

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 28th January, 2009

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.299

NON-PAYMENT OF GOLDEN HANDSHAKE TO RETRENCHED CIVIL SERVANTS

Mr. K. Kilonzo asked the Minister of State for Public Service:-

(a) whether he is aware that many civil servants were retrenched in 2000 and were to paid Kshs240,000 as "Golden handshake";

(b) whether he is further aware that no payments have been made to the retirees todate; and,

(c) whether he could consider reinstating the retrenched civil servants or promptly paying them the "golden handshake."

Mr. Deputy Speaker, Sir, I have not received a written answer yet, but I can see that it is being brought.

Mr. Deputy Speaker: Under the circumstances, we will proceed to the next Question, so that you acquaint yourself with the answer.

Question No.271

FATE OF STALLED LBDA HEADQUARTERS PROJECT

Mr. Deputy Speaker: Mr. Chanzu is not here?
Next Question!

Question No.321

REVIVAL OF IRRIGATION PROJECTS UNDERTAKEN BY KVDA

Mr. Deputy Speaker: Mr. Kaino also not here?
Question No.455 by hon. Ruteere!

Question No.455

CONSTRUCTION OF SEWERAGE
SYSTEM IN MAKUTANO TOWNSHIP

Mr. Ruteere asked the Minister for Water and Irrigation:-

- (a) whether she is aware that Makutano Township in Meru Municipality is not connected to the main sewerline, hence exposing the population to health hazards; and,
(b) what steps she is taking to correct the situation.

Mr. Deputy Speaker: The Minister for Water and Irrigation not here?
We will proceed to the next Question by Mr. Kiilu!

Question No.458

UPGRADING OF EMALI-UKIA
ROAD TO BITUMEN STANDARD

Mr. Deputy Speaker: Mr. Kiilu also not here?
Question No.599, by hon. S. Abdalla!

Question No.599

TARMACKING OF ROADS IN LAMU

Mr. Deputy Speaker: Hon. S. Abdalla also not here?
Next Question by hon. Kapondi!

Question No.469

MEASURES TO INSTITUTE COMMUNITY
POLICING COUNTRYWIDE

Mr. Kapondi asked the Minister of State for Provincial Administration and Internal Security:-

- (a) what steps he has taken to put in place community policing mechanisms throughout the country and to ensure that communities are provided with security and a conducive atmosphere for development; and,
(b) what measures the Government has taken to guarantee community ownership, credibility and respectability of these policing units throughout the country.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Community policing is a Government policy which was officially launched by His Excellency the President in April 2005, as a crime prevention strategy that establishes a common partnership between members of the community and the police in preventing crime. Community policing is a department within the Kenya Police Force. It is headed by a Director who is a Senior Assistant Commissioner of Police and has a command structure from the police force headquarters up to the police stations level throughout the country.

(b) In guaranteeing ownership, the membership of the community policing committee is elected from the community by the communities themselves. Those eligible to serve in the committee are people of high integrity, who command respect from the local communities and are also security-vetted. The membership is voluntary and, therefore, members can opt out of its membership at will.

Mr. Kapondi: Mr. Deputy Speaker, Sir, I agree to a certain extent with the answer given by the Assistant Minister. But the community policing was supposed to strengthen and ensure that in areas prone to insecurity, room is created for development. This is because community policing would have acted as an early warning system. Since its inauguration with a lot of funds, the security in this country has continued to degenerate. What has the Assistant Minister done to strengthen this community policing?

Mr. Ojode: Mr. Deputy Speaker, Sir, I disagree with my friend that there is insecurity in many parts of Kenya. I will give you one example. In Mt. Elgon itself, we really tried to bring sanity. We had to mount an operation which was a combined force by our Army, the Administration Police and the Regular Police. As I speak, my friend, hon. Kapondi, is a very happy man since sanity is back. Community policing was meant to bring *wananchi* closer to the police.

You will agree with me that before community policing was introduced, whenever one saw a policeman he or she would run away. In order for us to get information from the ground, it is better for us to bring the community policing, so that we will also know those who are thugs and robbers within the area. It is working very well throughout the country. As I speak, crime rate has gone down and it is still continuing to do so, except for areas prone to cattle rustling. I must accept that we need to do a lot more in those areas. But this is because the cattle rustling itself has become a cartel. But sooner or later, we will unearth the cartel.

Mr. Outa: Mr. Deputy Speaker, Sir, I appreciate the Community Policing Programme. However, I would like the Assistant Minister to assure this House that the membership of community policing will not be used by individuals to recruit *Chinkororos*. It could be used to promote militia groups. What measures has the Assistant Minister put in place to avoid that?

Mr. Ojode: Mr. Deputy Speaker, Sir, as I had mentioned, we look for people who are respected within the community. If one recruits goons, he will do it at his own risk! Those who are behind *Chinkororos* of this world and *Jeshi la Wazee* are doing that at their own risk. We will flush them out. Integrity comes first. I want to appeal to my friends that if they are aware of anybody who is behind the *Chinkororos* of this world, they should whisper it to me so that we can arrest them. We will arrest them!

(Laughter)

Mr. Abdirahman: Mr. Deputy Speaker, Sir, community policing is a new concept in this country. Using members of the community policing team as only a source of information is not sufficient enough to create ownership or get a good connection between the community and the security team. In the districts, for instance, we always see the district security teams as exclusive organs that make decisions that even affect communities at times. Could the Assistant Minister tell this House the extent to which they are able to integrate, particularly the chairmen of community policing, in making critical security decisions in the districts?

Mr. Ojode: Mr. Deputy Speaker, Sir, under normal circumstances, the police get information from the community. After that, the intelligence officers take up the matter. If it is a matter which requires the police to arrest and take those who are adversely mentioned to court, that is what will happen.

Mr. Deputy Speaker, Sir, once information has been received by the police officers, we take action as the Government. The police will take those adversely mentioned to court after investigations. The law must be followed.

Dr. Khalwale: Mr. Deputy Speaker, Sir, I want to agree with the Assistant Minister that in certain parts of the country we are very happy with community policing. However, what plans does he have to give special identification cards to members of community policing? Some of the young

members are harassed by the police, assistant chiefs and chiefs. What plans does the Assistant Minister have to pay them a stipend for the good job they are doing?

Mr. Ojode: Mr. Deputy Speaker, Sir, this is a new concept which just came in the other day. Paying these people something small in order to avoid corruption is a good idea. We will look into that. We will see what is it that we can pay in terms of an allowance in order to avoid corruption.

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

Mr. Kapondi: Mr. Deputy Speaker, Sir, considering the fact that members of community policing do not produce certificates of good conduct from the Criminal Investigations Department (CID) to confirm their levels of integrity, what steps is the Assistant Minister taking? Over time, we have had chiefs and members of community policing being put into custody by the same police.

Mr. Ojode: Mr. Deputy Speaker, Sir, nominating those to be members of community policing is not for the Government. It is the members of the community themselves who sit down and agree that "So-and-so is a good fellow, let him or her be a member of community policing". Therefore, the issue of good conduct does not arise here. It is members of the community themselves who come up with names. If the community comes up with the name of Mr. Ekwee Ethuro because he is a man who is respected within that area, we cannot come in as Government and say "no".

Mr. Ethuro: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to use my name when he knows very well that, one, I am not a member of community policing?

Secondly, that process he is talking about has not taken place in Lodwar where I am a member of the community. So, which community decides which people become members of the community policing and when?

Mr. Ojode: Mr. Deputy Speaker, Sir, in ordinary circumstances, we allow members of the community themselves to come up with the names. We do not say "no" to the names nominated by the community. I urge my colleagues to take part in the process of nominating the members of the community policing in their respective areas. Actually, they are members by virtue of their positions.

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

Question No.053

GAZETTEMENT OF POLICE STATIONS
IN TURKANA CENTRAL

Mr. Ethuro asked the Minister of State for Provincial Administration and Internal Security:-

- (a) whether he is aware that insecurity has undermined development in Turkana Central resulting in poverty and chronic unemployment;
- (b) when he will gazette police stations in Lorugum, Turkwel, Loima, Kalokol, Epuke and Kerio locations; and,
- (c) what other urgent steps the Government has taken to curb this insecurity.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am not aware.

(b) The District Security Intelligence Committee (DSIC), Turkana Central, has so far recommended the opening of police patrol bases at Lorugum, Loima, Epuke and Turkwel.

Mr Deputy Speaker, Sir, the Government is studying the recommendations for implementation.

Kalokol Police Patrol Base is going to be upgraded to a police post while Kerio will be served by the Administration Police camps at Kerio. They are capable of containing any situation on the

ground.

(c) Regular patrols by security personnel have been ongoing within the district and its environs. Community policing initiatives and peace committees have been activated. It is hoped that all these efforts will create sustainable peace in that particular area.

Mr. Ethuro: Mr. Deputy Speaker, Sir, you need to confirm the Assistant Minister, Ministry of State for Provincial Administration and Internal Security represents which country.

[Mr. Ethuro]

Mr. Deputy Speaker, Sir, first, I have not received the written answer to the Question. However, I will handle him. I have the capacity and ability.

Secondly, he says in "a" that he is not aware that insecurity has undermined development in Turkana Central. As I speak now, Lorengiti Primary School has been relocated from Lorengiti to Lorugum because of insecurity. Lokioma Primary School has never reached Standard Eight because every time they go to Standard Four or Five, there is a raid and they are relocated to other places.

Mr. Deputy Speaker, Sir, the distance between Lorengiti and Lodwar is about 120 kilometres. During the colonial times, there was a police station at a place known as Loya which used to have 60 police officers. According to the Assistant Minister, he has posted two police officers who are always sick or looking for their pay in Lodwar Town. When is he going to ensure---

Mr. Deputy Speaker: Ask your question!

Mr. Ethuro: Mr. Deputy Speaker, Sir, I am informing him because he is not aware. I have to make him aware!

Mr. Deputy Speaker, Sir, banditry is a common problem here. Cattle rustling is a common feature and the Assistant Minister even admitted this in his answer to the earlier Question. He said that he needs to look at the issue of cattle rustling in a better way. Now he says he is not aware. When is the Assistant Minister going to ensure that all the areas we have talked about get proper police stations and not the proposed patrol bases that are yet to be put in place?

Mr. Deputy Speaker: Mr. Ojode, where in this world does insecurity not undermine development?

Mr. Ojode: Mr. Deputy Speaker, Sir, I will definitely--- I know that there has been a problem of cattle rustling. Raids take place. However, raids do not happen on a daily basis. I have been to Mr. Ekwe Ethuro's constituency. I have been there together with him. We agreed on a number of proposals, one of which is that we need to beef up security in his area. The hon. Member knows very well that I added police officers in areas where previously there were only two or three officers. I have even added the GSU officers there to deal with the cattle rustling menace.

Mr. Deputy Speaker, Sir, I will require the assistance of the area Member of Parliament. He needs to tell us how many policemen he wants me to put in each and every police post. I also request him to accompany me to his constituency so that he can tell me: "This happened when you were here and this happened last week." As we speak now, we have beefed up security in the area. He knows that I allocated him a brand new vehicle for purposes of patrol in the area. What else does he require me to do?

Mr. Ethuro: Mr. Deputy Speaker, Sir, the Assistant Minister is a very good friend of mine---

Hon. Members: He gave you a vehicle!

Mr. Ethuro: Mr. Deputy Speaker, Sir, that is why I want to prove that there is a difference between friendship and the business that brought us to this House, including his appointment to serve as an Assistant Minister in the Government. He has claimed that he has given me more GSU personnel. Where? I do not have a single GSU camp in my constituency! So, how can he give me more GSU personnel. He has claimed that he gave me a new vehicle. The Assistant Minister has been promising every MP here a vehicle. Where is my vehicle? I saw him allocate one vehicle to Samburu District. Where is the one for Turkana District?

Mr. Ojode: Mr. Deputy Speaker, Sir, I never said that I set up a GSU camp. I said that I have beefed up security there by posting GSU officers. I never talked about a camp! If he wants a camp, he knows what to do.

Mr. Deputy Speaker: Order, Mr. Ojode! Where do the GSU personnel stay if they do not stay in a camp? Mr. Assistant Minister, the statements that you give here are taken seriously.

Mr. Ojode: Mr. Deputy Speaker, Sir, security operations depend on two or three things. One, you can post police officers together with the GSU officers to a patrol base for the purpose of patrol. Secondly, you can also post APs to a patrol base. Some of the patrol bases are being converted into police posts where there will be eight to ten security officers.

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

Mr. Ojode: Why can you not let Mr. Ojode finish?

Mr. Deputy Speaker: What is it, Dr. Khalwale?

Dr. Khalwale: Mr. Deputy Speaker, Sir, according to the rules of this House, a Minister would be found grossly out of order if he gives falsehoods to the House. The Assistant Minister, besides the camp he is talking about, has also said that he gave this hon. Member a vehicle. This is not the only time he has said that he has given MPs vehicles. Is this Assistant Minister in order to mislead this House, not only now, but previously too, by declaring that he has given and will give vehicles to MPs when we know that he has not done that? Will I be in order to move that we name this Assistant Minister because of that kind of behaviour?

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

Mr. Deputy Speaker: Mr. K. Kilonzo, he is responding to a point of order!

Mr. Ojode: Mr. Deputy Speaker, Sir, I do not know why there is a rush on this. Last week, we flagged off a fleet of vehicles which we bought. We have already allocated vehicles to districts and divisions.

(Loud consultations)

That is why I am telling Mr. Ethuro that he is a beneficiary of a new vehicle. Now, I do---

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

Mr. Ojode: Mr. Deputy Speaker, Sir, can I respond to the question first?

Mr. Deputy Speaker: Allow the Assistant Minister time to adequately respond to the question!

Mr. Ojode: Mr. Deputy Speaker, Sir, I was saying that a number of MPs here are going to benefit from the new vehicles which we have just allocated. If you want me to come with a list here, I will do so. After the allocation, I will table the list of areas that have so far benefitted.

