

## NATIONAL ASSEMBLY

### OFFICIAL REPORT

Tuesday, 2nd October, 2001

The House met at 2.30 p.m.

*[Mr. Deputy Speaker in the Chair]*

### PRAYERS

### ORAL ANSWERS TO QUESTIONS

*Question No.565*

#### SUPPLY OF COMMUNICATION EQUIPMENT

**Mr. Deputy Speaker:** Is Mr. Mbitiru not here? We will come back to the Question later.

*Question No.512*

#### UTILISATION OF STABEX FUNDS

**Mr. Murungi** asked the Minister for Finance what the current status is regarding the Kshs600 million granted by European Union Stabex Funds for Community Road Programme.

**Mr. Deputy Speaker:** Is there no one from the Ministry of Finance and Planning?

**Mr. Murungi:** Mr. Deputy Speaker, Sir, I have got a written answer, and all we need is for somebody to read it out from the other side.

**Mr. Deputy Speaker:** I understand that most of these hon. Members are literate, but some of them are ennumerate.

*(Laughter)*

We will come back to that Question. Next Question by Mr. Wamunyinyi!

*Question No.539*

#### PAYMENT OF TERMINAL BENEFITS TO MR. KHISA

**Mr. Deputy Speaker:** Is Mr. Wamunyinyi not here? We shall come back to that Question later.

*Question No.564*

#### CONSTRUCTION OF OMOGENDA TEA FACTORY

**Mr. Omingo** asked the Minister for Agriculture:-

(a) whether he is aware that construction works on a tea factory at Omogenda in South Mugirango meant to ease pressure on Ogembo Tea Factory have not started; and,

(b) what measures he is taking to ensure that works commence without further delay.

**The Assistant Minister for Agriculture and Rural Development** (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) Plans for the construction of a new tea factory to ease pressure on Ogembo Tea Factory are under way.

The directors of Ogembo Tea Factory in conjunction with KTDA Limited as the managing agent, are working on modalities for land acquisition, equity contribution and raising loan finance to enable the construction work to start. Construction work is expected to start by November, 2001 when the required 30 per cent equity participation would have been raised by the farmers.

**Mr. Omingo:** Mr. Deputy Speaker, Sir, it is fairly a good answer, but it is important that the Assistant Minister throws some light to the House on what has been happening. This directive was given way back in 1997 by the President of the Republic of Kenya, but could he confirm or deny that the delay has been caused by politicking of some people in the system; trying to oppose this project from commencing? What measures does he intend to put in place to avoid unnecessary delays so that this project takes off?

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, I disagree with my good friend, Mr. Omingo, that the delay was caused by politicking. In mid-1990s, KTDA came up with a new factory construction programme to put up nine new factories in various places within the areas. These factories were to relieve persistent congestion at the existing tea factories. The nine factories were as follows: Itumbe, that was Zone 11 in Gucha District; Kianjore in Nyamira District; Momul, Kericho District; Kionyo, in Meru Central District; Weru in Meru South District; Kathangari in Embu District; Gacharage in Maragwa District; Mbuti in Maragwa District and, lastly, Gacheche in Zone 1, that is in Thika District.

Mr. Deputy Speaker, Sir, most of these factories are at various stages of construction and some are nearly complete. However, the new factory for Zone 11 has not yet taken off initially. Ogembo, Nyamache and Kiamokama tea factories, which comprise Zone 11, were to pull resources together and come up with one site for ease of raising the required 30 per cent equity. Itumbe was identified as an ideal site as it could relieve congestion of the three factories within the zones whose current crop contribution is in excess of installed annual processing capacity of Kshs15 million kilogramme. The 2000/2001 crop distribution among these factories are as follows: Ogembo, 19.6 million kilogramme; Nyamache, 18.7 million kilogrammes, and Kiamokama 16.3 kilogrammes.

As the acquisition of the site commenced, and this is where Mr. Omingo was pointing out, the directors from the three factories had a change of heart and were not agreeable as to the actual locality for the new factory. Consequently, progress on the factory work stalled. Eventually, each factory board decided to support its own new factory and the tea based committee met and resolved that the new factory---

**Mr. Deputy Speaker:** Order, Mr. Sumbeiywo!

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, I am finishing!

**Mr. Deputy Speaker:** You ought to answer the question, but you are now giving information that he did not ask for.

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, I am doing that in order to satisfy him and the people he represents in this House.

**Mr. Deputy Speaker:** You answer questions which you have been asked and not which you think you should be asked. So, finish answering!

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, regarding the question about a total of Kshs120 million, which is 30 per cent equity participation, I would like to say that it is required in order for the farmers to borrow additional funds for the construction of the tea factory. So far, Kshs30 million has been raised and there is a balance of Kshs90 million.

**Mr. Anyona:** Mr. Deputy Speaker, Sir, the Assistant Minister has rather confused the Question. I would like him to clarify whether or not, there were supposed to be two or three factories in the three districts of Kisii. You were in this House and one of the last contributions and speeches made in this House by the late hon. Dr. Zackaria Onyoka was about this factory which was supposed to be in Marani, in Kisii District. There was supposed to be one at Kianjore in Nyamira District, and this one that he is talking about.

Could he tell us whether this one, and he has not told us whether it is at Itumbe or Omogenda, is one of those three factories, and where is the third one?

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, it is true that, originally, there were going to be three factories to be constructed, but eventually, they agreed to construct one at Ipiregi Market, partly in South Mugirango, and partly in Bomachoge constituencies.

**Mr. Obwocha:** Mr. Deputy Speaker, Sir, we need clear information from the Government. The question raised by hon. Anyona is that Omogenda is in South Mugirango. The dispute here is on the factory at Itumbe in Bobasi, Gucha District. Is the Assistant Minister confirming that the factory at Itumbe is a different venture from the one at Omogenda? If it is so, could he tell us how much money, in terms of loan equity, the farmers are supposed to raise, and how much the actual factories are supposed to raise?

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, I have just said that the equity which the farmers are required to raise is 30 per cent and the total amount is Kshs120 million. So far, they have raised Kshs30 million and Kshs90 million is still outstanding. When the locals looked for land to construct the factory, they decided to settle on the factory at Iberenge for the time being.

**Mr. Omingo:** Mr. Deputy Speaker, Sir, you can clearly see that there is a bit of politicking here. The Assistant Minister has deliberately omitted the fact that there is land at Omogenda, Nyangweta Forest and Nyamagena-Mabariri, where the factory could be constructed. Could the Assistant Minister confirm or deny that the issue of land has been played up by politically-correct individuals?

**Mr. Sumbeiywo:** Mr. Deputy Speaker, Sir, I deny that there was politicking.

*Question No.261*

POWER CONNECTION TO  
EBURU HEALTH CENTRE

**Mr. Kihara** asked the Minister for Energy when the Kenya Power and Lighting Company (KPLC) will connect power to Eburu Health Centre which paid their connection feesvide receipt No.0146956, dated 17th May, 1999.

**The Minister for Energy** (Mr. Raila): Mr. Deputy Speaker, Sir, I beg to reply.

The KPLC will connect power to Eburu Health Centre when full payment is paid and within the given period as contained in a quotation letter dated 28th September, 2000. Due to the prevailing cost of materials, including labour and transport, the project cost rose from Kshs53,977 in 1997, to Kshs115,180 in the year 2001. The applicants have been advised to pay the balance of Kshs61,203 to facilitate connection.

**Mr. Kihara:** Mr. Deputy Speaker, Sir, this fresh quotation was given in the year 2000. When the payment was made in 1999, that was the quotation at that time. It appears that the idea to enhance the payment was an after-thought because the amount as quoted to the community in Eburu was paid in full in 1999. Why has that connection not been done yet?

**Mr. Raila:** Mr. Deputy Speaker, Sir, let me appraise the Member of Parliament of the facts if he is not aware. An application was made in 1997 and a quotation was made by the KPLC in May, 1997. However, the institution did not pay until May, 1999, two years later, when the actual cost had gone up. They were advised immediately that the cost had gone up to Kshs94,406 because of the increased cost of materials used to connect power. But they did not pay. By December 2000, the cost had gone up to Kshs115,000.

**Mr. Murungi:** Mr. Deputy Speaker, Sir, the inefficiency of KPLC in connecting power to various institutions in this country is obvious from this Question. The Minister is aware of this fact and he has been saying that he will bring another company from China to compete with KPLC in order to sort out the backlog of the applications that are pending.

Mr. Deputy Speaker, Sir, could he tell this House how far he has gone with his negotiations with the Chinese company so that we can expect electrification in other parts of the country?

**Mr. Raila:** Mr. Deputy Speaker, Sir, I do not think I ever said we are bringing a Chinese company here because the KPLC is inefficient. All that I said is that the Chinese programme, which is still under negotiation, includes construction which involves bringing in Chinese constructors to do that work. I said that was going to create competition for KPLC. But we cannot say that we are going to abandon our own national institutions because we are bringing foreign companies to come and work in our country! The negotiations are going on

**Mr. Kaindi:** Mr. Deputy Speaker, Sir, the issue of backlog in respect of payment to KPLC is something that is obvious. Could the Minister undertake to table a list on *pro rata* basis, showing Kenyans when they paid and when they are likely to receive power?

**Mr. Raila:** Mr. Deputy Speaker, Sir, the hon. Member will remember that I stopped any payments to KPLC until it is in a position to provide services. The amount of money that people are required to pay to KPLC is but a token of the total cost of providing power. By receiving money, KPLC is creating expectation among the people. That has now been stopped until such a time when we will be able to provide rural electrification.

**Mr. Kihara:** Mr. Deputy Speaker, Sir, I am not surprised that the Maasai are threatening to burn down the Ol Karia Geothermal Plant. Electricity is hardly 50 metres from the health centre I am talking about. All that is required is a dropline. Could the Minister consider, even as a token of appreciation, giving these people power? What is Kshs60,000 when the Government is exploiting power from this area?

**Mr. Raila:** Mr. Deputy Speaker, Sir, the issue of Maasai threatening to burn Ol Karia Power Plant is a different issue. But KPLC is ready to provide power to this health centre upon payment of the remaining amount of money.

*Question No.538*

CONFIRMATION OF  
NWCPC EMPLOYEES

**Mr. Sifuna** asked the Minister for Water Development:-

(a) whether he is aware that the following employees of National Water Conservation and Pipeline Corporation have worked as casuals in Mombasa District for the last three years and not been confirmed in their jobs: Mr. Evan Mogaka, Ms. Lydia Chepkogei, Messrs. Francis Asiago, Wycliffe Assava, Tom Gisore, Ms. Dorin Anyango, Mr. Evans Marachi, Ms. Naomi Moraa, Messrs. Justus Momanyi, Wilfred Onsomu and Charles Omondi; and,

(b) when they will be confirmed in their employment

**The Assistant Minister for Environment and Natural Resources** (Mr. Kofa): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that the National Water Conservation and Pipeline Corporation hired the above persons on temporary basis to carry out assignments which have since been accomplished.

(b) The casuals cannot be confirmed as this would lead to overstaffing, overexpenditure and [The Assistant Minister for Environment and Natural Resources] redundancy. However, the corporation will continue---

*(Loud consultations)*

**Mr. Deputy Speaker:** Order, hon. Members!

**The Assistant Minister for Environment and Natural Resources** (Mr. Kofa): Mr. Deputy Speaker, Sir, the casuals cannot be confirmed as that would lead to overstaffing, overexpenditure and redundancy. However, the Corporation will continue to hire casuals as and when need arises.

**Mr. Sifuna:** Mr. Deputy Speaker, Sir, arising from the Assistant Minister's reply, is he aware that, that is against the labour regulations, where it is stated very clearly that if someone works for more than three months, he or she has to be confirmed in employment? Could he tell this House why those employees worked for three years without being confirmed in their appointments?

**Mr. Kofa:** Mr. Deputy Speaker, Sir, none of those 11 casuals worked for three years. The four who worked the longest were Charles Oyoo, Onsomu, Omondi and Ruto. They worked for only 12 months. There are some who worked for 11 months and others, for six months. In reply to his question, since the casuals remained with the Corporation in excess of three months offering uninterrupted service, they were terminated in accordance with the provisions of labour laws and paid accordingly.

**Mr. Anyona:** Mr. Deputy Speaker, Sir, I do not know whether the Assistant Minister is mindful of what the law provides. If they were casuals, you know the meaning of casuals in legal terms. You either pay them daily or, at the very most, pay them at the end of the month. If they are to work again, they are re-hired. He is now telling us that some people worked for 12 months, 11 months and six months. The law requires that if they worked beyond one month, they are no longer casuals. Could he explain why those people worked for so long as casuals and were not confirmed as required by the law?

**Mr. Kofa:** Mr. Deputy Speaker, Sir, there was an oversight. However, payments were made according to the labour laws.

**Mr. Mbela:** Mr. Deputy Speaker, Sir, I would like the Assistant Minister to look at another dimension of this Question. If you look at the 11 names, you will notice that they all come from west of Nairobi, in the heart of Mombasa. Does he ever give any consideration to the people at the Coast?

**Mr. Kofa:** Mr. Deputy Speaker, Sir, the Corporation employs people on merit. The idea of Coast does not arise here.

**Mr. Sifuna:** Mr. Deputy Speaker, Sir, could the Assistant Minister tell this House why the redundancy applied to upcountry people? I do not see any names of the people from the Coast! It is believed that an hon. Minister from the Coast, Mr. Sharrif Nassir instructed that the people should not be employed but sent away!

**Mr. Deputy Speaker:** Order! Ask your supplementary question! You are now discussing another Minister!

**Mr. Sifuna:** Mr. Deputy Speaker, Sir, my question is this: Could the Assistant Minister explain to this House why the redundancy applied only to upcountry people and not those from the Coast?

**Mr. Kofa:** Mr. Deputy Speaker, Sir, Mr. Sifuna heard what I said. I said that people are not employed according to their regions. Maybe, the people from the Coast were not employed at all!

*(Mr. Sumbeiywo paced up and down the Chamber)*

**Mr. Deputy Speaker:** Order, Mr. Sumbeiywo! There are plenty of benches to sit on! If you want to leave the Chamber, do so quietly without interrupting other Members who want to listen to what is going on in the House! Proceed!

