

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 29th April, 2008

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

PAPER LAID

Supplementary Estimates of Expenditure for the Financial Year 2007/2008.

(By the Minister for Finance)

NOTICE OF MOTION

APPROVAL OF SUPPLEMENTARY
ESTIMATES (RECURRENT AND
DEVELOPMENT) 2007/2008

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

- THAT, a sum not exceeding Kshs34,515,726,970 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 2008, in respect of Supplementary Estimates of 2007/2008 Financial Year, Recurrent, having regard to the proposed reduction of Kshs19,639,022,420 therein appearing.

THAT, a sum not exceeding Kshs21,043,535,420 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 2008, in respect of Supplementary Estimates of 2007/2008 Financial Year, Development, having regard to the proposed reduction of Kshs13,455,680,960 therein appearing.

Mr. Speaker, Sir, His Excellency, the President has given his consent to this Motion.

QUESTION BY PRIVATE NOTICE

MEASURES TO CONTROL HIGH
PRICES OF FARM INPUTS

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

(a) In view of the devastating effects that the post-2007 elections crisis had on farming in the country, what immediate measures is the Minister taking to reduce the high cost of farm inputs, especially fertilizer, during the current planting season!

(b) Could the Minister supply free seeds and fertilizer to the Internally Displaced Persons (IDPs) in order to guarantee national food security which is severely threatened by the crisis?

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

(a) My Ministry has authorised National Cereals and Produce Board (NCPB) to get into the fertilizer market in order to stabilise the prices. In fact, our projection for this year is that, from the 8 per cent of the fertilizer market which the NCPB has traditionally controlled, we want to move the participation of NCPB and, by extension, the Government, to between 40 and 50 per cent. We have ordered the fertilizer and it will be in the country on 29th May, 2008.

(b) My Ministry, together with other stakeholders, has distributed a total of 365.6 metric tonnes of seed maize, 44.8 metric tonnes of beans and 290 metric tonnes of fertilizer to the IDPs.

Mr. Wamalwa: Mr. Speaker, Sir, is the Minister aware that the planting season will have ended by 29th May, 2008? The fertilizer that the farmers are expecting for planting, that is the Di-Ammonium Phosphate (DAP), will not assist them!

Is he also aware that some IDPs have been supplied with seeds, but have not received the DAP fertilizer? They are unable to plant within the current planting season!

Mr. Samoei: Indeed, I am aware, Mr. Speaker, Sir. I agree with the hon. Member that, as a Government, we did not act in time to participate meaningfully in assisting our farmers to get the correct fertilizer to plant.

Mr. Speaker, Sir, I want to inform the hon. Member, who represents farmers just like I do that, that notwithstanding, the fertilizer we are bringing in--- We are bringing in about 150,000 bags of fertilizer. It will not be in vain because I am anticipating the short rains in other parts of the country. We need to assist farmers in those other parts from June and July.

Secondly, I am making arrangements to make sure we do not have another fertilizer crisis next year. I appreciate that, indeed, we have not lived up to the expectations of the people because of the complications of the issues we had earlier this year. I want to assure the hon. Member that we are going out of our way, and my Ministry, in conjunction with the Ministry of Finance, is making adequate arrangements, so that we solve this fertilizer puzzle once and for all.

Mr. K. Kilonzo: Mr. Speaker, Sir, could the Minister tell this House what measures he intends to put in place to compensate the farmers for their plantations which were destroyed during the 2007 post-election violence? Most of these farmers are currently in the camps. Much as we may want to supply them with free fertilizer and seeds, they might not have the opportunity to go back to their farms. They are relying more on anything which is going to come from what remained after the destruction. Is the Ministry making any arrangements to compensate these farmers?

Mr. Samoei: Mr. Speaker, Sir, indeed, I agree with the hon. Member that some of our farmers are still holed up at the Internally Displaced Persons (IDPs) camps. The IDPs are looking for concrete steps on how they can go back to normalcy. I think we have the responsibility and duty to make sure that we put in place those concrete steps, so that they can go back to their farms and do what they are used to doing. They do not need the kind of high priests that we now have hanging around pontificating about the problems of the IDPs without suggesting any concrete steps of how to settle them.

However, the Ministry has put together a budget of Kshs3.4 billion. We are discussing with the Fund that has been set up to ameliorate the effects of the post-election violence. Using that Fund, depending on how much money we raise, we should be able to look favourably at the farmers.

My Ministry, in conjunction with the representatives of the farming community, will be holding a stakeholders' conference. We want to discuss how we can assist farmers who went into the planting season with very high cost of inputs, so that we can discuss the price at which we are going to buy their produce without necessarily affecting the issues about the consumers. So, we

have a comprehensive plan to deal with that.

Mr. Muriithi: Mr. Speaker, Sir, could the Minister tell us how he intends to break the fertilizer cartels because 15 per cent or the proportion which the Government was to import is quite small? The importers will wait for the Government to exhaust its fertilizer and then they will hike the prices. Secondly, there used to be a position of forecasting.

Could the Minister tell us whether they are basing their imports on a forecasts? Had there been a forecast before, this crisis of farm inputs in terms of seeds and fertilizer would not have come up. If he is also importing fertilizers without forecast, we are likely to have the same problem. So, could he tell us whether they are importing the inputs through a process of forecast or they are just doing guesswork?

Mr. Samoei: Mr. Speaker, Sir, I agree with hon. Muriithi that we need to base this on accurate information. I want to assure him that my Ministry understands very clearly that we need between 450,000 metric tonnes and 500,000 metric tonnes of the various categories of fertilizer every planting season. It is correct also that the Government, through the National Cereals and Produce Board (NCPB), has in the past controlled a very small fraction. In fact, it has been between 8 per cent and 15 per cent of that market. Therefore, the Government has not been in a position to influence the fertilizer market.

I want to tell the hon. Member that we are moving the participation of Government from 15 per cent to between 40 per cent and 50 per cent, so that we can effectively influence the activities in the fertilizer market.

I also want to tell the hon. Member that we do not use guesswork. We have accurate information upon which we are carrying out the importation exercise and we have clear benchmarks on when this should happen and how much it is going to cost us as a country.

Dr. Khalwale: Mr. Speaker, Sir, could the Minister confirm that what he is saying here is not mere diplo-speak? Towards the end of last week, leaders from the Rift Valley Province came out publicly and said that they wanted the return to normalcy in terms of the settlement of the IDPs to be delayed. Therefore, since the Minister comes from the same region, could he tell us how it is possible for him to give the IDPs seeds and fertilizer, delay their return to their farms and expect them to plant their farms?

Mr. Samoei: Mr. Speaker, Sir, that is a different Question, but I will answer it. It is categorical that the leaders from the Rift Valley Province did not, in any way, want the delay for a day, of the return of the IDPs to their farms. All they wanted was a comprehensive and tangible programme on how this was going to happen. They wanted a real programme and not a public relations exercise. We did not want to participate in a public relations exercise. We want to have tangible steps on how people will get back to their homes and farm. That is why I said earlier that the IDPs do not need high priests pontificating about their problems. They want to have leaders who can put concrete steps on the table on how they are going to go back to their farms and produce food for this country. That is what we are interested in. That is what we want to participate in.

Mr. Shakeel: Mr. Speaker, Sir, I want to thank the Minister for telling us that he is expecting some fertilizers. He has also told us that the Government intends to control about 50 per cent of the fertilizer imports next year. These are special and difficult times. Why can the Minister not restrict the prices of fertilizers? These people have been taking advantage of fertilizer prices. The prices should be restricted to, say Kshs2,500 per 50- kilogramme bag of fertilizer. These are special times. The prices should be controlled during these three months, so that we can get fertilizers during the planting season. The farmers can then be compensated afterwards, perhaps by being given the same amount of fertilizer that was sold during the planting season. This has been done before.

Mr. Speaker: Please, ask your question!

Mr. Shakeel: Mr. Speaker, Sir, why can the Minister not impose price controls?

Mr. Samoei: Mr. Speaker, Sir, there is a way in which we can achieve the same price without going the route of price control. That is a less quarrelsome way of resulting in the same price. My Ministry has chosen to use Government muscles in terms of stabilising the fertilizer market. I want to assure the hon. Member that even without price controls, we will be able to get a better price for fertilizer using the alternative route that we have chosen by making sure that there is active Government participation in that sector.

Mr. C. Kilonzo: Mr. Speaker, Sir, this Question was asked last week. In part "a", the Minister has said that he has authorised the NCPB to get into the fertilizer market, so as to stabilise the market. The NCPB buys maize from farmers and stays for a whole one year without paying them. The Board is not even able to pay the farmers. Then the Minister has said that this same Board, that I hate with my heart, has been authorised to stabilise the fertilizer market. What measures will the Minister put in place to reform the unstable NCPB, so that it can be able to do its job of paying the farmers and stabilising the fertilizer market?

Mr. Samoei: Mr. Speaker, Sir, in the past, the NCPB has had its bad days. But that is not to mean that we cannot change and reform it. I want to tell the hon. Member that the NCPB has paid every farmer every coin that we owed to the farming community this year. There is no single cent that is outstanding between the NCPB and the farmers. I also want to tell the hon. Member that the problems of the NCPB are being addressed. We have retrenched close to 1,500 staff. We now have about 400 staff. We have increased the capacity of the NCPB by increasing its capital base from about Kshs350 million. Next year, it will have a capacity of about Kshs4 billion. Basically, the framework upon which the NCPB was required to use in order to discharge its mandate is already in place. So, there is no justification. I want to allay the fears of any hon. Member that the NCPB may not be able to discharge its mandate. It has the capacity to do so.

Mr. Maina: Mr. Speaker, Sir, since the Minister is in agreement that there is a shortage of fertilizer he, therefore, means that whatever fertilizer is available is not enough for all Kenyans. Could he assure this House that the price of *unga* will not go up? I remember, that before he became the Minister for Agriculture, he promised that the price of *unga* would be Kshs10! Could he tell us whether that will be possible?

Mr. Samoei: Mr. Speaker, Sir, I want to assist the hon. Member by telling him that, maybe, he listened to another person. I do not think any person who is sane can allege that the price of *unga* can be Kshs10. He must have obtained that information from some other place. I want to assure him that we are concerned. That is why the Government is willing to put money into this market, so that we can intervene, as the Government, at the inputs level. We are discussing with the Kenya Seed Company and we have put plans in place to reduce the cost of seed by about 30 per cent. We are, as a Ministry, working on ways of reducing the cost of fertilizer by about 30 per cent to 40 per cent. We are working towards accessing credit for farmers from 15 per cent to about 7.5 per cent.

All those exercises go towards reducing the cost of producing food. Ultimately, it is the plan of my Ministry to pass on the positive effects of reduced cost of farm inputs to the consumer. We need to have food produced in large quantities and be affordable.

Mr. Imanyara: Mr. Speaker, Sir, I appreciate the answer from the Minister. I am glad he did not shy away from the issue of the Rift Valley leaders. Given that he is part and parcel of the Government, when he says that the Rift Valley leaders are waiting for a tangible programme of action, is there another Government or is it the same Government? If it is the same Government, why is he not setting up that tangible programme of action?

Mr. Samoei: Mr. Speaker, Sir, I want to assure Mr. Gitobu Imanyara, the Member of

Parliament for Imenti Central, that indeed, that programme is actually in the works. Yesterday, I spoke to the leadership of the clergy in the Rift Valley. They had a meeting yesterday. They are going to have another meeting tomorrow. We are planning to have a joint meeting on Sunday, so that we can lay down the appropriate framework with all the stakeholders, so that we can build confidence between the communities in Rift Valley Province. The confidence is currently absent. The individual persons and the various groups can work together towards a meaningful---

*(Dr. Khalwale stood up
in his place)*

Mr. Speaker: There is a point of order, Mr. Minister!
Dr. Khalwale, what is it?

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. Is it in order for the Minister to mislead the House that the solution to that problem lies with the clergy when he knows very well that all that is required is for them, the leaders, to go back to their people and ask them to accept fellow Kenyans and live with them?