Mr. Deputy Speaker: What is your point of order, Mr. K. Kilonzo?

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, this is a very serious issue we are discussing because it touches on matters of insecurity. We are trying to run away from a culture of personalising management of Government affairs. When this Assistant Minister stands up and says that he has given this and that MP a vehicle, we wonder whether vehicles are given to districts, say, Turkana, on the basis of need or friendship. Is he in order to say that he dishes out vehicles to MPs as opposed to issuing vehicles to areas that deserve them in order to fight insecurity?

Mr. Ojode: Mr. Deputy Speaker, Sir, sometimes I find it too difficult when MPs ask that vehicles be given to their areas and when you are ready to do so, they oppose it. I am going to issue a list of areas that have been allocated these vehicles. I said here that we are going to buy 407 vehicles out of which---

Mr. Mbugua: On a point of order, Mr. Deputy Speaker, Sir. Can the Assistant Minister lay

the list on the Table now? Should this Question not be deferred until he lays that list on the Table?

Mr. Deputy Speaker: Order, Mr. Ojode! Mr. Assistant Minister, these issues touch on the lives of Kenyans. You started on a wrong foot by saying that insecurity does not affect development. You owe this House a very elaborate explanation that befits the magnitude of the Question itself. The ruling of the Chair is that you go and bring an appropriate answer on Wednesday, next week.

(Question deferred)

Next Question!

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): On a point of order, Mr. Deputy Speaker, Sir, and it is not on that matter!

Mr. Deputy Speaker: If it is not on that matter, please, proceed!

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, yesterday, the Speaker sent me out of the House because I was improperly dressed. Today, before another hon. Member rises on a point of order, I would like to inform the Chamber that I injured my toe and its nail came off. You can imagine the pain I felt. Therefore, it is not possible for me to wear sandals with socks or closed shoes and yet I still want to serve the nation and Members of Parliament as the Assistant Minister for Water and Irrigation. I seek the indulgence of the House to be allowed to be in the House in my sandals without socks. It is a point of sympathy!

(Laughter)

Mr. Deputy Speaker: Mr. Kiunjuri, the Chair is, indeed, aware of your injury and you are allowed to participate in the House and carry out your functions as an Assistant Minister in the manner you are dressed now.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Next Question by Mr. Litole!

Question No.536

ISSUANCE OF TITLE DEEDS
FOR DEMARCATED LAND
IN POKOT DISTRICT

Mr. Litole asked the Minister for Lands:-

- (a) whether he could state when land demarcation in Tapach Division of Central Pokot District will be completed;
- (b) when the Ministry will send a vehicle to the district to hasten the job; and,
- (c) whether he could also confirm when the title deeds for Kaptabuk Location, where the demarcation has been completed, will be issued.

Mr. Deputy Speaker: The Minister for Lands is not here.

Next Question by hon. Nelson Gaichuhie!

Question No.526

CONSTRUCTION OF SEWERAGE
SYSTEM/PROVISION OF CLEAN

WATER IN NAKURU NORTH

Mr. Gaichuhie asked the Deputy Prime Minister and Minister for Local Government:-

- (a) whether he is aware that there is no sewerage system or clean water in any of the towns in Nakuru North District; and,
- (b) when the residents of Nakuru North will have those facilities.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Clean water is available in major towns in Nakuru North District. Those towns include Bahati, Kabati, Subukia and Dundori. However, sewerage systems are not available.

(b) The County Council of Nakuru, through the Local Authority Service Delivery Action Plan (LASDAP), is continuously funding several water projects in Nakuru North District. Such projects include the Subukia/Kirima Water Project which is ongoing, Gituamba/Kware Water Project, Wanyororo B Water Project and Amos Borehole Rehabilitation Project.

My Ministry will explore possible ways and means of assisting the council to undertake a sewerage system which will require heavy capital involvement and, hence, cannot be left solely for the council.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Gaichuhie: Mr. Deputy Speaker, Sir, those towns are rapidly growing. Could the Assistant Minister tell me when he will instal the sewerage system? There are buildings that are coming up and it might be difficult to construct a sewerage system in the near future.

Mr. Deputy Speaker: Mr. Assistant Minister, could you give a time-frame?

Mr. Githae: Mr. Deputy Speaker, Sir, it is difficult for me to give a time-frame because we are only assisting. I would like to draw the attention of this House to Presidential Circular No.1 of 2008, which gives the various functions of Ministries. The functions of water and sewerage were by that circular, removed from the Office of the Deputy Prime Minister and Ministry of Local Government to the Ministry of Water and Irrigation. In fact, under the functions for the Ministry of Water and Irrigation, the circular says gives water resources management policy, water and sewerage policy service, public water scheme and community water projects.

Mr. Deputy Speaker, Sir, as a Ministry, we have recognised that sewerage systems involves very heavy capital cost. Therefore, we are, at the moment, negotiating with donors such as the European Union (EU). We are also negotiating with the Treasury to get funds to advance our local authorities. That is not a unique case. In fact, there very major towns in this country which do not have sewerage systems. But the regulations are very clear. If a town has no sewerage system, the local authority should not be approving storeyed houses. But that is not happening. So, we are going to implement that regulation, so that we do not start polluting rivers in this country.

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, the problem of sewerage systems in this country is so serious that big towns do not have them. A good example is Kitui Municipality. Kitui Town, which is a senior district, does not have a sewerage system. I believe it is not only Kitui. There are many other towns which do not have sewerage facilities.

Mr. Assistant Minister, what is your Ministry doing, in conjunction with the Ministry of Water and Irrigation - that is because you are in the same Government - to ensure that Nakuru North and Kitui districts get sewerage systems to avoid diseases creeping in?

Mr. Githae: Mr. Deputy Speaker, Sir, I fully agree with my friend, hon. K. Kilonzo. That is a very serious issue. There are very many towns in this country that do not have sewerage facilities. Those towns were not properly planned. They just came up. So, we are now reacting to a situation which is already there. To start with, my Ministry is in the process of recruiting physical planners so

that they can start planning those towns. That planning will also include sewerage facilities. At the same time, as I said, we are negotiating with donors such as the European Union. We have also drawn the attention of the Treasury to that very serious problem of lack of sewerage systems in this country. The other major problem is that, even where there are plans for a sewerage system, the land is not available. So, those are some of the problems we are facing. We are going one by one. I would like to assure this House that we have seen the seriousness of this issue and we are doing all we can to make sure that we give sewerage services, in conjunction with the Ministry of Water and Irrigation. As I said earlier, that is a major role of the Ministry of Water and Irrigation. But we have also recognised that local authorities fall under us and we are going to assist them as much as we can.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Mr. Gaichuhie, last question!

Mr. Gaichuhie: Mr. Deputy Speaker, Sir, the Assistant Minister has said that we have clean water in Subukia. But I want to assure him that we do not have any water treatment tank. That water is drawn from rivers and boreholes which are polluted. When will the Assistant Minister put up a water treatment plant in Subukia?

Mr. Githae: Mr. Deputy Speaker, Sir, the design to supply clean water to Subukia Town has already been undertaken by the Ministry of Water and Irrigation. But it has not yet been implemented. Currently, Subukia residents are relying on Moro Community Borehole and River Subukia which traverses the town.

As I said, we have recognised the importance of sewerage and clean water in our major towns. The Ministry of Water and Irrigation has already done the survey. We are going to push them so that, that survey could be implemented.

Thank you, Mr. Deputy Speaker, Sir.

Eng. Rege: On a point of order, Mr. Deputy Speaker, Sir. A water system in this country is not a rocket design. Could the Ministry tell this House whether it will overhaul the entire country's water design? I will give an example of Karachuonyo. They keep on getting millions of shillings from donors. But the money is just put in pipes. They do not look at the actual designs. So year in, year out, the water system does not work. Unless that is done systematically and we have good water engineers designing water systems in this country, we are going nowhere in the realization of Vision 2030.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Hon. Assistant Minister, if I understood your answer very well. You said that Subukia does not enjoy clean water now. The presumption is that Kenyans might contract diseases such as typhoid and others. I think you need to give something that is very definitive in terms of an undertaking for Subukia and the rest of the country.

Mr. Githae: Mr. Deputy Speaker, Sir, for Subukia, I have said that it does not have what we call treated water. But they use water from River Subukia and a borehole. The borehole water is portable and clean. But because River Subukia passes through some towns, there is some pollution. I said that the Ministry of Water and Irrigation has already designed a project to supply clean piped water to Subukia Town. I said that, in conjunction with that Ministry, we are going to push until that project is implemented.

Mr. Deputy Speaker: Next Question, Mr. Charles Nyamai!

Question No.473

CDF ALLOCATION AS STIPULATED
IN THE ACT

Mr. K. Kilonzo, on behalf of **Mr. Nyamai**, asked the Minister for Planning,

National Development and Vision 2030:-

(a) whether he is aware that the CDF allocations for 2005/2006, 2006/2007 and 2007/2008 Financial Years were made to the various constituencies based on estimates, and not the actual ordinary revenues collected as stipulated by the CDF (Amendment) Act; and,

(b) why the Minister allocated money to the constituencies based on Kshs10.1 billion instead of Kshs11.6 billion, which is the correct amount as per the Act.

Mr. Deputy Speaker: Is the Minister for Planning, National Development and Vision 2030 not here?

Mr. K. Kilonzo, have you been mandated by Mr. Nyamai to ask this Question on his behalf, or have you taken it upon yourself on your own?

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, he mandated me to ask the Question on his behalf.

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

Mr. Deputy Speaker: Order, Mr. Ombui!

The Minister is not in and the Leader of Government Business and the Deputy are not in. Could a senior Minister tell us how he intends to deal with Question by Mr. Nyamai?

The Minister of State for Public Service (Mr. Otieno): Mr. Deputy Speaker, Sir, we should be able to get the answer from the Ministry on Tuesday or Wednesday next week.

An hon. Member: Today afternoon!

The Minister of State for Public Service (Mr. Otieno): That will be too soon! I will not have reached them!

Mr. Deputy Speaker: Mr. Minister, Tuesday or Wednesday next week is too far. This Question is going to appear on the Order Paper tomorrow afternoon, and the House expects an answer from the Minister.

(Question deferred)

Question No.399

RESETTLEMENT OF IDPS AT
EKERENYO CAMP

Mr. Ombui asked the Minister of State for Special Programmes:-

(a) whether she is aware of the Internally Displaced Persons (IDPs) at Ekerenyo IDP Camp; and,

(b) what steps the Ministry is taking to urgently compensate and re-settle these IDPs as has happened in other parts of the country.

The Assistant Minister, Ministry of State for Special Programmes (Mr. M.M. Ali): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am not aware that there are IDPs at Ekerenyo IDP Camp because this camp was closed down on 11th September, 2008.

(b) There is no step whatsoever that we are going to take since we have nobody in that camp.

Mr. Ombui: Mr. Deputy Speaker, Sir, I am surprised to get an answer that there are no IDPs at Ekerenyo.

Right now, although the number has reduced, there are about five people and one lady has nowhere to go, because her husband was killed and at the same time, her land was sold. She has nowhere else to settle. Could the Assistant Minister confirm that those five people exist at Ekerenyo Division?

Mr. M.M. Ali: Mr. Deputy Speaker, Sir, we do not have five people as alleged by the hon. Member. In fact, there is no single person at that camp today. As for the lady that he is talking about, we are aware that she was initially relocated to Kericho, which is her place of origin. Unfortunately, she was attacked again! So, she came back to the camp and, since we knew that fact, we organized with the District Commissioner and instructed him to pay her and take her back to Kericho. Later, she relocated on her own, and the DC is still looking for her. If the hon. Member knows of her whereabouts, he should take her to the DC because he has all her money. But there is no other IDP that we are aware of in that area.

Mr. Ombui: Mr. Deputy Speaker, Sir, I would like to know from the Assistant Minister whether he is aware that we have more than 3,000 internally displaced people in Nyamira District, and the lady is one of them.

Mr. Deputy Speaker: Do you want him to know that? Is it a point of information? Do you want confirmation, or is it a piece of information you are giving him?

Mr. Ombui: Mr. Deputy Speaker, Sir, I have just asked a question to be answered.

Mr. M.M. Ali: Mr. Deputy Speaker, Sir, I do not know whether the hon. Member was listening to my answer; I stated very clearly that we are not aware of any IDP existing in that particular camp. As far as the larger Nyamira is concerned, that is a different issue altogether. I came prepared to answer his Question about Ekerenyo IDP Camp, and I have clearly stated that it was closed down on 11th September, 2008. It is important to note that we do not ask some of these things when we do not have facts from the ground. There is only that lady, whom I have said we do not know where she is at the moment, and that her facilitation is with the DC. That is what you have to note.

As to the larger Nyamira, it is a different Question, which we can tackle another time when we have all the information.

Mr. Ethuro: Mr. Deputy Speaker, Sir, part (b) of the Question is about the issue of

urgent compensation and resettlement of IDPs. In Turkana, I have about 700 IDPs. A half of them are in my constituency in three camps, Kamankemer, Napetet and Anakamekwi. The IDPs do not want to go back, because they are traumatized by the events of the post-election violence. When is the Assistant Minister going to assist them to resettle by disbursing to them the Kshs25,000 that the Government had promised.

Mr. M.M. Ali: Mr. Deputy Speaker, Sir, Mr. Ethuro was in this House yesterday in the afternoon when I was answering a similar question. I indicated in my answer that we received the last tranche of our Budgetary allocation on 16th January, 2009. Therefore, we have again embarked on the process of relocating the IDPs to their original homes. For those integrated, and are living with their families, whose profiling exercise was completed towards the end of last year, we have written to the Treasury to avail us more funds, so that they can also be compensated. I wish to refer Mr. Ethuro to the HANSARD to check the answer I gave yesterday. But this is the position.

Mr. Deputy Speaker: Mr. Ombui, as the tradition, you will ask the last question.