*Question No.421*

TARMACKING OF MASII-TAWA ROAD

**Mr. Kalulu** alimuuliza Waziri wa Barabara na Ujenzi ni lini barabara ya Masii-Tawa itawekwa lami.

**The Assistant Minister for Roads and Public Works** (Eng. Rotich): Mr. Deputy Speaker, Sir, I beg to request that the Question be deferred for two weeks. The reason for the request is that, we sent people to measure and cost that road, so that we can get the figure to include in our budget in the next financial year. I request for two weeks!

**Mr. Deputy Speaker:** No! No! Order! Ministries have, at least, ten days. In this case, the Question was asked in the last Session. So, you had more than three months. Really, how do you expect this House to believe that, after three months, you still have not done enough to answer this one line Question?

**The Assistant Minister for Roads and Public Works** (Eng. Rotich): Mr. Deputy Speaker, Sir, it is true that we were supposed to come up with an answer in August, this year. But I am sorry about that. May I, please, be allowed some more time by deferring the Question?

**Mr. Deputy Speaker:** I will defer this Question to Tuesday, next week! Let us move on to the next Question!

*(Question deferred)*

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, I have not received a written answer! However, I beg to ask Question No.573.

*Question No.573*

ALLOWANCES FOR GATUNDU LAND BOARD

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

- (a) whether he is aware that members of the Land Control Board in Gatundu North are each paid a sitting allowance of Kshs200 per day and are not reimbursed their travelling expenses; and,
- (b) whether he could consider raising the allowances and travelling expenses to a reasonable amount.

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

(a) I am aware that the members of the Land Control Board in Gatundu North are each paid an allowance of Kshs150 per sitting. However, I am not aware that members of the Land Control Board are not reimbursed their travelling expenses. I have taken up the matter to ensure that the travelling expenses are reimbursed as soon as possible.

(b) I could consider raising the rates of sitting allowances and travelling expenses, but due to budgetary constraints, I will review the rates once budgetary provisions improve.

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, the members of the Land Control Board in Gatundu start working from 9.00 a.m. to about 5.00 p.m. The constituency is very big and the Kshs150 that is given by the Minister is only about two or three sodas, for that matter!

Let us say that there are 50 land transactions in the Land Control Board, like land transfers, charges on VAT and so forth. That is, at an average of Kshs7,000 each, and the Land Control Board collects an average of Kshs350,000 every month.

Mr. Deputy Speaker, Sir, could the Assistant Minister tell us by how much he will raise the Kshs150, and when? Is it only in the Gatundu Land Control Board where members are paid only Kshs150, or it is in all other land control boards?

**Mr. Tarar:** Mr. Deputy Speaker, Sir, I said that until the budgetary constraints are improved, there is nothing that I can do now.

**Mr. Ndicho:** Mr. Deputy Speaker, Sir, is the Assistant Minister aware that as a result of this very poor remuneration to these people, a lot of corruption takes place in form of irregular and illegal land transactions within all the areas concerned? There are so many people being killed around Gatundu because of land. People who want land normally bribe these people. If they are collecting Kshs350,000, what other budgetary constraints are you talking about? We have enough money from that. You can even raise it from the people who will undertake the transactions and then raise the allowance for these people to avoid corruption and even death.

**Mr. Tarar:** Mr. Deputy Speaker, Sir, I want to inform my good friend that the Government does not work that way. Everything has to be planned and I have already informed the hon. Member of what has been planned.

**Mr. Muiruri:** On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister has not answered my question. I asked him whether it is only the members of the Land Control Board in Gatundu North who are paid Kshs150 or whether it is the same case in his own constituency?

**Mr. Deputy Speaker:** Order, hon. Members. When you want to ask a question, please, proceed and ask it. When you make a long speech, neither the Ministers nor the Chair can follow and the Chair cannot intervene if it does not follow what you say. Please, Mr. Muiruri, put your question again.

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, Kshs150 is peanuts. Is this fee uniform throughout the country, or is it only in Gatundu North where the members of the Land Control Board are paid only Kshs150 and they are not reimbursed for any expenses they incur, including fuel expenses? Is this a charitable land board?

**Mr. Tarar:** This fee is uniform everywhere. It applies to all Land Control Boards in this country.

**Mr. Deputy Speaker:** Mr. Mbitiru's Question for the second time!

*Question No.565*

SUPPLY OF COMMUNICATION EQUIPMENT

**Mr. Deputy Speaker:** Is Mr. Mbitiru still not here?

The Question is dropped.

*(Question dropped)*

Mr. Murungi's Question for the second time?

*Question No.512*

UTILIZATION OF STABEX FUNDS

**Mr. Murungi** asked the Minister for Finance what the current status is regarding the Kshs600 million granted by the European Union Stabex Funds for Community Road Programme.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Mr. Deputy Speaker, Sir, I wish to apologise for coming late.

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

(a) Kshs600 million granted by the European Union as STABEX Funds for Community Road Programme has not been released by the European Commission.

**Mr. Murungi:** Mr. Deputy Speaker, Sir, the Kshs600 million is part of the STABEX money for doing rural access roads, especially in coffee growing areas. The Assistant Minister's answer clearly shows the hatred and contempt with which this Government holds the coffee farmers in this country.

Mr. Deputy Speaker, Sir, could the Assistant Minister explain why, although Kshs6 billion of the Kshs12 billion STABEX funds has already been released, it has taken over ten years for this Government to negotiate with the European Union for the release of Kshs600 million for the Community Road Programme? What have you been doing for the last ten years?

**Mr. Arap-Kirui:** Mr. Deputy Speaker, Sir, I wish to strongly disagree with the strange beliefs that the hon. Member has that the Government hates any national of this country. In fact, as we always try to point out and stress, the Government has a lot of concern for the welfare of its citizens. As I pointed out, the funds have not been released

by the European Commission. They will only be available for utilization once they have been released. Part of the reason why they have not been released is because the first phase of the rural access roads programme under what we call "Roads 2000" Programme has not been finalised. Once this is done, we hope that the European Union will be in a position to release these funds.

**Mr. Kibicho:** Would the Government consider requesting the European Union to change the utilisation of this money from making roads and give it directly to the farmers? Even if you make roads and yet there is no production of the coffee, there will be no crop to be transported. Could the Ministry consider changing the use of this money so that it goes directly to stabilisation of coffee prices?

**Mr. Arap-Kirui:** Mr. Deputy Speaker, Sir, as the hon. Member may be aware, other funds have already been made available to the farmers through the STABEX Fund Programme. These particular funds have been earmarked for the development of roads. At the moment, this is the most suitable programme to which these funds can be availed.

**Mr. Keriri:** Mr. Deputy Speaker, Sir, the Assistant Minister has said that this money has not been utilised because it has not been released. He was asked for a reason why it has not been released, but I do not think he gave that reason. Has the Government asked for this money, particularly the Kshs600 million, from the European Union so that these roads can be constructed? Otherwise, it seems as if the Government has just forgotten this particular project.

**Mr. Arap-Kirui:** Mr. Deputy Speaker, Sir, I trust that the hon. Member was listening when I explained that the funds have not been released because the Roads 2000 Programme has not been completed and the European Union has made it a condition that the funds will be released once this programme is complete. A task force was appointed early this year to ensure the speeding up of the Roads 2000 Programme. I hope that this will ensure that the programme is speeded up so that the funds can be made available.

**Mr. Murungi:** Mr. Deputy Speaker, Sir, the Assistant Minister is deliberately misleading this House. There are two road programmes under the STABEX Funds. There is the Roads 2000 Programme, which only covers Eastern Province, and it will cost Kshs700 million. The Government has sat on this money and the roads in Eastern Province are not done. The Community Roads Project was to cost Kshs600 million and it is different from the Roads 2000 Project. It was meant to cover coffee farmers all over the country. Why is the Assistant Minister trying to confuse us by saying the Community Roads Project is not being implemented because there were problems with the Roads 2000 Programme, which is a different project? Can he be honest and sincere to this House?

**Mr. Arap-Kirui:** Mr. Deputy Speaker, Sir, I agree that the Member is actually confused because it is not me who is confusing him. This is because I have pointed out that there are two programmes that he mentioned---

*(Mr. Murungi stood up in his place)*

**Mr. Arap-Kirui:** If you sit down, I will explain it to you!

**Mr. Deputy Speaker:** Order! When you ask a question, give the Assistant Minister an opportunity to answer it before you rise on a point of order because there is no order he has breached when he has not even finished one sentence. Hon. Murungi, exercise patience.

Proceed!

**Mr. Arap-Kirui:** Thank you, Mr. Deputy Speaker, Sir. I was only responding to the Member's comment that I was confusing the House, and I had agreed that he was, in fact, confused. However, there are two separate programmes and I agree, and this is why I am saying the first one is not yet complete. The first Roads 2000 Programme is a Kshs700 million programme funded by the European Union, and what they are saying is that until this one is finished, these other funds are not going to be released. We are trying to speed up that first programme and once it is speeded up, we hope the funds will be availed.

**Mr. Deputy Speaker:** Next Question, the Member for Kanduyi.

**Mr. Wamunyinyi:** Mr. Deputy Speaker, Sir, I apologise for coming late. However, I wish to ask my Question.

*Question No.539*

PAYMENT OF TERMINAL BENEFITS TO MR. KHISA

**Mr. Wamunyinyi** asked the Minister for Education:-

- (a) whether he is aware that Mr. Dismas Khisa, TSC No.119827/67, who was compulsorily retired in September, 2000, has not been paid his terminal benefits; and,
- (b) what he is doing to ensure that Mr. Khisa and other retirees with similar problems are paid.

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

(a) I am aware that Mr. Dismas Khisa, TSC No.119827/67, was compulsorily retired in September, 2000, and has not been paid his terminal benefits.

(b) The Ministry has developed an elaborate mechanism to check in advance that the required documents are in the file and in order before a teacher retires.

**Mr. Wamunyinyi:** Mr. Deputy Speaker, Sir, before an employee is retired on normal age grounds, it is in normal circumstances planned for and properly forecast. In part "b" of the Assistant Minister's reply to my Question, which was: "What the Minister is doing to ensure that Mr. Khisa and other retirees are paid their terminal benefits?", he talks of an elaborate mechanism to check in advance that the required documents are in the file and in order before a teacher is retired. Could the Assistant Minister tell the House what his Ministry is doing to ensure that any employee that is retired on normal age grounds is paid without any delay, since this is hurting everybody in the country?

**Mr. Poghisio:** Mr. Deputy Speaker, Sir, this is a specific case involving a teacher and some of the things that have delayed this processing included certain documents that he did not provide in time. The bottom line is that Mr. Khisa, whose Pension No. is 122002, is going to be paid his benefits. In fact, as of today, the Director of Pensions has confirmed that Mr. Khisa will be paid within one week.

### QUESTIONS BY PRIVATE NOTICE

#### OPENING OF NYAMASARIA RIVER CHANNEL

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

(a) Is the Minister aware that a wall collapsed and killed three family members, namely: Mr. Paul Ondo, his pregnant wife, Florence Auma, and their four-year old daughter, Susan Atieno, in the Nyamthoi area of Kolwa Central Location, within Kisumu Town East Constituency?

(b) Is he further aware that the wall which fell on the victims had been weakened by perennial floods which occur in the area due to the blockage of River Nyamasaria?

(c) What urgent measures has the Minister taken to open up the channel of River Nyamasaria to ensure it reaches the lake without destroying homes and crops?

**Mr. Deputy Speaker:** Is there anybody here from the Office of the President? It seems there is nobody. We will come back to that Question.

Next Question, the Member for Laikipia East, Mr. Mwangi Kiunjuri.

*(Question deferred)*

#### DISAPPEARANCE OF MR. MWANGI GICHUHI

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

(a) Is the Minister aware that Mr. Johnson Mwangi Gichuhi, a policeman No.32146, attached to the Traffic Department, Parklands Police Station, disappeared on 4th June, 2001 while on duty at the Museum Roundabout?

(b) Could he explain the whereabouts of the officer?

**Mr. Deputy Speaker:** Is anybody here from the Office of the President?

**Mr. Kiunjuri:** On a point of order, Mr. Deputy Speaker, Sir. We are dealing with Questions by Private Notice which are of very serious nature and we know that we have four Ministers in the Office of the President drawing salaries for nothing. In fact, I am not very sure whether they are following the President wherever he is today. Could you give us some guidance now that the Minister is not in since this is the second Question by Private Notice to his office?

**Mr. Deputy Speaker:** I do not see your point; I can only hear your Question.

*(Laughter)*

Office of the President?

**Mr. Kiunjuri:** Where are they?

**Mr. Deputy Speaker:** Order! Is there no Minister from the Office of the President here today?

**The Minister of State, Office of the President** (Mr. ole Ntimama): Mr. Deputy Speaker, Sir, I come from the Office of the President but I perform different functions.

**Mr. Deputy Speaker:** Order! The Chair has had reason in the past to say that it does not do this House or this good Government any good for Questions to be on the Order Paper, notice of which was given last week, and for nobody to turn up to answer them. So, I do not know which Minister was supposed to answer these two questions. I will find out and give a ruling on this matter tomorrow.

Next Question, Mr. Ndicho!

*(Question deferred)*

#### DEATH OF MR. ISHMAEL MWANGI

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

(a) Under what circumstances did the late Ishmael Kamau Mwangi die in Thika Police Station cells on Monday 9th July, 2001?

(b) Who was responsible for his death?

(c) How much compensation will the Government pay his family since he died in police custody?

**Mr. Deputy Speaker:** Is there still nobody from the Office of the President?

**Mr. Muiruri:** On a point of order, Mr. Deputy Speaker, Sir. Mr. Ndicho has a written answer to this Question No.3 by Private Notice. It is here and signed by the Minister of State, Office of the President, on 2nd October, 2001.

**A hon. Member:** Who is it?

**Mr. Muiruri:** I believe this is hon.---

**Mr. Deputy Speaker:** Order! I do not know on whose behalf he is speaking.

**A hon. Member:** He has "private eyes"!

**Mr. Deputy Speaker:** Hon. Muiruri, I understand you have "private eyes". When I do need your services, I will certainly ask for them. For the time being, I do not.

*(Laughter)*

Office of the President!