(Applause)

Mr. Samoei: Mr. Speaker, Sir, I will repeat this again to Dr. Khalwale! The least the internally displaced people in Rift Valley Province need are persons like him, who want to pontificate and pretend that they value the Internally Displaced Persons (IDPs) when they have no clue as to how they can get back to their farms. We are working on a concrete, practical plan on how to get people to go home.

(Applause)

We chose not to play politics with it, because it is a serious issue. I would like to request Dr. Khalwale to desist from bringing cheap politics into this issue. These are people who are living in the IDP camps, and the least they need is cheap politics about who is right and who is wrong. We want to resettle these people. The entire leadership, those of us who are elected Members of Parliament, elected councillors, religious leaders, grassroot leaders---

That is what we require. We are working on it. It has nothing to do with fertiliser.

Mr. Speaker, Sir, we will not be deterred. We will work on this programme, because we want fellow Kenyans to go home. We do not want to participate in empty rhetorics.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. You heard the Minister clearly say that by asking about the fate of IDPs in this country, I am playing cheap politics. Is it in order for an hon. Minister to refer to me, yet he knows very well that I am very deep, as being cheap? Is that Parliamentary?

Mr. Speaker, Sir, as Mr. Samoei speaks today people from my constituency were killed in Eldoret. We buried Mr. Liayi, for his information. I cannot, therefore, be playing cheap politics! I am raising a matter of national importance and he must respond!

(Applause)

Mr. Samoei: Mr. Speaker, Sir, I want to admit that the issue of IDPs is very serious. I wish Dr. Khalwale could treat the issue with the seriousness it deserves and stop demeaning it to the level he is degenerating into.

I also want to tell him that I have also come to bury somebody in his constituency, who was killed by the kind of politics that goes on down there. I have been there! So, I think, with equal measure, we should treat this issue with the seriousness it deserves.

Mr. Bett: On a point of order, Mr. Speaker, Sir. Are we still on the Question that was asked by Mr. Eugene Wamalwa, or have we gone elsewhere?

(Laughter)

Mr. Speaker: Mr. Bett, you ought to have been following what was going on! That question is completely extraneous! It is not even a point of order! Please, be a bit more careful next time!

Dr. Munyaka: Mr. Speaker, Sir, does the Ministry have any plans to start producing fertiliser locally, in Kenya, as a long-term solution to this problem?

Mr. Samoei: Mr. Speaker, Sir, my Ministry is assessing the capacity of a partnership between the Government and the private sector. Indeed, we have capacity in this country to blend fertiliser. We are looking into the possibility of establishing a partnership between the Government and private sector towards importing raw materials, and blending the fertiliser here at home. Our estimation is that if that effort succeeds, we will be in a position to reduce the cost of fertiliser by between 25 per cent and 30 per cent. We are assessing that and also the long-term possibility of building our own plant. That is in the pipeline. In fact, it is in our strategic plan for the next three years.

Mr. Speaker: Last question, Mr. Wamalwa!

Mr. Wamalwa: Mr. Speaker, Sir, now that the Minister has admitted that the Government has failed to intervene and help the Kenyan farmer in mitigating against the harshness of the high cost of inputs, could he tell us what measures the Government will put in place to ensure that, since fertiliser cannot be availed to the farmer within this planting season, money will be put in the farmers' pockets? I am happy he has mentioned that already they are planning accessing finance at about 7.5 per cent. Could he tell us what measures will be put in place, so that money is put in the farmers' pockets to ensure that there are no food riots in this country? There have been riots in Haiti, Cameroon, Egypt and other countries.

Mr. Samoei: Mr. Speaker Sir, to improve on the yield of crops already in the farms, we have taken urgent steps to make sure that whatever maize has been planted, we get maximum yield from it. That is why we have gone out of our way and now we have the CAN fertiliser that farmers can use. It is retailing at Kshs1,650 per 50-kilogramme bag, down from Kshs2,400.

Mr. Speaker, Sir, secondly, we are making arrangements to make sure that we do not lose any of the maize, or cereals, that we produce to any other market. We have taken urgent steps to make sure that, as soon as that produce is ready and available, there will be adequate funds at the National Cereals and Produce Board (NCBP). This time round, as the farmer delivers his or her produce, we will give him or her a cheque as opposed to what used to happen in the past.

Mr. Speaker, Sir, in the past farmers delivered their produce, but did not know whether they would get their money, tomorrow, next week, next month or next year. We are making adequate arrangements, and I would like to assure the hon. Member for Saboti Constituency that, that exercise is in place.

Mr. Speaker, Sir, we are also taking contingent measures in the event that we have a gap of food unavailability. We will source food to make sure that no Kenyan dies of hunger and that there are no food riots.

Mr. Speaker: Next Order!

ORAL ANSWERS TO QUESTIONS

*Question No.011*DELAY IN RELEASE OF SECONDARY
SCHOOL BURSARY FUNDS

Mr. Speaker: Mr. Mbau!

Mr. Mbau is not here! The Question is dropped!

(Question dropped)

Next Question!

*Question No.014*COMPENSATION OF VICTIMS OF
COLLAPSED PYRAMID SCHEMES

Mr. Linturi asked the Minister for Finance:-

(a) whether he is aware that last year, several Kenyans lost billions of shillings when investment schemes now infamously known as "pyramid schemes" collapsed;

(b) why the Government allowed the pyramid schemes to go on undeterred;

(c) whether he could inform the House who is responsible for compensating the victims; and,

(d) what steps the Government has taken to ensure that victims are compensated and the perpetrators brought to book.

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

(a) Yes, I am aware of losses incurred by several Kenyans following the collapse of pyramid schemes last year.

(b) The Government did not allow the pyramid schemes to go on undeterred. Some of the measures that were put in place to curb the proliferation of these schemes include issuance of cautionary messages to the public, setting up of a multi-sectoral task force to address the issue of pyramid schemes and institution of court action by the Banking Fraud Investigation Department against the promoters of some of these schemes.

(c) The responsibility to compensate the victims of pyramid schemes lies with the promoters of the schemes.

(d) As I indicated earlier, the Government has initiated court action against the promoters of some of these schemes and will continue to crack down on them. We urge the victims to provide the necessary assistance to law enforcement agencies to expedite the action being taken.

Mr. Linturi: Mr. Speaker, Sir, I am saddened by the answer. The hon. Assistant Minister has admitted that he is aware that Kenyans lost a lot of money through the so-called "pyramid schemes". The basic meaning of the word "bank" is that, it is an institution that collects and lends money to the public.

These institutions have been operating in this country. Some like Deci and Clip have been in existence for the last four years.

The Central Bank of Kenya Banking Fraud Investigation Department has also gone to the

extent of freezing accounts of some of the promoters of the pyramid schemes.

Now that these outfits, for all intents and purposes, operated within the basic understanding of the word "bank", why did the Government not raise the red flag and why has the Government, through the Central Bank of Kenya, not apportioned the money that was frozen in various bank accounts to the people who lost money, if they clearly know that those people who are supposed to repay the money are the promoters of these schemes?

Dr. Oburu: Mr. Speaker, Sir, as I have stated, the schemes are illegal. Therefore, they are not banks. Banks are established under the Banking Act and are, therefore, under the supervision of the Central Bank of Kenya. The Central Bank of Kenya does not supervise illegal institutions. Due to this reason, these schemes defrauded people. The only way the Government could learn about the fraud was through complaints by the victims who have been part of the schemes.

The other issue which has been raised by the hon. Member is why the Central Bank of Kenya froze some of the accounts and yet it did not apportion that money to the victims. It is not possible for the Central Bank of Kenya to seize money and dispose of it unless there is a court order which determines who was defrauded and who should benefit from the funds.

Mr. Namwamba: Mr. Speaker, Sir, while giving the Assistant Minister an "A" for his effort in answering that Question, I nonetheless wish to ask a further question. It is now common knowledge, in light of a report released last week by the Consortium for Political Accountability, that the pyramid schemes have their sponsorship entrenched deep in the mainstream political parties. Some of these political parties were not only part of the pyramid schemes but seemed to have choreographed a grand scheme to rip Kenyans off to finance their political activities.

Is the Assistant Minister aware, and if he is aware, what action is the Ministry taking with regard to that very serious claim that the pyramid schemes were owned by some Members in this House; some of them sitting on the Front Bench?

Dr. Oburu: Mr. Speaker, Sir, the Government is not aware of any schemes which were fronted by any hon. Members of the Front Bench or any Member of this House. Therefore, if the hon. Member has any information that there were any Members of the Government, Members of this House, or any political parties involved in such schemes, I would be quite happy to get the substantiation so that we can respond accordingly.

The Assistant Minister for East African Community (Mr. Munya): On a point of order, Mr. Speaker, Sir. You heard the hon. Member claim that the pyramid schemes were created for purposes of campaign by hon. Members, some of whom are sitting on the Front Bench. That is a very serious claim and he needs to substantiate because he cannot claim that we have Members in the Front Bench who participated in those schemes, that defrauded Kenyans, without substantiating.

Mr. Speaker: Order, Mr. Munya! Which Member are you referring to? There is the hon. Member who asked the Question and the Assistant Minister who stood up to reply. I have now noticed a different Member who has a different Question altogether.

The point I am making is this: You are coming up with your point of order belatedly; after the event! You should have timed and raised it at the right time.

Mr. K. Kilonzo: Thank you, Mr. Speaker, Sir. It is by sheer good chance that all the three Presidential candidates in the last General Elections are part of this Government. One of them, who is now the Vice-President and Minister for Home Affairs, said that he would compensate those who defrauded *wananchi* through these pyramid schemes.

Mr. Speaker, Sir, now that he is the Vice-President and Minister for Home Affairs, does the Government have plans to compensate these people or was that just political rhetoric?

(Laughter)

The Vice-President and Minister for Home Affairs (Mr. Musyoka): On a point of order, Mr. Speaker, Sir. It is true that some Kenyans were defrauded big, through pyramid schemes believing that they were true investors. Some of them came to my campaign secretariat and we promised to deal with the matter.

Mr. Speaker, Sir, since then, in my capacity as the Vice-President and Minister for Home Affairs, I have been holding consultations with some of the people who were defrauded, and the Commissioner for Co-operatives has been very co-operative. I think I will hand over this information to the Treasury. However, it is not true that I promised to compensate. I was not the initiator of these schemes! The Member for Mutito should apologise to me!

Mr. Speaker: Order! What is your point of order?

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, it is simple! The hon. Member is imputing improper motive and that is not right!

(Laughter)

Mr. Speaker: Order! Let us get an answer from the Assistant Minister!

Dr. Oburu: Mr. Speaker, Sir, as far as the Government is concerned, we are not responsible for statements made during campaigns. In fact, we have no evidence of what was said during campaigns. All we know is that members of the public have complained. The matters have been reported to the law enforcement agencies. Some people were arrested and arraigned in courts of law.

Mr. Imanyara: Mr. Speaker, Sir, the Assistant Minister has indicated that some people were arrested and taken to court. Could he tell us how many were taken to court? Who were they? Have there been any convictions as a result of the actions they took? The promoters of these pyramid schemes are people who have a lot of money and their ability to compromise the judicial process is well known. Could he tell us how many cases have been taken to court? How many have resulted in conviction?

Dr. Oburu: Mr. Speaker, Sir, that is a different Question. I do not have that information here with me. All that I know, and is in the public domain, is that a number of these fraudsters were arrested and taken to court. The Government is continuing to crack down on them. If members of the public bring any evidence, then the crackdown will continue. They will be apprehended and brought to book.

Mr. Chanzu: Mr. Speaker, Sir, in Vihiga Constituency, old women lost about Kshs40 million of their savings to these fraudsters. Last year, the District Commissioner (DC) closed the office where these operations were taking place and he promised that he would take action. Could the Assistant Minister promise that, if he gets this information, he will follow it up and make sure that those old women recover their Kshs40 million that they lost through these pyramid schemes?

Dr. Oburu: Mr. Speaker, Sir, some of these criminals are very permeative. They mutate and change in different forms. Some of them are in the form of co-operatives, church organisations and other various ways of defrauding people.

Mr. Speaker, Sir, it is very difficult for the Government to promise to compensate people who were defrauded through cheating by very unscrupulous people. So, what we can promise is only investigations. Action can only be taken after they have gone through the legal process. We cannot promise to compensate them.