Mr. Ombui: Mr. Deputy Speaker, Sir, I would like the Assistant Minister to tell the House, how much money was paid to one lady, who was to be resettled but who has not yet been resettled. What plans do they have, if the lady does not get a place to be settled?

Mr. M.M. Ali: Mr. Deputy Speaker, Sir, the hon. Member knows that we have been talking about that several times. Every household of the IDPs is entitled to Kshs10,000 and if it is proved that her house was actually destroyed, then she is entitled to a further Kshs25,000 like the others.

Question No.299

NON-PAYMENT OF GOLDEN HANDSHAKE

TO RETRENCHED CIVIL SERVANTS

Mr. K. Kilonzo asked the Minister of State for Public Service:-

- (a) whether he is aware that many civil servants were retrenched in 2000 and were to be paid Kshs240,000 as "Golden handshake";
- (b) whether he is further aware that no payments have been made to the retirees to date; and,
- (c) whether he could consider reinstating the retrenched civil servants or promptly paying them the "golden handshake".

The Minister of State for Public Service (Mr. Otieno): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware that 20,705 civil servants were retired or retrenched by the Government in 2000 under the re-organisation and rationalisation of the Civil Service.

(b) I am also aware that the retrenched civil servants were each paid Kshs40,000 as "golden handshake" and not Kshs240,000. I ordered a search as to the source of this figure of Kshs240,000, and my officers could not find where it came from. The Government Circular OP13/19A of 23rd June, 2000 provided for the full package as follows:

For non-pensionable officers, the "golden handshake" was Kshs40,000; they were also to receive severance pay of two-and-a-half months of basic salary for every completed year of service, and then a compassionate gratuity for officers employed in the service prior to 1st April, 1966 for male employees and 1st January, 1977 for female employees.

Mr. Deputy Speaker, Sir, for pensionable officers, the golden handshake was also Kshs40,000 and then two months basic salary in lieu of notice. Then they were each to receive their normal and additional pension payments.

(b) What I am aware of is that civil servants who were retrenched under this scheme were paid their dues as was designed by the Government at that time. In case there are civil servants who were retrenched and have not collected their dues, they are advised to do so from their respective ministries. If any one of them is not paid, they should advise the Ministry of State for Public Service.

(c) The retrenchment exercise was meant to reduce and rationalise the size of the Civil Service in order to contain the budgetary constraints and improve effectiveness and efficiency in service delivery. This reform initiative included abolition of certain offices, hence the retrenched civil servants cannot be reinstated since their respective offices were actually abolished. The retrenchees have been paid their golden handshake.

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, this is a sad day because a Government which is supposed to be a servant of the people operates as if it is the master of the people. The Minister is telling the House that those who have not been paid should present themselves. Could he table a list of those who have been paid and not tell poor Kenyans who have been retrenched to come and see him?

Mr. Otieno: Mr. Speaker, Sir, I said clearly that all officers who were retrenched in 2,000 were paid. Anybody who has not been paid should come out and make claims of their payments through the ministries which they served initially. The long list of 2,000 serves no purpose.

Dr. Eseli: Mr. Speaker, Sir, the hon. Minister has said that the retrenchment was supposed to lead to effectiveness and efficiency in delivery of service in the Public Service. Could he tell us the extent to which these intentions were achieved because the Public Service is still losing a lot of money, is inefficient and it is still employing more people?

Mr. Otieno: Mr. Speaker, Sir, the retrenchment was being done under the Civil Service Reform Programme which is ongoing upto now. We stopped recruitment so that we would be able to restore the ratio between personal emoluments and the budgetary funds for operations and maintenance. That has been achieved. The rest of the reform agenda is continuing upto now.

Mr. Deputy Speaker: Hon. K. Kilonzo, the burden of proving whether some officers were not paid lies with you. The Minister says that he has paid everything. If you have information that says otherwise, I think you need to table it.

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, would I be in order to request you that we defer this Question so that I can come with a list of Kenyans who were retrenched and have not been paid?

Mr. Deputy Speaker: Order! The Question cannot be deferred. In any case, if you have that information, you can rise on a point of order on any given day and still have that information available to the House. The Chair will then give direction from then on.

Eng. Rege: On a point of order, Mr. Deputy Speaker, Sir. Let me inform the Minister that most pensioners in this country, especially those in Karachuonyo do not get their pensions paid in time simply because they used to get them from post offices which were destroyed last year. To date, they have not been reinstated and accordingly, the pensioners do not get their payments on a monthly basis.

Mr. Deputy Speaker: Hon. Eng. Rege, that is not a point of order but nonetheless, in view of the suffering of the pensioners of Karachuonyo, the Minister might have to say something on that.

Mr. Otieno: Mr. Deputy Speaker, Sir, I would advise that if an officer was receiving pension through an institution that is no longer performing, the easiest thing to do is to open an account in another performing institution and we will direct the pension to such an institution.

Mr. Deputy Speaker: Next Question by hon. Chanzu! Apologise to the House first because you came late to the House.

Question No.271

FATE OF STALLED LBDA
HEADQUARTERS PROJECT

Mr. Chanzu: Mr. Deputy Speaker, Sir, I apologise for coming late, although I notice that the Minister was also not here.

(Laughter)

Mr. Deputy Speaker: Order! Proceed, hon. Chanzu!

Mr. Chanzu asked the Minister for Regional Development Authorities:-

- (a) what the fate of the stalled Lake Basin Development Authority (LBDA) headquarters project in Kisumu is;
- (b) how much money had been spent on the project so far; and,
- (c) what he is doing to either complete the project or wind it up.

The Assistant Minister for Regional Development Authorities (Mr. ole Metito): Mr. Deputy Speaker, Sir, I beg the indulgence of the Chair that we were not able to compile the facts on this Question. I have consulted the hon. Member and we agreed that it be answered on Tuesday next week. If you allow, the same should apply to the same Question which falls under my Ministry.

Mr. Deputy Speaker: Hon. Chanzu, are you satisfied with having this Question appearing on the Order Paper on Tuesday next week in the afternoon?

Mr. Chanzu: Yes, Mr. Deputy Speaker, Sir. I have agreed with him because it is a very important Question.

Mr. Deputy Speaker: Very well. Question deferred to Tuesday next week in the afternoon.

(Question deferred)

Mr. Deputy Speaker: Next Question by hon. Kaino! Apologise to the House also!

Question No.321

REVIVAL OF IRRIGATION
PROJECTS UNDERTAKEN BY KVDA

Mr. Kaino: Mr. Deputy Speaker, Sir, I apologise for coming late. Though the Assistant Minister has deferred my Question, I will just say one point.

Mr. Deputy Speaker: Order, hon. Kaino! The Assistant Minister has no authority to defer your Question. That is the prerogative of the Chair! Ask your Question!

Mr. Kaino asked the Minister for Regional Development Authorities:-

- (a) whether he could explain the benefits the Kerio Valley Development Authority (KVDA) has conferred on the people of Marakwet District since its establishment;
- (b) what steps he will take to ensure the district benefits from the activities of the Authority; and,
- (c) when the Ministry will revive the irrigation projects previously undertaken by KVDA in Aror and Tot which have nearly collapsed.

The Assistant Minister for Regional Development Authorities (Mr. ole Metito): Mr. Deputy Speaker, Sir, I have not actually deferred the Question since it is the prerogative of the Chair to do so. However, I kindly ask that it also be deferred to Tuesday on the same grounds.

Mr. Deputy Speaker: Hon. Kaino, are you okay with that?

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

Mr. Deputy Speaker: The Question is deferred to Tuesday next week!

(Question deferred)

Mr. Deputy Speaker: Next Question by hon. Ruteere!

Question No.455

CONSTRUCTION OF SEWERAGE
SYSTEM IN MAKUTANO TOWNSHIP

Mr. Ruteere asked the Minister for Water and Irrigation:-

- (a) whether she is aware that Makutano Township in Meru Municipality is not connected to the main sewer line, hence exposing the population to health hazards; and,
- (b) what steps she is taking to correct the situation.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, I do apologise for coming late because the answer that I had been given earlier was also not satisfactory to me and I asked the officer to give me an appropriate answer. However, I beg to reply.

(a) I am aware that Makutano Township--

Mr. Ruteere: Mr. Deputy Speaker, Sir, I do not have a written answer to that Question.

Mr. Deputy Speaker: Hon. Assistant Minister, the Chair has said time and again that Questioners must be furnished with written answers so that they are able to study them and be in a

position to prosecute those questions better. Under the circumstances, the Question is deferred to Tuesday next week and for God's sake, make sure that the hon. Member has the answer.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, when I apologised for coming late, I said that the reason for that was that the answer I was given was not satisfactory. Therefore, I had to wait for this answer so that I could come with a satisfactory answer.

Mr. Deputy Speaker: Fair enough. That is very good, Mr. Assistant Minister. This Question is deferred to Tuesday next week.

(Question deferred)

Next Question! Mr. Kiilu, you should apologise to the House for coming late.

Mr. Kiilu: Mr. Deputy Speaker, Sir, I want to apologise for coming late to the House.

Question No.458

UPGRADING OF EMALI-UKIA
ROAD TO BITUMEN STANDARD

Mr. Kiilu asked the Minister for Roads:-

- (a) whether he is aware that Emali-Ukia Road (C99) is badly damaged and becomes impassable during rainy seasons; and,
- (b) when the Government will improve this road to bitumen standards.

Mr. Deputy Speaker: The Minister for Roads not here?

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, I do apologise. The Minister is not yet in, but I am standing here as the Leader of Government Business!

(Laughter)

Mr. Deputy Speaker: Order, Mr. Kiunjuri! You are not the Leader of Government Business. You could be standing there representing the Leader of Government Business.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Thank you, for the correction, Mr. Deputy Speaker, Sir. I am representing the Leader of Government Business. But as you can see, I am also capable of performing his duties.

We shall make sure that the Question is answered tomorrow.

Mr. Deputy Speaker: The Question will appear on the Order Paper tomorrow and the Chair is not happy with the fact that Ministers are not taking the business of the House seriously. So, this Minister had better be here tomorrow to answer this Question.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Most obliged, Mr. Deputy Speaker, Sir.

(Question deferred)

Mr. Deputy Speaker: Next Question.

Question No.599

TARMACKING OF ROADS IN LAMU

Ms. S. Abdalla not here? The Question is dropped.

(Question dropped)

Question No.536

ISSUANCE OF TITLE DEEDS FOR
DEMARCATED LAND IN POKOT DISTRICT

Mr. Litole asked the Minister for Lands:-

- (a) whether he could state when land demarcation in Tapach Division of Pokot Central District will be completed,
- (b) when the Ministry will send a vehicle to the District to hasten the job; and,
- (c) whether he could also confirm when title deeds for Kaptabuk Location, of which demarcation is complete, will be issued.

The Assistant Minister for Lands (Mr. Rai): Mr. Deputy Speaker, Sir, I apologise for coming late and I beg to reply.

(a) Yes, land demarcation in Tapach Division is complete. The District Lands Adjudication Officer is undertaking random checks before forwarding the maps to the director of survey for fair printing.

(b) There is a general problem with transport in our offices throughout the country and the Ministry has requested the Treasury to provide funds to enable procurement of more vehicles to ease this problem.

(c) The Chief Land Registrar has completed the final checking and documents were forwarded to the Lands Registrar on 15th December, 2008, for issuance of title deeds.

Mr. Litole: Mr. Deputy Speaker, Sir, this answer was prepared last year and up to today, the title deeds for Kaptabuk Location have not been issued. Could the Assistant Minister confirm when the title deeds will reach the people of Kaptabuk Location?

Mr. Rai: Mr. Deputy Speaker, Sir, I have just told the hon. Member that this process is ongoing because land adjudication exercise is complete in Kapsangara Adjudication Scheme which is in Kaptabuk Location---

Mr. Litole: I am referring to part "c" of the Question which he has said that it should have reached there by December last year. It has not reached so far. Will he confirm to us when the title deeds will reach Kaptabuk and not this other area?

Mr. Rai: Mr. Deputy Speaker, Sir, the title deeds have been sent to the Land Registrar. So,, it is upon the hon. Member to ensure that title deeds are collected from our Ministry.

Mr. Ruteere: Mr. Deputy Speaker, Sir, the issue of demarcation and title deeds is lacking in very many parts of the country, even where there are no cases like Kisima in North Imenti. Why have we not received our title deeds for a long time? When is the Ministry planning to give us title deeds?

Mr. Rai: Mr. Deputy Speaker, Sir, the issuance of title deeds involves money. As and when money is available, we, normally, do this exercise with a lot of speed. If the hon. Member is certain that there is a certain scheme where adjudication has been done and title deeds have not been issued, he can just raise it with us and we will take it upon ourselves to ensure that money for this particular scheme have been allocated so that title deeds can be issued.

Mr. Litole: Mr. Deputy Speaker, Sir, could the Assistant Minister tell the House when other

parts of the district will be demarcated because people also need the title deeds for the use of, say, mortgaging?

Mr. Rai: Mr. Deputy Speaker, Sir, we have no objection to issuing title deeds to the rest of his constituents at large. But as it is, the issuance of title deeds involves money and we are in the process of trying to prepare our supplementary budget. Once funds are available, we will ensure that every Kenyan who is expected to have a title deed has been issued with one.

POINTS OF ORDER

FUNDING OF PRESIDENTIAL VISIT TO MASAI MARA GAME RESERVE

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, I rise to ask for a Ministerial Statement from the Minister for Tourism arising from a presidential visit to the tourist resort of Mara on Sunday, 17th August, 2008. I would like the Minister to clarify on the following: How much money did the Ministry spend? Could the Ministry table a breakdown on the amount of money spent for this one day visit to the Masai Mara? Could the Minister, at the same time, tell this House which tour firms were used and how much money they were paid?