**Mr. Anyona:** On a point of order, Mr. Deputy Speaker, Sir. I think someone from the Government must take responsibility in this House on behalf of the Government when matters of this kind arise. The Office of the President is the one that manages the entire Government and they are not here, and there is nobody to explain what has happened. I think it is only fair that the Chair should require, from now henceforth, that someone from the Government ought to be able to take responsibility. I see my very good friend, the hon. Deputy Leader of Government Business, and someone should take responsibility!

**Mr. Deputy Speaker:** Order! The Chair is not responsible for the Government. The Chair is only responsible for Members of this House and I will, therefore, address that Question to the Leader of Government Business or his Deputy as the case may be, so that they should ensure that Questions should not go unanswered. However, in the meantime, on this particular instance, I do want to know from the Office of the President why these Questions have gone unanswered.

*(Question deferred)*

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

**Mr. Deputy Speaker:** You may proceed provided it is not on that issue.

**Mr. Kamolleh:** Mr. Deputy Speaker, Sir, a Minister of State, Office of the President, has come in.

**Mr. Deputy Speaker:** But another Minister of State, Office of the President, has given the House the position.

#### DEATH OF MS. KAMANTHE MUSYOKI

**(Mr. Munyao)** to ask the Minister for Medical Services:-

- (a) Is the Minister aware that a patient, Ms. Regina Kamanthe Musyoki, was admitted at Kenyatta National Hospital (Ward 10C, Bed 11) on 1st July, 2001, and that she died on 28th July, 2001?
- (b) What ailment did she suffer from and what treatment was administered on her?
- (c) Could the Minister order the hospital to release the body to the family for burial?

**Mr. Deputy Speaker:** Mr. Munyao is not here! So, the Question is dropped.

*(Question dropped)*

**The Assistant Minister for Health (Dr. Galgalo):** On a point of order, Mr. Deputy Speaker, Sir. I think hon. Members such as Mr. Munyao, who do not turn up to ask their Questions, should suffer the same fate as Ministers who happen not to be here when Questions they are supposed to answer are asked.

**Mr. Deputy Speaker:** Order! I think I can do that, but the Chair has ruled before that in the case of an hon. Member who misses to ask his Question, the Question is dropped. So, an hon. Member who fails to turn up to ask his Question loses. But in the case of a Minister who does not show up, the Question is merely deferred. So, in fact, the Chair is even fairer to you than to them.

#### TAX EVASION BY AFROLITE INDUSTRIES

**(Mr. Shill)** to ask the Minister for Finance:-

- (a) Is the Minister aware that Afrolite Industries Limited has refused to pay to the Government Kshs150 million owed to it through evasion of tax?
- (a) Is he further aware this failure is partly attributed to corruption within the Kenya Revenue Authority?
- (c) What action is the Minister taking to ensure that Kshs150 million is remitted to the Government and another estimated Kshs3 billion due for the last 20 years is recovered from the said company?

**Mr. Deputy Speaker:** Mr. Shill is not here! So, the Question is dropped.

*(Question dropped)*

Next Order, Mr. Obure! You have notified me of your intention to issue a Ministerial Statement. Could you now proceed?

**Hon. Members:** On a point of order, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** Order! Order! Hon. Members, if you were in this House and listening, you should have heard the Chair call out the next Order and give the Floor to Mr. Obure to issue a Ministerial Statement. So, Mr. Obure, if you allow other hon. Members to stand up and raise points of order simultaneously, you may do so but the chances are that you will not speak to them. Proceed!

#### MINISTERIAL STATEMENT

##### KENYA'S POSITION AFTER TERRORIST ATTACK ON USA

**The Minister for Foreign Affairs and International Co-operation (Mr. Obure):** Mr. Deputy Speaker, Sir, I thank you for giving me an opportunity to issue this Ministerial Statement on the recent terrorist attack in the United States of America (USA).

Mr. Deputy Speaker, Sir, on the morning of Tuesday, September, 11th, heinous acts of unprecedented scale of terrorism were unleashed on the people of the USA. These attacks were targeted at the World Trade Centre in New York and at the Defence Headquarters, Pentagon, in Washington DC, leading to loss of many innocent lives and massive destruction of property.

Hon. Members will recall that only three years ago our country experienced a similar suffering from acts of

terrorism. Accordingly, Kenya must join in the global efforts in the fight against terrorism. The Government of Kenya stands ready to co-operate with the Government of the USA and the international community in the fight against terrorism.

We, in Kenya, have reacted to these events with profound shock and sadness. On learning of these events on 11th September, 2001, his Excellency the President, Daniel arap Moi, on behalf of the Government and the people of Kenya, immediately sent a message to President George Bush, the Government and the people of the USA, expressing our deepest sympathy and condemning in the strongest terms these cowardly acts of terror. It is our profound belief that terrorism can never form the basis for the resolution of conflicts, and cannot be justified under any circumstances. We, therefore, call upon the international community to re-double its efforts in the fight against terrorism.

His Excellency the President has remained firm in expressing the Government's commitment in the fight against terrorism. The resolve by the international community has been spearheaded by the United Nations (UN) Security Council in its resolution of 12th September, 2001, which calls on all states to co-operate in the fight against terrorism. The UN General Assembly is currently considering a comprehensive convention on the elimination of all forms of terrorism.

Mr. Deputy Speaker, Sir, let me also inform the House that following these incidents, the Government immediately took steps to ensure the safety of Kenyans within our borders and beyond. We have tightened security in all our missions abroad. Our security at ports of entry has also been tightened. Our diplomatic missions in both New York and Washington DC were temporarily evacuated following these attacks.

So far, one victim of Kenyan descent, Mr. Kaaria Mbaya, has been identified. A funeral service was conducted last Sunday in New Jersey, which was attended by the family members and our Ambassadors in Washington DC and New York. Our two missions have continued to work round the clock to establish the identities of any Kenyans who may have been victims. I should hasten to emphasise that until the next of kin are identified and notified, the US Government, in accordance with accepted practice, cannot disclose information regarding the victims. I have appealed to Kenyans in the USA and elsewhere in the world to register with our missions abroad in order to facilitate assistance at times of need. I have instructed all our missions to facilitate such registration.

In the face of rising tension, the Government has taken steps to evacuate the families and non-essential staff from our mission in Islamabad, Pakistan, and it is watching the situation closely. Kenyans working with the UN in Pakistan have also been evacuated by the UN. The Government is ready to extend assistance to Kenyan students who may wish to come back.

Mr. Deputy Speaker, Sir, may I conclude by making an appeal to hon. Members of this august House to support the steps the Government has taken on behalf of all Kenyans in expressing its solidarity with the people of the USA and the international community in the fight against terrorism. This fight must involve all people of good will.

**Mr. Deputy Speaker:** Mr. Minister, how long is your Ministerial Statement?

**The Minister for Foreign Affairs and International Co-operation** (Mr. Obure): Mr. Deputy Speaker, Sir, I am concluding.

**Mr. Deputy Speaker:** You advised me that you have only one page.

**The Minister for Foreign Affairs and International Co-operation** (Mr. Obure): Mr. Deputy Speaker, Sir, with your indulgence, I am just concluding.

**Mr. Deputy Speaker:** My eyes are on the clock.

**The Minister for Foreign Affairs and International Co-operation** (Mr. Obure): That is all right, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker, Sir, as a peace-loving nation, we cannot be left out. Therefore, I count on the full support, solidarity and the understanding of all hon. Members of this House in our determination to combat terrorism. Humanity deserves to live in peace and harmony. We must all join hands in the fight against forces of evil and destruction, for that is what terrorism is all about.

Thank you, Mr. Deputy Speaker, Sir.

**Hon. Members:** On a point of order, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** Order! Order! Hon. Members, I would like to inform the House that when this incident occurred, the Speaker did write a letter of sympathy to the Speaker of the House of Representatives in the USA. So, we have expressed our collective sorrow and sadness at this happening.

## POINTS OF ORDER

### INSECURITY IN DANDORA

**Mr. Mwenje:** On a point of order, Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Minister of State, Office of the President, in charge of internal security, regarding the serious insecurity acts that have been taking place in Dandora. Although the Minister is not here, his colleagues are here, and I hope they will pass the message to him.

A lot of insecurity incidents have taken place where nine lives have been lost. The people of Dandora cannot come to town because matatus in that area cannot operate due to the prevailing insecurity situation.

**Mr. Deputy Speaker:** Mr. Mwenje, you have only a few more seconds to complete making your request.

**Mr. Mwenje:** Mr. Deputy Speaker, Sir, there are two groups fighting for the control of the matatu terminus in that area. If the Government is unable to contain the situation there we should be told. The Government should tell us whether it has deliberately left the security situation in Nairobi to deteriorate, particularly in Embakasi and Dandora areas, where fighting has go on for days as the Government watches, doing nothing about it.

#### KILLING OF SUSPECTS AT THIKA POLICE STATION

**Mr. Ndicho:** On a point of order, Mr. Deputy Speaker, Sir. I rise to demand a Ministerial Statement from the Minister of State, Office of the President, in charge of internal security, to explain to this House, Kenyans, and particularly to the people of Thika, under what circumstances six inmates were yesterday morning found dead in their cells at Thika Police Station. That was not the first such incident; it is something that has been happening. Could the Minister explain what is happening, who is behind the killing of inmates, and the purpose of doing so?

#### MEASURES TO PROTECT CHILDREN

**Mr. Imanyara:** On a point of order, Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Office of the Vice-President and Minister for Home Affairs, Heritage and Sports, with regard to a report given by the Government of Kenya before the 28th Session of the United Nations Commission on Children. The Report contains details that are not only shocking to Kenyans but which are also damaging to a Government which claims to have special affection for children. So, I seek a Ministerial Statement on the fate of our children and what specific measures the Government is taking to protect our children in land clashes areas.

#### REMOVAL OF TINTS IN VEHICLE WINDOWS

**Mr. Ochilo-Ayacko:** On a point of order, Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Attorney-General. Members of the public have been given notice indicating that those who are driving vehicles with tinted window panes should change or remove them. They have been notified that if they do not remove them, they will be arrested and prosecuted and the vehicles impounded by Thursday this week. I have looked at Cap.403 and have found nowhere in that Act of Parliament where the Commissioner of Police is permitted to prosecute or arrest anybody for driving a vehicle whose window panes are tinted. Could the Attorney-General tell us under what law the Commissioner of Police will prosecute these members of public?

#### COMMITTEE OF SUPPLY

*(Order for Committee read being Eleventh Allotted Day)*

#### MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

Vote 12 - Ministry of Local Government

**The Minister for Local Government** (Mr. Kamotho): Mr. Deputy Speaker, Sir, I beg to move that Mr. Speaker do now leave the Chair.

I would like to thank you and this august House for giving me this opportunity to present both Recurrent and Development Votes of my Ministry. As hon. Members are aware, the Ministry is essentially a service Ministry, whose main role is to advise, co-ordinate, support and guide local authorities throughout the Republic, by enhancing quality service delivery through citizen participation, economic governance and accountability.

Mr. Deputy Speaker, Sir, to sustain the reform momentum and achieve the objectives of improved local

service delivery and enhance economic governance for all local authorities throughout Kenya, my Ministry will focus on five related areas in order of priority:

(1) The enhancing of the local Government finances through the implementation of a revenue sharing programme, particularly the Local Authority Transfer Fund (LATF) and the strengthening of local revenue mobilisation capacity, particularly through rates and user charges, reforms and implementation of the single business permits.

(2) The strengthening of financial management, capacity and accounting control and audit mechanisms.

(3) The reform of local framework of local authority.

(4) The development of the capacity to deliver services, plan and implement infrastructure projects using more community-based participatory planning.

(5) The development of decentralisation policy and the integration of local Government finance into the Medium-Term Expenditure Framework (MTEF).

In addition, my Ministry will strengthen the Kenya Local Government Reform Technical Secretariat to support the basic administration of LATF. At the same time, the review and harmonisation of the Local Government Act, Cap.265, with other Acts of Parliament is being accelerated.

Mr. Deputy Speaker, Sir, to achieve these objectives, I will be requesting hon. Members to approve a total of Kshs6,808,762,500 for my Ministry during the current financial year, 2001/2002, out of which Kshs5,148,762,500 will be for Recurrent Expenditure. The total amount required for Development Expenditure is Kshs1,660,000,000 only. The local Government reform programme requires Kshs3.6 million.

Mr. Deputy Speaker, Sir, allow me to emphasise that my Ministry is fully committed to the reform of the local government systems and it continues to demonstrate this commitment at the policy programme and project levels. To sustain the momentum of the local Government reform process, my Ministry would like to request for strong and continued support from the Ministry of Finance and Planning.

With regard to the LATF, my Ministry requires Kshs3,087,000,000 for this particular item. LATF is a policy instrument to provide funds and incentives to local authorities to improve local service delivery, financial management and debt reduction. LATF is essentially a mechanism to enhance the local authorities' revenue base by giving them access to the more buoyant Income Tax base of the Central Government. LATF will provide local authorities with important revenues while providing the Central Government with a mechanism to further encourage and guide the local government reform effort.

The LATF funds are allocated and disbursed on an objective and published criteria. The LATF Advisory Committee was gazetted in February, 2000, and has since met and approved the recommendations for the disbursement, allocation and criteria for the Financial Year 2001/2002, which were gazetted by the Minister for Finance in May, 2001.

Mr. Deputy Speaker, Sir, for this financial year, 65 per cent of the disbursements will be for service delivery support, subject to the following conditions:-

(1) Capital expenditures by a local authority has to exceed 50 per cent of the amount allocated under the service delivery.

(2) Less than 65 per cent of the total expenditure is to be spent on personnel.

(3) Payments of all statutory charges are to remain current.

The remaining 35 per cent will be disbursed subject to performance, for example, after presentation of certified income and expenditure statements for 1999 to 2000. Secondly, after statements of debtors and creditors are provided and then the implementation of a debt reduction plan is confirmed. Thirdly, a revenue enhancement plan is developed and finally, implementation of a single-business permit is confirmed.

Mr. Deputy Speaker, Sir, to encourage the prompt use of additional Local Authority Transfer Fund (LATF) monies in local authorities, my Ministry will hasten the approval of all local government budgets in order to ensure that they are approved within 60 days after submission. I can assure hon. Members that my Ministry will accelerate the budget review and its approval process when an abstract of accounts for 1999/2000 is submitted together with the Local Authority Annual Delivery Action Plan, demonstrating community participation.

