records must be there. So, I think until tomorrow afternoon is enough time for them to go through the records.

Mr. Deputy Speaker: Mr. Assistant Minister, this is a Question by Private Notice. Ideally, you need only 48 hours notice for such a Question.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I do not mind answering this Question tomorrow or today in the afternoon. However, you are aware that today's Order Paper is already out. If you can slot this Question for Thursday, that is, tomorrow, that will be fine, but, again, that depends on the details which I was looking for. In any case, if you look at the Question, there is nothing serious about it.

Mr. Deputy Speaker: Order, Mr. Ojode! Order! You are out of order, Mr. Assistant Minister! Everything that has the justification to be brought as a Question on the Floor with the approval of the Chair is a serious Question. The matter herein is very serious. The Chair directs that you have the answer available tomorrow in the afternoon.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I will try by tomorrow in the afternoon.

Mr. Deputy Speaker: You will not try. You shall do that by tomorrow.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I will do so.

ORAL ANSWERS TO QUESTIONS

Question No.040

ASSISTANCE TO KENYANS TO OBTAIN HOUSING LOANS

Mr. Lekuton asked the Minister for Housing what action he is taking to assist Kenyans who are unable to obtain housing loans from commercial banks.

Mr. Deputy Speaker: Where is the Minister for Housing? He is not in yet.

Question No.283

REPAIR OF DARAJA MOJA BRIDGE ALONG KISII-KEROKA ROAD

Mr. Ombui asked the Minister for Roads:-

(a) why he has not repaired the Daraja Moja Bridge along Kisii-Keroka Road - the poor state of the road led to the death of 30 people on 30th September, 2007 – as promised to the House in 2008; and

(b) when he will repair the bridge.

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

(a) My Ministry is committed to constructing a new bridge and has already completed the necessary design and is now processing the tender documentation. The award of the construction of the new bridge is, therefore, at an advanced stage.

(b) The bridge will be constructed in this Financial Year, 2009/2010.

Mr. Ombui: Mr. Deputy Speaker, Sir, this Question was first asked in August, 2008. The Ministry promised that they were going to do the construction within a period of two months from the date of the Question. I would like the Assistant Minister to clearly state what has been done and what specific dates the construction of this bridge will begin.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, as I have indicated, my Ministry has prioritized the construction of this bridge. We have designed a bridge of seven metres carriageway with a two meter raised walkway on both sides. We are currently going through the tendering process. I want to assure the hon. Member that as soon as that is completed, we will be able to commence the works.

Mr. Deputy Speaker, Sir, we have to go through the public procurement procedures. This sometimes takes a little bit of time. However, I would like to assure the hon. Member that, indeed, the bridge will be done.

Mr. Mwangi: Mr. Deputy Speaker, Sir, while I appreciate the efforts being made by the Ministry in attending to the poor roads we have in the country, earlier on, one of us raised an issue of feasibility studies and designs being done all over. We have a case here which has taken over a year now. We can observe that the Ministry has a duty to repair our roads and in consideration to our economy. I have a road in my constituency, C70, about which studies have been done. The design for this road started in 1987. The road stretches from Nyeri District through Murang'a District, Kiambu District all the way to Rift Valley. Interestingly, it has never started. Could the Assistant Minister assure this House that the Ministry will complete on time the undertaken studies and designs on roads in this country?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, my Ministry's desire to complete all the designs currently undertaken and those that were done in the past will, by and large, be determined by the funds allocated by the Treasury. Every year, we put up a request, but we hardly get even half of what we request. My Ministry desires to complete all the projects and to start those whose design work is complete. It, however, depends on what we get from the Treasury.

Mr. Abdirahman: Mr. Deputy Speaker, Sir, just as a follow up to what Mr. Mwangi has asked, if you listened keenly to Mr. Mungatana when he asked a question on when that by pass would be done, the Assistant Minister said that they were going to source for funds next year. The Ministry not only delays in doing the feasibility studies, but it also delays in seeking funds even from donors, let alone the Government. So, what will the Ministry do to source funds from willing donors? There are donors all over who are ready to support the Government only that there is lack of commitment.

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, the Ministry cannot seek funds to do a particular road when we do not even know how much we need to ask or what standard we want to upgrade a road to. The design is, therefore, the first stage in seeking funds both locally and from donors.

The reason a design has to be done is time. Over time, a lot of things change. There is an increase in human population, change of traffic levels and so on. Every time, before we do a project, it is necessary to do a design work. It is on that basis that the cost is established. We, therefore, cannot go look for money when we have no idea how much we are looking for.

Mr. Deputy Speaker: Mr. Ombui, please, ask your last question. I think the answer to this is fairly elaborate.

Mr. Ombui: Mr. Deputy Speaker, Sir, the answer given by the Assistant Minister is not satisfactory. In August, 2008, the Assistant Minister said that the processing of the tenders would take approximately two months after which the contract will be awarded to a contractor. The Assistant Minister is now saying that they have designed the bridge and yet the tenders are supposed to have been awarded. I seek your indulgence, Mr. Deputy Speaker, Sir, that you refer this matter to the Implementation Committee because the answer given is not convincing.

Mr. Deputy Speaker: Mr. Assistant Minister, in your answer, you said that the award of tenders for the construction of the new bridge is at an advanced stage. How much longer is it going to take before the contract is awarded? When you say “advanced stage”, the presumption is that it is just a matter of days or weeks!

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, I have indicated that it will be done within this financial year which ends in June, 2010. We have already allocated the funds, but as you may be aware, the Ministry is also going through some reform process where we have the Rural Roads Authority (RRA), the National Highways Authority (NHA) and so on. I would like to apologize to the hon. Member if it has taken an unduly long time. We will ensure that that is done in good time.

Mr. Deputy Speaker: Mr. Assistant Minister, there is an ambiguity in your answer. In part (b) of the answer, you said that the bridge will be constructed in this financial year. Now you are saying that the contracts will be awarded this financial year. There is a difference between awarding the contract and constructing the bridge itself. Could you, please, be more specific?

Mr. Kinyanjui: Mr. Deputy Speaker, Sir, the tender will be awarded this year and the works will commence this year. The monies are available within the budget in this financial year. Indeed, the work will start this year.

Question No.300

DISPARITY IN PAYMENT OF HARDSHIP ALLOWANCE

Mr. Olago asked the Minister of State for Public Service:

(a) why officers in the police force are paid a flat rate of Kshs1,200 per month as hardship allowance irrespective of rank or length of service while other officers in the public service are paid at approximately 30 per cent of the basic salary; and,

(b) what steps the Minister is taking to rectify the disparity, which is creating dissatisfaction in the force.

The Assistant Minister, Ministry of State for Public Service (Maj. Sugow):
Mr. Deputy Speaker, Sir, I beg to answer.

(a) Yes, the police force, like other civil servants are paid a hardship allowance at the rate of 30 per cent of an officer's basic salary subject to a maximum of Kshs600 per month for single officers and Kshs1,200 per month for married officers. This is irrespective of the rank, job group or length of service. However, under the Teachers

Service Commission (TSC), teachers are paid a hardship allowance at the rate of 30 per cent of one's basic salary. This is not subject to any limitation.

(b) The Government has harmonised the hardship areas and allowances through a study that was undertaken by my Ministry to rationalise and harmonise the hardship allowance. The study's recommendations were approved by the Cabinet. The monthly hardship allowance for moderate hardship areas has been raised to Kshs5,000 per month, while that for extreme hardship areas has been raised to Kshs10,000 per month. This applies to both civil servants and teachers, with effect from 1st July, 2010, irrespective of one's status.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Olago: Mr. Deputy Speaker, Sir, the core responsibility of the Police Force is detection, prevention and prosecution of offenders. That is a very important duty. Clearly, part "b" of this Question asks what steps the Ministry is taking to rectify this disparity. The answer to the Question admits that officers in the Police Force are receiving less than what the regulations say, be they single or married. Could the Assistant Minister confirm, therefore, that the shortfall that the police officers have been receiving all along will be worked out and paid to them, so that they can feel satisfied like everybody else?

Maj. Sugow: Mr. Deputy Speaker, Sir, officers in the Police Force are not earning any amount less than other civil servants. What I have indicated in my answer to part "a" of the Question is that officers in the Police Force, like other civil servants, currently earn 30 per cent of their basic salary, but to a maximum of only Kshs600 per month for single officers and Kshs1,200 per month for married officers. This also applies to civil servants. It is the teachers who are treated differently. For them, this is not pegged on any limitation.

Mr. Olago: Mr. Deputy Speaker, Sir, that disparity is admitted by even myself. I noticed it. What I am now asking is: What steps are being taken to rectify it, so that those who have been receiving less in the Police Force can receive the full amount?

Maj. Sugow: Mr. Deputy Speaker, Sir, the officers were being paid as per the regulations that have been in existence. The exercise that has brought about the changes was basically carried out to harmonise the disparities that existed between the Civil Service, in which the police are included, and the TSC. That is why we said that with effect from July, 2010, all public officers comprising of civil servants, police officers and teachers, will be brought together. There will be two benchmarks – Kshs5,000 for officers serving in moderately hardship areas and Kshs10,000 for those serving in extreme hardship areas – irrespective of one's marital status or job group.

Mr. Deputy Speaker: Mr. Olago, are you satisfied?

Mr. Olago: Mr. Deputy Speaker, Sir, I am not satisfied.

Mr. Deputy Speaker: Mr. Assistant Minister, if I got Mr. Olago's Question right, he is telling you that there are officers who have been getting less than their dues. Unmarried officers who have been getting less than Kshs600 and married officers who have been getting less than Kshs1,200 per month over a period of time. Is that not your position, Mr. Olago?

Mr. Olago: Yes, it is, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Mr. Assistant Minister, could you now confirm that this disparity did not exist? If it did exist, what are you doing to correct it?

Maj. Sugow: Mr. Deputy Speaker, Sir, I am not aware of unmarried police officers serving in hardship areas, who earn less than Kshs600, or married officers serving in hardship areas who earn less than Kshs1,200. If there are such officers, then there is something wrong, and the situation will be rectified and compensation made, as the hon. Member has asked. What I understand is that officers serving in hardship areas earn a monthly hardship allowance equivalent to 30 per cent of their basic salary to a maximum of Kshs600 for single officers and Kshs1,200 for married officers; be they in the Police Force or Civil Service. For teachers, it is different, and that is what we are harmonising.

Mr. Olago: Mr. Deputy Speaker, Sir, I think there is something wrong in the way, I and the Assistant Minister understand this mathematics. He says, in his answer, that hardship allowance is worked out at the rate of 30 per cent of one's basic salary. However, officers in the Police Force receive a maximum of Kshs600 for single officers and Kshs1,200 for married officers. Clearly, Kshs600 is less than 30 per cent of a police officer's basic salary. So, what happens to the balance?

Mr. Deputy Speaker: Mr. Olago, until the changes are effected, the rule provides for a maximum of Kshs600 for single officers and Kshs1,200 for married officers. I think this was put in place when their salaries were far way below what they earn today. They are entitled to 30 per cent of their basic salaries, but to a maximum of Kshs600 for single officers and Kshs1,200 for married officers. Under the current circumstances, as you put it, there are, indeed, so many officers who would be entitled to much more than what they currently earn. The cap is there, but that is being changed now. That is the way I understand it.

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

Mr. Deputy Speaker: Proceed.