Arising from a Presidential statement which was issued by PPS, we would like the Minister to clarify and I quote a statement from the Presidential Press Unit Director, Mr. Isaiah Kabira, that Presidential trips are never funded by parastatals and the presidential visit to Masai Mara was for a few hours and he flew back to Nairobi without even spending a day. He went on to say:

"Let nobody drag the President's name into this mess. They must account for their deeds and carry their own cross."

In light of that, we would like the Minister to clarify whether it was State House which paid for the trip or the Ministry of Tourism.

Further to that, as a consequence, I would like the Minister to confirm or deny to this House that arising from that allegation, the Treasury suspended Kshs12 billion rescue package to revamp tourism which had been declined due to the post-election violence.

Lastly, I would want the Minister to table a list of those who accompanied the President, who visited there, and their role during that visit.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Mr. Leader of Government Business, or his representative, when are we going to have that Ministerial Statement?

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, we undertake to issue a comprehensive Ministerial Statement on Wednesday afternoon, next week.

SECURITY FOR HIGH- RANKING GOVERNMENT OFFICIALS

Mr. Ethuro: Mr. Deputy Speaker, Sir, I also rise to seek a Ministerial Statement from the Minister of State for Provincial Administration and Internal Security on the state of security for the high ranking Government officials and Minister himself.

On 27th January, 2009, the Provincial Commissioner, Rift Valley, was engaged in a fierce gun battle with bandits between Rumuruti and Mara Road. On Saturday, 24th January, 2009, Prof. Saitoti's vehicle, which was coming back after the peace meeting in Samburu, was also attacked on the same road. This is even after the same Government officials are in a perpetual state of denial that insecurity is not rampant, even as we witnessed this morning.

Two days earlier, on 22nd January, 2009, bandits who were also believed to be from a neighbouring constituency, attacked a vehicle between Kapedo and Lokori. The Minister would be expected to inform this House and the country:-

(a) If high-ranking Government officials, including Ministers, are being threatened with attacks, who is safe in this country?

(b) What urgent steps is he taking to ensure that the Maralal-Rumuruti Road, which is about 120 kilometres long, is secured once and for all?

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Minister of State for Provincial Administration and Internal Security!

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): Mr. Deputy Speaker, Sir, this is a grave matter. We will deal with it on Wednesday afternoon, next week.

EFFECTS OF GLOBAL FINANCIAL CRISIS ON KENYAN ECONOMY

Mr. Bahari: Mr. Deputy Speaker, Sir, I rise to seek a Ministerial Statement from the Minister for Finance on a matter known to the whole world; namely, the global financial crisis. We are part of the globe. We are one of the villages on the globe. Certainly, the global financial crisis has already affected this country.

Mr. Deputy Speaker, Sir, in the Ministerial Statement, I would like the Minister to tell Kenyans the likely adverse effects of the global financial crisis on the Kenyan economy as the Ministry sees it.

Secondly, what specific steps does the Ministry intend to take to shield Kenyans against such effects?

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Yes, Minister for Finance!

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, since we have two Ministerial Statements to be issued next Wednesday, I would wish that we issue this Ministerial Statement on Thursday afternoon, next week.

Mr. Deputy Speaker: Very well!

CURRENT STATUS OF PLANNED LAMU PORT/RAILWAY PROJECT LINE TO NORTH EASTERN KENYA

Mrs. Noor: Mr. Deputy Speaker, Sir, I rise to seek for a Ministerial Statement from the Minister for Transport. Is he aware that since 1968, there has been a plan by the Government to establish a port in Lamu, and construct a railway line from Lamu through Ijara, Garissa and Mwingi, to connect to the existing railway line in Thika? Is he also aware that up to last year, the establishment of Lamu Port existed in the Official Government Plan, as did the construction of a railway line from Lamu, through Ijara, to Garissa, Wajir and Moyale? Could he explain to this House the current situation and the status of the development of the port and the railway line through Ijara and Garissa, up to Moyale?

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Minister for Transport?

The Assistant Minister for Transport (Mr. Mwau): Mr. Deputy Speaker, Sir, the Ministerial Statement will be issued on Thursday, next week.

Mr. Deputy Speaker: Very well!
Next Order!

MOTIONS

INTRODUCTION OF LOCAL AUTHORITIES REMUNERATION BILL

THAT, cognizant that Local Authorities lack the capacity to pay salaries and allowances for councillors; conscious that poor remuneration leads to lack of morale and poor self esteem which hampers service delivery; this House grants leave to introduce a Bill for an Act of Parliament entitled the "Local Authorities Remuneration Bill" to fix the salaries of Mayors, Deputy Mayors and Councillors and for purposes incidental thereto and connected therewith.

(Mr. Linturi on 21.1.2009)

*(Resumption of Debate
interrupted on 21.1.2009)*

Mr. Deputy Speaker: Mr. M'Mithiaru was on the Floor! Is he not here?
Yes, Mr. Kiunjuri!

(Mr. Githae stood up in his place)

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Thank you, Mr. Deputy Speaker, Sir. Mr. Githae should know that I am the "presiding Leader of Government Business".

Mr. Deputy Speaker, Sir, I stand to support this Motion. I have very brief comments to make. One of them is that we are in the process of coming up with a new Constitution for this country. The new Constitution that we want to put in place, will cater for devolution in this country. The Local Government outfits in the country will be recognised as governments on their own in the new Constitution.

We, as Members of Parliament, are also paid from the Consolidated Fund. We draw our money from State coffers. It is very unfortunate that we do the same work that councillors do. Councillors and mayors are representatives of the people. They are elected through the ballot on the same day Members of Parliament and the President are elected. Therefore, there is no reason whatsoever for us to discriminate against councillors by not paying them from the Consolidated Fund.

Mr. Deputy Speaker, Sir, Members of Parliament should also take this challenge, noting that they usually delegate a lot of work to councillors. We should also bear in mind the fact that councillors are always in their respective wards. They do not have any choice of being outside their wards. Every morning, they face the electorate. We, Members of Parliament, are sometimes lucky, as we stay in Nairobi for three days in a week, attending to Parliamentary Business.

If we, hon. Members, can still argue that the salary we receive is not enough, because we use it to serve the electorate out there, councillors can adverse a similar argument. It would, therefore, be very unfortunate if any hon. Member of this House can stand here to oppose this Motion. I support this Motion. We should also have a ceiling on how much they should earn. The ceiling must be commensurate to their work.

Mr. Deputy Speaker, Sir, local authorities in this country are known not to raise enough funds,

through what they collect from taxpayers. Asking local authorities to go ahead and collect more taxes from the common man, so that they can pay councillors' allowances, would mean opening another taxation line, which would be oppressive to our people.

(Loud consultations)

Mr. Deputy Speaker, Sir, could you protect me from Messrs. Linturi and Ethuro?

Mr. Deputy Speaker: Order! Order, hon. Members! Could you, please, consult quietly?

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, for example, my local authority in Laikipia is attempting to charge fees for land. They want that farmer who, because of drought, cannot be able to raise a goat, to go ahead and pay land rates. The reason is because they cannot raise enough funds for the development of the council and for their own remuneration. So, what we are asking is that we should be honest and sincere. Let those councillors earn a respectable salary so that we do not look at them as if they are just villagers or local leaders at the grassroots level. That is why we are advancing that even village elders, who usually assist chiefs, to get something to support them. If we are arguing that those local elders should be paid something for their work of assisting the chiefs, then we should come out with a good pay for the councillors to preserve their dignity.

Mr. Deputy Speaker, Sir, those councillors, sometimes, have no dignity at all! That is why they are also fighting hon. Members of Parliament. If you go to the grassroots, they are envious of hon. Members of Parliament. We have noted that. Some of the arguments that they advance is that hon. Members do not want them to earn well so that they can continue oppressing and controlling them. We must come out of that and realize that councillors are working. They are charged with responsibilities. They are elected by the same voters who elect hon. Members.

So, Mr. Deputy Speaker, Sir, I would like to plead and urge this House to pass this Motion. That is because by the end of the day, we are talking about 3,000 councillors! The same way we are taking care of our teachers and nurses, let us remember that those are local leaders who are really respected. They are the only other group of people - the third group that is elected directly. We have the President, then hon. Members of Parliament and then the Councillors. Let us have something for them!

Lastly, Mr. Deputy Speaker, Sir, we also wish that once we pass this Motion and the Bill becomes law and we pay those councillors, we should also set maximum standards for them. We must make sure that they have standards to play by, just as we have standards for hon. Members, so that we can get the best. That is because by the end of the day, when you talk about councils like in Nanyuki Municipal Council, who are controlling millions of shillings every month--- So, we must get the best managers possible! We should get the best manager as the mayor and best managers as councillors. It is like a company that has a process of making sure that millions of shillings are spent properly. It is not a matter of a joke. It is just like the Constituencies Development Fund (CDF)! They are controlling more money than the CDF every month. They collect money through taxes. That is the only way they will be responsible. That is the only way we should be able to develop this country. We should start from the grassroots. But the system we are applying today is top-bottom, instead of bottom-top. That is the way we manage the affairs of this country.

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

Mr. Affey: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to support this very important Motion. This Motion is timely and I want to thank my friend, hon. Linturi, for moving this Motion. In fact, we made a decision as a party to move this Motion because we felt that councillors require to be supported and be paid directly by the Government, just like other office holders. But when hon. Linturi came up with the idea, of course, in the interest of our--- You know

we have got a very strong working relationship with KANU. So, we said: "Fine. This is one and the same thing. Let us move forward." For that matter, I thank the hon. Member for moving this important Motion.

Mr. Deputy Speaker, Sir, every election time, there are three critical leaders who are elected from the grassroots; the councillor, the Member of Parliament and the President. Apparently, the President and Members of Parliament have sufficient comfort in law to be paid monies for the job they do for this country. But the councillors have to rely on the revenue collected from local councils, and that is where the problem begins. That is because not all councils in this country have sufficient revenue bases. You cannot compare a councillor in Wajir County Council to the one in Nairobi City Council. The revenue base is completely different. Therefore, we need a law to be put in place in order to harmonise all those salaries. We should treat the councillors the same, just the way we treat Members of Parliament, whether they are elected in Nairobi or North Eastern Province. Members of Parliament here are paid an equal amount of money. I think that is the principle we should use because councillors have a very critical responsibility to play at the constituency level. In fact, they have direct contact with the voters. In fact, they do much more in terms of community activities than hon. Members and the President.

So, Mr. Deputy Speaker, Sir, let us support this Motion. I would like to ask the Government to be proactive, support this Motion and ensure that councillors are paid.

Secondly, Mr. Deputy Speaker, Sir, as an hon. Member has just said, there are other monies that come to our local authorities. I want to thank the Government for providing support in terms of Local Authorities Transfer Fund (LATF) and other funds. But if the councillors are not paid, there is every temptation that, that money could be diverted to serve other purposes. So, in order to reduce the temptation, let us see how our councillors can be paid directly from the Consolidated Fund, so that they can be able to discharge their duties as they should.

Mr. Deputy Speaker, Sir, this is a fairly very straightforward Motion. I do not think the Government can resist it. I want to plead with the Minister and, particularly, with the Assistant Minister, who is here now, to support this Motion and fast-track it. Bring the law here so that we can be able to enact it. If not, the hon. Member of Parliament, whose intention is to bring a Bill, must be supported by all of us so that, at least, the Bill is fast-tracked in support of our councillors.

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

Thank you, Mr. Deputy Speaker, Sir.

The Assistant Minister for Environment and Mineral Resources (Mr. Kajembe): Thank you, Mr. Deputy Speaker, Sir. I would like to support this Motion and congratulate hon. Linturi.

Mr. Deputy Speaker, Sir, local authorities in this country are disorganised. They are not disorganised by the councillors. They are disorganised by the Central Government. That is because the last regimes sub-divided local authorities and created more. There are many local authorities that are not productive and, hence, cannot collect revenues to pay councillors.

Mr. Deputy Speaker, Sir, there is need to pay salaries to councillors from the Consolidated Fund. That is because whatever they collect as revenue in their local authorities may not be enough to support the allowances. I am saying that because I have the experience. I have been a councillor in Mombasa Municipality for 15 years. I have been the Chairman of Town Planning, Works, Housing and Finance during that time. Those days, chairmen of standing committees of local authorities were given offices. It was from those offices that they planned their departments. But, today, the Minister for Local Government abolished those offices. Where will chairmen of standing committees plan their duties from?

Mr. Deputy Speaker, Sir, today, tendering for contracts in local authorities has been taken away from councillors and yet, they are the policy makers. The whole exercise has now been handed

over to officers. Let me tell you that those officers have no mandate, and they are left with tendering, awarding contracts and other things. It is very important that tendering and awarding of contracts should go back to councillors. Officers, and that is within the Local Authorities Act, Cap.265, are there to advise councillors. For any resolution councillors make, officers will recommend it or dissent it. When they dissent, that resolution becomes null and void. There is a system but for the Minister for Local Government just to wake up and say: "I have abolished the offices and the tender should not be awarded by councillors" is very unfair!

Mr. Deputy Speaker Sir, today, we are talking of road planning in our cities. If those people are not well paid and are not allowed to do their jobs as prescribed by the Constitution, how will they plan and beautify our cities? We must recognise councillors. We must give them work to do. Today, for a project of Kshs500,000, the local authority is required to recommend it to the Minister for Local Government to approve. Time has come for the Minister for Local Government to know that the type of councillors that we have in local authorities are well educated; they are like us who are in this Parliament. So, it is also time that the Government considered that those industries, from where the Government collects levies, a certain percentage of those levies should be disbursed to local authorities just to give them more financial strength for putting up infrastructure, expand health services, education services and do more on waste management.

When we look at the cities in our country, all of them, like Nairobi, Mombasa, Eldoret and Kisumu, had masterplans before Independence. From the masterplan, you would know that a specific place was for industries, commercial or residential purposes. Today, no city, or town, in this country has a masterplan. Could the Minister for Local Government push for this? You cannot plan if you do not have a masterplan in your local authority.