Mr. C. Kilonzo: Mr. Speaker, Sir, I seek your guidance because it is obvious that the effects of the Grand Coalition are being felt. We have the Vice-President and Minister for Home Affairs saying that he is holding consultations with the victims who lost money. On the other hand,

the Assistant Minister for Finance says that he is not aware and those people have no recourse.

(Applause)

Mr. Speaker, Sir, so, the Grand Coalition is yet to start bonding. Would I be in order to ask that this Question be deferred to allow whatever consultations the Vice-President and Minister for Home Affairs has been holding to go on?

Mr. Speaker, Sir, since I was in ODM(K), I remember very well that most of those victims were actually in this party. However, why is it that the Vice-President and Minister for Home Affairs and the Assistant Minister for Finance are actually not sitting down together to address this issue? Could this Question be deferred to allow them to sit down together and bring a concrete answer to the House?

(Applause)

Dr. Oburu: Mr. Speaker, Sir, there is no need to defer the Question. As I said, this matter is a very big issue. It is in very many forms. It is a multi-faceted issue. Therefore, anybody with information should bring it forth to the Government, including the Vice-President and Minister for Home Affairs, because he is only being consulted. He has promised to bring to us whatever information he has. So, really there is no need to defer the Question because I have answered it sufficiently.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. The Vice-President and Minister for Home Affairs is not only the Vice-President, but the Leader of Government Business. Here is the Assistant Minister who is failing to recognise the Vice-President and Minister for Home Affairs as the Leader of Government Business by saying that he is consulting in his individual capacity.

Mr. Speaker, Sir, would I be in order to insist that, indeed, this Question be deferred? In Western Province, three of the ODM candidates were also the prime movers of a pyramid scheme called Deci. This is a serious matter. Those are poor women, poor *boda boda* riders and cattle auctioneers. The Assistant Minister must defend those people or provide money to back them.

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

Mr. Speaker: Order, Mr. Namwamba! The Assistant Minister is actually responding to a point of order. If you have looked at your Standing Orders, you cannot interject during a response to a point of order!

Dr. Oburu: Mr. Speaker, Sir, I do not know whether it is in order for an hon. Member to insinuate an improper motive on the other Members of the House without bringing any evidence about them. I am not aware of the scheme Dr. Khalwale is talking about. Furthermore, I do not know whether the Floor of the House should be used for a smear campaign without any substantiation.

Mr. Speaker: Order, Mr. Assistant Minister! You have one or two ways. If you follow the rules, the option open to you is this: If you wish to challenge Dr. Khalwale on the question that he has raised, including the allegations he has made, then, please, do so directly. If you want to ask him to substantiate, please, do so! I will take it up from there.

Dr. Oburu: Mr. Speaker, Sir, I take the option of asking him to substantiate his claims!

Dr. Khalwale: Thank you, Mr. Speaker, Sir. As I said, this is a very important issue. By requesting that the Question be deferred, I not only want the Assistant Minister to be prepared together with the Leader of Government Business, but he should also give me an opportunity to come here with actual documents showing the names of the **[Dr. Khalwale]** people who borrowed from Deci. Who were its owners in those respective areas? I want us to give this matter the attention it deserves. Please, defer the Question!

Mr. Speaker: Order! Dr. Khalwale, you are not so new and you know the rules of the House. If you make an allegation, then you are responsible for its accuracy. You know very well that you ought to be equipped with all the information as you make the claim. To the extent, therefore, that you are not able to substantiate the claim that there are three ODM(K) Members who benefitted from a scheme known as Deci---

Hon. Members: He said ODM Members!

Mr. Speaker: Dr. Khalwale, did you say ODM(K) or ODM Members?

Dr. Khalwale: Mr. Speaker, Sir, I said ODM(K).

Mr. Speaker: Order! Dr. Khalwale claims it is ODM(K) Members. To the extent that you are unable to substantiate your claims and that you do not have in your custody documents to assert that claim, you are out of order! So, you must withdraw!

Dr. Khalwale: Mr. Speaker, Sir, I meant specifically that the candidates who were the prime movers were candidates who lost on ODM(K) tickets. However having said that, I withdraw because I do not have the gift of prophecy that the hon. Vice-President and Minister for Home Affairs is gifted with. Otherwise, I would have prophesied that this matter was going to come up and I would, indeed, have come with those documents.

I withdraw!

(Applause)

Mr. Linturi: Mr. Speaker, Sir, the Central Bank of Kenya (CBK) has the mandate to regulate or finance institutions in this country. Going by the type of debate that we have had here, would I be correct to ask the Assistant Minister to confirm that the CBK abdicated its role of supervising and regulating the so-called monetary market?

Dr. Oburu: Mr. Speaker, Sir, I do not know whether the Member was keenly listening to my reply. I told him clearly that these are neither financial institutions nor banks. The Central Bank of Kenya is only responsible for supervising banks and financial institutions.

Because the Central Bank of Kenya was concerned about these pyramid schemes, the Banking Anti-Fraud Investigation Department ordered banks to check, under the known customer regulations, those schemes which, were banking with them. It is because of that, that those accounts which, were known to be operating pyramid schemes, were frozen. Otherwise, the Central Bank of Kenya has no role to supervise illegal institutions!

Thank you, Mr. Speaker, Sir.

Mr. Speaker: That brings us to the end of Question Time.

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

Mr. Speaker: Is it a point of order relating to business which is already done?

Mr. Namwamba: Mr. Speaker, Sir, this is about dropping---

Mr. Speaker: That is concluded!

POINT OF ORDER

SALE OF GRAND REGENCY HOTEL

Mr. Imanyara: Mr. Deputy Speaker, Sir, I requested a Ministerial Statement from the Minister for Finance on the sale of the Grand Regency Hotel. The Deputy Prime Minister promised me that the Ministerial Statement will be given this afternoon.

So, now that the time is over, I just wonder when this is intended to be complied with. This is because an assurance was given that the Ministerial Statement will be given today.

Mr. Speaker: Order! We have programmed to take two Ministerial Statements; one

by the Minister for Livestock Development, Dr. Kuti, and then, we will follow it with that from the Minister for Finance.

MINISTERIAL STATEMENTS

MEASURES TO CONTROL OUTBREAK OF *PESTE DES PETITS* DISEASE

The Minister for Livestock Development (Dr. Kuti): Thank you, Mr. Speaker, Sir. On Thursday, last week, hon. Ethuro sought a Ministerial Statement on the status of PPR disease in Kenya.

Mr. Speaker, Sir, the objective of this Statement, therefore, is to update hon. Members on the state of PPR in Kenya and the steps my Ministry has taken to contain and control the disease. PPR is a viral disease of sheep and goats with a very high mortality rate of about 90 per cent to 100 per cent. It is an acute contagious disease, which is characterised by fever, ocular and nasal discharges, oral illusion, diarrhoea and pneumonia. The disease causes loss through high mortality, abortions, reduced growth rate and reduced production. It has no cure, but it is prevented or controlled through awareness creation by technical officers to the farmers, surveillance, regulation of animals' movement; that is quarantine, and more importantly through mass vaccination.

Mr. Speaker, Sir, the disease was first reported in March, 2006, in Turkana District and confirmed through laboratory tests in July, 2006. Samples of the disease were taken from Loima, Lokichoggio and Olopoi divisions of Turkana District. Since then, the disease has spread to West Pokot, Baringo, Samburu, Moyale, Marakwet, Marsabit, Mandera, Wajir, Laikipia and Ijara districts. After the confirmation of the disease, my Ministry has enforced livestock movement; that is, quarantine in the areas that were affected. However, vaccination could not start immediately because PPR vaccines were not readily available in the country at the time of the outbreak.

Mr. Speaker, Sir, since the outbreak of the disease in March, 2006, in Turkana District, the number of animals affected are 2,931,800 sheep and goats. Approximately 15 million sheep and goats are now at risk of being infected by this disease. To contain this disease, my Ministry requires, therefore, 15 million doses of the vaccine. The whole vaccination exercise is estimated to cost about Kshs800 million. PPR vaccine is not produced locally and has to be imported. The vaccine currently costs about Kshs25 per dose. But if the vaccine were to be produced locally, the cost would be approximately Kshs5 per dose. The Kenya Agricultural Research Institute (KARI) and the Kenya Veterinary Vaccine Production Institute (KEVEVAPI) can easily undertake the production of this vaccine and, indeed, they have the mandate.

Mr. Speaker, Sir, in an attempt to contain the disease, my Ministry has procured 162,000 doses of the vaccine at a cost of Kshs4 million. In addition, our development partners such as the Food and Agricultural Organisation (FAO) have provided 1.5 million doses at Kshs37.5 million and they have promised to provide 500,000 more doses at a cost of about Kshs12.5 million. To date, about 1,600,000 sheep and goats have been vaccinated in Turkana, Moyale, Wajir and Samburu districts.

My Ministry does not have the provision for compensating livestock farmers in case of loss of their stock. However, my Ministry is in the process of formulating an insurance policy to compensate livestock farmers in case of loss of their animals.

In view of emerging diseases such as the Avian Influenza, my Ministry is reviewing the issue of compensation. While my Ministry is doing its best to contain PPR and other livestock diseases, the Ministry is seriously constrained by inadequate staff, and especially veterinary and other technical officers. It should be noted that the last time this Ministry employed technical staff

was 20 years ago in 1987. The situation has been aggravated by creation of new districts and sub-division of the Ministries.

Mr. Speaker, Sir, in order to address and contain this emergency, my Ministry has requested for additional funding of Kshs800 million and recruitment of staff on an urgent basis in order to ensure that livestock farmers do not lose their stock due to this disease.

Thank you, Mr. Speaker, Sir.

Mr. Speaker: Are there persons seeking clarifications?

(Mr. Ethuro stood up in his place)

Yes, Mr. Ethuro! Anybody else interested in seeking clarifications on this matter?

*(Messrs. Bahari, Abdulrahman
and Dr. Monda stood up in
their places)*

Mr. Ethuro: Mr. Speaker, Sir, I wish to thank the Minister for a well considered Statement on this particular deadly disease.

Mr. Speaker, Sir, I think the Minister has elaborated the cost in terms of livelihoods by the pastoralist farmers. Pastoralist production system is heavily dependent on livestock and livestock products. Any loss of animals will translate directly to the loss of lives. The Minister said that he has requested Kshs800 million for purchase of the vaccines. When will this money be given to the Ministry so that it can acquire the required technical personnel and vaccinate the animals?

Mr. Speaker, Sir, the Minister also said that when you procure the vaccine from outside the country, it costs Kshs25 per dose, but when it is produced by the KEVEVAPI, it will cost Kshs5 per dose. What will he do to ensure that the Institute has the capacity to produce the vaccine locally?

Mr. Speaker: Mr. Minister, please, get all the clarifications first, and then respond to them later!

Mr. Bahari: Mr. Speaker, Sir, while thanking the Minister for his Statement, I wanted to get a clarification. Given that the people affected are from the marginal areas and that the children are going back to school right now; and while he is trying to introduce a policy on livestock insurance, what is he doing to ensure that parents are able to take their kids back to school? Their only source of livelihood has been interfered with. They are not able to sell their livestock in the market.

I also want the Minister to clarify, given the capacity of Kenya Veterinary Vaccines Production Institute (KEVEVAPI) to produce livestock vaccines, whether he is satisfied that, that institution, being under the Ministry of Agriculture, is rightly placed?

Mr. Abdirahman: Mr. Speaker, Sir, a question that was raised by Mr. Ethuro will, hopefully, address the issue of KEVEVAPI. We had passed a Motion here last time. But my basic question is related to the technical staff who have not been recruited for the last 20 years. The Ministry of Livestock Development has received lip service from the Government for a long time. It was created right after the Budget of 2004. Could the Minister, despite his honest admission that he has a serious shortage of staff, tell us what critical steps he will take with regard to the many jobless veterinarians and other technical assistants who are now looking for jobs in the market? What critical plans does he have for them?