Mr. Olago: Mr. Deputy Speaker, Sir, hon. Duale is saying that lawyers are good at words, and not in mathematics. That is not right. The regulation provides for a rate of 30 per cent, but maybe, due to Government's inability to raise sufficient funds, police officers are receiving only Kshs600. But the regulation says "30 per cent."

Mr. Deputy Speaker: No! No! No! The regulation says "30 per cent, but to a maximum of Kshs600 for single officers." That means if your 30 per cent goes beyond Kshs600 and you are single, you will not earn more than Kshs600.

Mr. Olago: That is very bad!

Mr. Deputy Speaker: That is how it was!

Next Question, Mr. Danson Mungatana!

Question No.341

TOTAL COST OF TEAMS PROJECT

Mr. Mungatana asked the Minister for Information and Communications:-

(a) what is the total cost of the recently launched East African Marine Systems (TEMAS) project;

(b) when the project will start actual operations;

(c) what security measures are in place to ensure safety of the fibre optic cables; and,

(d) what steps he is taking to ensure optimum use of the facility, considering that very few Kenyans own computers.

Mr. Deputy Speaker: Is the Minister for Information and Communication not here?

The Assistant Minister, Ministry of State for Defence (Maj-Gen. Nkaisserry): Mr. Deputy Speaker, Sir, the Minister has just walked out! He has left his documents here! So, we can give him a little more time.

Mr. Deputy Speaker: To the best of the recollection of the Chair, the Minister for Information and Communications was under sanctions because of inability to answer the Question even last week. He has not approached the Chair to explain his absence or inability to answer the Question last week.

In any case, we will go back to Question No.2 by Private Notice.

Mr. Baiya: Mr. Deputy Speaker, Sir, before I ask the Question, I want to apologise for not being here when the Question was, first, called out.

Mr. Deputy Speaker: Very well!

QUESTION BY PRIVATE NOTICE

IMPACT OF US DOLLAR VALUE DEPRECIATION ON KENYAN ECONOMY

Mr. Baiya: Mr. Deputy Speaker, Sir, I beg to ask the Deputy Prime Minister and Minister Finance the following Question by Private Notice.

(a) Considering that the US Dollar has declined in value by 15 per cent in the last 8 months, and the uncertainties around it as a world hard currency, are there specific risks the country is exposed to in the event of its further decline?

(b) What steps or action is the Government taking to manage or alleviate the risk?

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Finance (Dr. Oburu): Mr. Deputy Speaker, Sir, I beg to reply.

(a) There are no specific risks facing the country as a result of the decline in value of the US Dollar. The appreciation of the Kenya Shilling against the US Dollar may reduce the profitability of Kenyan exporting firms and benefit importing firms. However, this is the correction to pre-global economic crisis level. The Kenya Shilling is thus correcting itself to where it was before. The exchange rate represents the relative price movements. This is the normal practice all over the world.

(b) The Government has put in place measures to mitigate the impact on the exporting sector such as horticultural firms. Among the proposed measures is the granting of special economic zone status to such firms. In the short-term, the decline in the value of the US Dollar is expected to moderate rising international oil prices and reduce the cost of imported inputs, both of which are crucial to the economic recovery process. Above all, this is the correction after the crisis that distorted the value of the US Dollar.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Baiya: Mr. Deputy Speaker, Sir, I would like to thank the Assistant Minister for the attempt he has made to answer the Question. However, I do not think he has really understood my Question. He has accepted that the value of the US Dollar had gone down by 15 per cent in the last 18 months and this is not as a result of purely local economic factors. It has to do with some of the policies of the United States of America (USA) Government itself. The public debt of the USA is rising very highly. Other economies such as China, India and others are seeing those risks and have started taking precautionary measures.

Are you aware of those risks and what measures are you taking? This is not purely internal. How are you handling the reserve? If it is purely in US Dollars, it means we are more exposed if anything were to happen. You will have no reserve to buy imports such as oil and the rest.

Dr. Oburu: Mr. Deputy Speaker, Sir, the Central Bank of Kenya (CBK) has taken adequate steps to protect our reserves from dependence on a single currency. This has already been done and is being monitored on a daily basis. I even replied to this Question earlier and assured the hon. Member that measures have been put in place to protect the Kenya Shilling against dependency on any single currency such as the US Dollar.

Mr. Ogiendo: Mr. Deputy Speaker, Sir, I wish to seek further clarification from the Assistant Minister. First, we would want to know the specific measures that have been put in place. In simple terms, from this decline in the dollar value, I understand that this Government had made a provision of Kshs160 billion to pay for its foreign debts. These debts are in various currencies and we are holding our reserves majorly in dollars. This means that a decline of 15 per cent means we are going to pay Kshs24 billion more. What measures are in place to cushion this? Is this not a specific risk to the economy?

Dr. Oburu: Mr. Deputy Speaker, Sir, the decline or appreciation of the US Dollar against the Kenya Shilling was a result of the appetite for people to invest in dollars. People were taking dollars and because of that, the currencies depreciated their values. This is part of what was called the toxic assets. When people realized that the dollar was actually speculative and that it was not such a safe asset to invest in, people started withdrawing from the dollar. Some were going to invest in gold. You heard the case in Indonesia of 21 tonnes of gold. As a result of this, the Kenya Shilling is correcting itself to the pre-crisis level.

This is a correction which is happening as a result of the global process of movement of currencies in the whole world. Therefore, the Kenya Government does not even need to take any specific measures to protect itself. This is a correction. Before the crisis started, the Kenya Shilling was at Kshs75 to the US Dollar. It then shot up to Kshs80 to the US Dollar. However, because of the correction and people withdrawing their appetite from the toxic asset, it has more or less come back to where it was. We are simply monitoring and cushioning our shilling against dependence on the dollar or any other single currency.

Mr. Ogiendo: On a point of order, Mr. Deputy Speaker, Sir. I sought clarification or confirmation from the Assistant Minister whether the fear that we are going to pay Kshs24 billion more on our debts is real or not real, given the decline in the dollar value? Could he specifically deal with that?

Dr. Oburu: Mr. Deputy Speaker, Sir, that calculation has not been done specifically. Debts are not paid at once. Debts are paid in installments. It is possible that because of the differential in the value of the Kenya Shilling during the crisis period, we paid more than what we should have paid. I do not know where the hon. Member got his figure of Kshs24 billion. I cannot confirm that.

Mr. Mureithi: Mr. Deputy Speaker, Sir, one of the problems that have affected this country is the variation of the Kenya Shilling vis-a-vis the foreign currencies. What is the Ministry doing to cushion exporters against this variation? Once it is stronger, it does not allow exporters to get enough value for their export yet the importers bring in goods at a cheaper price which does not translate to low cost of commodity to consumers. What will the Assistant Minister do now so that this is corrected through a deliberate move by the Government?

Dr. Oburu: Mr. Deputy Speaker, Sir, the fluctuation in the value of currencies is a double-edged process. When the shilling gets weaker, it advantages the exporters and disadvantages the importers. This is because those who import, only import capital goods, some of which are raw materials for our industries. When the shilling becomes weaker there is a lot of pressure for us in the Treasury on how to cushion importers against this. During the crisis, this was very serious.

There are some importers who had made orders and within less than a month the shilling shot up from Kshs75 to the US dollar to Kshs80 to the US dollar. I know one importer who lost Kshs40 million. At that time, exporters were enjoying. When the shilling becomes stronger, they are disadvantaged. Therefore, there is some kind of balancing in the free market and it is very difficult to take any specific measures. We are, however, thinking about creating specific zones for some specific items. I know my friend is involved in the flower industry. We will see how to protect them and cushion them against adverse effects of fluctuations of currencies.

Eng. Maina: Mr. Deputy Speaker, Sir, this is a serious matter to the country. The issue of the dollar strength is not just a matter of chance. It is a matter of the American Government taking some decisions on whether they want more exports or more imports. In this country, we have people who survive on this dollar business. For example, most of us are tea and coffee farmers. All these depend on the dollar. It is, therefore, unfair to expect these farmers to be oscillating as if they are in a casino. What measures can the Assistant Minister undertake to confirm to this House that our people are protected so that our economy can start growing in a definite manner?

Dr. Oburu: Mr. Deputy Speaker, Sir, in this country, we used to have an Exchange Control Act, which was repealed. Therefore, we went into a free market where the Shilling is exposed to all the other currencies of the world. We have a free market; the inflow and outflow of the currencies determines the value, the weakness or the strength of the Shilling. It is not the strength of the Dollar; you are talking about the strength and the weakness of our Kenya Shilling in the free market. So it is really unless the hon. Member is suggesting that we go back to exchange control measures, it is very difficult for me to---

Mr. Deputy Speaker: The last Question on this Mr. Baiya!

Mr. Baiya: Mr. Deputy Speaker, Sir, I have understood the Assistant Minister to say that they have taken measures to reduce the country's dependency on one currency, specifically the Dollar. I would want him to tell us what measures he has taken. This is

very important; he has mentioned that certain countries have actually diversified their reserves into gold; other countries, Mr. Assistant Minister, have taken measures to even introduce other terms of trading amongst themselves. This is not beyond this Government; it can also do that. So, what measures has he taken, more importantly in connection with our reserves. As a country, what proportion are we holding against currencies other than the Dollar?

Dr. Oburu: Mr. Deputy Speaker, Sir, I was giving the example of gold because we are also now taking measures to keep our reserves not only in the dollar, but also in all the other convertible currencies, so that we do not solely depend on one currency. We are monitoring the movement of all these currencies on a daily basis at the Central Bank, to make sure that we are not dependent on a single currency.

Mr. Deputy Speaker: Question No.40, Mr. Lekuton! Can you ask the Question again?

ORAL ANSWERS TO QUESTIONS

Question No.040

ASSISTANCE TO KENYANS UNABLE TO OBTAIN HOUSING LOANS

Mr. Lekuton asked the Minister for Housing what action he was taking to assist Kenyans who are unable to obtain housing loans from commercial banks.

Mr. Deputy Speaker: The Minister for Housing! The Minister for Housing! As the rule goes, the Minister for Housing, under the circumstances, will not transact any business in the House until such a time that he or she explains himself fully as to why he is not able to answer this Question today. The Question is deferred to a time when the Minister will be available. Indeed, it should be deferred to Tuesday next week, and the Minister has to be available then. Question No. 341, Mr. Mungatana!

(Question deferred)

Question No.341

TOTAL COST OF TEAMS PROJECT

Mr. Mungatana asked the Minister for Information and Communications.

(a) whether he could give the total cost of the recently launched East African Marine Systems (TEAMS) project;

(b) when the project will start actual operations;

(c) what security measures are in place to ensure safety of the fibre optic cables; and

(d) what steps the Minister is taking to ensure optimum use of the facility, considering that very few Kenyans own computers.

Mr. Deputy Speaker: Minister for Information and Communications! Minister for Information and Communications!

*(The Assistant Minister for Information and Communications
(Mr. Godhana) moved to the Dispatch Box)*

Mr. Deputy Speaker: Honorable Assistant Minister, your Ministry was under sanctions last week for failing to answer Questions. You were here in the House this morning and then disappeared. This Question is deferred to tomorrow afternoon but in the meantime, can you approach the Chair and explain why you were not able to conform with the provisions of the Standing Orders? Next Order!