Councillors are the backbone of our political system! I am saying this loudly and proudly, because my foundation came from a local authority. I was in the Mombasa Municipal Council for 15 years. This is my Third Term in this Parliament. I have 30 years service because of the experience I gained from the local authority. I have seen people come here and after five years, they are chased away because they have no foundation. I am not saying that everybody should start as a councillor, but starting as a councillor adds value to a leader.

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

The Assistant Minister, Ministry of State for Immigration and Registration of Persons (Mr. Baya): Mr. Deputy Speaker, Sir, the issues we are debating should have been brought here ten years ago. It is true that every election year, councillors, hon. Members and presidential candidates go through the same process, but, unfortunately, soon after that, we tend to discriminate against them. I think it is high time that those grassroots leaders--- Councillors are among the most trusted for the fact that they are elected, and in most cases they are more burdened than some of us. As I am talking here, my constituency, being the poorest in the Republic, has councillors who are moving up and down, trying to take water to some parts that are hard hit. They are also trying their best to make sure that the Government's cheap maize flour reaches every corner of my constituency. Apart from that, there are many other duties they are performing. It is because of that, that I feel that this Motion has come very late.

Apart from making sure that councillors are paid from the Consolidated Fund like hon. Members, there is need to standardise their allowances. There is a disparity between the allowances of those in urban centres, particularly in municipalities and cities, and those in the counties, yet, in terms of hardships, those in the counties face more hardships than those in the urban centres.

I think very soon, within the next few years, every constituency will be a district. Therefore, it will have a county council of its own. Some constituencies that are very poor, particularly those within arid and semi arid lands, will find it difficult to raise enough revenue to pay the allowances for the councillors. This is one more reason why councillors should be paid from the Consolidated Fund,

otherwise some of the constituencies will be hesitant to ask for district headquarters to be established, because of the fear of raising revenue for councillors and other officers.

With those few remarks, I beg to support.

Mr. Yakub: Mr. Deputy Speaker, Sir, I wish to support this very important Motion. City councils, municipal and county councils play a very important role in this country. I know for sure that many of the Members of Parliament from the Coast Province, especially from Mombasa, climbed to this stage through council activities. I was a councillor in 2002, but unfortunately, I was deregistered after only four months because I was against the policy of the regime of the time.

[The Deputy Speaker left the Chair]

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

Madam Temporary Deputy Speaker, first of all, it is very important for us to see how the councils can raise funds to pay the mayors, deputy mayors and the councillors. For the last 15 years, the Mombasa City Council has applied several times through the Office of Deputy Prime Minister and Ministry of Local Government to be allowed to charge levies, especially in very important areas like the Kilindini Harbour. The council had asked if it could charge, at least, US\$1 for every tonne of imports or exports. The council should also be allowed to charge levies through the Kenya Airports Authority (KAA). In areas where there are airports, the municipal or city councils should be allowed to charge levies. Other areas through which councils could raise funds, include the Kenya Power and Lighting Company (KPLC). For every single pole erected by the KPLC, councils should charge a certain levy in order to raise some income.

In the hotel industry, bed occupancy can be a very important source of income. The councils should also be allowed to charge levies in marine and wildlife parks. Through these levies, the councils can raise funds and increase the councillors' salaries without the Office of the Deputy Prime Minister and Ministry of Local Government feeling the pinch when time comes to increase the councillors' salaries.

Madam Temporary Deputy Speaker, recently when salaries of the members of Police Force were increased, we were told that the increment was effected so that police officers could render their services effectively. If councillors are paid well, they will also render their services effectively. We all agree that the city, municipal and county councils play a very vital role in this country. When we have effective councillors in our areas, we anticipate better health services, roads and education. I, therefore, urge the Members to support this Motion. I pray that we will pass this Motion, so that our people will receive better services in all those areas where councillors are working very hard.

There are areas, for example, Kwale, Tana River and Lamu, where councillors work very hard. They have a real problem when it comes to transport. Otherwise, day in, day out, they make sure that services are rendered in time. For us, hon. Members, half of the week we are not in our constituencies. The councillors are the people who are at the grassroots. These are the leaders who know exactly what is happening with our people. So, we should all support this Motion for the benefit of the councillors in our areas.

With those few remarks, I beg to support.

Mr. Muriithi: Thank you very much, Madam Temporary Deputy Speaker, for giving me this opportunity to support this very noble Motion about the remuneration of councillors in the rural areas.

(A cellphone rung)

The Temporary Deputy Speaker (Prof. Kamar): May I give a warning to the hon. Member who has a phone on! Continue, Mr. Muriithi!

Mr. Muriithi: Madam Temporary Deputy Speaker, in this country, councillors are among the very few important people who do not attract funds from the Consolidated Fund. They are at the level of the chiefs. All the needs and the requirements of the rural areas go to the councillors. Before they even reach the chiefs and the assistant chiefs, majority of our local people visit the councillors. Unfortunately, councillors from councils with very little resources, sometimes evade people because they have no money to give to them. As a result, they are bombarded that they are not working while in fact they have not collected enough resources from the revenue collection areas like the land rates and the toll collections. For that matter, they live in what we would call a poverty wage. That makes them very vulnerable even to the wealthy people in those areas who are likely to influence their decisions.

Therefore, our councillors should be considered. If we are paying chiefs and Assistant chiefs and everybody else who is elected, we should also pay councillors. Councillors are elected by the local people and it is necessary for us to look into their welfare. The councillors' packages are quite old. For example, a councillor travelling from Kinangop to Nairobi will be reimbursed Kshs20 for his bus fare when the cost of transport from Kinangop to Nairobi is Kshs600. You will find that whatever they have at the end of the month, they keep it, so that they can attend full council meetings. Their packages must be reviewed, so that even those who have cars can be given mileage allowances so that they do not hike lifts from other people.

Madam Temporary Deputy Speaker, If this is done, it would create incentives in local authorities and also attract highly qualified people. Right now, we have graduate councillors, who cannot even be compared with teachers who are their neighbours. Teachers are paid slightly better than these councillors. This is because the councillors do not have resources.

I have in mind my Ol Kalou Town Council. Since the pyrethrum, wool and milk industries collapsed, the council has no source of income. Maize crop attracts very little income. As a result, the council is forced to collect levies from *matatus* and bus owners and this raises the cost of transport. I am appealing to the Government to sympathise with the councillors, who have been elected just like the Members. When we come for debate in Nairobi and stay in Nairobi for a week, a councillor has no escape route. He stays with the local people and as such he is overburdened with the peoples' problems. The Government should be pro-active and look at the councillors as elected people. The people who have elected them pay taxes and for that reason, councillors are entitled to a remuneration from the Consolidated Fund. If that is done, they will not be running away from the people, but will respond to issues which would have been brought to us.

Therefore, I support the Motion and state that mayors, deputy mayors and councillors should be paid from the Consolidated Fund.

Mr. Ruteere: On a point of order, Madam Temporary Deputy Speaker. As I can see, the mood of the House is unanimous that debate on this Motion has been exhausted. Would I be in order to suggest that the Mover of this Motion be called to reply?

An hon. Member: We are very many, Madam Temporary Deputy Speaker.

The Temporary Deputy Speaker (Prof. Kamar): The Government Respondent has his allocated time from 10.55 a.m. So, as for the five minutes remaining, I will give two minutes to Mr. K.Kilonzo and two minutes to Dr. Laboso. After that, we can have the Government Responder.

Mr. K. Kilonzo: Bi. Naibu Spika wa Muda, asante sana kwa kunipa nafasi hii. Ninaunga Hoja hii mkono kwa dhiti. Madiwani ndio wanaofanya kazi katika sehemu za mashinani. Wao ndio wanaokaa na wananchi. Sisi waheshimiwa Wabunge tukiwa huku Nairobi, madiwani ndio wanaosikiliza shida za wananchi wetu ili watueleze. Tunajua ya kwamba madiwani hawawezi kulipwa mishahara mizuri na maeneo wanayowakilisha. Kwa hivyo, kama Serikali Kuu itaweza kuwalipa,

jambo hilo litakuwa la maana sana. Ningetaka kumshukuru na kumtambua aliyekuwa Waziri wa Serikali za Wilaya, Marehemu Karisa Maitha, kwa maana alipokuwa Waziri alileta Mswada hapa wa kupendekeza madiwani walipwe na Serikali kuu. Wakati huo, alipendekeza walipwe Kshs250,000 kwa mwezi. Labda pesa hizo haziwezi kupatikana leo lakini kuna umuhimu wa kujadili swala hili. Madiwani katika nchi ya Kenya ni 4,000 na hata kama wanaweza kulipwa Kshs150,000, kwa ujumla, pesa hizo haziwezi kupita Kshs4 milioni. Hizo ni pesa ambazo Serikali, kama kweli inaweza kuimarisha utawala katika maeneo ya udiwani katika nchi hii, inaweza kulipa. Imeonyesha kwamba inaweza kulipa mishahara mikubwa kwa watu fulani. Madiwani wengi wamesoma. Wanasimamia shughuli zote mashinani. Kwa hivyo, ningetaka madiwani wetu walipwe mishahara mizuri. Ninependekeza walipwe Kshs150,000.

Kwa hayo machache, ninaiunga mkono Hoja hii.

Dr. Laboso: Madam Temporary Deputy Speaker, I rise to support, in the strongest words possible, this Motion. I think it is long overdue and welcome. I think we, as Members of this House, need to support our councillors. We need to see them as partners. We know that while we are here, in Parliament, considering the number of days that we spent here, they take care of all the work we would be doing at the constituencies. While we are there over the weekends, these councillors wait on us in terms of looking after the constituency. They attend all the funerals, schools fees and we know the resources they have. They are not able to meet the needs of the constituencies the same way we, as hon. Members, are unable to meet the needs of the Constituents. We need to see them as partners. We need to unanimously agree that councillors need a pay rise. We only need to agree on what we think is a decent amount to be given to them, so that they can continue to support us in the constituencies. This would help us to work together effectively in seeing that the people of this country are looked after.

Madam Temporary Deputy Speaker, with those few remarks, I support this Motion.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): Thank you, Madam Temporary Deputy Speaker. I take this opportunity to give the Government's response. First, I want to say that the Government fully supports this Motion. It is long overdue. We have been doing a lot of ground work concerning this issue and the amendments to the Local Government Act.

As I speak now, there is a team in Mombasa composed of officials from my Ministry and the Attorney-General's Chamber who are going through the Local Government Act, so as to come up with the necessary amendments. We, as a Ministry, have taken the decision that we are no longer going to wait for the new Constitution. We have been saying that all the amendments to the Local Government Act should wait until we have a new Constitution because it would provide for the way the Local Authorities would operate. For example, it would address the issue of whether it would be a three tier or a four tier. Would it start at the village level, location or regional Government, central government or the senate, among other issues? Therefore, we have been doing a lot of research and ground work. We have travelled to our neighbouring countries to see how they operate.

It may be a good idea to start with the history of how this issue came about. The local authorities started with the Nairobi City Council. Here, we had what we called the City Fathers. The City Fathers were retired old men, who were rich and required no salary. They were doing the work on voluntary basis. That has been the history of the Local Government. Even when other areas were created, that was the model that the councillors now, who are not referred as City Fathers remained. They were supposed to be rich retired men who did not require any salaries. Therefore, the issue of salaries never arose. However, things have changed and we must take cognisance of that fact. We have a new crop of councillors who are educated. In fact, our system shows that 30 per cent of our current councillors are graduates. So, that issue of saying that councillors are illiterate no longer applies. They

are young and educated. They are graduates. Some of them, that is their first job since they graduated. Therefore, we must take cognisance of that fact. We have a new crop of councillors. They must be given the respect due to them. At the same time, we must take cognisance of the fact that there are no plots to be dished out by councillors because that is how they used to pay themselves. There are no plots for councillors to dish to themselves. They require the assistance of the Central Government. The only thing they are, probably, dishing out now is what they are calling stalls and shelters. However, even those ones, since they are limited, it is not working for them. So, we must take cognisance of that fact.

We have also visited our neighbours and seen that they are way ahead of us as far as their local governments are concerned. In Tanzania, Burundi, Rwanda and Uganda, for example, their systems work very well. Once a constituency is created, it automatically becomes a district and a local authority. In fact, the area Member of Parliament is an *ex-officio* councillor of the local authority. The system works very well in those countries because they have done a lot of reforms. In these countries, you will find that all the employees who are paid, transferred, promoted and employed by the central governments are paid by the local government unlike our staff here of the local authorities whom from grade 6 and above are employed by the central government, promoted by the central Government and transferred by the local Government, but are paid by the local authority. So, those are some of the things that we want to rectify in the new policy that is coming up, which we will bring here. Councillors are important and we must recognise that. They are elected at the same time as Members of Parliament and the President. What we go through during our election, councillors also go through it. So, really, there is no difference as far as I am concerned between councillors, Members of Parliament and the President, because they are all elected on the same day; they go through the same rigors and stress of campaigns.

Therefore, we must take cognisance of this. In fact, in the English language there are only two people who are worshipped. One of them is the mayor. That is why we refer to a mayor as "His worship the mayor." It is a very important title and, therefore, we must recognise this.

Madam Temporary Deputy Speaker, Sir, having realised that the old system of the local government is not working, what should we come up with? There have been various suggestions on how to go about this. For example, if you look at the current position, you will find that in some local authorities, some mayors or chairmen are being paid as little as Kshs10,000 and others as high as Kshs500,000. What we are proposing in the new policy - which we are preparing and will be brought to this House for adoption - is that we have categories. This is because it is not possible to equalise all the various local authorities. For example, at the moment, we have got four cities.

Again, under the current Local Government Act, there is no local authority known as a city. The highest is a municipal. So, again, we are trying to amend the law, so that we include the cities. So, although Mombasa, Kisumu and Eldoret were elevated to cities, they cannot be given that recognition because it is not there in the Local Government Act. Nairobi was special and it was given a Charter by Her Majesty the Queen. We have no intention of going back to the Queen to tell her to give Mombasa and Kisumu charters. So, we want to amend the Local Government Act to give the Minister authority to elevate municipalities into cities.