With regard to licence reform, that is the single-business permit, I would like to remind hon. Members in this august House that the central Government stopped charging any business licence fees two years ago. This function was left to all the individual local authorities to charge reasonable fees, guided by the Ministry and stakeholders to the businesses operating in their own jurisdictions.

Mr. Deputy Speaker, Sir, the 1998 Finance Act introduced changes to the Local Government Act to allow the introduction of single-business permit. At the local level, in December, 1999, my Ministry issued guidelines to enable all local authorities to shift to the new single-business permit system by the year 2000. I can now report that all the local authorities have adopted the new system. In addition, the Local Government Act was amended to introduce a 3

per cent fine on all late payments of single-business permits.

Mr. Deputy Speaker, Sir, in order to avoid double trade licence fees on accountants, advocates, doctors, architects and other professionals, amendments were made to various controlling Acts to cancel the trade licensing fees payable to the central Government by these professionals.

Mr. Deputy Speaker, Sir, as mentioned previously, financial management and revenue mobilisation has been a major stumbling block to our local authorities. My Ministry is strongly committed to strengthening financial management and accountability at the local authority level. Sustainable action has been focused on developing improved financial management systems which are directly linked to business licensing reforms and property rates. These computer-assisted systems are capable of assessing billing and monitoring the collection of local business permits and property rates. These systems will provide the local authorities with operational revenue and expenditure control systems that can easily be expanded to include all local authority financial operations.

Mr. Deputy Speaker, Sir, my Ministry is also undertaking reforms to improve the efficient delivery of local authority services. A number of important policy reforms related to commercialising the management of local authority services, such as garbage collection, water supply, road maintenance services, markets, health services and schools are under way. One major effort has been focused on commercializing water and sewage services through the formation of water management companies which are wholly owned by the local authorities. In fact, I would like to inform hon. Members that today, five such companies are already operational in Nyeri, Eldoret, Nakuru, Kericho and Kitale [**The Minister for Local Government**]

Municipal councils. Financial management control boards have also been established.

Mr. Deputy Speaker, Sir, on this particular item, the Ministry requires Kshs27 million during this current year. This is a new mechanism which my Ministry intends to use for local capacity development.

*(Mr. Chanzu consulted with officers  
on the Civil Service Bench)*

**Mr. Deputy Speaker:** Order! Order! Hon. Members are allowed to consult with civil servants on the Civil Service Benches, but not to engage in animated discussions. Those who want to talk for a long period, there is a room provided at the back here! The officers from the Ministry are here to listen to what the Minister is saying and, subsequently, what hon. Members are going to say in response to his Motion.

So, give them a chance to hear what is being said.

**The Minister for Local Government (Mr. Kamotho):** Mr. Deputy Speaker, Sir, these boards will mainly deal with fiscally distressed local authorities. The Government has operationalized the interim Oversight Board for Nairobi City Council since the beginning of the last financial year. The Board will systematically reform the Nairobi City Council finances, starting with a full external audit. In addition to that, the Government will bring a legislation to Parliament to underpin the future operations in order to improve financial controls on all local authorities suffering chronic financial distress, and at the same time, to assist restructure their operations to enhance their revenues; rationalise their incomes and expenditure, and improve the efficiency of their service delivery.

Mr. Deputy Speaker, Sir, with regard to Road Maintenance Levy, the Ministry requires Kshs1,649,760,000. An important objective of the reform programme is to rationalise the inter-governmental financial relations in order to provide additional resources to the local authorities in an equitable manner. The Road Maintenance Levy Fund is one of the policy instruments to achieve this objective. As hon. Members may recall, the Finance Act, 1997, allocated a portion of the Road Maintenance Levy Fund to be used to finance the routine maintenance of local authority roads. In the 1997/98 Financial Year, the amount of money which was allocated was 20 per cent. This was approximately Kshs800 million. In the last financial year, about Kshs1.6 billion was allocated for this purpose. The contract awarded for roads rehabilitation covered four towns; namely, Nairobi, Eldoret, Kisumu and Nakuru. In this financial year, the amount of money which has been allocated to my Ministry amounts to approximately Kshs1.649 billion. Part of these funds will be used to finance on-going road rehabilitation contracts, and the balance will be used as Government counterpart funds for the Kenya Urban Transport Infrastructure Project (KUTIP). This money would be used to cover the project activities in the 26 project towns.

My Ministry is aware that the Road Maintenance Levy Fund is now being managed by the Kenya Roads Board, which is already operational. The Ministry will, therefore, work very closely with the Kenya Roads Board and the District Roads Committee to ensure that the on-going programmes under the Ministry are finalised to completion. On the General Administration and Planning Sub-Vote, we require Kshs54,234,020. This amount of money will be required to enable the Ministry to pay salaries for staff and carry out general administration at the headquarters as well as in the provinces.

On Contribution in Lieu of Rates, I know many hon. Members have come to our offices to ask us to release

some of this money to various local authorities in order to enhance their financial capacity. The amount of money allocated by the Ministry of Finance and Planning to this particular Sub-Vote is only Kshs264,200,566, while our requirement is Kshs400 million. Out of this amount of money, Kshs150 million normally goes to mutual indebtedness between the Government and Nairobi City Council (NCC). This only leaves Kshs114,200,566 to cater for central Government annual liabilities owed by the Government property located in all the other local authorities. This amount of money is not adequate to cater for the annual demands for contribution in lieu of rates by all the other local authorities.

Mr. Deputy Speaker, Sir, I would now like to turn to the Development Expenditure which is Vote D12. On this particular Vote, the Ministry is allocated Kshs1.660 billion. In my earlier remarks, I informed the House that local authorities levy rates and various fees and charges on various items to finance their Recurrent Expenditure and some capital projects. These sources are, however, inadequate for them to undertake major capital projects within their areas of jurisdiction. This has forced them to undertake capital projects through grants and loans from friendly donor countries and agencies with Government assistance. Such donors include the World Bank, the African Development Bank (ADB), the European Union and the Governments of Japan and Germany.

Mr. Deputy Speaker, Sir, we also have the KUTIP which has been allocated Kshs1.2 billion. The World Bank is assisting my Ministry through the KUTIP. The project mainly addresses road networks in 26 towns, including the four principal towns; namely, Nairobi, Mombasa, Kisumu and Eldoret. It also addresses road networks in 22 secondary towns which are: Bungoma, Kakamega, Kisii, Embu, Garissa, Nyeri, Homa Bay, Kabarnet, Kericho, Kapsabet, Nakuru, Narok, Kitale, Thika, Machakos, Makueni, Voi, Kajiado, Malindi, Busia, Meru and Murang'a. The aim of the project is to increase the economic efficiency of the urban road network and to build sustainable road maintenance capacity in the project towns. Other projects under the Development Vote include environment and urban development training, which have been allocated Kshs20 million. The urban water and sanitation management has been allocated Kshs20 million; minor alterations and maintenance works - Kshs10 million; partnership approach to meeting the needs of the urban poor - Kshs57,500,000, and the small towns development projects - Kshs28,300,000.

Sub-Vote 120 - General Administration and Planning has been allocated Kshs257 million. This amount of money will be spent on various project designs, studies and environmental issues, staff training and implementing the World Bank component of the urban transport project.

In conclusion, while I do appreciate the support the Government has given the Ministry in carrying out the various development programmes under my portfolio, I must also reckon my appreciation for the support we have received from friendly donor Governments and agencies in financing these programmes by way of soft loans and grants. I call upon the support of all hon. Members in my endeavour to carry out the enumerated tasks.

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

**The Minister of State, Office of the President** (Mr. ole Ntimama): Thank you, Mr. Deputy Speaker, Sir. I want to take this opportunity to second the Vote of the Ministry of Local Government. I want to thank the Minister very sincerely for having deliberated on his Vote very efficiently and meticulously. He has mentioned most of the areas and problems that affect local authorities.

Mr. Deputy Speaker, Sir, I do not want to take a lot of time, but I would urge the Minister and his principal officers in the Ministry to continue upholding the law to the letter. Cap.265 is the Local Government Act and I am pleading with the Minister and his principal officers to follow the law. They should not listen to the people who would like to bend the law for their own personal interest. I am saying this because I know very well that when hon. Members come to contribute to this Vote, most of them will try to criticize the Government and the Ministry itself for certain shortcomings of the local authorities from where they come from. There is no doubt that in very many other areas and institutions of this land, we have got some shortcomings. We also have people who do not do their job properly. We have got corrupt individuals in the Public Service, including the local authorities. We have got ineptitude spread all over our local authorities. But there is no doubt that it is not always that the Government or the principal officers of the Ministry should be blamed.

We have examples of hon. Members of Parliament on both sides of this House who protect people from their own local authorities even when they know so well that they are corrupt and that they cannot deliver, and that they have messed up the finances and the ordinary administration of their local authorities. I think we must all be very careful. We must expose these people and not protect them. Hopefully, the Ministry will be able to rectify some of these things within our local authorities, either by effecting transfers or prosecuting some of these people if corruption and mismanagement of finances has been established. I want the Minister to understand that whenever he is suspicious, the law provides that he can send a group of inspectors to go down and find out what is happening in any particular local authority. But I do not know what happens in some areas.

I have a lot of respect for the hon. Minister for Local Government, but some of these things should not gather dust in the shelves. I know some of the teams that go out try their best to probe and bring out what is wrong in the

financial and administrative management of some of these local authorities, but we have not seen anything spectacular happening. We would like to see certain spectacular things happening.

As I said, Mr. Deputy Speaker, Sir, we, the Members of Parliament, must stop interfering in the affairs of the local authorities. We can give the advice to the Minister. We are his colleagues on both sides of the House and, definitely, the Minister is obligated to listen to hon. Members, especially concerning their own areas.

Mr. Deputy Speaker, Sir, the other thing that I want to say is that the resources of local authorities are very important. They are supposed to help the communities that are served within the borders of that particular local authority, socially, the infrastructure, the bursary, water supply and so on. Some local authorities have come out and said that they do not have the resources. I am sure there are always resources within a given local authority to improve the social situation of those people. Some of these people are fighting for the resources, financial and so on. Some of the revenues of the local authorities are being misused either because some big people go and make contracts illegally, or bypass the law and get themselves contracts to do certain things in a local authority and loot it. I want to ask the Minister to make sure that some of these things stop.

For example, we have got many other sources of revenue. In our area, we have got wildlife which is the source of revenue. It can help the local people to advance their social development. But we have seen many people using this revenue from wildlife for their own benefit. This is arrogance of the first order and misuse of power. Some of the local authorities are liquidated because people collect revenue and misuse it. I want to speak especially concerning the wildlife. The survival of wildlife is entirely dependent on the goodwill of the people who live with the wildlife. If that wildlife is used for the benefit of a few individuals or a group of individuals because they are powerful, there could be a backlash. This will mean that the wildlife will disappear. This is a national resource. We do not want a situation like that to happen. This is why I want the Minister and his Permanent Secretary to make sure that things are done well and evenly. As soon as I realise somebody can collect money and get rich without the Government or the Ministry doing anything about it, then it will be free for all. The law will not be respected and we will all go to the corners and collect these things.

I am saying this because local authorities are the basis of our democracy. There is no doubt that even in the present Constitution, which we are reviewing now, everybody is agreed that we must strengthen and empower the people at the grassroots; the local authorities, so that they can be able to decide their destiny and make decisions on those affairs that affect them. The local people are the basis of democracy, and if we want to enjoy the dividends and blessings of democracy, then we must strengthen local authorities financially so that they can operate without any hindrances at all.

Mr. Deputy Speaker, Sir, all I am saying is that I want to see the Minister for Local Government and other Ministers follow the law of this country. We do not want the law of individuals who go out to make noises arrogantly and misuse power so that they can liquidate the local people and their communities, and especially in situation where the Local Authority is in trust of the community.

Finally, the bottom line is the community itself. If the community is not satisfied then we are in trouble. Those are the people that we will always have to protect so that democracy and justice can be seen to be upheld.

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

*(Question proposed)*

**Mr. Ndicho:** Mr. Deputy Speaker, Sir, thank you very much for giving me this chance to contribute to this very important Vote of the Ministry of Local Government. I have no problem with what the Minister is asking this House to approve for the Ministry of Local Government.

*[Mr. Deputy Speaker left the Chair]*

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

The greatest concern in the country and which the Minister did not address is why there are many strikes in virtually all local authorities. We know that employees of Mombasa and Kisumu Municipal Councils are on strike. As I speak here, the employees of Thika Municipal Council are also on strike. These strikes are affecting the smooth running of local authorities as far as revenue collection is concerned, and more importantly service delivery. Since Sunday, yesterday and even today, people of Thika have been experiencing water shortage because the employees of Thika Municipal Council have been on strike. I have talked to the Minister about these strikes. The CBA Union of the Ministry of Local Government negotiated for higher salaries for employees of local authorities way back in 1992 and

the Ministry agreed to increase them. We know that since 1992 there have been successive Ministers for Local Government and mayors, but they have never questioned these salaries.

Mr. Temporary Deputy Speaker, Sir, on Friday, when workers received their pay slips in Thika Municipal Council, it was sad because some of them got zero salaries. The highest paid officer or worker in Thika Municipal Council got Kshs250. As a result, they went on strike. The council is saying that since 1992, all the monies they have earned were irregular and have to be deducted from their salaries. But it is sad to see that they are deducting the whole amount of salary. So, if there is that kind of a thing, and there is an agreement to deduct the salary, then it should be done in such a way that we do not punish the workers. This is because some of them are taking back their children to school and they are also supposed to take care of their families. Therefore, I would like the Minister to address this issue very seriously because it is affecting the lives of our people.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about one issue and which I would like the Ministry to address when reviewing the Local Government Act. This is the issue where the Attorney-General enters defence when Government Ministries are taken to court, except the Ministry of Local Government. The Ministry of Local Government is an avenue of exploitation between officers and private lawyers. The Attorney-General must also enter defence for this Ministry. Otherwise, the way it is today, this issue has been left between the individual councils and private lawyers. There is nothing good these lawyers are doing to the councils other than exploiting them. They have depleted the local authorities in this country. This is because when a case goes to court and they contract a private lawyer, there is no way of regulating legal fees. The amount of money to be paid to a lawyer is determined by the officers and the lawyers. This is why I raised this issue in Thika in April, when His Excellency the President came there. It is a pity that between April and now, one lawyer has been paid Kshs5 million for arbitrating between two cases. One for the workers and another one between an individual councillor and her party. I was challenged and even threatened with being taken to court for raising this issue. However, I have got the computer printout of all the expenditure of Thika Municipal Council between January and September, this year. How can it be justified that one lawyer is paid Kshs5 million for arbitrating between two cases? This is the exploitation I am talking about. It is not only happening in Thika, but it is happening in Nairobi, Mombasa, Kisumu and all other local authorities. That is why local authorities have their revenue depleted. It is not that these councils do not collect revenue, they do. We must also admit the fact that the Ministry of Local Government has got a very weak system of auditing. This is because in many local authorities the work is so voluminous and the personnel are so few. At the end of the day, they do a shoddy job. Officers sent from the Ministry to audit those councils are also bribed by the same people whom they are supposed to audit and, at the end of the day, it is a corrupt system of the entire Local Government. So, we need an Act of Parliament that will address that issue of accounting, auditing and regulating how councils' money is spent.