(Question Deferred)

POINTS OF ORDER

DISORDERLY CONDUCT BY HIGH COURT JUDGE IN RIFT VALLEY PROVINCE

Mr. Imanyara: Thank you Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Minister for Justice, National Cohesion and Constitutional Affairs, regarding the state of affairs of the High Court of Kenya in one of the stations in the Rift Valley Province. In that statement the Minister should disclose whether or not, the Judicial Service Commission is aware of the reasons behind the current strike by lawyers in that area against a particular judge, and whether the Commission is further aware that this judge is facing a High court civil suit arising out of an assault she committed on a member of the public, a conduct that is disorderly. If so, why has the JSC not taken any steps since this action was filed in the High court to make recommendations for the setting up of a tribunal to investigate the conduct of this judge with a view to having her removed from the judiciary.

Mr. Deputy Speaker: Minister! Can a Minister from the Government give an undertaking on behalf of the ---

The Assistant Minister for livestock Development (Mr. Duale): I undertake to inform the Minister; maybe, he will give Ministerial Statement next week on Thursday.

Mr. Deputy Speaker: A Ministerial Statement will be available next week on Thursday. Are you comfortable with that Mr. Imanyara?

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

Mr. Deputy Speaker: It is ordered that a Ministerial Statement be available on Thursday, next week.

Yes Mr. Wamalwa!

Mr. Wamalwa: On a point of order, Mr. Deputy Speaker, Sir. I rise to ask for a Ministerial Statement from the Minister for Agriculture in respect of payments to farmers. In the Statement, I would like the Minister to indicate how much is owed to farmers for maize delivered to the National Cereals and Produce Board (NCPB) so far, and when the outstanding amount will be paid to the farmers. I would also like the Minister to confirm when the Government will start paying farmers cash on delivery of

their maize to the NCPB as an incentive to avoid farmers selling their maize cheaply to middlemen.

Finally, I would like the Minister to also indicate in his Statement, whether it will be possible for the NCPB to review their stringent conditions on moisture content in maize delivered, so as to allow farmers to deliver their maize which should be dried for them at the NCPB, in view of the *El nino* rains that are setting in.

Assistant Minister for Livestock Development (Mr. Duale): Thank you Mr. Deputy Speaker, Sir. I will communicate the same to the Minister for Agriculture and a Ministerial Statement will be issued next week, on Wednesday afternoon.

Mr. Deputy Speaker: The Statement will be ready on Wednesday afternoon next week.

Next Order! Eng. Maina!

Engineer Maina: Thank you Mr. Deputy Speaker, Sir. I now move on with contribution to my Bill, the Price Control Bill. I had only about 15 minutes earlier and I would wish to touch on a few introductory remarks which I made.

[Mr. Deputy Speaker left the Chair]

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

BILL

Second Reading

THE PRICE CONTROL (ESSENTIAL COMMODITIES) BILL

(Eng. Maina on 16.9.2009)

(Resumption of Debate interrupted on 16.9.2009)

Eng. Maina: Mr. Temporary Deputy Speaker, Sir, this Bill has become necessary due to the undesired situation in this country, where the cost of essential commodities has sky-rocketed beyond the common man's reach. Last year, I brought a motion to this House regarding this Bill, and the Government acknowledged that the situation in the country was grave; it promised the House, and this nation, indeed, that it was taking measures to ensure that the price of commodities, especially maize meal, would be put under control by introduction of two packets of unga, one to cost Kshs52 and the other, for the well to do, to cost Kshs72.

Mr. Temporary Deputy Speaker, Sir, we are all aware that no such a thing has occurred in this country. Therefore, the price of commodities, including *unga*, which the Government wanted to waive tax on to make them affordable to the common *mwananchi* never materialized. So, this made me to proceed with my Motion and hence, the Bill. I would like to say that exploitation of man by man is an old adage. This is not in history but in the books which we read, like the old Bible and the Koran, where man has been warned against exploitation. This is what we are witnessing in this country. With regard

to the maize meal, we have suppliers who are controlled by about three millers. This amounts to a cartel. I call upon this House to take measures, as I will outline, which will bring prices of essential commodities under control.

We have no consumer organizations that can protect the ordinary man in this country. Therefore, even when world prices come down in respect of fuel and other commodities, the prices in this country continue to rise. For example, the price of fuel keeps on rising even when the price of crude oil in the international market keeps going down. Therefore, we need to look into the situation. The Government must take responsibility because the same situation in other countries warrants the Government to take action. Hon. Members will recall that President Nixon introduced price controls in the 1970s when America faced high inflation due to high oil prices made by the Oil Producing and Exporting Countries (OPEC).

Price control was introduced in Great Britain during the reign of Prime Minister, Callaghan, when inflation had hit figures which are much lower than what Kenya is experiencing. Inflation had hit the 6 per cent record in that country at that time, whereas ours stands at about 12 per cent.

Price control has been introduced successfully in the Netherlands, India and Italy and it has proved beneficial. California which is in the USA has price control in power bills and you cannot charge any amount of money you want for power. There is also price control in terms of rent in New York. This stabilizes the wages and the expenses of the common man. So, let the advocates of free-market economy not try to argue against this Bill under the guise that it is against this economy.

After the Independence of this country in 1965, the then President Kenyatta through the Ministry headed by the late Tom Mboya, came up with African socialism in 1965. The chapter regarding prices in Sessional Paper No.10 of the African Socialism cautioned that ordinary Kenyans must be protected against escalating prices, so that they could envisage savings that would be ploughed back into development. This country will not achieve the expected development because ordinary people do not save towards this end.

I call upon this House to consider the situation in this country seriously. The effect of high prices which cannot be afforded by the ordinary people will lead to insecurity, lack of good health, good education and development. So, this country will not develop unless the Government takes serious measures, monitors and ensures that prices of various commodities are checked. If prices are not checked, we will experience rampant insecurity because this country has many unemployed youth.

Mr. Temporary Deputy Speaker, Sir, President Obama has introduced both wage and price control in various commodities in the USA. He has put a wage freeze and consequently pumped Federal money into General Motors (GM) to guarantee Americans employment. So, I call upon this Government to seriously take into account, the effects of rising commodity prices which, if they remain unchecked, will lead to a disaster. I request that this Bill be considered as a Bill for the common man. This is not a Bill for the rich but for the ordinary Kenyans who earn less than Kshs100 per day. Therefore, it is disastrous to leave prices of commodities unchecked in a country with a poverty level of over 50 per cent of the population.

I am pleased to note that the media has played a big role in supporting this Bill. The mainstream media has called upon this Government to ensure that there is price

control in some commodities. I fear that Kenya will not be a country we will be proud of if this is not done. Today, we are witnessing a country where ordinary people cannot feed themselves. There is a big problem of unemployment among our youth. We are sitting on a very dangerous situation. So, I call upon this Government to not only pursue physical development, but also the social development of our people. Social development will begin by us ensuring that every Kenyan can actually afford various commodities. Social development will begin when we will put to an end the various exploitative measures in this country. If we do not do that, this country's population will forever remain in bondage.

Mr. Temporary Deputy Speaker, Sir, we have the clergy in this country. It is upon them to wake up and stand to be counted in this country. We have the ongoing debate about the Constitution. We have a big problem of unemployment among the youth, high level of insecurity and the undesired situation of unaffordable prices of basic commodities. I call upon the clergy to stand up and be counted when it comes to those national matters. Unless and until everyone of us stands up to face the situation in this country, I fear that the Kenya we are looking for may not be the one that we will have in future. Let me caution that the issue before us is not simple or casual. It is an issue that has happened in other countries in the past and recent times and has led into undesired situations. In India and Egypt, we have witnessed the strikes that have occurred on the streets. We witnessed the sad situation that occurred in France when people were unable to get a meal per day. In 1933, we should remember that America, the country that we keep on proudly quoting, was in a more serious situation that what our country is facing - where an ordinary person cannot afford an ordinary meal. The then President Roosevelt introduced the same measures that we are calling for today. He introduced price control, price ranges, labour intensive projects and pulled America out of the economic recession that it was going through. Today, we witness the bursting economy of that country.

Mr. Temporary Deputy Speaker, Sir, today, we are witnessing the financial crunch in the world. The great nations of the world, including America and Germany, have taken measures along the same lines that we are proposing in this Bill. For example, recently in Germany, the Government had to pump in US\$750 million into the Opel Company to ensure that the employment of Germans is guaranteed. So, I call upon this House and the leaders of this country to wake up and face the dragon that is threatening this country. We are facing poverty and insecurity and we must tackle them from the front.

Mr. Temporary Deputy Speaker, Sir, today, this country is on the path of handing over her wealth and economy to few exploiters in the name of oil marketers, banks that are declaring hefty profits and all the business people who are reaping, at times, over 200 per cent. For example, at the price we are selling maize meal today in this country, there is no doubt that various marketers are making a profit of over 200 per cent. I wonder how a country like this one is required to survive under those circumstances. We have seen this Government come up with what I would call "half half" measures in trying to pursue a mirage. The Government has decided to allow the importation of maize duty free. That has not worked. Things have started on a deteriorating course. So, the question is: Where are we and what next?

Mr. Temporary Deputy Speaker, Sir, I call upon this House to take up its role and guide this country. We should not be cowed by outside agencies or governments. The

leaders of this country must have the courage to take the decisions that they believe are best for this country. I say, that because the theories that we are advocating today in our economy have not been advocated from our institutions of learning. They are theories that have been quoted. Regrettably and blindly, we do not seem to realize that those policies have not worked from wherever they are quoted from. America today is fixing her dollar at the price it believes suits her best. When they want more exports, they weaken the dollar. When they want more imports, they strengthen it. It is not done from the University of Harvard. It is done from White House and the Congress. Unfortunately, in Africa, papers are flipped to us here and we keep on quoting them, with total disregard to our wisdom and love for the country. We must shift from that trend of just picking things for the sake of others and come up with policies that are actually homegrown, as was enshrined and covered during and after the struggle for Independence.

Mr. Temporary Deputy Speaker, Sir, I have quoted from the African Socialism, Sessional Paper No. 10. We have taken policies from International Monetary Fund (IMF) and the World Bank, which are in total disregard and contradiction to the ideals and beliefs of our forefathers. It is no wonder Africa is sliding back into poverty; Africa is always sliding back into insecurity and all kinds of misery. So, I call upon this House for once, as we face various challenges, including the one before us today; the new Constitution that is coming and including the solution to what we faced during the last elections, to courageously stand up and lead our people from the front.

Mr. Temporary Deputy Speaker, Sir, I must say that Kenyans should watch; and we should ask ourselves where we are heading to. If we had the so-called free market enterprises and the so-called free market economy dictated, not even by the leaders from the countries where these policies are flipped to us, but dictated by a few individuals in the interest of their economy, time has come for this country to retrace itself. I am standing here and I want to be quoted, 10 years or 20 years to come, Africa will not develop and this country will not develop, until we come up with such kind of policies.

Mr. Temporary Deputy Speaker, Sir, I want to thank and ask the media to continue giving policies and information on this Bill. I must caution that all forms of intimidation, coercion and money will be used to try and get Africa forever not to come out of the yoke of the effects of colonialism and any policy that is pro-African or any policy that originates from the country will never be encouraged by the outsiders.

With regard to this Bill, there is no doubt that there is a lot of opposition from the benefactors on the current position; people are making 200 per cent profit on maize meal. Of course, we are bringing all forms of opposition and there are people importing oil and selling it at higher prices to make better returns and dividends for their shareholders out there. They will go to any extent to ensure that any policy that benefits our country does not exist. For once, we should ask ourselves; why is it that this country with a big development budget going over Kshs100 billion in all Ministries, our youth are still loitering all over unemployed? The answer is simple. We have no policies from within to tackle that problem. The answer is simple, we rely on outsiders to come and dictate to us how to do things.