Madam Temporary Deputy Speaker, having said that we need to change the way local authorities operate, then what should be the solution? The Motion calls for payment of salaries by the central Government. But the danger is that if we have local authorities being paid by the central Government, then what is the rationale for their existence? They may as well be taken over by the central Government. What we were going to suggest in the new policy is that, probably, we increase the Local Authorities Transfer Fund (LATF). At the moment, local authorities are getting more than Kshs19 billion in LATF, which is 5 per cent of the total Government revenue. We are negotiating with

the Treasury to see whether we can increase it by another 2.5 per cent. Then, they will be allowed to pay salaries, which will now be decided by the Ministry.

The cities, municipalities, town and urban councils will have one category of salaries. This is because we recognise that all local authorities are not equally well-endowed. Some of them like Nairobi, Mombasa and Kisumu have got more revenue base, while others do not have. I do not want to mention the names but there is one local authority which gets a monthly income of Kshs85,000 a month and yet, their salary is more than Kshs200,000. This clearly means that they cannot buy even a pencil, stapler, pin and other stationery. So, this is why the central Government must come in.

We are also under pressure from Members of Parliament. They have said that districts have been created and, yet, local authorities have not been established. When you look at this, it says that the Minister is authorized to create, abolish, expand and reduce the boundaries of all local authorities. It would be the easiest thing to do, but until we come up with a financial plan, it would be pointless to create new local authorities until this taskforce that is looking at them, to see the ones that are economic viable or not, is formed.

Madam Temporary Deputy Speaker, at the moment we have got 175 local authorities, and 184 districts. So, if we were to create local authorities based on districts, as has been the practice, some of them would not be economically viable. So, we are trying to find a way of assisting them.

Madam Temporary Deputy Speaker, one of the ways is seconding to them employees from the central Government. For example, we have started with physical planners, because at the moment, our towns

are not planned at all. This is basically because, except the four major local authorities, the others do not have physical planners. They are not planned at all. So, we have started with physical planners and the intention was to continue seconding to them more employees from the central Government, as a way of relieving financial pressure on them.

As I have explained, the Government has recognised the importance of councillors. In fact, during our travels in the four East African Countries, we found that in Tanzania, a councillor is referred to as "mheshimiwa diwani," just like we say, "mheshimiwa mbunge." So, there is nothing special. In fact, I would say that from today onwards, let us start calling our councillors "waheshimiwa madiwani." I think they deserve that recognition because we have recognised the important work that they do.

Madam Temporary Deputy Speaker, councillors are at the grassroots. They are the ones who face our electorate on a daily basis. When there is a wedding, the first person to be informed is the councillor. Members of Parliament will get an invitation card, but the councillor will be in the committee. Likewise, if there is a funeral, the councillor will be in the committee. We will just be informed by phone that there is a funeral. If there is any other ceremony like, circumcision, the councillor will be in the committee. So, they are the ones who represent the political class at the grassroots level. Therefore, they must be adequately rewarded if they are going to shoulder these new responsibilities that the people have given them. So, we are now reviewing the Local Government Act, so that some of the things that have been overtaken by events can be remedied.

Regarding the election of mayors and chairmen, we have also decided as a Ministry that we are not going to wait for the new Constitution. We are going to bring an amendment to this House so that, starting from 2012, we will have direct elections of mayors and chairmen of various local authorities. Once we have direct elections of chairmen - which means that they will have added responsibilities - then they must be well remunerated. This is because at that particular point, what we will be looking for is a manager to manage the local authority.

Those are some of things that we are proposing in the Ministry. We are not going to wait any more for the new Constitution, because even at the moment, it is not very clear whether we are going the devolution way. Some are calling it "*ugatuzi*" while others are referring to it as "*majimbo*."

Nobody seems to know the direction. We have said that we are not going to wait for the new Constitution.

We are going to make all the necessary amendments to the Local Government Act so that it reflects the current thinking of local authorities. We are going to support them. We are telling the local authorities that this is the wrong time to increase charges. Kenyans are suffering. When they increase licence fees, some have even introduced new charges like viewing of tourist sites at the Thompson Falls. Kenyans are already over-burdened and, therefore, they should not be overburdened more by increasing the licence fees and introducing new levies. This is the wrong time for that. They should wait until the economy improves. The Ministry is going to support local authorities.

Madam Temporary Deputy Speaker, Sir, we have recognised the important role that local authorities play. I would, therefore, like to thank Mr. Linturi for coming up with this Motion. Initially, we thought he had seen what we had done in the Ministry and he was trying to steal thunder from us. However, we have realised that we are actually on the same path. We are going to involve him and show him the amendments that we will propose so that this Motion sees the light of day. As you recall, under our Constitution, any Act of

Parliament that has a financial implication must be approved by the President. We are going to do that on behalf of the Mover of this Motion.

We are going to do that on Mr. Linturi's behalf. We are also going to negotiate with the Treasury so that we can come up with some figures. As I said earlier, at the moment, councillors are not paid salaries. They are paid allowances. This is an idea whose time has come and henceforth, we are proposing that councillors be paid salaries. There will be about four different categories of pay so that if one is a mayor of a city, he or she will get the same salary in all cities. The same would apply to mayors of municipal councils, town councils and county councils.

In conclusion, I would like to take this opportunity to thank the Mover for coming up with this Motion. It is an idea whose time has come. As a Ministry, we have no intention of impeding an idea whose time as come.

I beg to support.

(Applause)

The Temporary Deputy Speaker (Prof. Kamar): I would now like to call upon the Mover to reply!

Mr. Linturi: Thank you, Madam Temporary Deputy Speaker. Before I reply, I have a lot of pressure from my friends who want to air their voices on this. I would, therefore, better share the ten minutes that I have with Dr. Eseli and Mr. Wamalwa. I donate three minutes to each of them and then will take the remaining four minutes to reply.

Dr. Eseli: Thank you, Madam Temporary Deputy Speaker. I would also like to thank Mr. Linturi for donating these few minutes to me. For a while I thought that I might not be allowed to give my views on this Motion.

Madam Temporary Deputy Speaker, I wholly support this Motion. This is for one simple reason that the tenth Parliament is a very different one from the past Parliaments. The reason why councillors have been paid very little is selfishness. As you notice, many former councillors are Members of this tenth Parliament. The other Parliaments refused to approve better pay for councillors because they were scared of them. They thought that if they gave them more money, they would take over their seats. That is why they refused to approve better pay for the councillors. They impoverished them because they believed that impoverished councillors would make them more secure in their parliamentary seats.

Madam Temporary Deputy Speaker, it is very gratifying to note that the tenth Parliament is

not selfish. We really realise the importance of the services of the councillors. We are keen on making sure they are paid better. I would like to urge the Ministry not to take too long to review this Act.

On that note, I would like to say that, life deals very interesting cards. Cap.265 was first amended by one very powerful Minister for Local Government in this country. Life has played a very interesting card. The amendment made by that powerful Minister is what messed up the local authorities. They are the things that enable officers to take over local authorities, loot them dry and become unable to pay councillors their allowances. Life has played a very interesting card that now the offspring of that very powerful Local Government Minister is the Deputy Prime Minister and Minister for Local Government. He now has the responsibility of correcting the wrongs and cleaning up the mess that his father left.

The councillors of this country can finally be liberated from the poverty that they live in because of the demands of the electorate and demands on the ground that they need to fulfil. I think with prayers, all things are possible.

With those few remarks, I beg to support.

Mr. Wamalwa: Thank you, Madam Temporary Deputy Speaker. I would like to thank Mr. Linturi for giving me a chance to support this very wonderful Motion. This is a year of reforms. We expect that as we embark on the Constitutional review, devolution is going to be the centre piece. That would mean that we are going to send more resources and powers to the local authorities and regions. Therefore, councillors are going to assume more responsibilities. It is very important that this timely Motion is supported by all of us to ensure that, indeed, councillors are remunerated and empowered.

Madam Temporary Deputy Speaker, we are engulfed by corruption. Indeed, if we are determined to fight corruption at the grassroots, we must start with the grassroots leaders; that is, the councillors. Once we take care of these councillors, we will demand nothing of them but accountability and delivery of services. We cannot do so if we are not remunerating them. Indeed, what they are getting are allowances. They have to resort to other means. The responsibilities they have are too great. They live with the people every day, shoulder their responsibilities and, therefore, have to resort to looking for plots and engaging in corrupt practices. This is because they are living beyond their means. Therefore, this Motion is very important.

With those few remarks, I beg to support.

Mr. Linturi: Madam Temporary Deputy Speaker, I think I will take a very short time to wind up.

Madam Temporary Deputy Speaker, let me sincerely thank hon. Members for overwhelmingly supporting this Motion. I was so worried immediately after giving notice of this Motion that it would not pass. Immediately the notice was given, I found one of the people in Government, especially the Prime Minister, dismissing the role of councillors in this country. He said that they were not bound or guaranteed salary increase. I really appreciate the Government's decision to take up the challenge of amending the Local Government Act and to negotiate with the Ministry of Finance. They have a proposal to raise the Local Authority Transfer Fund (LATF) allocation by another 2.5 per cent so as to take care of the salaries and allowances of councillors. Madam Temporary Deputy Speaker, we realise that the Ministry of Local Government is a government by itself and if these people have the power to make by-laws and even have their own courts, it is necessary to make sure that they are well paid so that they are not tempted into looting the resources that they control.

Madam Temporary Deputy Speaker, it has also been agreed overwhelmingly that councillors are essentially representatives of Members of Parliament in their constituencies. I am sure that councillors really attend to much of the work that we, as MPs, are supposed to be attending to because they are the people who are constantly in touch with the people on the ground.

I once again thank hon. Members for supporting this Motion. It is my view that in the very short-run, we will be in a position to bring forth the Bill for debate and passage so that this is realised

in the very near future.

Thank you very much, Mr. Temporary Deputy Speaker, Sir.

(Question put and agreed to)

INTRODUCTION OF BILL TO
AMEND THE TEA ACT

Dr. Kones: Madam Temporary Deputy Speaker, I beg to move the following Motion:-

THAT, aware that the tea sector is facing the worst crisis in recent years, which involves dwindling earnings which has forced farmers to uproot the crop in favour of the more lucrative staple or horticultural crops; cognizant that tea exports have been a leading foreign exchange earner for the country; further aware that the small-holder tea farmer is at the mercy of a single marketing agency (KTDA); this House grants leave to introduce a Bill to amend the Tea Act (Cap.343) in order to make the industry more vibrant and the agency more responsive to small-holder tea farmers.

Madam Temporary Deputy Speaker, we all know the important role played by this sector in the economy. As it is now, it is estimated that the tea sector employs up to 100,000 people and indirectly supports up to three million people in this country. This shows how important this critical sector of agriculture is to our economy.

The tea sector is categorised into two subsectors; that is, the large scale production and the small-holder production. Our main concern is the small-holder production which constitutes about 60 per cent to 70 per cent of the total production in the country. Of late, you may have realised that some of the farmers are uprooting the tea crop. This has been occasioned by a number of reasons. The small-holder tea production is characterised by poor production as compared to the large scale production. Actually, it is estimated that on average, small-scale tea producers produce 40 per cent less than the large scale tea producers. This means that there are some underlying issues that we must address to help the small-scale producers of tea.

Small-holder producers are mainly managed by the Kenya Tea Development Agency (KTDA). This agency was incorporated in 2001 after being converted from the State corporation; Kenya Tea Development Authority (KTDA). Having looked at the returns that go to the farmer since the agency was introduced, it calls for a lot that this House institutes some radical measures if we are to continue producing this crop as a commercial crop.

Madam Temporary Deputy Speaker, in the year 2000, tea constituted about 29 per cent to 30 per cent of agricultural Gross Domestic Products. However, as of today, it contributes slightly less than 20 per cent. A question we may want to ask ourselves is: What went wrong since the year 2000 when the agency was created? Has the agency addressed the issues it was meant to address after the State corporation, KTDA, was converted into an agency, KTDA? It seems that it has not. Our economy has also changed. You know that we moved, in the 1990s, from a controlled economy to a liberalised economy. It appears that the Act governing tea production and marketing, that is, the Tea Act (Cap.343), needs to be refined to enable the sector to operate optimally in a liberalised economy.

Let me now turn to the very specific challenges which the tea sector faces at the moment. Returns that go to the farmer have continued to decline over the past years. When I was a student in high school, my father was paid Kshs22 for a kilo of tea. Today, the price per kilo of tea is Kshs20. Despite inflation and what has happened, the returns have either remained stagnant or reduced in the general sense. On a monthly basis, a farmer is, on average, paid about Kshs10.50 per kilo of green tea. Out of this, Kshs5 or Kshs6 goes to the tea picker. Another Kshs2 are the levies like tea cess and

others. Other costs arising from the purchase of inputs such as fertilisers and so on, consume another Kshs2. So, in essence, what remains as the net on a monthly basis per kilo of green tea that goes to the farmer is barely Kshs2 per kilo. In the market, a kilo of manufactured tea goes for about US\$2.5. At the rate of Kshs70, that translates to Kshs140 or Kshs150. A kilo of manufactured tea is made from three kilos of green leaf.

When we do some mathematics, you will realise that out of every kilo of manufactured tea that is sold at about Kshs150, what should go to the farmer essentially is slightly less than Kshs50. Although the net that is paid to the farmer on a monthly basis plus bonus does not translate to more than Kshs25 per kilo. In essence, tea, as it is now, is not core in business to most farmers.

Madam Temporary Deputy Speaker, a critical analysis of this will reveal that most of what is got as profit from tea is eaten by the marketing chain of the KTDA. It actually consumes up to about 50 per cent to 60 per cent within the marketing chain. This means that we seriously need to look at ways of streamlining this marketing chain to make it more efficient so that the greater portion of the returns goes to the farmer.