Mr. Temporary Deputy Speaker, Sir, I must thank the Permanent Secretary in this Ministry for giving a directive as far as LATF money is concerned. He said that the people in the local authorities themselves, and not the councillors, must sit down and decide how this money will be spent. This is because previously, instead of this money being spent on projects, it was spent on paying salaries. Then we continue to wonder why there are no services delivered to the people. I hope that the Permanent Secretary and the entire Ministry will be strict on that particular directive. They should never approve any project that will not have public input. We will support the Ministry in that endeavour.

Mr. Temporary Deputy Speaker, Sir, I look forward to the time when the Local Government Act will be overhauled, or reviewed, so that the people of this country will be allowed to elect mayors directly. The current system where the mayor is elected by five, ten or 20 councillors is an avenue for corruption. If we came in this House and passed a law here to have the President of this Republic and the hon. Members elected by the people of Kenya, who is a mayor not to be subjected to public scrutiny? I would love to see the mayor of Thika Municipal Council elected by the entire population of Thika so that his allegiance and loyalty will be to the people who elected him. Today, mayors pledge their loyalty to the councillors so that next time they will be elected. We would like to see the mayor of Nairobi elected by the people of Nairobi. Even if Nairobi will be divided into boroughs or it remains the way it is, let the people of Nairobi elect the mayor who will be in charge of local issues. Let the Mayor of Mombasa be elected by the people of Mombasa.

Mr. Temporary Deputy Speaker, Sir, the other day you saw what happened in Kisumu; where we read in the newspapers that the Mayor of Kisumu challenged his Minister and even dared him! I think he fell short of telling him: "If you are man enough, reinstate these people that we have sacked". When did we stoop so low that a mayor from the lakeside town of Kisumu can dare his Minister? What became clear is that, that mayor is deriving his powers from another source and he does not care what the Minister will do. He will simply go through another source and have whatever he wants implemented in Kisumu Town. Later on the Minister gave an order that the Town Clerk and the Treasurer should be reinstated, but the mayor categorically said that they were not going to be reinstated and yet it was the Minister who had issued that directive. Mr. Kamotho, we are wondering what is happening in your Ministry! Why

are "small mayors" in towns giving you directives and threatening you?

**Mr. Sungu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Ndhicho in order to talk about Kisumu specifically, when, in fact, whatever he is talking about happens in every local authority? The chief officers are always fighting with mayors. It is not only in Kisumu Municipality!

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, he has made the point. I am supporting the action the mayor took to discipline people who had stolen money from the local authority. I am siding with the mayor and the councillors' action.

**Mr. Kimeto:** On a point of information, Mr. Temporary Deputy Speaker, Sir.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I do not want his information!

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, Mr. Kimeto!

**Mr. Kajembe:** Thank you Mr. Temporary Deputy Speaker, Sir. I stand to support this Motion. But there are areas where we must advise the Minister. We have experienced several strikes in local authorities, the very recent one being in Mombasa. The problem was that, that local authority was unable to pay salaries to its workers. But if you look at how much money they have not collected, you notice that its Government Ministries, parastatals and personalities who call themselves "untouchable" who have not paid them. I think everybody should adhere to the law; whether one is "untouchable", a Government Ministry or a parastatal. They should all pay whatever money they owe the local authorities.

Mr. Temporary Deputy Speaker, Sir, if you look at the allowances of councillors in all local authorities, they are very low. They initiate Harambees and give reasonable amounts during fundraising activities and yet they get very low allowances. I think the Minister should ensure that the allowances of councillors are raised. If they are not raised, they will use the various activities in the local authorities to make money. For example, they award tenders and allocate land. They do all those activities through corruption. They are attracted to corruption because they earn very low allowances. My advice to the Minister is that, he should raise the allowances of the councillors so that they can forget about corrupt practices.

Mr. Temporary Deputy Speaker, Sir, in the past I have witnessed a lot of supervision on misappropriation of public funds, but there are some areas where the Ministry should also look into; like the planning of our cities in the country. Public toilets and road reserves in urban centres have been converted to residential and commercial plots. I think the Ministry should do more rather than just supervising misappropriation and mismanagement of public funds.

Mr. Temporary Deputy Speaker, Sir, in our local authorities you will notice that most councillors do not attend seminars. The Minister should organise and take councillors to seminars in order to be taught the rules governing the local authorities and the Act governing the local authorities. There has been a tendency whereby if one Town Clerk is not performing well, for example, in Thika County Council, the only solution is to transfer him to Mombasa and if he does not perform well in Mombasa, he is transferred to Malindi County Council. For accountability purposes, I think such people who cannot perform well, their services should be terminated rather than transferring them from one local authority to another. There has also been a tendency by chief officers to collude with councillors, especially in awarding tenders and allocating land. Now that the Minister for Local Government is asking for more than Kshs6 billion to fund the running of the Ministry, he should ask for more money, because though there is laxity in some of the local authorities that cannot collect their revenue, even if some collect, they will not have enough money to pay the workers. I think the Ministry should set up a fund to ensure that each local authority in this country pays salaries. I am saying this because, even today, some of the local authorities have not paid their salaries for more than three months which is very bad.

Mr. Temporary Deputy Speaker, Sir, when workers in Mombasa went on strike, after liaison with the Ministry, the Minister was very kind in assisting the councillors in Mombasa to pay the three months salaries. From where will they get money to pay the September and October salaries? It appears there is no proper planning at all. They should be able to develop a system which is workable and acceptable by the workers in all local authorities. It should be a system acceptable to wananchi. Once workers in any local authority go on strike there will be stinking garbage and other bad occurrences. I would like to advise the Minister to ensure that workers are paid promptly at the end of each month. Otherwise all workers under the Local Government Workers Union will go on strike and there will be chaos all over.

Mr. Temporary Deputy Speaker, Sir, another bigger problem is environment. No local authority in this country pays attention to environment. You will find that sewers have become blocked in most of our towns and mosquitoes are breeding, and there is malaria in every place. I remember when we were young, even before Independence, we could not see a mosquito flying around. Today, mosquitoes fly like hell in most towns, and there are many incidences of malaria. When you go to hospital, you are asked whether you are sick and whether you have come with your share for treatment. In most cases, the patient is unemployed and poor. He or she does not have money. Hence, he or she ends up dying! We cannot build a nation of this kind. We must take care of our citizens, whether

medically, educationally, socially or economically.

Local authorities are the grassroots of democracy, and it must start from there. If that institution of local authorities is destroyed, then, you are destroying even this House. You are destroying the country because it is those councillors who rise from those local authorities and come to the august House. I would like to praise the Minister for Local Government for saving the chaotic situation in Mombasa. I am saying that this is the only Minister that I have come across who suppresses chaos. Otherwise, in Mombasa, Kisumu and elsewhere, these strikes would have continued up to now.

With these few remarks, I stand to support the Vote.

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Kihoro, are you the Shadow Local Government Minister?

**Mr. Kihoro:** Mr. Temporary Deputy Speaker, Sir, I am not, but Mr. Maitha will do that tomorrow. I am grateful to you for having given me an opportunity to contribute. I do agree that the Ministry of Local Government is very important in taking democracy to the people. It is a cross-road for democratisation in the country.

We are aware about all this cry over the majimbo system of Government which has come up because of the collapse of the Local Government system. If only we had a functioning Local Government system in this country--- I know there are cries of those provincial warlords who want to control majimbo without money, but it is very difficult.

The Secretary-General of KANU has run the Ministry well. But I believe that he must play politics wherever he is. The way local authorities are run is bad, like the one in Nyeri, where we have, for instance, the roads which have been constructed under the Kenya Urban Transport Infrastructure Programme and have continued for over two years. But we are only talking about 20 kilometres of roads in town, and which have been done for over two years. It is very shameful; that, you have work done very badly by a company called Victory Construction, that appears to have certain connections in the Ministry of Local Government; that every contract must go to this company, a company that takes two years to do 20 kilometres of road, it does shoddy work with poor design and delays in doing the job. Eventually, all businessmen have been suffering for two years, because the roads are blocked. That is done, so that the company can have an opportunity of going to make another claim on the contract sum. They block roads, and put a claim for money and they are paid. Two years is too long to work on a 20-kilometre stretch. In this country, people have been trained and local companies, not only Indians owned, can do that kind of work in this country. Our people deserve to be given contracts but the Ministry of Local Government must have a way of stopping it and getting the right company, hoping that the Minister and those who work there are going to be properly guided. It is not an opportunity for corruption. It is an opportunity to deliver. As we have been told by Mr. Kajembe, it is an opportunity to deliver to the people. The nearest contact the Central Government can have with the local people is through the Ministry of Local Government and because of what has happened previously, this is what we have. You go to every town and you will see the amount of garbage, just get down to River Road or Pangani and you will see the heaps of rotting vegetable materials. This is totally unacceptable, and that is not an exception in Nairobi.

This is happening when we have the Nairobi Oversight Board that has been operating for two years, at a wage bill of Kshs67 million every year; that is what is on the Vote, to have a non-elected body to run affairs in Nairobi, when there are elected councillors. I do not understand this duplication. Why should we duplicate work that can be done by elected representatives of the people? That is totally unacceptable. Why do you spend Kshs67.2 million? That is what you are asking for under the Development Vote. Why give it to individuals who are not accountable to the councillors or to this Government? Yet, when the Budget is before the House, we do not examine it. What we only do is to routinely go into this matter annually and then the Kshs67.2 million will disappear. It will be spent by people who are not accountable; that is totally unacceptable. We need elected representatives in this country and that is the clamour for the elections of the Mayors. We want an elected representative to take charge for a period, so that the people will have an opportunity of punishing that individual, come the next elections, but when you have an Oversight Board, and I do not know how Mr. Kamotho was able to pick them--- Maybe, the criteria will come up when he replies to the debate. We are talking about the criteria on which the members of the Nairobi Oversight Board were picked without an election. Was it by canvassing, or through contacts on the golf course, or through third parties? What was the basis of picking on those individuals to run and to become members of the Nairobi Oversight Board, spending Kshs67.2 million of taxpayers' money?

There is the Mumbi Site and Service Scheme in Nyeri where 1,500 applicants did apply for 82 plots and paid Kshs4,000 each. Kshs1,000 was non-refundable, and, eventually, instead of the process being taken through a ballot, where some can lose and some can win - you can have 82 winners, and then you have 1,418 people losing. Those who did apply for the plots had agreed to lose money fairly, but not to be swindled in a fraudulent process we are being told about by the media attributed to the Provincial Commissioner. What has the PC to do with the local authority in Nyeri? That is what we are told. It is important that, that process be reversed because we do not want the Ministry of Local Government to be used to legitimise the process of theft. If it was an individual running such a lottery in Nyeri, where

1,500 people lost money, each one of them paying Kshs1,000, the thief would be in custody today. How come when it is run by the local authority, it is legitimised, legal and lawful, and nobody can touch it? For one year, it has been running, and you have the Minister and two Assistant Ministers. That money must be refunded to those people who paid it. Otherwise, they cannot exonerate themselves from having defrauded and swindled and, unfortunately, stolen from poor people. It is important that the Urban Transport System in this country be placed on a better footing. Go to any town and look at the amount of environmental degradation; rubbish and plastic materials flying all over. You should wait until there is a gust of wind and you will see how much dust flies in the air. Our towns have become shameful areas!

The amounts of dust and garbage in our towns have become a shame. It is very tragic that we can have so much plastic waste, heaps of rubbish and non-functioning public toilets in the City. One cannot attend to a call of nature in Nairobi because the toilets have been privatised. You might have to wait until you get home! But you might not make it! It is important that public toilets in Nairobi are reinstated to what they are supposed to be. Let there be a charge for it!

Mr. Temporary Deputy Speaker, Sir, urbanization in Nairobi started in 1897 when the railway line reached Nairobi. It is a shame that after 100 years, we cannot run our public toilets! New York City, which was founded in 1607, and the City of London which is about 1,000 years old have got functioning toilets. How come that after 100 years, the African in Kenya is tired? The Ministry of Local Government is in charge of these toilets! We cannot say a population of three million in Nairobi cannot use public toilets, to warrant this privatisation. This is a process which needs to be reversed. We should have functioning clean toilets. If you go to Harare, you will find clean functioning toilets with toilet paper and running water. Why is it that Nairobi City Council cannot do the same? People here in Nairobi are busy grabbing public land! Look at the saga of Joseph Kang'ethe Estate! This process of stealing public land and public resources is legitimised through certain officials who are prepared to accept that practice.

Mr. Temporary Deputy Speaker, Sir, in the Development Expenditure of this Ministry, I realise that Kshs70 million will be spent on Nyeri Water Supply Study. This is not the first time they are spending that amount of money on the study of Nyeri Water Supply Project. What is it that this Ministry wants to study? Is it the quality of water, the content, component, chemical analysis of the water or what?

With those remarks, I beg to support.

**Dr. Omamo:** Mr. Temporary Deputy Speaker, Sir, all that I say should be taken to mean that I am supporting the Motion. Although I am supporting the Motion, there are a few areas where I would like to share with the Minister so that we have a better local government.