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

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

Mr. Temporary Deputy Speaker, Sir, China and India have developed by basically sitting down and ensuring that they come up with policies and methodologies that actually suit their countries. These countries have developed because they have ensured that all their development budgets are labour intensive. China, India and Malaysia have developed by ensuring that they solve their employment by having their own companies that actually employ their own people. America today, just as I have quoted, they have pumped trillions of dollars into companies, for example, General Motors, to ensure that they do not go under, irrespective of whether they had been mismanaged. Why are they doing so? This is because they employ and keep the Americans having an affordable life. That is what President Obama has done. These policies were borrowed from 1933 during President F.D. Roosevelt's time. What has this country done? We can continue voting more money on development budget but it has no benefit to this country, it will have no benefit to this country until there are policies that actually ensure that our own people are surviving and their lives are entrenched in whatever is happening.

Mr. Temporary Deputy Speaker, Sir, the Bill I have before this House today is the Bill I believe emanates from a basic principle, whether this country is ever going to wake up and face the reality facing and come up with policies that are not dictated on us; policies that are not going to be uploaded in Washington and New York. But, these are the policies that have seen China come to its current state; a giant and a threat of the West. I will call upon the clergy once again, to be on the frontline on matters like this which are affecting this country.

With those introductory remarks to the Bill, I will call upon this House to support the Bill and, I invite my brother, Eng. Gumbo to second the Bill it.

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

[Mr. Deputy Speaker resumed the Chair]

Eng. Gumbo: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to second this important Bill. As I second this Bill, I want to thank my good friend and senior colleague in the profession of engineering, Eng. Maina, for coming up with such a Bill.

Mr. Deputy Speaker, Sir, as I came to second this Bill, I was reminded of a very interesting incident which occurred more than six years ago. That is was on Saturday the 25th January, 2003. I was walking along Parliament Road when I met a young man aged, probably 20 years or under; putting on a T-Shirt with very bold prints which were simply saying: "Where were you on 30th December, 2002?" Of course, it was clear to me, what had happened on that date, but six years is a long time. So, for my colleagues who may have forgotten, I just want to remind them that on 30th December, 2002, the main event which happened in Kenya, is that it was the day that His Excellency the Hon. Mwai Kibaki was sworn in as the Third President of the Republic of Kenya. That day was significant in so many ways because on that day, even those who did not go to Uhuru

Park, for once, we saw Kenya coming together over a common course. The issue of tribe was forgotten and everybody was happy.

Again, this morning, I was at the Hotel Inter-Continental and, as I was walking along Parliament Road to come and second this Bill, more than six years later, I remembered that incident and, I asked myself what has changed since that good day of 30th December, 2002? I decided, because we are debating the Price Control (Essential Goods) Bill, maybe, I want to look at how things have changed through the prices of essential commodities. It is very interesting that in the six years since that great day, the prices of the basic commodities in Kenya have changed very drastically. I was just looking at some price list I had in December, 2002 and, it shocked me to note that, in December, 2002, a 2 kg packet of maize meal was costing Kshs34; now it is costing Kshs95. That is an increment of 180 per cent.

After that time, a packet of two kilograms wheat flour went up and now it is at Kshs110, which is an increment of over 90 per cent. Two kilograms of cooking fat was costing Kshs133 and now it is Kshs300. That is an increment of 125 per cent. A two kilograms packet of rice at that time was costing Kshs126. Right now, it is costing Kshs320. That is an increment of Kshs150 per cent. Two kilograms of sugar was selling at Kshs120 at that time and now it is going at Kshs210. That is an increment of 75 per cent. Bar soap was being sold at Kshs28 but now, it is at Kshs80. That is an increment of 185 per cent. Paraffin cost Kshs23 at that time but is now costing Kshs65; an increment of 183 per cent. Petrol was Kshs48 then but now, it is Kshs85; an increment of 77 per cent. Lastly, diesel was Kshs38 but now it is selling at Kshs74, an increment of 95 per cent.

What is notable in the prices of 2002 is that, at that time, compared to the US Dollar, the Kenya Shilling was exchanging at Kshs80. Now, it is exchanging at Kshs.77. Therefore, indeed, the shilling has grown stronger. However, what is more striking is how the prices of goods for the common man like bar soap, paraffin and flour have increased the most. We know that the common Kenyan in Kibera, Nairobi, Kongowea in Mombasa, Nyalenda in Kisumu and Huruma in Eldoret has a disposable income of not more than Kshs3,000 per month. That translates to Kshs51 per day. A question must be asked. How is the common man who takes home not more than Kshs100 a day expected to feed an average family of five with two kilograms of *unga* at Kshs95, use a bar soap at Kshs80 and a litre of paraffin at Kshs65? That comes to Kshs240 per day. It is no wonder then that insecurity has increased in our neighborhoods because those things are simply unaffordable for most of our people.

Mr. Deputy Speaker, Sir, protection of vulnerable members of our society must be the key aim of every government. Indeed, a government which cannot provide for the vulnerable groups among its people is really failing. Social protection schemes, as experimented in Kenya are, therefore, important, paramount and a must if we are to have harmony in our society. As we debate this Bill, we must, as Kenyans, refuse the principle that is being propagated by marketers of commodities where we are being told about price infinite elasticity in liberalization of prices of commodities. In my view, infinite elasticity when it comes to liberalization is dangerous and breeds social unrests. We must check that if, as a country, we are to provide for the vulnerable groups in our country. I, therefore, wish to conclude by calling upon the Government to guarantee basic commodities for our people. Food is a basic human right. We cannot talk about

guaranteeing the rights of our people when we are unable to guarantee them basic food stuffs. The other things can be left to be controlled by the forces of supply and demand. However, we must get into a regime where the prices of basic commodities, particularly, the prices of maize meal, paraffin, bar soap and other things that are used by the common man and woman are controlled.

With those few remarks, I second the Bill.

(Question proposed)

Mr. Ethuro: Mr. Deputy Speaker, Sir, I rise to support this Bill. Ordinarily, as a trained and practicing economist, I would be very averse to support anything that limits the free movement of goods and services, being a firm believer in perfect competition as a market model. But we have just witnessed that even the free markets sometimes fail. This is an assumption that is accepted in the economic theory. There are times when you need to make serious State interventions and that is what has happened with the financial economic meltdown in the US since the “brothers” decided to cause havoc to the rest of the world.

This Bill, if you look at it, is not advocating controlling prices. In fact, my good friend hon. Ephraim Maina, has put it very well that it is the price control of (essential goods). That is the crux of the matter. It is about essential goods in terms of basic provisions. That is what we would ordinarily call the basket of goods that every household must be entitled to. This Bill is promoting a situation where a Government should ensure that every citizen of the Republic shall not die because of want of basic services or goods, particularly, things like wheat and maize flour which is the staple food of this country. We must guarantee that. Therefore, we should not look at it in the narrow sense of curtailing an economic model which has been practiced and warranted.

Article 2 spells out the essential goods. They are the goods that will ensure that every household has some food and will not starve. They are essential, given that 10 million Kenyans, as we speak today, are beneficiaries of famine relief food. In any case, the Government has an obligation to provide food to its citizens. It is providing food now through famine relief programmes. It is spending a lot of money on that. The Government needs to be creative. If you think that we cannot determine the prices, the Government can put up a stabilization fund that would ensure that the fluctuations are taken care of for the sake of producers such as those in the grain basket of this country. I know that my friend, Dr. Wekesa, may be sitting here for the purpose of ensuring that the producers of the commodities do not suffer.

In the agricultural policy of the USA, you will find that the nation gives incentives to farmers not to produce certain commodities or crops, so that they do not depress the prices of particular commodities.

Mr. Deputy Speaker, Sir, the Government should look at the situation on the ground so that it can protect both the producer and the consumer. The Government should also ensure that it has a generation that has food on the table. The food should contain enough nutrients. To that extent, I feel like this Bill has come at an opportune moment. I think this is the only country where the price of bottled water is higher than the price of petrol and yet we import the latter unlike the former which we tap from springs. How come a basic and essential commodity like water, and we say water is life, can be

more expensive than petrol? How come a litre of water in the supermarket is more expensive than a litre of super petrol which is a product that we import? These are the things we are trying to address in this Bill.

The other day, we saw our Government change the rate of inflation in relation to other parameters. I was suspicious with those changes because the Government is trying to hide the true cost of living. If you want to determine inflation in a country, you basically take a basket of goods against price fluctuation over time. That will show you that the purchasing power of the citizenry is being eroded by high inflation. Since our inflation is too high and we are not coping with the rest of the region, we should change the parameters rather than tackle the issue of price intervention.

Mr. Deputy Speaker, Sir, we do not need to change the parameters in order to determine the rate of inflation if this Bill is passed, implemented and the consumers protected. Inflation will remain constant because it is affected by food commodities.

With those few remarks, I beg to support this Bill.

The Minister for Public Works (Mr. Obure): Mr. Deputy Speaker, Sir, I rise to contribute to this Bill. It is my desire that we reduce the prices of basic commodities in order to make them affordable to the common person. I am aware that life has become unbearable in respect to certain categories of our population. Some families cannot afford food, shelter and medical care. I believe there is a strong case for intervention by the Government by way of ensuring that there are subsidies, especially for food. People will ask: What does that mean? Does it mean higher taxes? Does it mean certain categories of our population will pay more to make this possible? I think that through a carefully crafted scheme, it is possible to subsidize food to make life bearable to most of those people without increasing taxes.

As a Member of Parliament, once a week, I have a session with my constituents in Nairobi, and my experience is absolutely astonishing. Somebody will come and tell you that he was a casual worker but he has lost his job. He will further tell you that he lives with his family, the landlord has locked them out, the whole family is out in the cold and he wants you to assist him. Somebody else will come and tell you that he has a patient at the Kenyatta National Hospital (KNH) and they are unable to raise the hospital bill and, therefore, you should help them. Somebody else will tell you that he has lost a family member in a hospital and is unable to raise money to get the body out. These are the cases we receive as Members of Parliament from time to time and it is for this reason that I feel that there is need for an intervention.

Mr. Deputy Speaker, Sir, we must also be careful and remember where we have come from. We have come from a regime which had price control, and it is also not a perfect situation. I remember the long queues that we used to have at the Central Bank of Kenya (CBK) trying to get foreign exchange to travel out of the country. Those queues are no longer there because we liberalized the market. I have a private-sector background. I used to work for East African Breweries. In those days, the Government set prices for beer, cigarettes and other commodities. All we needed to do was to make sure that we maintained good relations with the people at the Treasury so that they could set the prices that we wanted to make the kind of profits we needed to declare dividends at the rate we wanted. That is not the kind of thing that we want. To a certain extent, I agree that the free market economy forces have determined prices and facilitated distribution of goods in a more sensible way. However, it is not acceptable to see what we are seeing today in

respect to supply of commodities such as fuel. I believe that there is a strong case for intervention in the area of fuel because fuel prices are unreasonably high in our country. This is because the international companies involved in the distribution of fuel are making excessive profits for shareholders abroad. I think there is a strong case for intervention.

I also believe that there is a strong case for intervention in the area of fixing interest rates. I know that this economy could be performing much better today if bank interest rates were lower. These are areas where intervention is clearly necessary. It is dangerous to accept free markets because they are not always the best for the growth of our economy.