Dr. Monda: Mr. Speaker, Sir, I want to seek clarification from the Minister. He has told the House that the disease was reported in the country in March 2006 and, since then, the Ministry has vaccinated 168,000 animals. That is the vaccine that the Ministry was able to acquire. Will the

Ministry not take a similar period with a disease that will kill 90 per cent to 100 per cent of our livestock? We want to see the seriousness of the Ministry. The communities in the north are worried that a similar disease might occur and wipe out the livestock in that region! What is he going to do to accelerate the acquisition of vaccines? He should also ensure that he has the capacity, by employing enough technical staff, so that we can stop the disease and save the livestock from extinction.

The Minister for Livestock Development (Dr. Kuti): Mr. Speaker, Sir, Mr. Ethuro has asked when the money will be coming. I would like to say that the request has been placed and we are hoping to receive the initial Kshs200 million soon. I will report back to the House as soon that happens. But we have placed the request for the full amount.

On the issue of KEVEVAPI, you are aware that some Ministries were split. The Ministry of Agriculture and the Ministry of Livestock Production and Fisheries were split in 2003. A Presidential Circular No.1 of that time put KEVEVAPI and several other livestock-related institutions under the Ministry of Agriculture. I would like to say that we are trying our best to ensure that, while Circular No.1 of 2008 still places KEVEVAPI under the Ministry of Agriculture, I have booked an appointment with the Minister and I hope that we will regularise that and several other small departments that fall under the Ministry. I will report back to the House when that happens. I do not anticipate any problem because that is clearly a veterinary vaccine production institute. It has no agricultural component to it. I hope it will revert to the Director of Veterinary Services. Should there be any problem, I will report back to hon. Members.

With regard to the issue of what I should do to parents who are taking their children back to school, we do not have a contingency fund. We have no policy in place for compensation and until that policy is in place, I just hope that other departments of the Government will help. There are other bursaries. The Constituencies Development Fund has a bursary component. The Government has provided for that. There are district bursaries that are provided by the Ministry of Education. I hope those other channels will assist. But, as of now, the Ministry of Livestock Development does not have such a programme to support the children who are going back to school.

On plans to recruit veterinary personnel, we have a staff establishment of over 14,000. But, right now, we have 7,000. The extension services which are very crucial for assisting livestock farmers and ensuring the quality of cattle dips - the ratio of *dawas* in the dips and all other extension services - have collapsed because they were privatised some time back. My plan is to negotiate back all those to be under the Ministry. We have seen that the privatisation, which happened some time back, does not work. I think it is high that we re-organised those services so that, the quality of our animal husbandry improves. That way, we will be able to market healthy animals and access markets outside the country.

Thank you.

Mr. Speaker: Hon. Members, we have another Ministerial Statement from the Minister for Finance!

SALE OF GRAND REGENCY HOTEL

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, on 23rd April, 2008, Mr. Imanyara sought a Ministerial Statement from the Minister for Finance regarding the Grand Regency Hotel. In, particular, he wanted to know whether Uhuru Highway Development Limited (UHDL) and Central Bank of Kenya (CBK) have sold, or are in the process of selling the Grand Regency Hotel to a company known as Meridian Arab-African Investment Company (MAAIC), and whether the Government of Kenya had agreed to withdraw all civil and criminal cases revolving around one Kamlesh Pattni and his companies.

Mr. Speaker, Sir, arising from the above request, I wish to state the following:-

(a) By way of background, in 1993, CBK created a legal charge for Kshs.2.5 billion over

the Grand Regency Hotel in an attempt to secure funds that had been illegally siphoned through Exchange Bank during the infamous Goldenberg saga. The registered owner of the hotel and chargee is UHDL.

(b) It is not a secret that the validity of the charge, and the ownership of the hotel in general, have been the subject of protracted and costly litigation for the past 15 years in the High Court, as well as in the Court of Appeal involving, amongst others, the Kenya Anti-Corruption Commission (KACC), Kamlesh Pattni, UHDL and CBK.

Mr. Speaker, Sir, since 1999 when the bank's Receiver Manager, Mr. Joseph Kittony, was removed by the High Court and replaced with two receivers appointed by the High Court of Kenya, one of whom represented Mr. Pattni, the Central Bank of Kenya (CBK) has not received a single penny from the hotel. During Mr. Kittony's term as a Receiver Manager, the CBK had managed to recover a sum in the region of Kshs460 million from the operations of the hotel. Through court orders and injunctions, the CBK has, over the years, been totally locked out of the control and management of the hotel.

In 2004, the Kenya Anti-Corruption Commission (KACC) and Uhuru Highway Development Company Limited (UHDL), by a consent court order, appointed two joint receiver managers for the hotel. The CBK, being the chargee, was not consulted in the appointment. Since the appointment, the two joint receiver managers spent most of their time fighting each other instead of professionally managing the hotel to the extent that the operations of the hotel almost grounded to a halt. It is an indisputable fact that due to the mismanagement of the once five-star hotel, it has not undergone any renovations or refurbishment over the years and, as a result, the standards of the hotel have inevitably fallen. In view of the problems bedeviling the hotel, the protracted and complex litigation over its ownership, and the important fact that the CBK has not been involved in the management of the hotel and has not even received a single penny from the operations of the hotel since 1999, it became necessary in the CBK's own interest, and in the general public interest, that the CBK takes urgent and decisive steps on the matter.

Mr. Speaker, Sir, the hotel was last valued in 1997 for Kshs2.1 billion. The CBK, therefore, instructed two reputable valuation firms who have valued the hotel and advised the Bank on the hotel's current open market value. It was necessary to appoint two independent valuation firms to undertake the exercise in order to provide the Bank with realistic and independent comparative figures of the open market value of the hotel as it is today. The figures that were obtained from the valuation would be crucial in determining the sale price for the hotel.

Mr. Speaker, Sir, the current status of the hotel, is as follows: First, following extensive consultations, which have been going on for the past eight months, and I repeat "eight months", on the 9th of April, 2008 the KACC and the lawyers for the UHDL recorded a consent order in court for the removal of the joint receiver managers of the hotel and handing over the management of the hotel to CBK, who are the initial chargee as of 1993.

Secondly, after taking possession of the hotel, the CBK appointed the reputable and professional firm of Ernst Young as receiver managers for the hotel. The hotel is, therefore, currently under the management of the CBK-appointed receiver managers. The mandate of the CBK does not extend to running of any commercial business. It is also a known fact that receivership is a very costly exercise and, accordingly, I have directed the CBK to move and dispose of this security, that is the hotel, at the earliest opportunity. It is not in the interests of the public to have the hotel in receivership for a period longer than it is absolutely necessary.

Mr. Speaker, Sir, I also want to clarify that the CBK has a duly registered charge over the hotel. The CBK will, therefore, be selling the hotel under its statutory power of sale. The modalities of sale in such circumstances are provided for under the relevant law. I would like the House to ignore media reports that have purported to state that I said that it would be sold by auction. I do not know where they got that impression from. The modalities of the sale are provided for under the relevant law in exercise of the charge.

The hotel has been duly valued by two independent valuation firms and the public is, therefore, assured that the sale value of the hotel will not be less than the highest open market value obtained during the valuation of the hotel. Even as the CBK moves to dispose of the hotel I have asked it to be sensitive to the fact that the hotel employs directly more than 400 Kenyans.

Consequently, the CBK will endeavour to sell the hotel as a going concern, so that the livelihoods of the many Kenyans working at the hotel, their families and dependants are not jeopardised. It would be irresponsible for CBK and, indeed, for any person, to sell the hotel in a manner that does not take into account the welfare of the many Kenyans working at the hotel, or those deriving a livelihood from interacting with the hotel.

Mr. Speaker, Sir, as a Government, we will take very keen interest in the sale. Therefore, I will consult and guide the CBK in the sale process in order to ensure that the sale is conducted in an expeditious and cost-effective manner.

I also wish to state that it is not true that the hotel has been sold to the sold-called "Meridian Arab-African Investment Company" as claimed by Mr. Imanyara in this House last week. It is not also true that the Government has given amnesty to Mr. Kamlesh Pattni and his associated companies. That cannot be done without the approval of the Attorney-General, and I do not have such an approval anywhere in my records. My understanding is that all pending criminal matters are to proceed to their logical conclusions. However, following the handing over of the hotel, the civil suits - I think it is important that we distinguish civil suits from the criminal suits - that surrounded the disputed ownership of the hotel will naturally collapse.

In conclusion, let me underscore that the action taken on this matter by the various concerned Government agencies is unprecedented and exemplary. Therefore, I urge all parties with illegally-acquired property to come forward and surrender the assets to the concerned Government agencies now that an example has been set. The CBK, and other concerned Government agencies, should be lauded for the efforts made in this complex and protracted matter, and for the huge recovery that will be made once the hotel is sold.

Thank you.

Mr. Speaker: For clarifications, I will take Mr. Imanyara, Mr. Jirongo, Mr. Namwamba, Mr. K. Kilonzo and Mr. Wamalwa.

Carry on!

The Minister for Lands (Mr. Orengo): On a point of order, Mr. Speaker, Sir. I thought that the Speaker is only allowed to catch one person's eye at a time! **Mr. Speaker:** Thank you, Mr. Orengo. This matter of who catches the Speaker's eye at what time is entirely in the hands of the Speaker, and I have opted to do it that way.

Proceed!

Mr. Imanyara: Mr. Speaker, Sir, I commend the Minister for Finance for a very comprehensive Ministerial Statement, although it does not address a single issue that I raised with him. It is in the public domain, I am glad that the Minister himself talks about matters that are in the public domain, that last year, following a State visit by His Excellency the President to Libya, his then Minister for Trade and Industry, Dr. Kituyi, addressed a press conference at which he said that as a result of the visit by His Excellency to Libya, the Government had found a buyer in Libya for the Grand Regency Hotel. I would have expected the Minister to shed some light on that, because Dr. Kituyi, in that statement, did say that the hotel would not be made available to be bought by Kenyans. That is a matter of public interest.

Secondly, the Minister completely failed to tell the House on what basis there is a receivership on the Grand Regency Hotel if the hotel has been handed back to CBK. What would be the basis of appointing Ernst and Young to manage the hotel if the receivership that had been placed against Kamlesh Pattni's company had been vacated following the handing over of the hotel? Would it not have been for the Government to hand over the management of the hotel to people who are qualified to manage it pending the sale if, indeed, the sale is intended? Would not

Kenya Utalii have been the best placed organisation to run this hotel other than Ernst and Young?

(Applause)

Mr. Speaker, Sir, you have heard the Minister say that the hotel was charged 15 years ago for Kshs2.5 billion. Again, it is in the public domain from the Minister himself who chose to carry the debate outside this Chamber that he has set a reserve price of Kshs2.5 billion and that many people had expressed interest to purchase this property. If many people had expressed interest to purchase the Grand Regency Hotel, where did they get the information? Why did the Minister not make it public through, for example, an invitation of expressions of interest in the media for Kenyans to show interest? What became of the original discussions that the Minister for Trade had?

I would also have expected the Minister to tell us what transpired when His Excellency the President met the President of Libya in Kampala where the Libyans are purported to have purchased this property?

It is one thing to say that the property has not been sold, but it is another thing to tell us that it has not been sold when it is in the public domain that they are intending to sell to non-Kenyans. The issue that Kenyans are concerned about is why they are not being allowed to purchase this hotel in the same way that Safaricom is offering public shares in the market and why it is shrouded in secrecy and why the sale must take place within 30 days if the Minister has nothing to hide.

Mr. Speaker, Sir, would the Minister admit that what he is engaged in is a choreographed camouflage of the fact that this hotel has been sold to a conglomerate of nationals outside Kenya in conjunction with a local group of companies in which the Minister himself has an interest having led the discussions on behalf of the Treasury from June, 2006?

(Applause)

Is that not the truth, Mr. Minister? Rather than give long and winded statements that do not address the issues that you talk about in your Press conferences, should you not tell the House the truth regarding the Grand Regency Hotel, which Kenyans are entitled to know?

The Minister for Finance (Mr. Kimunya): On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Do you want to take all the issues first, Mr. Minister?

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, Mr. Imanyara has stated - unless I did not hear it properly - that I have a personal interest in a company. Could he, please, substantiate that first before we move on?