Mr. Temporary Deputy Speaker, Sir, first and foremost, there is need in this country to have a Local Government. The Constitution of Kenya does not provide for a Local Government. So, my first suggestion to the Minister is that, he should insist that the Constitution of Kenya should provide for a Local Government in Kenya. From my own observations and experiences in Government, I feel that we have not taken steps to strengthen the financial base of the local authorities. They still have a weak financial base. I remember that this matter was debated in the Omamo Commission, right-left and centre. That was as a result of the Local Authority Transfer Fund (LATF) which was supposed to be done carefully. Every local authority had to explore all avenues of raising its own funds and see how much it can raise and where it cannot raise more funds, the central Government should chip in. In other words, when that is done, LATF will top up everything, so that every local authority has enough funds. The Omamo Commission recognised that not all local authorities are equally endowed with resources. I would like the Ministry to look into LATF again because it is not enough.

Secondly, the funds made available to local authorities are not being audited properly. That is why there is so much trouble about thieving, right, left and centre. They are stealing little money--- When you steal little money, you do not feel it and you will steal it again. You do not feel it because it is so little! We should have the books audited. In the Omamo Commission, we found that local authorities were behind with auditing for so many years. When we added those years together, local authorities were behind by 1500 audit years. I cannot remember by exactly how many years the Nairobi City Council was late. Let us move fast and deal with auditing. When we delay, we always come and do the audit when the damage has already been done.

When we toured the City of Berlin and looked at the way they kept their accounts, they do it in such a way that it is impossible to steal money from the local authority because of the system. Even if one tries to steal, the system does not allow him to do so because of the way it is recorded and checked. When you try to steal, the system stops you from stealing! We should aim at this kind of auditing - auditing for management!

Mr. Temporary Deputy Speaker, Sir, I would like to persuade the Minister to encourage every local authority, including my new local authority - Muhoroni Town Council, to plan properly. If we plan properly, we will have a planned development! Development without planning is haphazard development. I would like to persuade the Minister to look after this new example of local authorities that jumped the urban council status and went straight to

town council status as a result of the Omamo Commission recommendations. Muhoroni is one of them. Let the Ministry help these new town councils to find their roots so that when they are promoted, they become municipalities straightaway.

In my opinion, that can only be done by making sure that they have strong financial base and do their planning properly. I would like to add that there is need in our country to empower the local authorities financially. Let them be responsible for their own plans and finances. In my opinion, when you look at the allowances given to the councillors, they are not enough! In many occasions, I have said that I like big things. I like being referred in my language as "*kaliech*". Let us give them "*kaliech*" allowances. Let them spend their time serving the people and not bothering about their allowances. If you empower a person, you can expect him or her to deliver. That is why the Members of Parliament are delivering even better. That is because they have been empowered. Their salaries and allowances are much better! Let us do the same for the councillors. The councillors are doing the grassroot work. They deal with wananchi directly on behalf of the Ministers, Assistant Ministers and Members of Parliament. They are in the constituencies. I think it is not right morally to see politicians elected by the same people who elected Members of Parliament being paid a pittance as an allowance. It is not fair! In the Estimates, we would like to see specific amounts of money voted as allowances to the councillors. The allowances and salaries for councillors should come directly from the Government coffers. Let us not depend upon the local authorities to raise that money. We should see to it that they get fair salaries and allowances.

Mr. Temporary Deputy Speaker, Sir, in my opinion, I think that when councillors are better paid, we can expect better service delivery to the people. That would be the way forward to improve local authorities, particularly when we include them in our Constitution as local Government.

With those few remarks, I beg to support.

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, in making my contribution on this Vote, I would, first of all, like to note how important the Ministry of Local Government is, in providing the bridge or the nexus between the people and the Central Government. So, it is, indeed, a very important Ministry, and I do hope that in the coming constitutional reforms, the Ministry itself will spearhead reforms that are going to make the Local Government central in the new constitutional arrangement. We need that, so that we can get away from historically emotive terms such as "*majimbo*". What we want is to devolve economic power to the local authorities. Devolution of economic power is even more important than devolution of political power. We need to rearrange the local authorities and empower them legally, so that they can be in charge of the resources within their areas of jurisdiction.

We need to debate and agree on what percentage of the income that comes to this country from tourism in the Coast Province, should be given to the local authorities there. When we go to areas with wildlife in Narok and other places like Marsabit, we need to debate and agree on the percentage of the income which by law, must be given back to those local authorities to spend on the people within that area of jurisdiction. In other words, in the new constitutional order, let us empower the local authorities to take charge of the resources within their areas of jurisdiction. Even within areas with coffee and tea, we should agree on the income that must be ploughed back and given to the local authorities.

So, this is one of the most important Ministries, and provided we can agree on how we are going to devolve the power, then we might get a balance with the issue of "*majimbo*", provided that all the time, we will guarantee the right of every Kenyan to own property and reside in any part of the Republic. There are some people with mis-conceived ideas that "*majimbo*" means that if you do not originally come from a particular "*jimbo*", then you should go back to where your forefathers came from. We shall reject that totally. This country chose and elected to be a unitary State and we shall remain so.

The second point that I would like to make with regard to the local authorities is this: There is a lot we can do even without waiting for the new constitutional order, in terms of the management of the local authorities within the existing legal framework. The Ministry of Local Government has got the legal right to appoint and assign chief officers to the various local authorities. But even without changing the law, in the multiparty situation we are in, it is my submission--- I would request the Minister for Local Government to listen! I can see that he is listening very carefully! There has got to be consultation between the Ministry of Local Government and the elected leadership in a particular local authority, in the posting of chief officers. KANU or the Ministry cannot ruin local authorities by posting officers whose track record is full of misdeeds, land grabbing and other wrong things. That disempowers the local authorities. They become powerless because the chief officers [**Mr. Muite**] are posted without consultation with the elected leadership. They are at loggerheads and the chief officers do not listen to them. They facilitate land grabbing and then the people who elected the councillors blame the councillors. Do not impose clerks on local authorities without consultation with the elected leadership in a particular area. Where the elected leadership rejects a particular chief officer, during the stage of negotiations, they should be listened to. That is because those clerks, treasurers or chief officers are supposed to act in consultation with the elected leadership. So, if

there is absolute bad blood and not pulling together, that local authority cannot function. So, we reject the situation where chief officers, particularly the clerks to local authorities, are rejected and then imposed. I support the hon. Member who said that if a particular chief officer has messed in a particular local authority, he should not be transferred! He should be asked to go home! If he is not performing in one area, he will not be able to perform in another area.

Mr. Temporary Deputy Speaker, Sir, I would like to say that I have got an interest in Kikuyu Town Council, where a clerk is attempting to impose himself--- I must say that I have had a lot of co-operation from the Ministry of Local Government in that particular case. But we have a situation where that particular clerk is saying that he will remain in Kikuyu! He has ruined everything! He has been grabbing markets, public toilets and everything! We have rejected him collectively! I, as the Member of Parliament together with the workers have rejected him completely. He insists that he has been told by a fellow from Kirinyaga who is called Njiru, the man known as "KANU *moto*", that he will remain in Kikuyu. We will not have him in Kikuyu. This is an example of how consultation can work for the benefit of the people. If Mr. Njiru wants him, let him take him back to Kirinyaga; he will not work in Kikuyu. Who is running the Ministry? I would like to ask the Minister for Local Government if he is the one running that Ministry or whether it is Mr. Njiru, otherwise known as "KANU *moto*."

I would also like to touch on the issue of emoluments for the elected councillors. I would like to appeal to the Minister for Local Government to amend the Local Government Act so as to make it possible for elected councillors to be paid from a Vote on Account. At the moment their allowances come from the collections which they make. There is a lot of inequity between the different councils. They cannot all afford to pay their councillors adequately. There is a lot of inequality in terms of the income that the respective local authorities raise. I would like to suggest to the Minister that he examines ways and means of rationalising the wards represented by the councillors because once again one notices a lot of inequalities here. He should rationalise the wards and say that no ward will have less than so many voters and not more than so many voters, so that across the country, there will be a criteria for determining the area that a councillor will represent. Having done that, he should then rationalise the payment of allowances. Let them get salaries and not just allowances. They should get salaries that are uniform across the entire country. Let those salaries come from the Vote on Account of the Ministry itself.

Let us give them adequate remuneration. For example, you should look at ways of giving the mayor of Nairobi a salary from a Vote on Account of at least Kshs300,000. The mayors for Mombasa, Nakuru, Kisumu and Eldoret should, perhaps, be paid Kshs200,000. The chairmen of councils should, perhaps, be paid Kshs100,000. The ordinary councillors should at least be paid Kshs50,000. If you bring that budget here, we will pass it because the people of Kenya are also asking questions like: "How can you vote yourselves these emoluments and you forget the councillors?" I would like to ask the Ministry of Local Government to bring this proposal now so that it can be implemented by the next Budget. If this is not done we will definitely bring a Bill to this House to implement those suggestions. But it is much better if it comes from the Ministry. This is why we are recommending that the Ministry commissions a study to see how this rationalisation can be done, and how it can amend the law so that all the councillors in the whole Republic are paid centrally from the Ministry. That budget should be brought here so that the actual amount that will be needed to pay them can be passed as part of the Budget. Let this Ministry prepare the necessary amendments to the law before we come to the next Budget.

With those few remarks, I beg to support.

**The Assistant Minister for Education, Science and Technology** (Mr. Karauri): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to support this Vote.

I would like to suggest that the Ministry of Local Government must look for a way of dealing with the menace of street people. I know it is not possible for my good friend, Mr. Kamotho, or the PS, to walk down the streets of Nairobi especially around those areas from Tom Mboya Street to KPCU, to see what happens and what threat these street children pose to ordinary people. If you walk along those streets you might occasionally see a very beautiful, well-dressed lady being chased down a street by somebody carrying human faeces ready to splash it on her face if she is not quick enough to dip her hands into her pocket, remove some money and give it to the street boy.

Here, I am not talking about foreign tourists. I am talking about Kenyans. The alleys between shops have become toilets for the street people and maybe other people when they find them dirty. I wish to appeal to the Ministry of Local Government to find a solution to this problem. I cannot suggest here in an *ad hoc* manner what should be done or where these children should go. It is urgent and important for us to deal with the question of street people, whether in Nairobi, Mombasa, Kisumu, Eldoret or any other town. Nairobi is the most affected town by this problem. I have seen a motorist being threatened with human faeces. You might find that your car window has been pulled down and a boy suddenly appears with these faeces ready to smear them on your face if you do not quickly give him a note. We must find a way to deal with this problem.

This city has become dirty. If we do not deal with the street people because we see them as poor, they will

continue increasing in numbers and their population will be too high to control. There is no country in the world that should allow its capital city to be this unclean. Apart from the garbage found around the City, this is the worst scenario. The Ministry of Local Government must carry out a feasibility study. It should find a way, even if it means soliciting foreign funding to resolve the problem of street people because this is a very urgent matter. I know that many senior people in this country, including Members of Parliament, do not walk along these streets; but if you do so, you will be threatened and you will see that something must be done about this problem today and not tomorrow.

Mr. Muite talked about toilets. Personally, I support privatisation of public toilets if that is the only way to keep the city clean. Go to "Machakos Airport", the upcountry bus stage, and you will find people who are waiting to board buses. You will find that these people have already had their lunch or supper because they know the bus will take a number of hours to reach its destination. Where do they go to relieve themselves? The place is filthy. The City Council should not only take care of a few toilets, but it should also privatise other toilets so that people can insert coins in the door and find a clean place to use because they are human beings.

There is a lot of traffic congestion in this City and I am sure it will happen in the other towns. I do not know why the Nairobi City Council is not thinking of putting up flyovers, so that people who are not going to any place in Nairobi do not have to stop at every roundabout and wait for cars to pass by. This will ensure that those who are going outside Nairobi go through the flyovers. I am sure in this way we will reduce congestion in the City. I am not an engineer, but practical experience has shown that, that is the best way of reducing congestion in Nairobi.

I support the election of the mayors and chairmen of the local authorities by the people in their own areas of jurisdiction because that way we will be accountable to the people. Today, if a mayor or a chairman of a county council can afford to dish out plots to the councillors, he will be the most popular mayor or chairman. They cannot remove him. He may not be giving any service to the people, but he has given service to his electors, who are the councillors. So, you cannot blame him. He gives them plots, toilets and anything else. They will be faithful to him because after all, those are his electors. We want people who are accountable to a wider group of people. That is somebody who is elected by more people. The mayor who is elected by Nairobi people will fear to step into his office if the City is unclean. The problems we are experiencing are there because people who are in charge of our cities and county councils are not directly elected by the people and they are therefore not accountable to those people.

Mr. Temporary Deputy Speaker, Sir, there are too many councillors in every local authority. It is a problem of our own creation. We then start talking about salaries and so on--- We do not know where we will get them from. A way should be found of reducing councillors. I would like to see a situation where we prescribe the number of councillors from every constituency. I come from Meru North District where we have 66 councillors in four constituencies. We would like to see a situation where every constituency has a maximum of five councillors instead of what is happening today. Are we saying that we want more councillors so that people have employment? Employment from who? They go and tax the other people and make them poorer, so that they can be paid. Is that a source of employment? I am sure there is a better way of employing people than making them councillors in those large numbers. So, the councils are not efficient anymore. Whatever the councillors collect goes to pay their remuneration but if they were fewer, they would pay themselves better and they would be efficient. We do not need too many of them.

Mr. Temporary Deputy Speaker, Sir, I think it is necessary, as some Members have said, to give local authorities more autonomy and strength and in fact, the "majimbo" enthusiasts maybe, can channel their itch in those local authorities. This is because once we have made them powerful, those who want to be kings in local areas and regional places can find themselves as kings in those local councils if they are functioning and strong. The Government can leave certain areas to be taxed by local authorities so that we prescribe that, the Government will collect taxes from this and that item but this item and that item will be left to that local authority to collect as taxes. If we have a smaller number of councillors, then they will be efficient. They will be doing other things like roads and so on. I would not be surprised if a council does not have another way of paying salaries and finds a way round and uses the Local Authority Transfer Fund money (LATF), to pay salaries. This is despite the fact that the Minister says that, that should not be the case. So, let us find a way of reducing the number of councillors. Let us give them some revenue and strengthen them. After all, the "majimbo" we are talking about should be seen in the strength of those councils.