[Mr. Deputy Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, on the way forward, I believe that at the end of the day, we need to develop our economy using the local resources and I believe that there is a scope in that respect. I do not believe that Government money devoted on development is used properly. A lot of that money does not end up where it is required to have the desirable impact. Therefore, it is important to review our processes and methodologies to make sure that we get value for the money we vote for development.

I would like to support this Bill in respect to essential goods. Price controls should not be done across the board. We are specifically talking about essential goods and there is need for an intervention to make sure that life is bearable for the majority of Kenyans.

With those few remarks, I support this Bill.

Mr. Shakeel: Mr. Temporary Deputy Speaker, Sir, I stand to support this Bill. I wish to congratulate Eng. Maina for bringing it to this House. In fact, it was long overdue.

Mr. Temporary Deputy Speaker, Sir, price control is an essential part of development. We know the French Revolution and even the ones that gave birth to Christianity, Islam and Judaism were as a result of high prices of basic goods. As much as we understand and appreciate free market ideology, there is no free market anywhere in the world. We have travelled far and wide. All markets of the world have certain controls whether visible or invisible. It is our cardinal responsibility to provide bread, unga and other basic foodstuffs to our electorates. At Independence, politicians were agitating for food, security, clothing, health, housing, among other things, for their people. Why are we now failing to help our people? Kenya has been seen as a model of free economy in this part of Africa. What have we got from it? We have very rich people. There was an eminent politician who said one time if we were not careful we will end up having ten millionaires and ten million beggars. It appears now that we may have 30 billionaires and 30 million beggars who cannot afford basic needs, if we are not careful.

Mr. Temporary Deputy Speaker, Sir, price control is being fixed everywhere in the world. The other day, I was in Pakistan where they have fixed price control on bread commonly known as *roti*. It is being retailed at Kshs2. In a free market, it would go for Kshs7. It is now accessible to many Pakistanis, especially the working class.

Mr. Temporary Deputy Speaker, Sir, unless we have a healthy working class which is well fed, we are breeding a revolution in this country. It is essential that we control the price of bread and water. Some of our working class cannot afford bottled water. To them, it is a luxury. Our people want us to control price of oil, milk, water and sugar. This must be brought under control.

The issue of interest rates is very important. When the Central Bank of Kenya (CBK) was regulating interest rates, our economy was booming. Of course, there was a lot of black marketeering. I was a banker at that time and knew that we had to work within certain parameters. The poor and the rich were able to get loans. We, as hon. Members, are considered to be rich because we are earning so much. In fact, it does not affect us whether the inflation is two per cent or twenty per cent. Rich people in this country are not very much affected by inflation like the ordinary wananchi.

Mr. Temporary Deputy Speaker, Sir, we must have effective price controls put in place in order to check more corruption in our society. So, the system of control is necessary. Price controls must be seen, in conjunction with other factors. We must make sure this price control is not taken advantage of. We do not want to privatise corruption or encouraging hoarding of essential goods or discourage manufacturers from producing them. With the opening up of the East African Community, it is even becoming more important that a price control mechanism be put in place. It will not only help Kenya, but it will cascade to the other member State countries. So, this is a very important issue which I would want to support wholeheartedly.

Mr. Temporary Deputy Speaker, Sir, we passed the Competition Bill and the Anti Money Laundering Bill in this House. This is just one extra link in the chain. We must not relent in passing the Bills that will help our people.

With those few remarks, I beg to support.

Mr. Nyamai: Mr. Temporary Deputy Speaker, Sir, from the outset, let me thank Eng. Maina for bringing this important Bill to this House. It is really nice when engineers venture into economic world, unlike their familiar grounds.

Mr. Temporary Deputy Speaker, Sir, I would like also to thank Kenyans for shouldering the burden of uncontrolled prices for a long time. We know that in certain African countries, normally when price of flour is increased by about a cent, people go on strike. Yet, Kenyans, when prices are increased by quite substantial amounts, they have remained faithful to their country and have never gone to the streets to demonstrate. I am talking about against what happened early this year. The Government tried to give subsidized maize flour. We all know what happened later, but Kenyans never complained. I want to thank them for this. But nevertheless, I do not think, we, as Members of Parliament, should take Kenyans for granted while they continue to suffer.

Mr. Temporary Deputy Speaker, Sir, I am supporting the Price Control (Essential Commodities) Bill, although I still believe in free market enterprise. However, free enterprise should not be used to enrich a few people while the masses who elected us continue suffering. In this year's Budget, the Deputy Prime Minister and Minister for Finance introduced a number of incentives aimed at cushioning the vulnerable groups such as the poor in the urban and rural areas, disabled, mentally handicapped and physically disabled. He also allocated substantial amount of money to support social welfare programmes. However, without proper price controls, our people will not benefit from these programmes he put in place. As I am talking now, the prices of most

commodities are far beyond their reach. They are very high. We need to have price control on essential commodities.

The previous speaker talked about his experience in Pakistan. In India, there are price tags on every commodity. It is a requirement for all essential commodities to have price tags. Nobody can charge more on those commodities. We are not trying to stifle free enterprise in our economy. However, our manufacturer needs to realize that they can benefit more from selling a lot more at lower margin than at higher margin. When we reach this critical mark, they will reap enough profits. We need to regulate the prices of the essential commodities. If this is not done the soonest, our people might end up demonstrating at our door steps. Despite being referred to be the highly paid, we cannot enjoy the little that we earn because a lot of burden has been passed on to us by ordinary wananchi. This burden comes back to us because we have to support families which cannot afford a day's meal, medical care or other basic commodities. That burden is being passed on to us. I am sure if we introduce price controls on most of our essential commodities, particularly the ones covered in this Bill, we shall have done a lot of justice to our wananchi and ourselves.

Mr. Temporary Deputy Speaker, Sir, as we talk about essential commodities, we also have to realise what has happened in certain sectors like the petroleum and banking sectors. Today, the price of fuel is very high and it affects the manufacturing industry in this country. That has got to be passed on to the local consumers, who are the wananchi. We need to do something. We know that a body has been created to regulate this, but we have not seen much happening from it. In South Africa, where they have tried to regulate their oil prices, a lot has happened and this had a lot of positive impact on its economy.

Mr. Temporary Deputy Speaker, Sir, as far as the banking industry is concerned, today it is only the banks which are posting extraordinary profits, while wananchi have got nothing to talk about. Something needs to be done about interest rates. The Minister talked about his background, which was in the private sector, where he was selling beer. Before I came here, I was selling sodas; I remember very well that in the last Budget, Excise Duty on sodas was reduced. The argument behind this reduction was that this benefit was going to be passed on to wananchi in terms of lower prices. We have not seen this happening. Year after year, in every Budget, there is always reduction of Excise Duty or Value Added Tax (VAT), the intention being for the ordinary mwananchi to benefit from it. However, this does not happen. It is high time the Ministry of Finance came up with a mechanism to ensure that whenever they make an adjustment in the Budget which is supposed to go to the normal wananchi, that benefit is actually passed on to the ordinary mwananchi. Once we do that, then anytime we do a Budget for the benefit of the ordinary mwananchi, that mwananchi will be benefiting a lot. However, as long as we allow the multinationals, whether they are producing soda, beer or are in the banking industry, to take over this benefit and pass it over to their shareholders who are abroad through transfer prices, then we are not helping this country and our wananchi.

Mr. Temporary Deputy Speaker, Sir, I support this Bill wholeheartedly, knowing that again in as much as we are talking about essential commodities, in the Budget, the Minister gave a lot of incentives, for example in relation to the fibre optic project. The idea was to allow the normal mwananchi in the village to have access to the internet. Today, nothing has happened; I believe that this morning, there was a Question on the Floor of this House about how the normal mwananchi should be able to access the

internet, but he or she cannot do that because of the high costs despite the fact that the Minister gave several billions as incentives to the people who have set up the fibre optic. We need this price control.

Mr. Temporary Deputy Speaker, Sir, last but not least, again we need to regulate electricity price and make sure, as a House, that we pass benefits to mwananchi.

With those remarks, I support the Motion.

Mr. Mureithi: Mr. Temporary Deputy Speaker, Sir, having recognized that I have done a lot of exercises this morning, I would like to thank you so much for giving me the opportunity to contribute to this wonderful Bill. It is a good Bill by the Member of Parliament for Mathira, because access to food commodities is a basic human right, which is enshrined in the constitution. In fact, by allowing our Kenyans to sometimes die, because they do not have food, then we are violating that basic human right; no country will allow its citizenry to die because they lack food.

Therefore, I support this Bill, knowing very well that this country imports a lot of food. By importing this food, we are creating employment in foreign lands while impoverishing our own people. I do not see why we pay billions of shillings for food and when it reaches here, we distribute it free of charge to our own people. By doing that, we are essentially creating a dependence syndrome. Our people will not have any more incentive to go and farm, because we import food for them. That importation of food has gone to create employment in foreign lands, while here, we give it out on a continuous basis to our people. These days, you find people saying: "The Government brought us maize but did not bring us rice and oil." This shows that we have reached a point where our people are depending so much on relief food. Recently, they said: "We have been given maize to plant but where is the fertilizer?", yet we are importing all these food commodities into our own country.

Mr. Temporary Deputy Speaker, Sir, one classic example we should look at is the American states. They have refused to remove the subsidy on cotton, which is grown there. This subject has been discussed by the World Trade Organisation (WTO), but they have said they will continue subsidising their cotton. When you are in America, you can buy a pair of jean trousers for one Dollar. Here, in this country, unless you buy *mitumba*, you cannot get good clothes, because our cotton is not subsidised. We are importing yarn, and you will find that other developed countries have the mechanism for subsidizing their own farming. For instance, they subsidise . When you produce, the government gives you a certain stipend to make sure that when you are producing, you are doing so at a lower cost. When you are marketing, they also subsidise that marketing; so, that the developing countries, which include Kenya, will always continue to depend on them, thinking that, that is charity, yet it is not. We are only enriching other countries and making our country poorer.

Mr. Temporary Deputy Speaker, Sir, I would like to say that this is a very good Bill, because it is not introducing price control mechanisms, which were there in the 1980s and 1990s. We are saying that we select, as the Chair says, some items from the basket of commodities that make our people survive. If you go to India, they subsidise production of items for the poor people, so that they are able to go and buy commodities that they can afford. Recently, we introduced two prices of unga or maize flour. One packet of maize meal was going for Kshs56 and the other at Kshs76 for the poor and rich, respectively. What happened to those two sets of prices? Nobody knows. So, that was a

subsidy ; those who were to produce and sell at Kshs56, increased their price to Kshs76 and literally ripped off the consumer in this country.

Therefore, we must relook at ourselves once again and put emphasis on our own commodities. When we were looking at this, we were talking about foreign exchange, in this country. When we earn a lot of foreign exchange the shilling becomes very strong. The importers get a windfall, but it does not go to the consumer. It ends up with the producers. They do not pass it over to the consumer. As a result, our consumers continue to suffer. Therefore, by subsidising food prices, we will meet our basic human rights and our people will not sleep without food.

Mr. Temporary Deputy Speaker, Sir, therefore, I would like to say that I support this Bill wholeheartedly. I commend Eng. Maina for thinking about our people; our people will live knowing very well that it is only the Government that takes care of their survival. I support the Bill.

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

*[The Temporary Deputy Speaker (Prof. Kaloki)
took the Chair]*

The Minister of State for Immigration and Registration of Persons (Mr. Kajwang): Thank you, Mr. Temporary Deputy Speaker, Sir. There are two theories that compete in our market place; one is the view that we should let the market forces determine the prices of our goods. This is very attractive. The others say that the market forces are not necessarily in the interest of the majority of our people and, therefore, there is need for intervention in the market place so that our people can survive. It is very important that when we are talking of essential goods, we are talking about food and may be drugs.