Mr. Speaker: Order, Members! Mr. Imanyara, the concern by the Minister is legitimate. You have asserted that the Minister has an interest in a company that has some nexus with the matter before the House now. Could you substantiate?

Mr. Imanyara: Mr. Speaker, Sir, the Minister chose to deliberately pick a portion of my statement. I said that the Minister, as early as June, 2006, was leading the Treasury in negotiations to sell the Grand Regency Hotel to a company that he may very well have an interest in. I did not say that he has an interest. If he got the message that he has an interest, I will accept a clarification from him that he has no such interest and I will be happy to withdraw that statement.

Mr. Speaker: Mr. Minister, if the words used by the hon. Member are that you negotiated on behalf of the Government in relation to a company which you may very well have an interest in, then that statement does not firmly assert that you have an interest in the company. It says "may" and so I think we would want to leave it there, Mr. Minister unless the record is different.

The Vice-President and Minister for Home Affairs (Mr. Musyoka): On a point of order, Mr. Speaker, Sir. Are you satisfied that the assertion by my good friend, Mr. Imanyara, is not within what is anticipated when the Standing Orders say that you shall not impute improper motive

to a Member? This is because "may" may not be clearly---
It is clearly saying that this Minister is actually corrupt!

Mr. Speaker: If I understood the statement made by Mr. Imanyara correctly, "may" is not a positive assertion. It is not! Even if it is semantics, that will be the correct legal position.

Mr. Jirongo: Mr. Speaker, Sir, the Minister has referred to consent orders being entered into between Uhuru Highway Development Limited (UHDL) and some party called Kenya Anti-Corruption Commission (KACC). They clearly said that the chargee was the Central Bank of Kenya (CBK). In what capacity was the KACC entering a consent judgement in court? What is the role of the KACC in the whole thing?

Mr. Speaker, Sir, secondly, the Minister has said that other procedures will be followed to sell the hotel. What other transparent procedures do we have to sell a property other than through an auction where the highest bidder is given an opportunity to purchase?

Mr. K. Kilonzo: Mr. Speaker, Sir, I have been listening to the Minister carefully. In his Statement, he said that in 2004, both KACC and UHDL appointed two receiver managers. However, he did not tell us how much money was realised then. He just told us that the two receiver managers were involved in fighting each other. Even if they were involved in fighting each other, what action did they take? How much money was received in the process of fighting each other? Where was that money taken? Who was the recipient? Who was the beneficiary?

Secondly, the Attorney-General, who is the custodian of rights has said that this matter, weighty as it is, was kept away from him. He was never consulted and so his legal advice was never sought. The Minister has told us that the Government has interest and it is guiding the CBK. Is it Mr. Kimunya who is guiding the CBK? Is he the custodian of rights?

Lastly, this company called UHDL was registered by, I believe, one of the sitting Ministers in this place today. The Minister has been involved in all these discussions. He was in Kampala to meet those people. He was also in Libya. Could there be a conflict of interest? I just want the Minister to clarify that. Could you tell us really which firm registered UHDL?

Mr. Speaker, Sir, this would be my request: Given the mystery shrouding this transaction, would I be in order to ask you to allow the Prime Minister to come and answer this Question because the Minister seems not to be giving us all the information Kenyans need?

Mr. Speaker: Yes, Mr. Namwamba! Could we, please, restrict ourselves to issues that we want clarified by the Minister?

Mr. Namwamba: Exactly, Mr. Speaker, Sir. The Statement by the Minister is more of a semantic words than a statement of specific facts. I want him to clarify these two issues. Now that we know that all the issues surrounding this hotel have been handled in the absence of the Attorney-General, who is the principal legal advisor to the Government--- The Minister has arrogated himself the powers of the Office of the Attorney-General. Would he also, in the same vein, table in this House the minute and exact details of the deal between the Central Bank of Kenya and Uhuru Highway Development Limited? Besides the papering of the Statement on the question of civil cases being dropped and the assertion that the criminal cases may proceed, I think this House is entitled to know the exact and specific details of the deal between Central Bank of Kenya and Uhuru Highway Development Limited.

Mr. Speaker, Sir, I think it is also proper that the Minister divulges to this House details such as: When is the evaluation currently going on expected to be concluded? When will it be made public? Let the Minister also assure this House that, at the conclusion of the evaluation, that matter will be made public. That hotel will be advertised and all the regulations that the he has mentioned will be followed.

Mr. Speaker, Sir---

Mr. Speaker: Mr. Namwamba, you should restrict yourself to issues that you want clarified. You said you would do two. But I have allowed you to do three.

Mr. Namwamba: Mr. Speaker, Sir, I am on the "two." I am now discussing one whole

with several segments. It is just one whole that is segmented.

(Laughter)

Mr. Speaker, Sir, the last segment is that the Minister must be aware--- The Minister must have a timetable within which he expects that matter to be concluded. May he also share that timetable with this House and treat this matter with the seriousness it deserves? If, indeed, he is not in a position to handle that matter, let him turn it over to the Prime Minister who, as we are aware, has requested information on that matter?

Mr. Wamalwa: Thank you, Mr. Speaker, Sir. There are just about two issues that many Kenyans would like clarified about that transaction. The Minister has told us that 1997 is when the hotel was lastly valued at Kshs2.1 billion. He has also told us that there are two independent valuers who were appointed. We would like to know when those valuers were appointed, the procedure followed in appointing them and who they are. We would also like to know what is the current value of Grand Regency Hotel.

Mr. Speaker, Sir, I would also like to know that, in the event of the sale taking place, whether it would be an open public auction, where all Kenyans can actually bid and own that beautiful hotel or, it will be by private treaty. We would like to know the procedure.

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, may I start by saying that I have absolutely no interest in any of the parties that are involved in that transaction. My interest is upholding the public interest in that transaction, by ensuring that the Kenyan public, at least, can salvage something from the swindle that was there; facilitated by several people who have ripped a lot of money from that transaction, right from the initial disappearance of Kshs2.5 billion, to all the court cases that have been going on there; to the people receiving benefits and continue to do so, to the exclusion of Central Bank of Kenya, which had the legal charge over that hotel.

What we have done in the last eight months is to try to bring back a public asset that had been taken away. It was taken away in 1993 and 1999. We restored part of it in 2004 and now, we have restored everything in 2008. For that, we should be getting an applause and not condemnation! Unless, of course, we have denied some people the gravy train that has been the Grand Regency/Uhuru Highway Development Limited saga in courts.

Mr. Speaker, Sir, specifically on the clarifications sought, indeed, there was a State visit. I understand from hon. Imanyara that Dr. Kituyi made a Statement. I do not have the full Statement with me. I do not know what he said. But I treat reference to Libyans as an interest in purchasing the hotel and not a contract to purchase it. So, I look at them as one of the several people who have expressed an interest in the purchase of the hotel, should it come up for sale.

In terms of the receivership, I think it is important that we understand here that the hotel is owned and registered under Uhuru Highway Development Limited. I have explained that and stated it in my Statement. The Central Bank of Kenya's interest is securing a charge over the Kshs2.5 billion that was irregularly taken out of it. That is why we are holding the hotel as security with the intention of safeguarding the Kshs2.5 billion.

Now, the reason why we are not having Utalii Hotel or, indeed, any of the other people managing the hotel is that, we are exercising our power. We have a charge on the hotel. We do not own it. When you own, you choose your managers. When you do not and you are on a charge, you appoint a receiver-manager. I thought hon. Imanyara is a lawyer and he would be the best to advise us on that!

Mr. Speaker, Sir, on the reserve price, I said that we were owed Kshs2.5 billion. The minimum we would be contemplating, even if we were to sell it to anyone is to, first of all, realise that Kshs2.5 billion. That is the context in which I have been made to understand about the reserve price. But the minimum we would be prepared to even think of is to realise the Kshs2.5 billion that was taken away from the public.

In terms of whether we can do an Initial Public Offer (IPO) on a hotel--- I like hon. Imanyara's passion on this. I hope he participated in the Safaricom IPO. Obviously, through an IPO, you can only issue shares that you have. You cannot issue somebody else's shares. The hotel is owned by Uhuru Highway Development Limited. So, we cannot go out there and tell Kenyans that we are issuing an IPO on a hotel that is owned by somebody else. So, I think just for clarification---

Mr. Imanyara: On a point of order, Mr. Speaker, Sir. The Minister has told us that the hotel was handed back. Why is he talking about another ownership when he said that it was handed back?

Mr. Speaker: Mr. Minister, that is a legitimate concern. Maybe, it is a slip of the tongue.

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, I think I made it very clear that the Central Bank of Kenya receiver was kicked out by the court in 1999. The management of the hotel was handed back to Central Bank of Kenya. Now, we have a charge on the hotel and, as a result of that, we have the power to appoint a receiver. So, we do not own the hotel. I think it is important to understand that.

Hon. Members: Who owns it?

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, let us be very clear. The hotel's registered owner is Uhuru Highway Development Limited. The Central Bank of Kenya has a charge on the hotel. A charge is not the same as ownership. I think it is important that we understand that. So long as we understand that--- We have taken possession and appointed a receiver-manager to take care of our interest, while we are exercising our power of charge.

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

Mr. Speaker: I can see that hon. Members are very concerned about something! But the Minister is clear on this matter. He is talking about ownership and management.

Mr. Minister, can you proceed on that basis!

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

Mr. Speaker: Order, hon. Members! Will you, please, allow the Minister a minute to attempt to respond to those issues?

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, we probably need a seminar on ownership and exercising powers over a charge---

Hon. Members: Ahh! We own properties *Bwana!*

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, it is clear that the Central Bank has a duly registered charge on the hotel to secure the Kshs2.5 billion. The owner of the hotel is still Uhuru Highway Development Limited (UHDL).

Mr. Speaker, Sir, if they paid the full amount owed to the Central of Kenya (CBK) today, they would get back their hotel. It is that simple. If they do not pay, we can use the power that we have to sell the asset to recover our money. It is a different thing from when you actually own.

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

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, let me finish with all the clarifications and then hon. Members can raise a new set of clarifications!

Mr. Jirongo: Mr. Speaker, Sir, the Minister is confusing us!

Mr. Speaker: Order, Mr. Jirongo! You do not have leave as yet! I gave you time to seek clarifications. The Minister is now responding to the issues that you raised. If you stood on a point of order it would be different. But you have not!

Proceed, Mr. Minister!

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

Mr. Speaker: Mr. Jirongo, what is it?

Mr. Jirongo: Mr. Speaker, Sir, the Minister is taking us round in circles. He said that in 1999, through a court of order, the CBK receiver, a Mr. Kittony, was removed. At that time, the CBK had recovered Kshs460 million. Thereafter, through the court process, both the UHDL and the CBK were each allowed to appoint their own receiver. At that point he has said they took over the running of the hotel. They had their own receiver, who was removed by the courts? He has not explained to us what is happening; he is just going round in circles, saying that there were two receivers, one for the CBK and the other one for Mr. Kamlesh Pattni.

At the same he says there was one receiver when the CBK receiver was removed. The question that was asked is: From the time the two receivers were appointed, one by the UHDL and the other by the CBK, how much money has been received? We heard that Kshs460 million was received when the CBK had one receiver. When there were two receivers, what did the CBK receive?

Hon. Members: Correct!

(Applause)

Mr. Speaker: Mr. Minister, can you proceed and, please, try and stick to the issues!

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, if Mr. Jirongo had been a bit patient, I was coming to his clarification.

For the record, the first clarification I want to make is that in 1999 the CBK-appointed receiver was removed by the courts. In 2004 the Kenya Anti-Corruption Commission (KACC) went to court, as part of recovering the public asset that was on the verge of disappearing, and managed to secure a joint receivership with the UHDL. It was not the CBK that went to court in 2004. The CBK has now come in and said: "We are the ones who have this charge. Between the KACC and the UHDL, can we have our charge reinstated as we have the right to appoint our receiver?" That explains the sequence.