Now we are talking about salaries. Most of the salaries are not paid for so many months and the Minister has given a little today but where will it come from tomorrow? From somewhere and people are not being paid. There are some councils which have not paid their councillors since the 1997 elections. This is an example of what would happen if we had "majimbo".

Thank you, Mr. Temporary Deputy Speaker, Sir.

**Mr. Kamanda:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to support this Vote. However, I would like to address the issue of local authorities because the problems they are having are all the same in the country. My contribution will revolve around us knowing what are the root causes of problems in local

authorities in this country. I talk about the problems of local authorities in the country because the system has been the same from 1963 but for the last 20 years, it has changed and we must know why the procedure which was used before is not being used today.

Mr. Temporary Deputy Speaker, Sir, it is not that the local authorities cannot deliver. Local authorities can deliver and manage themselves, but their problem emanates from the Ministry of Local Government and Central Government. I say so because the chief officers who are appointed by the Minister or Government are the root cause of the problems of local authorities in the country. We have heard people condemning councillors as corrupt people but if I am told today to condemn the most corrupt people, I will start with the Minister for Local Government, the chief officers and the Central Government. No councillor at any one time signs a document. If a councillor wants to be a supplier, he will not sign that tender document himself, but there will be an officer who will do it and here we keep on saying that councillors are corrupt. I am saying that let us not pretend that the councils and councillors cannot deliver. They can deliver if the Minister and his officers in the Ministry of Local Government want them to do so.

Mr. Temporary Deputy Speaker, Sir, Nairobi is where we have had a lot of confusion. We have had so many commissions. One Member who has spoken, and that is hon. Dr. Omamo, was the chairman of one such commission. Taxpayers' money was wasted because that report was not even brought to this House. There was another commission appointed by the present Minister here and it produced in the Mbogua Report. Kenyans do not know about that Report because it has never been brought to this House and yet we are saying that those councils and councillors are corrupt. Who are corrupt? Is it not the Government which is running down the local authorities? We in the Democratic Party of Kenya have been criticised; that we have so many councillors who are controlling Nairobi City Council. Then you wonder, since here I am, a Member of Parliament from the Democratic Party of Kenya--- I am not the Minister. I do not even appoint the chief officers. How does the Democratic Party of Kenya control Nairobi City Council? There are so many double standards in the local authorities.

**The Assistant Minister for Local Government** (Mr. Kiangoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to fake ignorance about who makes decisions at the local authorities, when he knows that councils are run by council resolutions, arrived at after deliberations by the councillors?

**Mr. Kamanda:** Thank you, Mr. Temporary Deputy Speaker, Sir. I am aware but those resolutions are implemented by the chief officers and if some of those very important resolutions of the councils do not suit the officers, they are never implemented. They are there on record. I do not want to be on the defensive side or to put it as if my contribution is between me and the Minister. However, I would like to say that we would like to support the Ministry but we would like it to also realise that Nairobi City Council or Nairobians are having a lot of problems.

Mr. Temporary Deputy Speaker, Sir, let us now come to the issue of land belonging to the Nairobi City Council. You will find that the Minister has left the Council and the Commissioner of Lands to interfere with it. Flats housing doctors at Pumwani Maternity Hospital, for example, were allocated to an individual. I am glad that in this case the Minister came out in support of the hospital management and said that the houses would not be taken over by the said individual. However, as we sit here, construction work at the site still continues. The Minister merely made a Statement which was not followed by actions. So, at the end of the day, the Ministry's order becomes useless.

On the issue of roads in Nairobi, it has been said time and again that the Democratic Party of Kenya (DP) runs the City of Nairobi. Although the majority of Members of Parliament and councillors in Nairobi come from the opposition, the fact remains that Nairobi is the Headquarters of the Government. It is like your face. When you wake up every morning, you clean your face first so that you can face other people with confidence. Similarly, the Government should wash its "face" so that it can face the world from Nairobi. You will think that Luthuli Avenue, which is only 400 metres from the Ministers' offices, among other roads within the City Centre, are part of Nairobi, yet we say that Nairobi is the country's capital City. Could the Minister do something about the roads in the City?

Mr. Temporary Deputy Speaker, Sir, as an hon. Member said here, last year, the Government gave the Oversight Board that was appointed to look into the operations of the Nairobi City Council, Kshs35 million. Could the Government tell us how that money was used? In the current financial year, the Ministry has provided Kshs76 million for the same Oversight Board. Has the money been provided for the eight people who sit on that Board to share amongst themselves? Go into the records of some of the people who have been appointed to that Board, including the record of the Chairman. Some of these people have run down banks to which they were officials. These are now the persons who have been appointed members of the Oversight Board, which has been allocated Kshs76 million. Why has that money been allocated for use by about six individuals rather being allocated to the Nairobi City Council? Has the provision been made so that at the end of the day some individuals in the Government can get it for their personal use through the members of the Oversight Board? These are some of the questions the people of Nairobi would like answered. The Oversight Board is not in the interest of the people of Nairobi. If it can be disbanded today, the better for the people Nairobi. We do not need the Oversight Board. We have elected councillors who can perform the duties of that Board. The Board is useless to the people of Nairobi. We do not need it.

Mr. Temporary Deputy Speaker, Sir, I would now like to address the question of doctors. Nairobi has one of the biggest maternity hospitals in Kenya and Africa, namely Pumwani Maternity Hospital. The hospital needs about 20 doctors at any given time, but you will find that it is being run by one or two doctors. Why does the hospital have no doctors? Doctors do not want to join the Nairobi City Council because those who are serving under the Council are not being paid well. Secondly, they are not being housed. The few houses that the Council has are being sold.

I really do not want to blame Mr. Kamotho in this regard. Some hon. Members who have spoken on this issue were at one time Ministers or Commissioners of Land; they used to issue some people with recommendation letters for allocation of land. Once the Town Clerk received such letters, he would allocate land to those individuals. These people now stand here and condemn other people.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, Mr. Kamanda! Your time is up. Let us have Mr. Angwenyi.

**Mr. Angwenyi:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute to this important Vote.

In Kenya, we have a two-tier system of Government, namely, the Central Government and the Local Government. Over the years, we have strengthened the Central Government at the expense of the Local Government. We have done that despite the fact that this country's citizens would participate more in the Government if they were empowered through the strengthening of the Local Government.

Mr. Temporary Deputy Speaker, Sir, how can we strengthen the Local Government? First, we should amend the Local Government Act to make our local authorities more autonomous. Secondly, the Act should be amended to seek particular levels of performance from local authorities. This performance should be pegged on service delivery to our people. We have defined our local Government. It is only recently that the current Minister for Local Government and his officers, including the Permanent Secretary, showed some marked performance in terms of service delivery to our people. Therefore, I urge the Minister to bring amendments to the Local Government Act as soon as possible so that we can empower our local authorities. I happen to have served on the Public Accounts Committee (PAC) last year. We discovered that more than 90 per cent of this country's local authorities have not had their accounts audited for the last 20 to 30 years. So, as we sit here today, most local authorities do not know what assets and liabilities they have. They do not know where they have lost money, where they have not recovered their rates or who owes them what. Any organisation that does not know its assets and liabilities cannot deliver. So, the Minister should be advised to allocate adequate funds for the hire of consultancy and accounting firms and send them to all our local authorities to help update their books of accounts, so that each local authority can know its assets and liabilities.

At one time, I worked in the Ministry of Local Government. We used to carry out inspections of local authorities. The Ministry used to send auditors to local authorities to audit their books of accounts. I would, therefore, like to urge the Minister to revive such functions of the Ministry. If those functions were being performed, local authorities would not experience the problems they are facing countrywide. We could not have come to a situation where a mayor would tell the Ministry that its staff have stolen or misappropriated the resources of a local authority. The Ministry would have known of such misappropriation before hand.

Mr. Temporary Deputy Speaker, Sir, we have local authorities, so that Government services could come closer to the people of Kenya. These services include roads, health facilities, street lighting, markets and education, among others. These are services that we must provide, but which of our local authorities provide them today? Look at what is happening at the Nairobi City Council. Recently, while on an overseas trip in Singapore, we met somebody who had visited Kenya about four months before. He said that he was in Kenya in 1969, and that he had come back as a tourist about four months earlier. The first thing the tourist saw when he alighted from the plane was garbage. He saw mountains of garbage in the streets of Nairobi. He had not seen these mountains of garbage when he left this country last time in 1969. The second thing that he saw were potholes. He saw potholed roads which he had not left in 1969.

Mr. Temporary Deputy Speaker, Sir, if you go to Otiende Estate, a medium level residential area, or to Eastlands, you can hardly negotiate the potholes there to get to your destination. So, could the Ministry ensure that these services are provided? Could we get the garbage collected? In fact, we are hurting our tourism industry by having these mountains of garbage, potholes, slums by the roadside and street children who are molesting and mugging people. You cannot safely walk from Tom Mboya Street to River Road; you have got to have some escort to walk across that street. Could the Ministry make sure that local authorities deliver? Could it empower local authorities in order for them to deliver?

We have had funds such as Kenya Urban Transport Infrastructure Fund (KUTIF), Local Authority Transfer Fund (LATF), cess money, services charge and collections from markets and other fees. Where do these funds go? Where are they utilised yet local authorities cannot pay allowances and salaries? Our local authorities' employees are going on strike left, right and centre throughout the country because they cannot get their salaries, yet the Ministry cannot find out where these funds that are collected by the local authorities go. The assets of local authorities, such

as plots, properties and equipment are being misused. We had a case in Kisii County Council where a grader was leased to an individual for two years. The money which was being collected from the lease of that grader was never remitted to the council and so the council roads suffered. Farmers could not deliver their tea because the grader had been leased out to an individual and the Ministry did not know about that. The council does not benefit, but its Chairman pockets the money.

Mr. Temporary Deputy Speaker, Sir, procurement of goods and services in our local authorities is deplorable. That is where corruption takes place. This is where somebody delivers air and is paid Kshs45 million to Ksh60 million as we heard recently when one person was taken to court. A person was paid Kshs60 million for delivering air, if he ever delivered anything. This shows the level of corruption in our local authorities, yet the Minister does not take any action.

Employment in our local authorities is given corruptly. This is because councillors just gang up and bring in their own people. The Nairobi City Council has 18,000 employees yet they cannot collect garbage from the main streets of Nairobi. The only thing we do annually is to erect some water fountain on Kenyatta Avenue and Uhuru Highway which runs for only one week, so that we can do it another year for Kshs5 million or Kshs10 million. Our street lighting system is in shambles yet we have a City Council. The Ministry must ensure that properties and equipment of local authorities are taken care of.

Mr. Temporary Deputy Speaker, Sir, we have had cases of councillors dishing out plots and selling out local authorities' properties to pay themselves allowances and salaries. What will we sell next year, the year after or ten years from now if we let the councillors sell those properties? The Ministry must seek from the Government adequate resources so that it can make local authorities deliver.

With those few remarks, I beg to support.

#### QUORUM

**Mr. Muite:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that the House has a quorum?

**The Temporary Deputy Speaker** (Mr. Imanyara): No, we do not have a quorum. Ring the Division Bell.

*(The Division Bell was rung)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order, hon. Members! There is a quorum now in the House. Let us proceed! The Floor is yours, Mr. Chanzu!

**The Assistant Minister for Labour and Human Resource Development** (Mr. Chanzu): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support the Motion on the Vote of the Ministry of Local Government. The money that we are voting for the Ministry will enable the Ministry to function and perform its co-ordinating, supervisory and oversight roles over the local authorities. There is need, therefore, for more funds to go to the local levels. The idea of establishing the Local Authority Transfer Fund (LATF) is a step in the right direction, but there is great need for proper management and utilization of the funds. Mr. Temporary Deputy Speaker, Sir, the experience we had last year, in connection with the utilization of LATF funds, gives the impression that we need more stringent guidelines from the Ministry's head office. I do not think it is time yet to leave everything to the local authorities because, as we have heard a number of times, the local authorities experience a lot of financial difficulties. Therefore, when money goes to the local authorities for any purpose, there are chances that the money is likely to be misappropriated or misused. There is need for stringent and proper guidelines to be given from the head office. There should also be proper feedback systems to enable the head office know how the money is utilized.

In some local authorities, LATF funds are not used for the intended purposes. So, I am urging the Ministry to have a method of getting feedback from the local authorities before more funds are released. There is need for proper management and utilization of LATF funds.

Mr. Temporary Deputy Speaker, Sir, for example, in the City of Nairobi, where we have a population of about three million people, there is need to strengthen various departments of the City Council. For example, the problem we have had with garbage collection, and many other areas where we need services, is due to the fact that we have not taken enough care to strengthen these departments, such as the departments of inspectorate, conservation and so on. That is also in line with the provision of education in the local authorities. Our country is developing and, therefore, the population is rising at a very high rate. There is need for the big local authorities to look into ways of expanding educational facilities. When the Ministry of Education, Science and Technology was releasing the Report on Indiscipline in Schools recently, one of the items that came out very clearly was that pupils from private schools will find it difficult to join public schools, when they reach higher classes. I think this is a responsibility of the local

authorities, like the Nairobi City Council, which should provide enough facilities for education.

Mr. Temporary Deputy Speaker, Sir, one of the reasons why education in the private schools is very costly in urban areas, especially in the City of Nairobi, is because the Government and the City Council have not constructed enough public schools. The shortage of enough public schools definitely leads to high school fees charges in private schools due to the high demand for education in urban areas.

Mr. Temporary Deputy Speaker, Sir, the other aspect which I would like to reiterate is the fact that we are in the era of reforms and, therefore, there is need to have officers with proper education, training and experience to man the local authorities. There are chief officers who have been found wanting but they are moved from one council to the other. I think we are not solving any problem. There should be proper disciplinary measures put in place so that those who are found messing up the councils, are not just saved by being moved around. I think they should be dispensed with. However, that can only happen if we have got adequate staff to replace them.

Mr. Temporary Deputy Speaker, Sir, on the question of councillors, there is need for them to have adequate knowledge to comprehend what goes on in the councils they are elected to serve. Therefore, I would like to support the idea which has been there for the Ministry of Local Government and local authorities having more seminars and workshops for the officers manning the local authorities, as well as civic leaders. I would like to encourage that approach of councillors being knowledgeable of what goes on in the councils.