It is Mwalimu Nyerere who, at one time said that, if you want to be toppled from a Government, let your people go hungry. If you really want to be overthrown, then try to let your people sleep without food. And because I am in the Government, I am very sensitive to this idea.

Mr. Temporary Deputy Speaker, Sir, if you look at the recent history, the Soviet Empire collapsed because they could not feed their people until America brought them food and started to subsidize their own heating for their homes. That is when it collapsed. It was so weak that it could not control very little republics that ran away from the federation. But the same *Mwalimu Nyerere* went to see Reagan to borrow food and Reagan told him that he does not have any maize. That the only maize he had was for his horses. Nyerere told him: "You know, even that one of horses is good enough for my people." But Reagan told him: "I am not going to give you maize for horses. What I will do is, I will give you two farmers from California." California is a desert like most parts of Kenya. Nyerere told him: "You, Reagan, you came to politics the other day, you do not know what I am talking about. If you do not have any maize to give me, I am going away." But what he was telling him was that, you can revolutionize agriculture in your own country and produce sufficient food to feed your people. But Nyerere did not take it

kindly. What Reagan was saying, essentially, is what the last speaker has just said; that we must subsidize our own farmers.

Mr. Temporary Deputy Speaker, Sir, we went as a Parliamentary Committee to Germany and we met the Minister for Foreign Affairs, who was talking to us about the East African market and all those things. We asked him one question; why they subsidize beetroot to produce sugar, which is very, very expensive. Why not buy sugar from Kenya, for example? He told us that he knows that it is very expensive and he subsidizes it at great pains, “but you know, my brothers, if I do not subsidize those farmers, I will not be an MP.” So, they are sensitive to their farmers and to their consumers. There is no country that can survive without being sensitive to those two; you must be sensitive to your farmers and you must be sensitive to your consumers. It seems like when this new philosophy came to us – it is an old one, but I think it was reinforced so much by Reagan - the market place, market forces, market economy and all those things, we left our country open but they have not let their countries open. I have talked about sugar, my brother has talked about cotton and there are others who control their rice in India and Pakistan. There is no way you can feed your people at reasonable prices without any interventions. I want to thank this Government. To some extent, we have tried to intervene in agriculture by supporting the farmers with some seeds and subsidized fertilizer. That could to some extent, be helpful. We have also subsidized them to the extent to which we buy maize at a certain price through the National Cereals and Produce Board (NCPB) so that the farmer knows that if he produces maize, he will sell it at a given price. That is also a way of intervening in the market place.

Mr. Temporary Deputy Speaker, Sir, the price of essential goods needs to be restricted or controlled. Kenya is lucky that we have not had food riots. Try to raise the price of rice in Zambia and you will see what will happen; they have rioted many times. Try to raise the price of food in South Africa and you will see riots. So, I think this Bill is timely. I think we should be bold and tell the world that this is what everybody else is doing. The other day when all banks and all car manufacturing companies were collapsing in America, the Obama Administration intervened with what they called “the Stimulus Package”. It is also called subsidy.

So, we should not be shy to intervene. Whether you call it “stimulus” or “subsidy”, it is the same thing. What we are looking at is that we are protecting the farmer, we are protecting employment and we are protecting the consumer. I am sure that is why our place is not very attractive for industrialists or investors. They do not want to come to Kenya for very few reasons. One, our electricity is too expensive. Two, our labour is too expensive. If you go to Bangladesh, their labour is cheaper than it is in Kitengela, Nairobi. The reason why it is cheaper there and they are still tolerating it, is because their food is cheaper and their transport to and from work is cheaper. It is not cheaper by accident; it is cheaper because the Government has intervened. It is by design. When you keep your transport, food and housing cheaper, then pay somebody a dollar an hour, they will accept it because it buys more food and offers them more transport.

Mr. Temporary Deputy Speaker, Sir, essentially what we are saying is that if we leave our fuel, transport cost, our housing and our food to the market, nobody is going to invest in this country because our workers will riot because the amount of money you give them, which is equivalent to what is paid in Bangladesh, cannot buy the same basket

of food that a Bangladeshi can buy. So, for that reason and for many other reasons, I want to support this Bill.

Thank you.

Mr. Yinda: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this Bill. I want to thank the hon. Ephraim Maina for the timely introduction of this Bill because this is really one of the most important Bills. It is what I would term, “the Bill for the people”. It is sad that in Kenya, we have many families who cannot afford even one meal a day for their families. Of course, if this continues, you understand that it is a situation that can easily result into a revolution, because a hungry population is a very dangerous population.

I support this Bill fully and I feel that people should be able to afford, at least, two meals a day regardless of their position in society. The situation today is such that only the rich can afford three expensive meals a day and yet for the poor people even getting Kshs50 to spend on food a day is a problem.

I support the price control on essential goods like *unga* and fuel. By controlling the price of fuel, the cost of transport will go down and the majority of Kenyans will be in a position to travel. At the moment, travelling is too expensive and one only needs to go to Mathare or Kibera and wake up at about 4.00 a.m., and you see the mass of people trekking into town. They are not doing that because they want to or they like it, rather it is because they cannot afford the transport.

Mr. Temporary Deputy Speaker, Sir, this is a country where at one time, we were big growers of cotton. At the moment, the entire population consisting of our wives, daughters and sisters are specialist in wearing *mitumbas*. They do not wear *mitumba* because they like them. It is degradation for anybody to go and buy *mtumba* underpants, but our people are forced to do this because they cannot afford new clothes. The traders have been left on the loose and they want to make so much money in total disregard to the rest of the population that has been relegated to the dustbins.

A famous African, the late Julius Kambarage Nyerere, once termed this country as “a man eat man society”. Even at the present time, we are still “a man eat man society” because we do not really care about the condition and position of our poor at all. Maybe, it is a time when one would even wish that a situation like small revolution may be able to pass the warning. Perhaps, that would be a wake-up call for this country. I would like to see this price control brought in like yesterday. I ask the Government to fully support it.

When you look at the condition of housing in this country, many people cannot afford decent houses. If we could introduce price control on building materials such as cement and iron sheets, at least, the majority of our people will be able to live like normal human beings. At the moment, it is very possible to find a decent family living under carton roofs. In the evening, you will find them busy collecting cartons which they use to construct structures to live in. In the face of this, we still pride ourselves as leaders in this country and yet those we are leading cannot even have decent housing.

Mr. Temporary Deputy Speaker, Sir, I do not want to repeat myself as most of my colleagues have ventilated quite effectively on the reasons for supporting this Bill. I strongly support this Bill and ask the Government to fully rally behind us.

Dr. Laboso: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. As my colleagues have said, I also want to add my voice to support very

strongly this timely Bill which is really for all of us. This Bill is for Kenyans because it is going to touch on the lives of the most vulnerable groups in the society.

I would like to congratulate Eng. Maina for bringing forth this Bill. I see it as a form of social security. I see, in this Bill, the Government taking responsibility for its people. Poverty has also got a woman's face. We know research has clearly shown that the world's poorest are women. So putting price controls on these commodities will touch especially on women given their responsibility of care giving which includes provision of food.

As we have been told about the market place and the market economy and so on, all those terminologies sound very good, but at the end of the day, we must take care of our people. There is nothing that beats hunger. If you want people to riot, then let them go hungry. We have been told that. We really want this Government to look at that and borrow from other democracies that have been cushioning the impact of prices on its people. We want this Government to support the poor and check unscrupulous entrepreneurs who always want prices of commodities to skyrocket. I see this Bill addressing the first Millennium Development Goal (MDG) which is aimed at fighting poverty.

With those few remarks, I beg to support.

Mrs. Odhiambo-Mabona: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Bill. I would like to congratulate Eng. Maina for bringing this time Bill.

Price controls are ordinarily deemed as anti-free enterprise. I would, therefore, be very hesitant to support blanket private control as it would stifle investment. However, as has been indicated by Mr. Yinda, we need to deal with a society that has turned into "a man eat man" society. It is increasingly becoming "a man eat woman" society and "a man eat children" society. I am saying that because poverty has been feminized. The face of poverty, as has been said by Dr. Laboso, is that of a woman and increasingly that of a child. If we are able to deal with pricing in a way that protects our women and children, then that should be the reason I support this Bill.

If you actually look at the Bill, it only focuses on essential commodities. It does not offer blanket control.

Mr. Temporary Deputy Speaker, Sir, as indicated again by Dr. Laboso, it would actually help the country to deal with and realise our Millennium Development Goals (MDGs) Nos.1, 4 and 5 on poverty eradication, child mortality and maternal mortality. However, the hon. Member may need to look at Article 4A. We need to think through it again as it has a potential for bringing inequalities if we go about giving different prices by regions. I know that we want to look at issues of productivity and all other related issues, but going by our history, we often do not use objective standards. Therefore, when we provide controls, they should be uniform across the country. Doing so, we will also limit corruption or temptation towards corruption.

In the Bill, there is reference to regulations. However, since the Bill is very small, I wish that certain regulations could be encompassed within it, so that we do not give room for manipulation. If you look at the Harmonised Draft Constitution, you will see that it looks into the issue of third generation rights, which we also refer to as economic rights. One of the ways of actualising these rights is through systems like the one proposed in this Bill. One of the challenges that has been raised over the issue of

economic rights is that it becomes very difficult to actualise them. It becomes very difficult for the Government to actualise the right to food for its citizens. So, this is one of the ways through which the Government can actualise the right to food for its citizens.

Mr. Temporary Deputy Speaker, Sir, it is not sufficient for us to only look at price controls. It must go hand-in-hand with comprehensive reforms. Recently, I was in Botswana and, for the first time in my life, as a person from Kenya, I was really embarrassed. We were being taken to different places, where they were showcasing examples of how they were doing their things sufficiently. In one of the places, where they explained to us how they controlled the spread of the Foot and Mouth Disease in cattle, the person who was in charge was a Mr. Muchina; a Kikuyu tribesman from Central Kenya.

When we went to their meat commission, their first chairman and chief executive was trained at Egerton University, in Kenya. They came and borrowed a lot from Kenya, which is what they are implementing. Kenyans are now going to learn from them. We saw something that looked like a Five Star hotel, and we were told that it was their equivalent of Mathare Mental Hospital here in Nairobi. The facility is better than Intercontinental Hotel in Kenya. I am not exaggerating. I was told that it was built by Tectura Architects from Kenya.

Mr. Temporary Deputy Speaker, Sir, that is a shame on us, as a country. We must do something about it to reclaim the lost glory of this country. We cannot be going to learn from small countries like Botswana, which is doing so well, and yet, that economy is being run by Kenyans. What happened to Kenyans? We have brains, but we are just manner less. We have taken corruption like it is normal part of life. We cannot even do the most basic things correct. This country needs to think, even if it means fasting like Jesus. May we start?

Finally, I would want to encourage the hon. Member that we also need to add other essential commodities like sugar and fish, as it has been indicated by an hon. Member. Very soon, we will be having fish as souvenirs in our houses because, even myself as a Member of Parliament, I can no longer afford fish. It is too expensive. So, let us also include certain items that are very basic necessities.

With those few remarks, I beg to support.

Mr. Ogindo: Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support the Bill.