Mr. Speaker, Sir, coming to Mr. Jirongo's specific question, from 1999 to date the CBK has never been paid a single penny. I made that point very clear, that the last payment we received was in 1999, when we received up to Kshs460 million. As to what has happened between then and now, that is part of the issue that we are following to see who received what money and where the money is. I have explained the issue that was raised by Mr. K. Kilonzo on the KACC and the UHDL. I have said that no money has been received.

As for the Attorney-General's involvement, this case has been going on for the last 15 years. The Government interest has always been represented. We have always sought advice from the Attorney-General's office. What the Attorney-General was referring to was this specific incident. I believe the issue that was raised was whether he has pardoned Mr. Kamlesh Pattni or not. He said he was not consulted on that. I have stated that, indeed, I am not aware of any pardon in that matter by the Attorney-General, because I have nothing about it on record. But if a specific question is asked to the Attorney-General, I am sure he has the competence to come here and respond to it on his own behalf.

Mr. Speaker, Sir, on who registered the UHDL, I believe this is a matter of public record. Anyone can see the lawyers who registered that company. It had many lawyers acting for it. But I do not know what period hon. Members are talking about. But since the hon. Members seem to know, and I think they made some allegations, then I do not need to give what obviously is in their personal knowledge.

Mr. Namwamba raised concerns on the absence of the Attorney-General. I have responded to that. In terms of the deal between the CBK and the UHDL, it is just as I have stated, basically that a consent order was entered into by which the management of the hotel was handed over to the CBK, so that we can then realise our charge and, at least, remove all the busy bodies who have

been acting within the hotel and siphoning money out of it without necessarily ploughing it back, and with the public not receiving anything.

Mr. Speaker, Sir, it is important to address the issue of valuations that we are talking about. The last valuation was done in 1997 at Kshs2.1 billion. I believe that within this year we have had two valuations. Subsequent to that, we have had a third valuation that has been done on the hotel to make sure we have as much professional advice as possible to be able to determine the realistic value of that hotel. It is in our interest to receive maximum value. **Hon. Members:** What is the value? How much?

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, it is important for us to seek the indulgence of the House at this point. If I was to divulge the value of the hotel, this would prejudice the offers and negotiations that we are going through. It would not be good for the public interest. The assurance I have given hon. Members is that we will not be selling anything at a throw away price. We will have to do it at a value that guarantees that our money is safe, and gives maximum value to Kenyans.

Mr. Speaker, Sir, the timetable we have given is informed by the fact that none of the laws we have in this country bestow any responsibility on the CBK to own, or even manage, any property. It is important that we actually deal with this before all these matters end up being challenged on the basis that the CBK is managing, or appointing receivers to run hotels, when its core mandate is financial sustainability and monetary policy

I believe I have answered the last question by Mr. Wamalwa on the sequence of the valuations, and the modalities of sale. We will be using the relevant law that governs how we realise a charge. There are several variations of it. We are looking at the best way that will ensure that we optimise on the value and the cost-effectiveness when actually disposing of that asset and recovering our money.

I believe this matter is now clear to the House. I will keep the House updated on any developments in respect of it. I would like to assure this House that whatever we are doing at the Treasury is in the best interest of this country; we intend to achieve maximum value in line with the wider commitment of bringing prosperity to the country.

Thank you.

Mr. Speaker: Can we now have requests for Ministerial Statements.

Proceed, Mr. C. Kilonzo!

POINT OF ORDER

MEASURES TO ADDRESS THE PLIGHT OF PRISON WARDERS

Mr. C. Kilonzo: Thank you, Mr. Speaker, Sir. I rise to request for a Ministerial Statement from the Office of the Vice-President and Minister for Home Affairs, regarding the current crisis facing the Prisons Service.

Mr. Speaker, Sir, Parliament has, over time, passed the Budget for the Ministry of Home Affairs, under which the Prisons Service falls. So, in the Ministerial Statement, I want the Vice-President and Minister for Home Affairs to clearly explain the following:-

(i) Why no uniforms and boots have been provided to the warders to the extent that some of the warders have been forced to purchase the same with their own money.

(ii) Why there was a mandatory deduction from the salaries of the prison warders against their own will.

(iii) There have been irregular promotions. We need to know why.

(iv) We need to know why the prisons warders have not been paid their risk allowance, just like their colleagues in the Administration Police and Regular Police Force.

(v) We need to know why decent housing has not been provided while Parliament has, over

the years, been approving money for that purpose.

(vi) We need to know why they were denied the allowances that they were promised to be paid after the post election violence.

(vii) Finally, Mr. Speaker, Sir, we need to know why the Vice-President and Minister for Home Affairs found it wise to appoint people into the committee to look into the issues of prison warders; people who were, actually, running the Prisons Service and could, as well, use that opportunity to cover their tracks.

(Applause)

Mr. Speaker, Sir, on top of that, we need to know what the Government is doing to address those problems as soon as possible.

MINISTERIAL STATEMENT

MEASURES TO ADDRESS THE PLIGHT OF PRISON WARDERS

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, I appreciate the request by the hon. Member for Yatta. I thought he would have started by thanking the Minister responsible for bringing normalcy to the Prisons Service.

(Laughter and applause)

Mr. Speaker, Sir, it was very tricky because all the six issues which he has actually raised - uniforms, mandatory deductions-- Yes, that will be subject to investigation by the Committee that I have set up, including irregular promotions and Prison Service allowances. I have been able to address that. That is what is called risk allowance. But we thought we should make it specific to the Prisons Service--

Mr. Speaker: Hon. Vice-President and Minister for Home Affairs, do you want to give the Ministerial Statement this afternoon?

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, I am actually responding right away. I think it is important to do so now because this matter is current. I have been dealing with it for the last two days. I am in charge of--- I am in a position to respond immediately! That is what I am doing.

(Applause)

Mr. Speaker: Okay, that is fair enough!
Proceed!

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, the matter of decent housing will also be addressed. Indeed, I saw for myself a very unacceptable situation when I visited Thika Prison. So, indeed, I want to inform the hon. Member for Yatta that one of the things I discovered, to my horror, is that, out of the remandees in Thika Prison, 60 per cent of them were from Matuu, which is in his constituency! It looks like there is an attempt---

Mr. Speaker, Sir, the hon. Member is having his own constituency, perhaps, victimised by a police officer who wants to act not in his best interest! That is what I could conclude, because it was a very serious matter.

Mr. Speaker, Sir, we have already taken a decision to pay the Kshs10,000 allowance that was paid to both regular as well as the Administration police officers for their participation in

bringing normalcy following the post election violence. That has already been sorted out and, therefore, I am happy to inform this House that, as of this afternoon, the prison staff have already called off the strike.

I think that is a matter that the House might want to take notice of. Mr. Speaker, Sir, I appreciate hon. C. Kilonzo's concern about some of the members who have been appointed to that committee. I also want to let him know that Mr. Kamakil, out of his own volition, has declined to take up that appointment.

I am actually grateful because some members of the public, including those serving in the Prisons Service, thought that, perhaps, it would be important to appoint people who may not be subject, themselves, to some of the concerns that have been raised.

So, on the whole, Mr. Speaker, Sir, we are seized of that matter and, within the next one month, we will have done all that is necessary. The Committee will produce its recommendations. I am sure they will present those recommendations to my office and, at that stage, if, indeed, the House so requests, we may have to come back and report progress.

Thank you, Mr. Speaker, Sir.

Mr. Speaker: When seeking clarifications, please, let us restrict ourselves to just three.

Proceed, Mr. C. Kilonzo!

Mr. C. Kilonzo: Thank you, Mr. Speaker, Sir. Let me thank the Vice-President and Minister for Home Affairs and say that, so far, so good. But, still, we have problems on the ground. Perhaps, the Minister for Finance should take this advantage and bring those figures in the mini-Budget, especially for housing.

Mr. Speaker: Mr. C. Kilonzo, could you, please, stick to the issue?

Mr. C. Kilonzo: Thank you, Mr. Speaker, Sir. I want to know from the Vice-President and Minister for Home Affairs whether he finds it in order to charge all the Provincial Commanders in the Prisons Service for something which is so obvious. Does he find that in order?

Mr. Speaker, Sir, secondly, Mr. Speaker, Sir, I want to know whether it is possible to provide, at least, prefabs. That is because houses takes a long time to put up - between 18 and 24 months?

Mr. Ethuro: Thank you, Mr. Speaker, Sir. I also wish to commend His Excellency the Vice-President and Minister for Home Affairs for a speedy response.

But, Mr. Speaker, Sir, in his parting shot, he talked about reporting progress to the House. We are concerned that the tactical way in which the Government has been operating is to set up committees and commissions when there is a crisis, hoping that the people will forget.

I want the Vice-President and Minister for Home Affairs to commit himself that, after that one month, that report shall be laid on the Table of this House, so that we can really pursue this matter and ensure that prison warders are properly taken care of. We do not want another mutiny.

Thank you, Mr. Speaker, Sir.

Mr. Mwangi: Thank you, Mr. Speaker, Sir. My name is Muturi Mwangi. It is shocking for the Vice-President and Minister for Home Affairs to say that the Committee will look into the housing issues of warders. They are not in houses! Those are not houses!

(Applause)

While I acknowledge that the Vice-President and Minister for Home Affairs has taken quick action, could he say exactly what mode of a house he intends to build for the warders immediately?

Mr. Speaker: Lastly, Mr. Imanyara!

Mr. Imanyara: Thank you, Mr. Speaker, Sir. I would like to appreciate the Minister's prompt response to the issues of grave national concern.

Could His Excellency the Vice-President and Minister for Home Affairs assure us that all

the pending criminal cases that have been preferred against prison officials, who brought this issue to the public, are immediately withdrawn as a matter of recognition that the issues they raised were legitimate?

(Applause)

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, the hon. Member for Yatta who raised this matter has sought clarification over two issues. The first one, and I think that is what the Member for Imenti Central, hon. Imanyara, has sought to deal with, is the matter of officers who were actually charged yesterday afternoon.

In trying to answer a question by the BBC correspondent, she even put it better than the hon. Member. She sought to know why we should punish whistle blowers.

Mr. Speaker, Sir, in my response to the question I hope my hon. colleagues here will appreciate that under Chapter 90, which is the Prisons Act, and all other relevant statutes that govern the conduct of members of the armed forces, it is not usual. It is actually out of question.

Mr. Speaker, Sir, the hon. Member of Parliament for Yatta Constituency, I am sure, knows that even in his own blood he is a son of a former Commissioner of Police. It is out of question and unheard of for members of the armed forces to go on strike. What happened in the case of the nine who have been charged before court--- And I think Mr. Imanyara being a learned friend would want to look at the contents of the charge sheet. It is basically that you cannot incite your own officers to a mutiny. Unfortunately, that is what it amounts to. I appreciate that the issues that were raised were legitimate. That is why we chose to appoint this Commission. I want to assure the Member of Parliament for Turkana Central, my very good friend Mr. Ethuro, that I will personally bring the report to this House. We will then look at it, and be able to use it as an example that this Government is committed to bringing reforms.

Mr. Speaker, Sir, Mr. Muturi Mwangi does not believe that they live in houses. I think he is not very far from the truth. I want him to join me on Monday morning, which is not a day when Parliament is sits.

I intend to visit a camp at Sagana, just across River Tana. I am informed that some very interesting buildings are coming up with some technology. It is not so much from South Africa. They have not exactly, the prefabs that Mr. C. Kilonzo is talking about, but are buildings that come up in exactly three weeks. We want to go on a crash programme in order to provide decent housing to our prison staff.

(Applause)

Hon. Members who are willing can come along with me on Monday at 10.00 a.m., so that we can all inspect this house. Perhaps, it might also be useful to some of our constituents in the various constituencies.

Mr. Speaker, Sir, I think I have dealt with this matter. It is a serious issue, and I thank God that the prison officers have called off the strike. I hope hon. Members will also appreciate that when dealing with members of the armed forces, men and women carrying arms, you really cannot play around with national security. This is why some of them have to answer for the actions of their juniors.

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

Mr. Speaker: That brings us to end of that---

What is it Dr. Khalwale?

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. As a sign of goodwill, the prison warders have gone back to duty. I want to also congratulate the Vice-President and Minister for Home Affairs. He has undertaken an urgent plan of three weeks---

Mr. Speaker: What is your point of order?