I would like to talk about the registration of farmers as it is now. Every farmer is supposed to register with the factory he or she sells the tea. However, that registration has been abused to confine farmers to a point where they are not allowed to make decisions. The purpose of registration, in my view, was meant to give information to the Government as to how much acreage of tea we have in the country. It was not to be used to stop farmers from selling tea where they liked. That goes against the liberalization spirit. So, we should make the necessary legal changes to the Tea Act. The role of registration of farmers should be strictly left to the Tea Board of Kenya, and not to the tea factories as it is now. There is also a problem with the branding of our tea. Tea is taken from our factories to Mombasa in bulk. It is then mixed and sold without any brand name. Of course, we know that any product that is sold with its brand earns up to five to six times more than un-branded products. So, that is an area where we need to make some changes to allow individual factories to independently look for their markets and, if possible, sell their tea with their labels.

Madam Temporary Deputy Speaker, there is another rule in the Tea Act that says that, if you want to operate a tea manufacturing factory, you must have up to 250 hectares of tea. I think that is a colonial mentality. Anyway, the Tea Act was inherited from the colonial law. We should be able to encourage small scale cottage industries to process tea that can be sold locally. Do you know that, at the moment, even if you use any crude method to crush your tea and drink it at home, it is illegal? That is because the Tea Act does not allow that. So, we need to amend that so that, we are able to allow small scale processors to come into the local market and leave the large scale processors to deal with the export market.

Tea farmers also suffer from the effects of exchange rates. That is because at tea auctions, the tea is sold in foreign currency. There is great need to ensure that farmers are safeguarded by putting in what we call the guaranteed minimum return so that, at any one time, tea farmers can be able to get the very minimum return to cover the cost of production of that tea.

Madam Temporary Deputy Speaker, I also want to talk about how the various managements of factories have affected negatively the tea sub-sector. As it is now, tea factories are managed by a board of directors, which is elected by tea farmers. The weakness in that arrangement is that, first of all, we have too many unnecessary directors in our factories. So, that eats into the proceeds or returns that would have gone to farmers. But the greater problem that we have in those factories is on the composition of those directors. You will find that some of the directors are people who barely know how to read and write and yet, they are expected to make very critical decisions on investments worth billions of shillings in those factories. We should make the rules very clear and set very high standards so that the composition of those directors are professionals and people who are known to be experts either in marketing or management of such enterprises.

We also need to look at the role played by Kenya Tea Development Agency (KTDA). As it is now, KTDA has the role of management, marketing, production and supply of input to farmers. Since the industry has grown very big--- It has become a monster! It is completely impossible for KTDA to manage all those factories. It is also not right to let it be the sole monopoly of KTDA to manage such huge investments. I want to recommend that we should allow other management agents to compete with KTDA in the different roles that it is playing. If I may advise KTDA or anybody else, I would restrict KTDA to just play the role of marketing. Then, individual factories can hire agents to do extension services. They can go for independent suppliers of input such as fertilisers. That will allow factories to run more independently and decision-making would take a shorter time. As a result of that, efficiency will come in. We should get rid of the huge staff that KTDA has. That is because a greater portion of KTDA's cost goes into their salaries. So, by breaking down KTDA and allowing it to compete with other marketing or management agents, we will inject professionalism in the sector. There will be efficiency in the way we do our marketing and production of tea. I know that a number of hon. Members will have more ideas on this. I do not want to take so long. I want to urge hon. Members of this House to support this Motion, so that we are able to revive the once vibrant sector of this economy.

With those few remarks, I beg to move and ask hon. Joyce Laboso to second.

Dr. Laboso: Madam Temporary Deputy Speaker, I rise to second this very important Motion concerning the tea industry. It is a timely Motion that is long overdue.

Madam Temporary Deputy Speaker, let me begin by giving a personal experience. As you see me today, it is because my father decided many years ago that he was going to plant tea. My father said that he was going to plant tea so that Joyce could go to school. I have gone to school as a result of the tea bushes that my father planted those many years ago. Unfortunately, the same cannot be said about the tea farmers today. I do not think there is any one farmer who can tell you today that their children are going to school up to a higher level of education, because of the tea bushes that they have grown.

So, this Motion is extremely timely. There is serious diminishing returns in the tea industry.

Madam Temporary Deputy Speaker, farmers are growing tea, but they are not seeing what the bushes are doing for them. It is no wonder that many of them are now uprooting the tea bushes. We have heard stories of tea bushes being uprooted in Central Province, the Rift Valley and in Kisii; this is because there is nothing that is coming out of tea. What has caused this sad event? One of the big problems that we are experiencing in the tea industry is that we are told that there is over-supply of tea in the world market. If there is an over-supply of tea in the market, what are we going to do as a Government? We are told that tea is supposed to be the second highest foreign exchange earner in the country. If that is the case, I must say that this is a mockery of the tea farmers of the Rift Valley, Central Province, Kisii and all the other areas that grow tea. It is a mockery because their sweat is not being translated into money in their pockets. They are not seeing the money that is supposedly being earned from tea.

There are many people who earn money from tea, yet some of them have never even seen a tea bush. We are told that there are brokers. Some of the brokerage companies, which are broking the marketing of tea, have never seen how a tea bush looks like. Is it right that people who are not involved in the actual production of tea are the ones earning the most from tea? That is an area that needs to be critically looked into. As the Mover of the Motion has said, we need to start thinking about tea being processed right in the factory. The full process, including the packaging and branding, should be done in the factory or in one of the factories within the area where tea is grown.

Madam Temporary Deputy Speaker, another reason that I believe could help the farmers is the value addition. As the Mover has said, our tea is not branded. It is sold in a very unbranded generic form. It is sold in bulk, which you cannot market. I want to re-emphasize that we want the tea farmers

to reap the fruits of their labour. We want them to be the ones to be able to get the most from their crop.

I would also like to urge the Government to consider removing the Value Added Tax (VAT) from tea, so that our tea can compete effectively in the world market. Already, we are being informed that there is over supply of the product in the market. We are asking that VAT should be removed, so that we can compete not only with the other tea growing countries in the world---There is also serious competition from other beverages. There is a very serious competition from coffee. Kenyans who never used to consume coffee are now considering it as an alternative to tea. So, we need to make sure that the Kenyan tea becomes the beverage of choice, not only for Kenyans but also for people from other countries.

Madam Temporary Deputy Speaker, We have heard about the woes in our marketing agency, the Kenya Tea Development Agency

(KTDA). We cannot over-emphasize the fact that monopoly has never really helped anybody. We are in a free market economy. Farmers who grow tea are suffering because we have one marketer known as KTDA. When I was campaigning, I used to see farmers waiting in tea buying centres up to midnight for their tea to be collected. Is it fair for the farmers, who have spent a lot growing tea in the first place, to be subjected to the kind of suffering they go through because of having a monopoly? There is inefficiency, and all the other ills that have been mentioned, including the way the directors are elected. Some of them do not have the capacity. It is a question of capacity, because they are given a big responsibility to manage the factories. Those are issues that we need to consider. Madam

Temporary Deputy Speaker, more importantly, we need to think of decentralising the concept of marketing tea. One of way of doing this would be to ensure that each group markets its tea on its own without resorting to the KTDA. What we are looking for is vibrancy. The tea industry needs to become vibrant and the tea farmers need to get the most from their tea. When they invest in tea, it should be a business which they can get returns from.

I will give a chance to other speakers to contribute, but I strongly want to second this Motion and appeal to all hon. Members to support this very timely Motion.

Thank you, Madam Temporary Deputy Speaker.

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, I want to propose the Question.

I know that the Mover did not read out the full Motion. My assumption is that it is as it is on the Order Paper and that there is no amendment.

(Question proposed)

The Assistant Minister for East African Community (Mr. Munya): Madam Temporary Deputy Speaker, thank you for giving me this opportunity to contribute to this very timely Motion. Tea farmers are some of the most miserable farmers in this country. They are miserable, not because they do not work hard; in fact, they are among the most hardworking groups in the country. The process of growing and transporting tea to the factory requires a lot of effort; again, these farmers live in some of the most difficult conditions. They live in very hard conditions in the mountainous and hilly areas, which are very cold and have rains most of the time. So, it is a very difficult lifestyle. But what do they get for all that work? Look at the cost of production, especially now that the fertiliser price has become astronomical? They get nothing. That is why I want to agree with the speaker who spoke before me, and who said that it is next to impossible for tea farmers to educate their children. When this country was in problems in 1990s, when it was earning very little foreign exchange, it was the tea farmers who were supporting the economy of this country. Most of the foreign exchange was from tea

and it supported the Government, yet we do not see the Government coming to the aid of tea farmers!

Madam Temporary Deputy Speaker, so, we are asking for equal treatment. We have seen the Government subsidising maize farmers. What is so special about maize farmers that is not special about tea farmers? We have seen the Government setting prices for maize so that farmers can get something in return for their labour. We have seen the Government subsidising fertiliser prices so that maize farmers can afford to grow maize and make something out of it. Why not tea farmers? So, one of the things that the Government needs to do very urgently and quickly without any hesitation is, at least, to be able to subsidise fertiliser for the tea farmers.

We are saying that this is very urgent and it is actually an emergency because slowly people are now uprooting tea because what is the use of putting your energy in it and get nothing from it? In fact, if you go to most of the tea growing areas now, you will find eucalyptus trees growing in tea farms because farmers have decided now to plant those trees as they uproot the tea. So, soon those beautiful tea farms you see when you are crossing those tea areas in Meru or Kericho regions are slowly being replaced by eucalyptus trees. It is because it is profitable now for farmers to grow trees. With trees you can make money. With tea you cannot make money. So, slowly this foreign exchange we are talking about that we get from tea is going to dwindle as eucalyptus trees replace tea bushes.

Madam Temporary Deputy Speaker, you know also that eucalyptus trees are not necessarily very good trees even for the environment. They destroy the quality of the soil. They mess up with water catchment areas. In fact, if you plant them in swampy areas, since tea areas most of the times are swampy, the water is also drying in those areas because of eucalyptus trees. So, here we are having a problem of farmers who have been pushed into growing this not very good crop for the environment because they cannot be able to make any money from tea.

Secondly, is the issue of the Kenya Tea Development Agency (KTDA). This Motion is very timely so that this Bill can also critically look at the structure of KTDA because farmers' earnings are the ones that support KTDA. Time has come when we need to streamline KTDA so that we can be able to cut its running cost. KTDA should be a skeleton company in terms of employment. Nobody controls them on how many people they employ. So, they end up "eating" into farmer's money with the new democracy that they have created all over the country and yet they are supposed to maximise earnings for the farmers. So, we need to reduce the employees and leave those who are really necessary and useful to the farmers. They have even those big posts of directors and I-do-not-know-what. If you ask what they do, you will not know exactly what value they add to the tea farmers. So, those positions should also go into that direction of restructuring KTDA and bringing in other marketers so that we can introduce competition in the tea industry.

With those remarks, I support.

Mr. Nyambati: Thank you, Madam Temporary Deputy Speaker, for giving me a chance to also stand and support this Motion. I strongly want to support this Motion for so many reasons. One, is because I come from a tea growing area and, second, because I have seen what kind of problems our farmers go through.

I want to join my colleagues who have said here that they have gone to school, courtesy of the tea industry. It is about time that we really assisted our farmers. We really have to look critically at the problems that our farmers are going through. Due to this, I strongly support that Cap.343 of the Tea Act must be amended. If we must help our farmers, it must be amended because our farmers are not benefitting out of it.

Madam Temporary Deputy Speaker, our farmers and especially the tea farmers are so much discouraged. Tea is required all over the world. Countries like India, China, Ceylon and others have increased their output in tea production but in our country here, because we have neglected our farmers, tea production is falling. This is simply because we have ignored the plight of our farmers. Right now, farmers are uprooting tea. I am sure that even in Kisii where I come from, some of the

farmers have started uprooting tea simply because they are not earning anything. There is a big disparity in terms of tea prices. When you go to the western region, for example, the farmers there earn less than those in the eastern region, courtesy of KTDA. KTDA has become a monster which is no longer assisting farmers and it is about time that we did something about it because it is not helping our farmers at all.

Factories should be allowed to sell their tea all over the world. I think it is the responsibility of the Government to ensure that there are markets all over the world where we can sell our tea. I believe that Kenyan tea is one of the best in the world. It is such a shame that as a Government, we are not helping our farmers be it maize, coffee or wheat farmers. It is about time that the Ministry of Agriculture came up with ways and methods of assisting our farmers to produce more because until and unless we do that, we will never have food security.

Madam Temporary Deputy Speaker, where I come from, many times, tea is not delivered to the factories because the roads are impassable. Farmers can stay for three days in tea buying centres without delivering their tea produce to the factories. This is the work of the Government. The Government must ensure that it facilitates our farmers to ensure that tea is delivered in the factories as soon as possible. This is because if tea cannot be delivered immediately, then it will lose its quality. We will not have the kind of quality that we need. This means that even the international prices will go down. So, it is important that the Government ensures that they have facilitated our farmers.

In the event that there is a problem with paying our farmers, the Government must come in and subsidise. Most countries in the world, be it the United States of America (USA) or wherever, normally subsidise farmers if there is a problem, so that they can continue producing. If we have to encourage our farmers, this has got to come to be.

Madam Temporary Deputy Speaker, I want to also talk about the calibre of directors in the tea factories that we have. Many at times, we do not have qualified directors to run those factories. I think it is important that we set the minimum qualifications for the kind of directors who come in because we need directors who understand what they are doing in order to help the farmers. We must have people who have knowledge. The number of directors must also be regulated rather than having so many directors who just go there to "eat" and not help farmers. The same applies to the KTDA. The KTDA is supposed to be totally decentralised. In fact, we should have several KTDAs or something like that which governs, controls and markets the produce of tea.

With those few remarks, I support.