I want to start by saying that, indeed, it has been repeated time and again that it is a core function of the Government to protect and look into the well being of its citizens. A Government that does not look into the welfare of its citizens has no reason existing. In the running of economies the world over, on the far right is a case for capitalism, while on the far left is a case for socialism.

For every extreme, there is always a harmonised ideology. That harmonised ideology is socio-capitalism. What I mean by this is, much as it is fashionable for our Government to talk of free markets in the name of *laissez faire*, our Government has, by practice, practised double standards in this aspect. Whenever time came for us to prepare so that we could have an affordable lifestyle in Kenya, our Government always wobbled. I say this with specific examples in mind.

Mr. Temporary Deputy Speaker, Sir, it is imperative that a country is able to feed its citizens. In order for a country to feed its citizens, it needs to invest in agriculture. Our

Government has been very popular with borrowing money to buy food to feed its citizens. There was a loan we approved in this House recently to enable the National Cereals and Produce Board (NCPB) buy food. The Kshs7 billion loan that we approved can revolutionise agriculture in this country. If the Government can invest that amount of money, we will be able to produce food locally to feed our citizens.

I would say that what has been happening is that the same Government is conniving with business people to exploit its citizens. I have seen businessmen donate huge sums of money during *Harambee*. Money must have a source. This money is coming from somebody who is being exploited and that somebody is a Kenyan.

Mr. Temporary Deputy Speaker, Sir, I have a case of Safaricom Limited. Communication is a very basic requirement the world over. Safaricom Limited makes very huge profits. Kenyans have complained time and again that the cost of airtime is very high. When my constituents want to speak with me, they “flash” me so that I can call them back. I know that most of them are dignified persons, and they would want to speak with me. If this can be regulated, over and above the essential goods that have been proposed by Eng. Maina, we will have a country with a more robust economy, because communication is essential to economic growth.

Mr. Temporary Deputy Speaker, Sir, I have been to the remote areas of Rangwe Constituency. Whenever I get to Nyangweso, the war cry there is the prices of food. This would range from the listed commodities in this Bill, including paraffin, bus fair and maize meal. It is important that the Government looks at these issues very seriously, if we are to live up to the reality of being concerned about the well being of our citizens.

In Kenya, we are preoccupied with implementing the policies of developed countries. That is why we hear this talk; that we cannot go back to the days of price regulation. It is important that the Government takes responsibility of its affairs for the benefit of its people.

Mr. Temporary Deputy Speaker, Sir, I know that there are agreements that are being discussed today, namely, the Economic Partnership Agreements (EPAs). If you look at most of those EPAs, you will realise that they do not have the interests of our country at heart. They are securing agreements that will keep us in bondage to their economies forever.

Once the EPAs are signed, we will find ourselves in the same fix we find ourselves today; of being signatory to the Rome Treaty. Now we cannot run away from the Prosecutor of the International Criminal Court, Mr. Moreno Ocampo. Immediately we enter into those treaties, we cannot run away from them. It is, therefore, imperative that the Government looks at the EPAs with the interests of its citizens at the top.

Mr. Temporary Deputy Speaker, Sir, the other thing I want to talk about is the Tanzanian case. Kenya prides itself as having practiced capitalism to where we are today. If you look at our per capita income today, it stands at about Kshs35, 611 per annum. That, however, does not mean that every Kenyan gets Kshs35, 611 per annum. I mean that on average every Kenyan should have that based on the Gross Domestic Product (GDP). The reality, however, is that a Kenyan citizen living in Turkana does not see Kshs100 in a year. Much as he does not see Kshs100 in a year, he has a right to live. He has a right to food and a right to lighting in the night. He also has a right to wash himself.

Mr. Temporary Deputy Speaker, Sir, it is on this account that I want to say that it is incumbent on us, as representatives of the people to come here, convince ourselves and pass a law that seeks to regulate the prices of these essential commodities.

We left Tanzania when they were still grappling with socialism which was an ideal political ideology for them. However, today when you look at the welfare of Tanzanians, they are far ahead of Kenyans on average. I know that you will get the richest person in East Africa from Kenya, but similarly you will get the poorest person in East Africa from Kenya. This is a disparity that as a Government and representatives of the people, we need to correct. We should correct it through this kind of legislation where we propose dignified life for every Kenyan.

With those few remarks, I beg to support.

Mr. Gaichuhie: Mr. Deputy Speaker, Sir, thank you for recognizing my presence and my need to support this Bill.

I want to thank Eng. Maina for the Bill that he has brought in this House. We are supporting this Bill because it talks of essential commodities. When you look at our Government, we are even practicing double standards. When it comes to buying maize from farmers or fertilizers by farmers, the prices are almost controlled. However, when it comes to buying the flour or any other essential commodity, there is no comparison. Farmers are even now discouraged to plant because at the end of the day they sell a 90 kilogramme bag at a price of Kshs2, 000. On the other hand, a two-kilogramme packet of flour is Kshs100. Farmers really feel discouraged. They wonder why their products are sold at a very high price by the brokers or millers. Farmers are very discouraged.

Lack of price control for essential commodities has even made it very hard for Kenyans to plan. You cannot say that out of your salary you can save 5 per cent because before you even save it, prices of essential commodities rise far beyond your economic reach. This has encouraged the Government to go the wrong way. Instead of subsidizing for farmers, they have decided to bring in free food. I wonder how long these foods will feed Kenyans. Currently, if farmers are discouraged, it means we have to import food and give Kenyans. The Government should turn around and instead of buying food for Kenyans, subsidize farming so that we can be self-sufficient. That will control prices because if all farmers can generate income from that, they will afford to buy whatever foods they want from the good returns that they get.

Mr. Temporary Deputy Speaker, Sir, I do not want to repeat what others have said. Whenever we come here in June we only reduce taxes so that food prices can go down. However, we are not able to control food prices because we have a free market. Instead of reducing taxation, the Government should control prices for essential foods. Most things have been said and I see other Members also want to contribute.

With those few remarks, I support.

Mr. Yakub: Mr. Deputy Speaker, Sir, I really appreciate the efforts of Eng. Maina and I wish to support this Bill.

Normally, when Parliament discusses price control, the business people think we have war with them. That is not the case. In fact, if prices go down, the volume of their sales will be bigger and they will get more profit. If one was selling 1,000 kilogrammes of maize at Kshs5 per kilogramme and then they are told to sell at Kshs2 because of price control, I am sure they will sell 3,000 kilogrammes. That way, they will get a profit of Kshs6, 000.

Mr. Temporary Deputy Speaker, Sir, this has succeeded in countries like India and China. There was some goodwill from the Government in June 2008 where the Government came up with some price control on agro-imports. Prices of seeds and fertilizers were controlled and the farmers could afford to get them at a cheap price.

The issue of price control will also help pensioners and the poor people we are living with. We have been told here that we have many Kenyans who cannot afford more than one meal a day. With price control, I am very sure many poor citizens we live with will be able to have at least one or two meals per day. I would also like to remind my fellow legislators that during campaigns, we normally use the language, "When I am elected, I will do my best to reduce food prices". I really expected that this House would be full as we discuss this Bill. I hope Eng. Maina will not forget medicines on his list of essential commodities. I think it is one of the most important items. Kenyans cannot afford medicine right now.

The issue of food is a human rights issue. We all know that someone can live without shelter and clothing but no one can live without food. Food is the fuel for the body. If the body does not get food, it cannot survive.

I would like to conclude my contribution by quoting a former President of Sudan who said: "If you cannot control the stomachs of your citizens, then you will not be able to control the minds of your citizens on the matter of civil wars".

With those few remarks, I beg to support.

Mr. Mbadi: Mr. Temporary Deputy Speaker, Sir, I would like to support the Bill. I had a discussion with my friend, Eng. Maina, an argument actually, of the merits of this particular Bill, because I am one of the people who really believe in a free market economy. But after a lengthy discussion I stand here to say that at least this Bill has merits that need to be supported. A perfectly competitive market has an infinite number of buyers and an infinite number of sellers. Let me make it a bit realistic by saying that it has many buyers and many sellers.

But in the case of our country, we have a market distortion, or we have a distortion in the economy. For that matter we need to correct it. If you look at the case of banks, you will realize that that they make huge profits and charge very high interest rates, but at the same time they give very low interest rates on deposits. Despite the numerous number of banks that we have in this country they cannot correct themselves. So, if we assume that the market will correct itself, our people will continue to suffer. Someone said that we have never had food riots in this country, but I think we have had something similar to food riots. For the first time in the history of this country, a head of State has been heckled, at least in public, while attending a public function because of food. That happened last year. So, we should not wait for full scale food riots in this country; we should not wait for the citizens of this country to start protesting that prices of essential commodities have skyrocketed for us to act. Sometimes the inflationary pressure in this country cannot be explained, because it is unjustified. If you look at the current thinking of Government, it is trying to make cash transfers to people who are considered vulnerable; poor in the country but this would not be necessary if we controlled the prices of goods, and if the prices of essential commodities were affordable. For that reason I think it is high time that, as a country, we looked at the prices of essential commodities, and we know them. In fact, essential goods are basically goods

that make one have food, shelter and clothing. If you read elementary economics you will know that those are the three essential items.

So, Mr. Temporary Deputy Speaker, Sir, I think what we are urging the Government is come up with policies that would result in prices of essential commodities remaining stable and reasonably cheap, so that they can be accessed by the majority of the citizens of this country. A government must be able to feed its people, and to provide basic commodities. This can only be done if the Government carries out some interventionist strategies to make sure that the prices of essential commodities are affordable by the majority of us.

With those few remarks, I beg to support the Bill.

Mr. Midiwo: Mr. Temporary Deputy Speaker, Sir, you know there are very few people who are controlling these prices, be it the price of fuel or that of grains. There are basically cartels of thieves. This Parliament must do more. I want to implore my friend, Eng Maina, to widen this list when we go to pass the Bill. He should include every item which affects the lives of our people; in fact we should have a Town Hall meeting; let Kenyans tell us which items, they want the prices controlled. There is no way our people can live with the current prices of *unga*. We are courting a revolution!

Mr. Temporary Deputy Speaker, Sir, recently, the Government bought bags of maize at Kshs2,600 each to sell to the National Cereals and Produce Board (NCPB) at Kshs1,750. That move did not bring down the price of maize meal. In fact, a few politically well-connected people made a lot of money while Kenyans were dying in drought-stricken areas. We must make sure that we control the prices of what our people consume.

On fuel that people use for general production, if you watched the CNN at night, you heard it say that the price of a barrel of oil has gone down. However, the pump prices of fuel do not reduce in Kenya as the world oil prices come down. But if the world oil prices go up when our petroleum companies have stock, all our petrol stations increase prices the following morning. If this Parliament cannot break this cartel, we have no business being the people's representatives.

I thank Eng. Maina and ask him to draw the list of those commodities. Even if it will include a million items, we will support him. I have seen the opposition from the Treasury and the Central Bank of Kenya (CBK) but let them be forewarned that we will be on the side of the people when it comes to necessities that our people consume.

With those few remarks, I beg to support this Bill.

Mr. Kigen: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. The most important things that were supposed to have been said in respect to this very important Bill have already been raised by the hon. Members who have spoken.

This Bill is addressing the basic requirements that ought to be made available to Kenyans at affordable prices. For example, it has become impossible for the vulnerable to access food in this country. This is because most of the food that is available in this country today is imported rather than generated locally. Why is this so? This country can afford to feed her people. It can also afford to produce enough sugar at affordable prices but because there has been laxity in our society, little has been done to ensure that there is enough food.