Dr. Khalwale: Could I request that, in the same spirit of goodwill, we hold on the construction of the Kshs250 million-house for the Vice-President, so that this money is used to fast-track the construction of houses for the prison warders?

(Laughter)

Mr. Speaker: Dr. Khalwale, that is not a point of order and you know it! It is completely extraneous and out of order!

Next Order!

Mr. Ethuro: On a point of order, Mr. Speaker, Sir. On the 24th of this month I sought two Ministerial Statements. One has been given by the good Minister for Livestock Development. However, there was another more critical one to be given by the Minister of State for Provincial Administration and Internal Security. A commitment was made to this House that both Statements would be delivered this afternoon.

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, as soon as I leave this Chamber I will try to establish from the Minister of State for Provincial Administration and Internal Security the actual position with regard to the request for a Ministerial Statement by the Member of Parliament for Turkana Central.

Mr. Speaker: Can we be assured that it will come later this week?

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, I may not give that assurance; the best I can do is to communicate the fact of this delay to the Minister.

Mr. Speaker: Next Order!

Mr. Ethuro: On a point of order, Mr. Speaker, Sir. We do not seek Ministerial Statements for their own sake. The Vice-President and Minister for Home Affairs, being the Leader of Government Business, needs to apologise to this House for the failure of the Minister to be present! It is not just a matter of taking another report to him. One was taken to him last week. What guarantee do we have that even if he goes to communicate to him now, he will not fail to show up next time?

Mr. Speaker: That is a legitimate concern. Mr. Musyoka, as a matter of fact, I had extended a lifeline to you by asking if you could give us an assurance that the Statement would come to the House this week. You were unable to do so.

I just want you to bear in mind the provisions of our Standing Orders relating to the seeking of Ministerial Statements. Normally, it would be on matters that are of national importance, and that are urgent. The Government ought to treat them accordingly; that is, indeed, as urgent matters.

Mr. Musyoka, I expect that the Statement would be forthcoming before the end of this week!

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Speaker, Sir, I give that assurance, because I am unable at this stage to know the content of the request by which it was demanded. However, I want to assure this House that before the end of this week, whatever and however serious the content, the Minister responsible will have responded.

Mr. Speaker: Thank you. I think that speaks for itself.

Next Order!

BILL

First Reading

THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING BILL

(Order for First Reading read - Read the First Time and ordered to be referred to the relevant Departmental Committee)

MOTION

ADOPTION OF 2002/2003 AND
2003/2004 PAC REPORTS

THAT, this House adopts the Reports of the Public Accounts Committee on the Government of Kenya Accounts for the years 2002/2003 and 2003/2004 laid on the table of the House on April, 2008.

(Mr. Twaha on 23.4.2008)

*(Resumption of Debate interrupted
on 23.4. 2008)*

Mr. Speaker: Mr. Kabando had 27 minutes left. Is he around?

An hon. Member: No, he is not available!

Mr. Speaker: Is anybody else interested?

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Trade (Mr. Omingo): Mr. Speaker, Sir, from the outset, before I contribute to this important Motion on the functions of the Government, I would like to thank His Excellency the President of the Republic of Kenya and the Prime Minister for having formed a Grand Coalition Government.

Mr. Speaker, Sir, I know that most Kenyans expected more. I know, for a fact, that not everybody got what they wanted. However, we want to thank Kenyans for appreciating what has been done in the interest of the nation so that we can heal together.

[Mr. Speaker left the Chair]

[Mr. Deputy Speaker took the Chair]

The healing process is painful and I know for a fact that in this PAC Report there are issues that are pertinent in terms of reconstructing our nation and living with hope to prosperity. The painful thing I have seen in the previous PAC reports, year in, year out, is that they are passed and no implementation is done. I have been in this House for eight years now and I believe that I am old enough, as a Member, to assist in terms of living a true life than living a lie.

What is obvious in these reports of various Committees of the House is the fact that Government resources have been wasted. Those Ministers of Government who are charged with the responsibility of spending Government resources have not done it as it is expected. In my experience as Chairman of the PAC, it is not true that we do not have the capacity to apply budgetary provisions in a clean way for purposes of improving the well-being of Kenya. What has been wanting is the business of wanting to steal from our own children.

The Assistant Minister for Finance (Dr. Oburu): On a point of order, Mr. Deputy Speaker Sir. The hon. Assistant Minister on the Floor should be speaking from the Dispatch Box. I do not know if that is the right way to go.

Mr. Deputy Speaker: Hon. Assistant Minister, you are in the Government; please, come and speak from the Dispatch Box.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Trade
(Mr. Omingo): Mr. Deputy Speaker, Sir, you ruled that in this House, we have enough sitting space.

Mr. Deputy Speaker: Order! That did not apply to Ministers of the Government!

Proceed!

*(Mr. Omingo moved to the
Dispatch Box)*

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Trade
(Mr. Omingo): Mr. Deputy Speaker, Sir, I wanted to give an example of the situation where I come from. I thank you because speaking from here makes me much more clearer. I am also vertically challenged and that was giving me a bit of a problem.

I started by saying that I wanted to thank His Excellency the President and the Prime Minister for having set up a Grand Coalition Government. I am happy to be part of it. I know that most of my supporters and the Kenyan youth expected more than what they got. However, because even the Prime Minister did not get the first prize, in the interest of the nation and magnanimity, we need to give and take. Most important, we say that this country is bigger than all of us. However, most of us do not live that statement. We only say it by word of mouth.

Mr. Deputy Speaker, Sir, I am proud to say to the people of South Mugirango, whom I represent, that with regard to the Grand Coalition Government, we are where we are in the interest of healing our nation.

Mr. Deputy Speaker, Sir, Kenya is a rich country. I am looking forward to the day when all Kenyans will look at this country as one which is incorporated for the social well-being of all Kenyans. You do not have to pick money from Government coffers as a Minister or Permanent Secretary. That can be compared to a grown African man stealing from his own house. That is the Kenyan taxpayers money. I think we have to address the issue of morality. I equate an adult African man who steals from the Government, either as a Minister or a Permanent Secretary, to a man who steals from himself by removing money from one pocket and putting in the other and runs away as if he has actually stolen the money!

In my experience as the PAC Chairman, I learnt in Uganda, that exposure as you deliberate on the PAC issues, is a deterrent feature in line with what we expect to do so that people do not practise corrupt deals. In Uganda, the Chairman of the PAC sits with his teammates alongside members of the Intelligence System so that whenever evidence is given to the extent that somebody suspiciously entered into a deal, he is arrested and taken to court directly. Here, the process is too lengthy. When we recommend that the Attorney-General takes action, nothing happens.

Mr. Deputy Speaker, Sir, when I say that Kenya is a rich country, it is indeed, a rich nation. It is rich because Kenya, as a mother, gives us beautiful children round the year in terms of wonderful coastal beaches and tourism income. However, the country is corrupt. I call it a plague. Mother Kenya has been ripped off and raped over time. It is for this reason that I, as an Assistant Minister of Government, waited very patiently to have an extreme overhaul of our systems and structures of Government to address the issue of wastage of Government resources that has cost us untold suffering.

I know that Kshs750 billion in public debt that was being serviced in the year 2003 was as a result of public wastage of resources. We must be ashamed of ourselves. It pains me that the same people--- However, in the spirit of healing, let me not reiterate this. It pains us that "great" Kenyans who have ripped off the resources of this country are rewarded with promotions and good jobs. It is high time that, even as we get people to be elected to this House, we put them through some means

test. We must know if they are living beyond their means. Did they earn what they have or they stole from other people? We are perpetrating these characteristics because we also quicken theft by bringing those people back and recycling them in this House in the name of democracy. I thought we had grown beyond that.

Mr. Deputy Speaker, Sir, I want to undertake that as we vouch forward in terms of building a new Kenya, and being for the first time associated with the Government, that I will not keep quiet if wrongs are done. History will judge us very harshly because we are here as leaders of this nation and should not be sitting on corrupt deals. We should not allow money to be taken out of public coffers. It is high time that we searched our souls and enlightened our electorate. We should live by example. It is important to leave by example because that way, there is something for our children to be proud of.

It is painful, in the African context, when you find in African leadership that nobody wants to leave power when he is strong enough to live an extra year or more. The reason is that all of us want to eat and steal. We do not want to leave office and be audited. We do not want to reflect on our history because it is terribly dirty.

Mr. Deputy Speaker, Sir, I am looking forward to a day when great Kenyans will retire from public office with their heads high, like the late Mwalimu Nyerere, without fearing being haunted by their dirty history. For the purpose of healing this nation, we are all in the Grand Coalition. However, let us not sit back and watch wastage going on in our midst.

We all know that, for many years, Ministries have been receiving some donor funding. When I served as a Member of the Public Accounts Committee (PAC), most of technocrats in Ministries could not account for the donor money. They would tell us they were unable to utilise the training funds because they could not identify trainers and trainees. This is a very simple and basic thing that could be done by anybody. However, if there was money available for procurement, it could have been spent immediately because of the kickbacks involved. We could not understand why money supposed to be spent on service delivery was not utilised. How could they have not identified the trainers and trainees. It is pathetic as it is. The PAC will be wasting its energy and time of this House, if recommendations contained in these reports are not implemented.

We need now to move from historical audit to value for money audit. Mr. Kimunya, who is my senior colleague, knows that world over, governments are moving from historical postmortem issues to value for money audits. We are now discussing the Reports of 2002/2003 and 2003/2004, but we claim to be very current. Those who "ate" in 2004, are long dead and buried. We cannot even trace their estates because their money came easy and went easy. It is high time we stopped looking at a postmortem, because the body is rotten and we only remain with dry bones to examine. However scientific we are, we cannot achieve anything. We should do value for money audit.

Mr. Deputy Speaker, Sir, Treasury has been resisting to computerise their operations. We need to advise each other because a friend is one who says the truth when things go wrong. They have been resisting computerisation because of the audit trail effects and instantaneous reflection of the deals. They are comfortable dealing with papers which can be destroyed.

The Minister for Finance (Mr. Kimunya): On a point of information, Mr. Deputy Speaker, Sir. I want to inform the hon. Member that, indeed, the computerisation progress at the Treasury is tremendous. I will be happy to take him through it very soon, so that he knows what has been happening when he has been away.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Trade (Mr. Omingo): Mr. Deputy Speaker, Sir, I have never been away but I am only getting my grand entry in a humble position. Nonetheless, it is true that there were various procurements which incurred costs in computerisation. They procured tables, but when it came to monitors and Central Processing Units (CPUs), they were hesitant to do so.

I am glad the Minister has taken a gallant step courtesy of the pressure and realisation that if they do not embrace technology they will remain archaic.

Mr. Deputy Speaker, Sir, as we empathise with parents who cannot afford to buy their children school uniforms, we do not have steal from public coffers because it is an immorality in itself. For us all who are in positions of responsibility, we must stand up to be counted. I am of the opinion that for public officers, including parliamentarians, that we let our work be scrutinised by members of the public. It is important that we also open up and lead from the front, so that people can do a public audit on us and say: "Hon. "X" was living this way and now he is living this way courtesy of the investment he has had in an IPO "X" as opposed to people from space, but riding, driving and flying after embezzling public funds.

Mr. Deputy Speaker, Sir, it is that issue of graft and what is in there for me, my tribe, community and constituency that almost brought us to a point of anarchy. Those who were there, wanted to hold the cake close to themselves, and those who were out there, wanted to grab the cake, so that they could also share with their people and communities.

Mr. Deputy Speaker, Sir, more importantly, I want to also commend and thank the PAC for doing tremendous work under the acting chairmanship of the former Member of Parliament for Eldoret East, Mr. Joseph Lagat Kipchumba. This was a tremendous effort made to bring us close to reality. However, the Reports of 2004/2005, 2005/2006 and 2006/2007 are yet to be tabled here. Courtesy of the computerisation that the Minister pretends to be implementing today, I hope we will be current with these reports. It will be more effective and realistic in the sense that our people must know exactly the value of their money.