The Assistant Minister for Roads (Mr. Kinyanjui): Thank you, Madam Temporary Deputy Speaker, for granting me this opportunity to contribute to this very important Bill. I wish to start by congratulating the mover of the Motion for bringing it at this particular time when the tea sector has been badly hit by declining prices.

I wish to start by relating an incident that I experienced last week while on a visit to a place in Central Kenya. I had gone for a funeral there and I discovered that most of the small towns that were previously very vibrant in Central Province have since closed down. Instead, when you pass there you find hordes of young men, some of them half-drunk, and these are easy prey for getting into some of the groups that we have been talking about. Upon talking to some of the leaders in that region, the issue of tea came up because coffee and tea are the main income earners in that region.

As a result of the falling prices of tea, the youth in those areas can no longer find employment. The few that find employment can hardly get payment because the money you get from tea cannot absorb the cost of operation. I think it is a serious matter which is replicated in other parts of the country where farmers wake up every day in the morning to tend to their crops, but upon taking their product to the market, they can hardly get what they expect. Therefore, this issue begs for answers. We should look at some of the issues that affect the cost of production for the crop.

Madam Temporary Deputy Speaker, I want to start by highlighting one or two issues that

have been very important. In this year's budget we had factored Kshs400 million to be used to start a factory locally that would produce fertilizer and therefore, reduce the cost of producing fertilizer locally. Our assumption is that had that factory been established, then we would have reduced the cost of fertilizer which is a major input in the cost of production for tea and other crops.

Failure to produce some of these inputs locally has also had a significant impact on the prices of fertilizer and their availability. As a result, the cost of production has gone up.

Secondly, we know that in the production of most of these cash crops you use diesel. In the costing of diesel, especially last year, the prices had gone very high. In the duty structure for diesel we have the road maintenance levy. This is money that is levied for every litre of diesel that you consume. For farmers who use their machines on the road, the continued levy of this fund which is about Kshs9 per litre is extremely punitive and goes a long way towards increasing the cost of production. I think we should look for ways in which we can remove the road maintenance levy.

Madam Temporary Deputy Speaker, there has been the issue of the KTDA which has been very inefficient. As has been said by the previous speakers, the inefficiency of the KTDA has finally been the problem of the farmer. Inefficiency arising from a bloated wage bill in respect of the directors and other workers, who are not actually qualified, is actually one of the biggest problems that we have. Therefore, we need to ensure that we restructure the KTDA in order to make it more efficient and more responsive to the needs of the farmer.

Madam Temporary Deputy Speaker, still on the KTDA, it is, obviously, impossible to imagine of Kenya in terms of these other sectors before liberalisation. We remember that before we allowed other players in the areas of mobile telephone, the fuel industry, and many other areas, the costs of these products were very high due to lack of competition. So, it is obvious that if we allow other players to compete with the KTDA, the KTDA will be forced to be more efficient and more responsive to the market. That way, the people will benefit, and more so, the farmer.

Secondly, our tea continues to be sold in Europe and other western countries as a raw product, mainly in bulk. When you find it in the United Kingdom and other places, you will never get to know that you are talking about Kenyan tea. We need to start a serious branding exercise. Kenya's tea is one of the best teas in the world. It has been tested and has actually qualified as one of the superior tea. For that matter, when it goes to the auction, it is normally bought and mixed with other low quality tea from Malaysia, India and Pakistan and branded other generic names. Therefore, when you talk about Kenyan tea doing very well, the consumers out there, have no idea of what Kenyan tea is all about. Therefore, there is need for us to engage in a serious branding exercise of our tea, so that we can charge our tea a premium and, therefore, pass the benefits to the consumer.

Madam Temporary Deputy Speaker, we also need to look at the issue of diversifying our markets. We have not been selling our tea directly to Europe. What we have done is to take our tea to Mombasa and, through the auctions, that tea is taken to other markets. I believe that, through the relevant Government organs, we can do a serious marketing drive of our tea in Europe and America, and in all other lucrative markets, including the Middle East. Thereby, add the value of our tea and, of course, add the benefits to our farmers.

In recent times, we have seen a serious drive to help in marketing our coffee, especially locally, where we have seen coffee shops opening up. In recent times, we have seen Sasini open coffee shops, which are helping in the consumption of coffee and promotion of their products. We have Java Coffee shops, for instance. I believe that if the KTDA or any other organ within the Government could take up this initiative and look into having tea shops both locally and outside, it would help in sampling of our products and also increasing demand of the same for our people.

Madam Temporary Deputy Speaker, I also wish to note that tea is one of the biggest contributors to the employment market in this country. In much of Kericho, Meru, Kisii and other areas, most families live on employment or proceeds from tea. Therefore, there is a serious need for us

to help in sustaining this industry, so that we can be able to help in creating employment for our people.

Tea has also been found to be extremely useful and therapeutic and is actually recommended in most cases, because it can help in many other ways that have actually been found and recommended. So, it is important to help our people and farmers, so that we can increase the proceeds arising from tea.

Madam Temporary Deputy Speaker, I also wish to note that there are very many huge companies in the tea industry. In particular, Kericho has very huge companies. Until very recently, many of these companies were in the hands of foreigners. There is a deliberate attempt to try and make them to be, at least, locally owned. I think we need to encourage local Kenyans to venture into that, as well as small scale farming, which has also taken root in much of those areas.

Madam Temporary Deputy Speaker, I wish also to note that - and it has been noted by my colleagues - that tea is actually one of the biggest contributors of foreign exchange in this country, especially when we have had serious problems in tourism and other sectors. Tea has always been one of those crops that we could manage. So, if we cannot take care of it now, then we will be in serious problems.

Madam Temporary Deputy Speaker, I beg to support.

Thank you, Madam Temporary Deputy Speaker.

Dr. Monda: Thank you, Madam Temporary Deputy Speaker, for allowing me to support this Motion on the amendment to the Tea Act.

Madam Temporary Deputy Speaker, the tea growing areas of this country are also the regions that grow coffee and pyrethrum. Coffee, pyrethrum and tea have been on the downward trend, intimidating the income for the communities from those regions.

Madam Temporary Deputy Speaker, Kenya is known as a country where agriculture is the backbone of the economy. Agriculture is the foreign exchange earner for this country. It is the cash crops that I have mentioned earlier that make Kenya earn some foreign exchange.

Madam Temporary Deputy Speaker, I come from Kisii. Kisii is known for coffee, tea and pyrethrum. I am specifically talking about cash crops. We have others that are foodstuffs but, for now, let me talk about those three. I am also being reminded that there is horticulture, which hon. Members have not talked about. But let me continue.

Madam Temporary Deputy Speaker, the pyrethrum industry has collapsed and we are no longer earning anything from it. The coffee from small scale farmers has also collapsed! The Kenya Tea Development Agency (KTDA) is on its way to collapsing, since the farmers in Kisii have also embarked on uprooting tea. In support of the speakers who have spoken before me, I would like to say that the income that is earned from tea is so small that it is not making any returns to the farmers.

Madam Temporary Deputy Speaker, I want us to look at a situation where tea from large scale farmers is doing very well. We have not seen any large scale farmers being threatened by marginal returns and, therefore, planning to uproot their tea for other crops. The small scale farmers are threatened. I want to associate that with the management of the tea industry. But for small scale farmers, in 2002, we amended the Tea Act and made tea factories become limited companies. Limited companies have independence. We expected them to do everything right from the collection of tea from farmers up to the marketing of that tea. But at some point, the farmers did the farming and the factories processed the tea. From that point of a product at the factory, we get to a new agent who is the KTDA. At that level, the tea business becomes mystified and it is no longer understood by the farmers.

Madam Temporary Deputy Speaker, it is important that this Motion has come at this time, so that we can deal with it and ensure that we clear the way right from the factories to the market. Whatever is generated out of the sale of tea should become a benefit to the farmers of that cash crop.

Madam Temporary Deputy Speaker, the cost of inputs has been increasing, and it is the business of the Kenya Tea Development Agency (KTDA) to purchase farm inputs, particularly the fertilizer. It is the business of the KTDA to transport the tea from the factory to the godowns, and finally have it auctioned. As the price of inputs goes up, the prices of tea, particularly for the small-scale farmers has been going down and, therefore, the earnings have been diminishing.

I want to indicate that the quality of directors that we have for the tea factories has also been wanting. There is need to set the minimum standards for a director to be elected, so that they have the capacity that will enable farmers to get earnings as expected. The marketing chain is exploitative. There is need for the factories to ensure that they follow it up all the way to the consumer. It is possible for the factories, as limited companies--- Like other businesses within the country, the factories are capable of selling tea out there as independent units; after all, they are limited liability companies. There is no need for the agent to take control, of the limited companies, to the extent that they have no knowledge about the prices or the consumers of our tea.

Finally, it is important that farmers who suffer in the farm and tea buying centres for a long time, and who do not know when the tea they have taken to the buying centres will be bought, be involved in making decisions on who should manage their factories, and who should be involved in marketing the tea. The KTDA has staff whose role in the tea industry is unclear. The employer of the KTDA staff is the farmer and, therefore, it is important for the farmer to decide who does what in the factory. Therefore, I want to join my colleagues in supporting this Motion to amend the Tea Act, and have the farmer benefit and come out of the misery that tea farmers have been going through.

With those few remarks, I beg to support.

The Assistant Minister for Public Health and Sanitation (Dr. Gesami): Madam Temporary Deputy Speaker, let me say that in the 1970s the farmers in Kisii uprooted passion fruits because of some reasons. Later on, it was pyrethrum and then coffee. What we are seeing now is the uprooting of tea. If we do not take action, or if this House does not act in as far as the Tea Act, Cap.343, is concerned, then we are going to have our people in Kisii and other tea growing areas uprooting tea.

When I go to my constituency, the farmers ask me to tell the Government take back KTDA to an Authority again, because they believe that they used to get more money when it was an Authority than when it is an Agency. We must, therefore, in this House, do something, and do it urgently, to ensure that we no longer have tea farmers in the country uprooting tea.

Madam Temporary Deputy Speaker, for sure, we know that tea has been a long standing number one foreign exchange earner in this country. It has only been surpassed recently by tourism. We need to do something in this House in terms of amending the Tea Act to ensure that tea reclaims its place. Our tea has been very good in terms blending other brands of tea all over the world. We need to look at the Act to make sure that tea factories are operating at optimum levels. All along, the middlemen and the tea sales in Mombasa---

Mr. Langat: On a point of order, Madam Temporary Deputy Speaker. Listening to the views of the hon. Member, it appears that we are all in agreement that the Act requires to be amended. Would I be in order to ask the Chair to call upon the Mover of the Motion to respond, so that we can conclude?

The Temporary Deputy Speaker (Prof. Kamar): Dr. Gesami has two minutes to finish!

The Assistant Minister for Public Health (Dr. Gesami): Madam Temporary Deputy Speaker, before I was interrupted, I was saying that this House needs to look at the entire Cap.343 to streamline the operations of the Kenya Tea Development Agency (KTDA) in terms of the calibre of the directors and the operations from the factories all the way to the sale of the tea in Mombasa. We also need to look at the issue of farm inputs. We need to give powers to the Minister for Agriculture to see what subsidies he can give to the tea industry.

With those few remarks, I strongly support this Motion.

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, since this is a timed Motion, we would always allow any Member who wants to contribute to do so before we put the Question. Is there any Member who wants to contribute?

Mr. Yinda: Thank you, Madam Temporary Deputy Speaker, for giving me this opportunity to contribute to this timely Motion on the tea industry.

Tea has played a very major role in the economy of this country. The small-scale tea producer has contributed a lot to this country. As it stands now, about 60 per cent of the total tea production in the country is by the small-scale producers. The Government needs to play a much leading role in the tea industry in this country. Our competitors in Sri Lanka and India, for example, their Governments play a very major role. For example, in Sri Lanka, there are two independent Ministries that control the production of tea. There is a full Ministry of Tea Production and another Ministry of Tea Marketing. This is because of the amount of foreign exchange tea earns in this country. It is my feeling that with the Government direct and serious involvement in the tea industry, our farmers will benefit a lot more than they are benefiting at the moment.

Madam Temporary Deputy Speaker, some of my colleagues have talked about the Government's subsidies in the tea sector. I want to support this because the farm inputs such as fertilizers and the fuel required in the production of tea is far too high. When these inputs are added together, they only reduce the earnings for the farmer. The farmer will only increase his earnings if there is support for him in terms of subsidies on inputs.

I want to support my colleagues who said that the Kenya Tea Development Agency (KTDA) needs restructuring. Yes, the KTDA has served farmers well. That is one of the things we must accept. Among the Government Parastatals, KTDA is among those which have played their part. What needs to be done is to look at other ways in which they can be supported or restructured, so that whatever they do, the farmer benefits much more than at present. The KTDA is owned by farmers.

I want to support the Motion. However, when we are making the changes, let us do so very carefully without messing up what is already good in the sector.

With those few remarks, I wish to support.

The Temporary Deputy Speaker (Prof. Kamar): Is there any other Member who is interested in contributing? If not, then the Government has a right to respond for 10 to 20 minutes. I do not know if there is anyone from the Government side who is ready to respond. If there is nobody who is interested in making a contribution, Dr. Kones, you can go on and reply. You have three minutes now. However, if you do not finish, you will continue with your reply later.

Dr. Kones: Thank you, Madam Temporary Deputy Speaker. I want to thank my colleagues for supporting this Motion. I wish to inform them that I have taken, into consideration, all the issues they have raised here. Knowing that the Motion is going to be passed, I will move with speed to bring the necessary amendments. I will take into consideration what hon. Yinda has just said. I know the sensitivity of this matter. We will be very conscious in the way we undertake the amendments. We will consult the stakeholders as much as possible. We will move around the country as much as we can to collect the views of the relevant stakeholders and bring the necessary amendments as soon as possible.

With those few remarks, I beg to move.

(Question put and agreed to)

ADJOURNMENT

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until this afternoon, Wednesday, 28th January, 2.30 p.m.

The House rose at 12.30 p.m