The construction of huge dams by the Government this year is a move in the right direction in addressing food problems in our country. One of the basic requirements, as

an hon. Member has said, is food. It is like fuel that you must put in a car in order to move. Everybody should see what our people are going through. They are only asking to be provided with food. So, if we can control the price of food or rather maintain it at a level that is affordable to the people, we can maintain such other requirements like sugar. Today, sugar is going for almost Kshs200 per kilogramme, but that money does not trickle down to the farmer who is producing that sugar. That confirms the concern that a few people are determining the prices in the economy.

Dr. Otichilo: On a point of order, Mr. Temporary Deputy Speaker, Sir. You will note that we have contributed to this Bill and hon. Members are actually repeating themselves. Would I be in order to request that the Mover be now called upon to reply?

The Temporary Deputy Speaker (Prof. Kaloki): Hon. Dr. Otichilo, did you have an opportunity to contribute to this Bill?

Dr. Otichilo: No, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Prof. Kaloki): All right! Hon. Members, going by the mood of the House, I will now put the Question.

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

Eng. Maina: Mr. Temporary Deputy Speaker, Sir, I do not know whether I will be in order if I give an hon. Member one minute to say something before I conclude.

The Temporary Deputy Speaker (Prof. Kaloki): You can go ahead!

Eng. Maina: Mr. Temporary Deputy Speaker, Sir, before I conclude, I would like to ask my friend, hon. Mwaita, to say one or two things.

Mr. Mwaita: Mr. Temporary Deputy Speaker, Sir, I had requested my colleague to donate a minute to me, so that I can also air my view that I support this important Bill to control the prices of essential commodities in this country.

Mr. Temporary Deputy Speaker, Sir, as we know, a hungry man is a dangerous man in this country. When we control the price of maize meal, for example, it will assist our people. We know what happened early in the year, when the price of maize meal nearly doubled. So, this Bill is timely. I wish to support what hon. Midiwo said. We should widen the scale and include all the other essential commodities and not only food. It is very important to control even the prices of clothes. Cartels which seem to be taking over a number of areas need to be brought under this Bill.

I beg to support.

Eng. Maina: Mr. Temporary Deputy Speaker, Sir, I thank you for allowing me time to move this Bill. I want to thank my fellow hon. Members and, in particular, the Ministers who contributed and supported this Bill.

Mr. Temporary Deputy Speaker, Sir, I need not repeat myself. Let us look at the forefathers of Africa. Mwalimu Julius Nyerere, who has been quoted here several times, was once asked by a journalist: "Why are you getting food for your people from South Africa, which is practicing apartheid?" And said: "I would not mind going to hell to get food, if that is where it is available."

Mr. Temporary Deputy Speaker, Sir, let us not take our people for granted when it comes to issues regarding *unga* and all the other essential commodities in this country. I think Kenyans are extremely patient people, but we have witnessed very ugly incidents in

this country in the last two years, especially at the beginning of last year. Therefore, let us not take Kenyans for granted. It is the high time the Government woke up and led from the front with courage.

Mr. Temporary Deputy Speaker, Sir, I want to state that the Government should note that without these measures, there will be no legal social harmony; our security is threatened and it may not be long before you see Kenyans on the road. Our Head of State has been heckled by ordinary *wananchi* and the Prime Minister himself was answered back in Kibera. He shouted "Orange" and people shouted back "Unga"! We are actually witnessing a time bomb in this country. I call upon Kenyans not to listen any more to these outside agents. Let us not listen to people from Central Bank and Treasury who are talking about the free market economy. We are all for the market economy.

Mr. Temporary Deputy Speaker, Sir, we will consider, in collaboration with my friend, hon. Midiwo, what other essential commodities we should bring into this Bill as we move along. I want to say that, let Africa be African and let Kenya wake up and declare that, we are going to move forward as Kenyans irrespective of our tribes. Let us stop the exploitation of our people. Once again, I thank all hon. Members who contributed to this Bill.

With those remarks, I beg to move that the Price Control (Essential Goods) Bill, be now read a Second Time.

Thank you.

(Question put and agreed to)

(The Bill was accordingly read a Second Time and Committed to a Committee of the whole House tomorrow)

MOTION

FORMULATION OF POLICY/ LEGISLATIVE FRAMEWORK ON HERBAL MEDICINE

Eng. Gumbo: Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to move the following Motion:-

THAT, aware that the practice of herbal medicine and use of herbal pharmaceutical products is widespread in Kenya today in spite of lack of a clear policy and legal framework; appreciating the need to establish a policy and legal framework to facilitate the practice of herbal medicine and recognition of herbal pharmaceutical products; this House urges the Government to formulate a policy and legislative framework for the practice of herbal medicine and use of herbal pharmaceutical products, including establishing the necessary institutional oversights and regulatory bodies, standards of practice and for matters incidental thereto and connected therewith.

Mr. Temporary Deputy Speaker, Sir, human kind dependence on herbal medicine is believed to be nearly as old as` creation itself. Indeed, some evolution theorists believe

that other than the search for food and the need to procreate, which in themselves are almost instinctive and involuntary; the next major milestone in the development of human kind was the discovery of herbal remedies for the various maladies that afflicted us then and now. It is no wonder that many cultures of the world or many communities of the world and, indeed, many countries like Kenya depend on herbal remedies in one way or the other.

Indeed, all the major religions of the world somehow have reference to herbal remedies. The major Holy books: the Koran, the Torah, the Bavada Gita and the Holy Bible have elaborate references to herbal cures and healings in a number of their verses as demonstrated by the following excerpts from the Holy Bible: In the book of Exodus Chapter 15:25, there is reference to the tree that used to detoxify and purify water in the wilderness. The book of Kings II, Chapter 20:7 refers to a fig tree that was being used by Hezekiah to clean his boils. In Revelations Chapter 22:2, the tree of life which produces fruit for food and leaves for medicine is referred to. Isaiah Chapter 38:1-2, talks about all types of fig trees being used to heal boils.

Alternative and herbal remedies have evoked heated debate all over the world, and Kenya is no exception. We do not have clear statistics on how many people use herbal remedies in Kenya but the truth is that the use of herbal remedies in Kenya has clearly gained acceptance. World Health Organization (WHO) estimates that about 3.5 billion people today are on herbal remedies. The estimate for Africa and developing countries is that up to 85 per cent of our population depends on herbal remedies. That means that, out of the 40 million Kenyans living today, about 30 million of them, including hon. Members have, at one time or the other, used herbal remedies.

In Kenya and Sub-Saharan Africa, traditional herbal medicines are being used to treat a variety of diseases. Such practices are especially widespread in areas where people are unable to afford the conventional medicine. The cost, most of the time, is beyond the reach of our people. Going by the above estimates, therefore, we can see that we have to admit that many Kenyans--- In fact, millions of Kenyans are using herbal medicine. That is not surprising as the landscape of Kenya has a lot of therapeutic herbs which are used in fighting many maladies. I will give a few examples. There is the Neem Tree which is called Mwarubaini. It is believed to have a capability of containing up to 40 diseases. We have the Morinda opera whose flowers, leaves and roots are used to tackle a variety of ailments.

The list of herbal medicinal plants in Kenya is endless. Many of those herbs, unfortunately, are currently being used without clear studies on their effects and what they can do to the human life. At the moment, we know that those herbal remedies are being used in a big way in the management of many illnesses, particularly by those people who are suffering from chronic incurable diseases and terminal illnesses such as arthritis, asthma, bronchitis, candida, HIV/AIDS, malaria, rheumatism, typhoid, ulcers and all forms of other illnesses. They are also being used to cure bronchial diseases, highland malaria, peptic ulcers, STDs, tuberculosis, typhoid and influenza. Therefore, the use of herbal alternative has been widespread in Kenya in the recent past and that is primarily due to the following reasons:-

In most parts of our country, there is poor access to modern health facilities and, where there is access, the cost of such facilities is very high for most of our people. There is also the unavailability of peptic drugs to combat common diseases in the rural areas. It

has also been proven that many herbal remedies have been successfully used to manage chronic terminal illnesses such as asthma and the other diseases that I stated above. Majority of Kenyans living in the rural areas are also poor and cannot afford to go to hospitals. Many Kenyans also have faith in herbal medicine and, therefore, use the word of mouth to market and inform others. It is also known that it is the health budget in our country that has made herbal remedies attractive even to those of us who happen to be in the middle-class. There is also the changing lifestyle which has made diseases such as diabetes and hypertension more common amongst our people. All these reasons have made herbal medicine to be attractive to our people. Therefore, we cannot deny the fact that the use of herbal medicine is widespread in our country. Clinics specializing in herbal products have been established in major towns in the country and they offer cure to a myriad of diseases. Some practitioners have been known even to schedule countrywide tours to popularise this medicine. As we speak today, reports indicate widespread abuse nevertheless. The most common being the preparation of cocktails containing both herbs and conventional medicine. The results of such misuse can be dire.

Mr. Temporary Deputy Speaker, Sir, the Pharmacy and Poisons Board, as we know today, is supposed to register and regulate activities of medical practitioners but it is true that whereas Pharmacy and Poisons Board regulates the convention practitioners, there is no such equivalent to regulate the use of herbal medicine in Kenya. The lack of clear professional guidelines of herbal medicine may have contributed to the distorted information available on herbal medicine. This makes it difficult to do cost evaluation, document and compare contra-indications of herbal medicine. The question that is then asked is: From where can a consumer seek authoritative information on the efficiency and effectiveness of herbal medicine? If they do, who advises at what age alternative therapy should be administered? Do we not know that some herbal medicines have counter effects and can be harmful to the lives of human beings? This, therefore, means that we need a framework to regulate the use of herbal medicine so that we can know how much should be used. We also need a framework so that we can go ahead and do hygienic packaging so that the health of our people can be protected.

Mr. Temporary Deputy Speaker, Sir, allow me to conclude by stating the following: There is clearly an urgent need to establish professional guidelines on the practice of herbal medicine to ensure that both the practitioners and the consumers operate within the bounds of order. The regulation framework should consider the following areas:-

- (i) Domestication of cultivation of tradition medicine;
- (ii) safety, efficacy and quality of herbal medicine;
- (iii) ethics, use and trade of medicine and plants; and,
- (iv) commercialization of the intellectual property rights in traditional medicine as a roadmap towards regulation of the practice.

With those remarks, I beg to move and call upon Mr. Wamalwa to second the Motion.

Mr. Wamalwa: Mr. Temporary Deputy Speaker, Sir, I would like to second this Motion. I thank Eng. Gumbo for coming up with this very important Motion. In the olden days when there was tragedy in the village, people would visit the forest, rivers and lakes to seek intervention from the gods. When there was an ailment, the ancient society always visited the forest to treat its sick. In fact, as we speak, traditionally, the African

society has had well researched background in terms of finding medicine from the barks of trees, roots and leaves. Herbal medicine is a practice that goes on and has been going on since ancient days. Even today, our society relies heavily on herbal medicine. However, as we progress in medicine and research, we should come up with a proper legal framework and a policy to regulate the practice of herbal medicine. That is why I wholeheartedly support this very important Motion which seeks regularization of the practice of herbal medicine through an establishment of a comprehensive policy.

ADJOURNMENT

The Temporary Deputy Speaker (Prof. Kaloki): Order! Mr. Wamalwa, you will have eight additional minutes next time when debate on this Motion resumes.

Hon. Members, that concludes the business on the Order Paper. Therefore, the House stands adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.