I pray that one day we shall manage this country as an incorporated company for the social wellbeing of our people. The dividends for this nation are not for our pockets, but for the social wellbeing. The dividends should be reflected in the per capita income of our people and quality education. The dividends in terms of social well being must be reflected in terms of improvement of poverty levels of our people.

Mr. Deputy Speaker, Sir, I want to encourage each one of us not to be "baptised" into the crime of graft as we join the Grand Coalition. Some of us will stand firm and tell you what it is and when it happens. I do believe also that the best watchman needs to be your brother.

With those few remarks, I support.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae); Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to make my contribution to the Government of Kenya Accounts for the years 2002/2003 and 2003/2004.

Mr. Deputy Speaker, Sir, I wish to take this opportunity to commend the Members of the PAC for a job well done. We know that they held many of meetings for them to be able to come up with these Reports. My only regret is that we are talking of accounts of the year 2004 which means that the 2005, 2006 and most of the 2008 accounts are not yet ready. Therefore, we can only lament and there is nothing much we can do.

Mr. Deputy Speaker, Sir, some of the Accounting Officers who are mentioned in the reports have either died, resigned or retired from their positions. So, whatever action that we can recommend to be taken against them is actually futile.

[Mr. Deputy Speaker left the Chair]

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

Madam Temporary Deputy Speaker, I am looking forward to the day when this Parliament will be in a position to discuss and peruse the current accounts of the Government. It behooves upon the Minister for Finance to do all that is possible to make sure that this actually happens. If it happens, then we will be able to take action on the Accounting Officers. However, as of now, we can only lament. This is actually history. We are just reading history of what happened. There is nothing much we can do to correct the wrongs that are mentioned in these Reports.

Madam Temporary Deputy Speaker, there is something else which we need to talk about. If you look at the amount of money which the Kenya Government spends on salaries, you will see that it is substantial. We must take the bull by the horns and accept that our payrolls are not consistent. There are some positions, which on the face of it, are highly paid, while others are not.

Madam Temporary Deputy Speaker, if you look at salary difference between a Permanent Secretary and a Deputy Secretary, you will see that the difference is too wide. We do not have to reinvent the wheel. We need to borrow what other governments have done. For example, in the USA, they have specific salary scales for the Federal Government. I think, they have Grades 1-12. It does not matter in which Ministry or parastatal you are, if you are on Grade 6, you can move from one Ministry to another and still go with your grade. The allowances for that particular position may be different.

So, we need to borrow from what other governments have done. We need to look into the issue of remuneration for our public servants and try to justify them. We have scales that are personal to the individual employees. If this were to happen, you would find that more efficiency would obtain.

In effect, it will be possible for you to move from one Ministry to the another or from one parastatal to another. At the moment, this is not possible. So, we need to take some drastic steps on our salary scales.

Madam Temporary Deputy Speaker, the other issue is on categories of our public servants. Again, we do not have to reinvent the wheel. We can copy what other governments have done. For example, if we are to borrow what the USA has done, they have two categories of staff. There is what they call "professional" and "political" staff. If you are in the political grade, and they are all stated very clearly, then, when the term of that administration lapses, all the political appointees will go home with the President. Therefore, the incoming President is in a position to appoint his or her own political appointees. But for the professional cadre, it has no effect. I think they have gone one step further than the British, which tries to pretend that civil servants work for the Government that is in power. If this classification was done, then these controversies we have been hearing of one party wanting to have two Permanent Secretaries in one Ministry going down up to messengers; you will have one messenger for PNU and another for ODM; two chiefs in the same location, one for ODM and one for PNU--- I think such issues would not have arisen. This is because the categories will be very clear. If you are in the professional category, it does not matter which administration is in Government.

Madam Temporary Deputy Speaker, we must also recognise that we are now in a Grand Coalition. For this coalition to work, certain discipline must be maintained. Over the weekend, I was very saddened to hear Cabinet Ministers criticising each other in public. It was a very sad day for this country. We heard even some Assistant Ministers criticising Cabinet Ministers. To me, that is total lack of discipline. For this Grand Coalition to survive, there has to be discipline in the Cabinet. I think, one of the functions which we gave the Prime Minister was to supervise the Ministers. I think he should start supervising and disciplining Ministers who quarrel in public with regard to the issue of the pecking order.

Unless we have discipline in the Cabinet, this Grand Coalition may not survive for five

years. But it can survive because that is what Kenyans want. Kenyans want a Grand Coalition, but we must have discipline. To start with, I think in the first Cabinet meeting, they should resolve that no Cabinet Minister will ever criticise a fellow Minister in public. That is what Cabinet is for. They can have their quarrels in the Cabinet meetings, but when they come out of the Cabinet, we should see them smiling, shaking hands, hugging each other and eating together. That is what Kenyans want to see. They do not want to see, on their television screens or in the Print Media, Cabinet Ministers quarrelling among themselves. That way, you will wonder what the Cabinet is for. That is what killed the NARC dream. Ministers started quarrelling in public. That is what killed the NARC dream of 2002. Some of us were very sad that the NARC dream aborted.

Madam Temporary Deputy Speaker, if you look at the Reports, you will also see that the Ministry of Agriculture spent so much money, however, our food prices cannot be sustained. Our food prices are becoming almost out of reach for the ordinary mwananchi. This trend is affecting everybody in this country. We must come up with ways and means of reducing the escalating food prices. We can joke with politics and other things, but we cannot joke with somebody's stomach.

Lack of food or high prices of food has caused revolutions in other countries. For example, in France, it caused a revolution. Already, three Prime Ministers have been dismissed in other governments because of high food prices. The surprising thing is that we have the solution to this problem at hand. The solution is so simple.

The solution is to facilitate the Internally Displaced Persons (IDPs) to go back to their *shambas*. If they were to go back to their *shambas* today, the food prices would go down by 50 per cent. These are the people who were growing maize, tomatoes, potatoes, vegetables and fruits. The prices of all these commodities have gone up.

Madam Temporary Deputy Speaker, some of the IDPs, though they may not have *shambas* of their own, but actually hire farms in the Rift Valley Province. They were the ones doing the "donkey work" in the Rift Valley Province.

Madam Temporary Deputy Speaker, if they were allowed to go back to their farms and the farms they had hired, the food prices would have gone down by 50 per cent immediately. Therefore, anybody who is opposed to the return of the IDPs must bear the consequences of the escalating food prices. Anybody who does not encourage the Internally Displaced Persons (IDPs) to go back---

QUORUM

An hon. Member: On a point of order, Madam Temporary Deputy Speaker. I am worried about quorum.

The Assistant Minister for Water and Irrigation (Mr. Kiunjuri): He is just worried!

The Temporary Deputy Speaker (Prof. Kamar): Hon. Member, can you tell us whether you are worried or you are calling on us?

An hon. Member: Madam Temporary Deputy Speaker, I am bringing it to your attention that we do not have a quorum.

The Temporary Deputy Speaker (Prof. Kamar): We do not have quorum. Ring the Division Bell!

(The Division Bell was rung)

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, we now have quorum. Proceed, Mr. Githae!

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): Thank you, Madam Temporary Deputy Speaker. In fact, in view of

what has happened, I think it would be a good idea to inform, particularly the new hon. Members, that there is nothing to be gained by raising the issue of quorum in the House. It only embarrasses everybody.

Madam Temporary Deputy Speaker, our Standing Orders require that even if the law is passed by one person, that law is valid. Therefore, it is pointless!

The Temporary Deputy Speaker (Prof. Kamar): Order, Mr. Githae! Please, proceed with your debate! The hon. Member has a right to raise the issue!

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): Madam Temporary Deputy Speaker, I will continue with my debate, but you can see the frustrations on peoples' faces.

In view of the fact that, we now have a Grand Coalition, I am asking the leaders of the two parties that, since six constituencies will soon have elections, we also extend the Grand Coalition there. We should divide the six constituencies. Each side should have three candidates, so that we can give effect to our Grand Coalition.

In view of the fact that, I do not want another hon. Member to say that there is no quorum, let me stop there so that the Mover could be called upon to reply.

The Temporary Deputy Speaker (Prof. Kamar): Is there any other hon. Member who wants to debate?

The Assistant Minister for Medical Services (Mr. Mungatana): On a point of order, Madam Temporary Deputy Speaker. This Motion has been with us since last week. Would I be in order to request you to call upon the Mover to reply?

The Temporary Deputy Speaker (Prof. Kamar): Mr. Mungatana, I wish you had left that to the Chair. I think there may be an hon. Member who may wish to---

The Assistant Minister for Medical Services (Mr. Mungatana): On a point of order, Madam Temporary Deputy Speaker. At the risk of correcting the Chair, it is always the tradition for any hon. Member, when the Motion or law has been exhausted, to call upon the Mover to reply. Then, the Chair rules.

The Temporary Deputy Speaker (Prof. Kamar): Mr. Mungatana, what I said was that there was somebody on the Floor. We were waiting to see if there was anybody else who was interested in debating. Now that there is none, I will ask the Mover to reply.

Mr. Twaha: Thank you, Madam Temporary Deputy Speaker. I would like to take this opportunity to thank all hon. Members who have contributed to this Motion, which reads as follows:-

THAT, This House adopts the reports of the Public Accounts Committee on the Government of Kenya Accounts for the years 2002/2003 and 2003/2004 laid on the Table of the House on 22nd April, 2008.

Madam Temporary Deputy Speaker, a lot has been said by hon. Members. I think what is really worthy of note are three points. One was raised by Mr. Githae. He said that all we are doing is lamenting and everything will come to nought.

Mr. Githae, it was never intended that PAC would be pursuing particular cases with a view to concluding whether the accused persons were guilty or not, so that we can follow the due process of the law. PAC was intended to go for particular cases of malpractices that we came across and create general laws to prevent such future malpractices. That is because we are not a judicial body. Having said that, there is a mechanism for implementation of PAC reports.

Madam Temporary Deputy Speaker, as I said, when we table these reports in the House and they are adopted, it is upon the Minister for Finance to pursue them with the relevant Ministries. He should also pursue all the queries that did not survive the scrutiny of PAC. We give a fair hearing to the Accounting Officers. We summon them to the Committee and those who do not

satisfy the Committee end up in these reports.

Madam Temporary Deputy Speaker, unfortunately, the Treasury Memorandum, which is supposed to be a feedback to this House, has not been received since 1997. The Treasury Memorandum is the follow-up to the PAC reports.

The Minister for Finance, through his Accounting Officer, is supposed to pursue all the concerns that are raised by PAC with the line Ministries. Then, the Minister for Finance is supposed to report back to the House through a document known as the Treasury Memorandum.

Madam Temporary Deputy Speaker, I am repeating that now because the Minister is not paying attention. It has not been received since 1997. So, *Bw. Waziri, kazi kwako!*

Madam Temporary Deputy Speaker, finally, when PAC is doing its investigations, a lot of emphasis is laid on over-spending or mis-spending of public resources. Enough attention is not paid to under-spending. If money is allocated to your Ministry or your department and you do not spend it, you are doing a great disservice to the Kenyan economy.

Madam Temporary Deputy Speaker, fiscal policy over the Government expenditure is a big chunk of aggregate demand and if the officer given the money to spend does not spend it, there is a whole chain called the multiplier effect, which denies the Kenyan economy revenue and contributes to poverty.

Madam Temporary Deputy Speaker, so, I would suggest that, in future, disciplinary measures be taken, not only against officers who have mis-spent or over-spent Government money, but even on officers who have under-spent. That is because they are doing a disservice to the Kenyan economy. They should be taken to task to explain why they did not spend the money that was given to them to spend, in order for the Kenyan economy to grow.

Madam Temporary Deputy Speaker, with those few remarks, I beg to move.

(Question put and agreed)

COMMUNICATION FROM THE CHAIR

DEFERMENT: SECOND READING OF THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING
BILL

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, Order No.9 is in relation to Order No.7 which was committed to the relevant Departmental Committee. For that reason, it stays until the next Sitting.

ADJOURNMENT

The Temporary Deputy Speaker (Prof. Kamar): Hon. Members, it is now time to interrupt the business of the House. The House is, therefore, adjourned until tomorrow, Wednesday, 30th April, 2008, at 9.00 a.m.

The House rose at 5.30 p.m.