Mr. Temporary Deputy Speaker, Sir, councillors are people's representatives at grassroot levels and, therefore, there is need for them to involve the electorate in whatever they do. I would like again to use the example LATF funds. In some places, due to lack of proper guidelines that I have mentioned earlier, some of the councillors receive the money and just spend it the way they want. An individual carries money and wants to go and construct a bridge and what-have-you. I think that is not proper and that is why I am still reiterating the issue of having proper guidelines so that we can involve all stakeholders where LATF funds are supposed to be spent.

Mr. Temporary Deputy Speaker, Sir, when I talk about maintenance of facilities in local authorities, I have in mind one road in Vihiga District called Mbii-Chegeo-Mdete, which passes through Mbale Township. The road was constructed using money loaned to the Government and which Kenyans are going to pay. But just because of lack of maintenance, the surface of that road has been worn out. In a few years to come, we shall not have tarmac on that road. I thought it would be wise that the people we have in the local authorities, particularly in the technical departments, maintain the road so that we can rehabilitate facilities like this road. When we talk about development, we are saying that we want to improve facilities and services given to our people. When you construct a tarmac road, and in a few years it is wiped out, that is not development. In fact, we are going backwards! So, I would like to advise the Minister to try and find out ways of using some of the money to repair Mbii-Chegeo-Mdete road, which passes through a municipal town.

Finally, I would like to propose that the oversight role of the Ministry should be improved in such a way that we avoid a situation whereby we have got cover-ups in local authorities.

Mr. Temporary Deputy Speaker, Sir, I beg to support.

**Mr. Murathe:** Thank you, Mr. Temporary Deputy Speaker, Sir. You can see the apathy with which hon. Members take the Vote of this Ministry. This is because no matter what we say or do here, at the end of the day, it shall not be possible to implement some of the proposals that come from the hon. Members.

We are now in October, and the Minister for Local Government promised this House that, by August this year, he would have tabled in this House an amendment to the Local Government (Amendment) Act, Cap 265.

*(Mr. Kamotho smiled)*

We are now in October and my good friend, the Minister, is just smiling. I would like to tell you that nothing has been forthcoming. The hope of the local authorities lies in the amendment and the review of the Local Authority Act, Cap. 265. We will expect the Minister, when he will rise to respond, to give Kenyans a definite time frame within which the amendments to the Local Government Act, Cap. 265, that has been enslaving the local authorities, will be enacted. That is why you have proposals in the Budget on how the Local Authority Transfer Fund (LATF) will be distributed to the local authorities. It is not possible to spend that money because there is not a single capital expenditure in the local authorities that can be incurred without the approval of the Minister for Local Government.

We are talking about the review of the Kenya Constitution to have the devolution of power to the local authorities. One of the things we want is to inculcate in the local authorities a sense of management; a sense of independence; and a sense of professionalism. The local authorities should start, from now, practising on how to run their affairs without undue interference from the Ministry of Local Government or the Central Government. I would like to say that every year we allocate funds but not a single penny--- Those councillors who were elected by the people cannot spend money without the permission or authorization of the Minister for Local Government.

Mr. Temporary Deputy Speaker, Sir, the local authorities which, in vision of the concept of the devolution of power, are expected to collect, manage and distribute the resources collected locally, do not even meet the management qualifications necessary to run their affairs today. That is why a City like Nairobi, which has a potential to collect more than Kshs1 billion to Kshs2 billion, a month is in dire straits. Here, I am talking about loss of revenue opportunities. That is why you find that people are just busy looking for plots to sell.

We expect that when the Minister will rise in this House, he will assure it that he will come up with an amendment to the Local Government Act, Cap. 265, which was supposed to be enacted by August. We are now in October, and yet, this has not been done. The Minister owes this House an explanation, and he should tell us where he has reached.

The educational background of the people who are elected to run the local authorities should be looked into. We should set a criteria for electing people to local authorities. This will ensure that people who understand what goes on in those authorities are elected. The Ministry posts chief officers who are trained and are graduates only to find old men who reached Standard Eight provided they are proficient in Kiswahili and English, but do not know what actually goes on and are made to sign for things they do not understand. In this day and age, a criteria should be set for one to be elected or nominated a councillor. This will ensure that they can effectively participate in the deliberations of the local authority in terms of taking up their priorities. In order to attract the sort of material we are talking about, we should review the pay of the councillors. It is true that local authorities are supposed to pay their people from their resources, but it is also true that it should be possible to pay councillors from the Consolidated Fund if we want to give them appropriate remuneration which will be commensurate with the level of qualification that we look for.

Mr. Temporary Deputy Speaker, Sir, I was reading in yesterday's newspapers that the monthly expenditure on councillors of Maragwa County Council is Kshs200,000. That is half the salary of an hon. Member of Parliament. In total, these councillors are 15. The burden on the councillor is that he is the one who handles the petty issues of the village every morning. How do you expect him to manage unless you complement his earning capacity with plots and road reserves? How do you expect somebody to survive and deal with those issues on Kshs11,000? If those local authorities are unable to raise this amount of money, the Central Government should come up with ways and means of giving adequate pay to the councillors and officers. This is because it is not enough for the Central Government to just collect taxes from those areas, bring them to the centre in the form of Income Tax, Value Added Tax (VAT) or duty. After that it purports to redistribute them back to the centre and not provide for adequate remuneration of the officers and the councillors who work in those councils. If we do what I have proposed we will get rid of the mess that we have in the local authorities. There are old county councils and municipal councils that we used to admire very much. These councils used to do roads and had plants, machinery and equipment to maintain infrastructure in the rural areas. What happened? What went wrong? The Minister who is here should go back to history and remember that when Murang'a County Council was financially sound it was capable of lending money to the Government or even the banks. Today, these councils cannot even raise salaries for their workers and they are forced to sell houses of medical officers in order to raise revenue to pay their employees. What went wrong, Mr. Minister, and what is the solution?

Mr. Temporary Deputy Speaker, Sir, the Ministry of Local Government was not supposed to be one of the implementing agencies for roads in our Kenya Roads Board. As the Chair knows, all the money that had been allocated to the Ministry of Local Government had not been remitted to the Kenya Roads Board by June this year. That was one of the reasons cited by the Minister for Roads and Public Works for failure of the District Roads Committees to get enough money. On what grounds is the Ministry of Local Government still accessing funds from the Fuel Levy Fund when it is quite clear that it was not one of agents to control that money? When the LATF was initially mooted, it was to start with about 5 per cent and gradually move up to about 10 per cent of Income Tax. What did we do? We came back and agreed to start with 2 per cent and then move to 2.5 per cent, which is not enough. If we are seriously talking about the devolution of power, we should provide enough resources to the local authorities. There should also be an objective criteria of allocating those resources not merely on their books of accounts or how clean their audit systems are but, on need and the productive potential of the various areas that could thereafter be able to generate resources that could be useful to the Government.

Mr. Temporary Deputy Speaker, Sir, I have had occasion to witness that there is a deliberate effort by the Central Government to stifle the operations of local authorities for political expediency. Why is it that the Minister for Local Government is able to interfere in situations of individual municipalities like Kisumu where they are taking their own local decisions? The Minister overruled the decisions of the mayor and the elected councillors. Is that not called gross interference in the internal management of the local authority? He has also done the same with Thika Municipality. We must get to a point where we must agree to what extent the Minister's powers to overrule or override the decisions of local authorities can be extended. We cannot wait until we review our Constitution. We expect that the Minister will keep his word and bring the amendments to Cap.265 to this House before this Session is over.

With those few remarks, I beg to support.

**Mr. Koskei:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to also contribute to the Vote of the Ministry of Local Government. I think there is a lot being said when we talk about the importance of this Ministry. Unfortunately, the Ministry has not been let to perform the role it is supposed to perform.

My colleagues have said that there is so much interference with the way local authorities carry out their work. Unless these things are sorted out, you will find that the efficiency of these local authorities will not be realised. Time and again, you find that the powers of these local authorities have been taken away from them and vested with the Minister. It is the Minister who can decide on how a certain council should be run. In this given situation, you find that these councillors will not be able to perform. Like in this particular case of Kisumu Municipality, you find that the councillors make resolutions but the Minister, through his Permanent Secretary, knows these resolutions. You really wonder who is supposed to run this council because at the end of the day, chief officers are posted to these local authorities, and they do not answer to the wishes of the councillors and the chairman of the council or the mayor. At the end of the day, they will always get protection from the Ministry's Headquarters. As a result of this, there is too much inefficiency and wastage in these local authorities.

Mr. Temporary Deputy Speaker, Sir, the other day, the Treasurer to Nakuru County Council decided to take off with Kshs200,000. He went to drink and lost this money. The councillors wanted to discipline this officer but when they forwarded the recommendation for his interdiction, it was ignored. In as much as we want to blame the councillors for not performing, there is need for us to set some standards for them. I do agree that, given the level of their education, I think, in most cases, they do not comprehend what they pass during their full council meetings. But on the other hand, I think it is also prudent for the Ministry to lay down strict provisions on how the chief officers who are assigned to these councils are required to perform. If they do not perform, there should be also some mechanism through which they could be disciplined and not kept merely because they might be there for political expediency.

Mr. Temporary Deputy Speaker, Sir, the Ministry came up with a very good idea; the Local Authority Transfer Fund (LATF). But this money has not been put into proper use. The other day, every ward in Nakuru County Council was given Kshs70,000 and given the level of inflation and the purchasing power of the Kenya shilling, this Kshs70,000 cannot do any work. If we were to give the councillors a blank cheque to do what they want to do with this money, you will find that in most cases they would misuse it. It is true that, that money has been misused. It has not been put into proper use. What do you expect a councillor to do in his ward with Kshs70,000? What projects are we asking these councillors to implement in their wards to completion? When these things come up, you find that the chief officers, who are supposed to be the accounting officers, in as far as this money is concerned, are not doing any proper follow-up to ensure that this money is properly used. Because of the amount of money involved and lack of proper orientation for these councillors, you find that this money has been misused and it has served no purpose. As we give this money to the local authorities, we should be able to access the kind of projects that they would want to implement and make sure that we give provide enough money for them to implement the projects. Otherwise, it is an exercise in futility for money to be transferred to these local authorities and then it is never used for the intended purpose.

Mr. Temporary Deputy Speaker, Sir, there has been an issue of the nomination of councillors to the local authorities. I think this provision is being misused. If you look at last year or part of this year, all local authorities carried out their elections. It is very unfortunate that nominated councillors were the ones who were used by interested parties to ensure that the candidates of their choice were either elected the chairman or the mayor of the local authority. I know a number of colleagues here who, when they saw that their preferred candidates were not going to win, because they could not lobby the councillors, they decided to write to the Ministry to revoke the elections of some councillors. I think this is very unfortunate if we as elected leaders want to be accountable. Some of them belong to this dot.com generation and they are the ones who partake in revoking the nominations of these councillors. I think we are not heading in the right direction. In my view, as the Ministry looks at the amendments to Cap.265, the issue of nominated councillors should come up for review. It does not make any sense that once a councillor is nominated, he is just serving at the whims of the elected Members of Parliament. I think it is not proper democracy. The councillors should be free to elect a person of their choice and whom they feel will carry out the roles assigned either to the chairman or the mayor of that particular local authority. But, if we were to use nominated councillors as pawns in political wars in the various districts that we come from, I think we would not be doing any justice to these local authorities. As we look at the level of education of elected councillors, we should also look at the level of education of nominated councillors. We should not nominate them because they are our supporters. The councillors are supposed to serve certain interests in the local authorities. They should also be stakeholders in the affairs that affect those local authorities. Until we really decide that a certain councillor should be nominated to a particular council to serve a particular interest, I think that nomination will not serve any purpose. Therefore, I do not think we should really nominate those councillors to those councils.

Mr. Temporary Deputy Speaker, Sir, those of us who have worked with councillors know that they are very good grassroots mobilisers. But it is very unfortunate that, because of poor remuneration, the position of a councillor

does not actually attract people with good education, or professionals. Councils are not properly run because power is not vested on the councillors because of the level of their education. In as much as we are trying to say that we should have better educated councillors, no professional will serve in a council if we continue paying councillors between Kshs7,000 and Kshs10,000. The remuneration of councillors depends on the amount of money or revenue a council generates. Therefore, if a council is poor, definitely it will not pay its councillors well. So, we should improve the remuneration of our councillors so that they can effectively deliver services to our people. This Government gives LATF money to councils to run their affairs. Why do we not set aside some money to pay councillors so that we attract a better calibre of councillors in our councils?

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

**Mr. Muithia:** Mr. Temporary Deputy Speaker, Sir, thank you for giving me the opportunity to contribute to the Vote of the Ministry of Local Government. I do not know whether we should be here talking about the Vote of the Ministry of Local Government because year in, year out, we have expressed our views on what we think the Government should do to stabilise local authorities in this country in order to make them effective in delivery of services. I thought the essence of the local authority is to deliver essential services and the basic needs at the local authority level. The local authority should be able to provide clean water to every family member. Clean water is essential because it reduces the level of poverty and diseases.

I also thought that the essence of the local authority is to provide housing to its people. I do not know when any of our local authorities provided housing in their respective areas.

Mr. Temporary Deputy Speaker, Sir, a well-managed local authority provides basic education to its people. I have had the opportunity of visiting Camden Borough which is one of the richest boroughs in London City. They have the capability of raising funds to the extent of financing the Central Government. As I speak here, we have not taken the initiative to strengthen our local authorities. I am in a dilemma because I would like the councillors empowered in order to effectively deliver services at their local authorities. But with the calibre of councillors and the level of corruption that is well-entrenched in this country, if we give them power without addressing fundamental changes within the delivery system, we will not be serving this country in the right direction.

The proliferation of local authorities has led to a major setback in delivery of services. Kiambu County Council was one of the richest local authorities in this country. However, the Government created Thika Municipal Council and subdivided assets of Kiambu County Council. Most of their wealth at that time was in form of liability. To date, the retirees of Kiambu County Council have never been paid their dues. I do not know when the Minister for Local Government will make sure that those retirees are paid. I do not know from where they will be paid unless there is a way of getting some money from the Consolidated Fund.

On the question of LATF funds, I am glad that the Minister is here I would like him, in his reply, to tell us when his Ministry last audited accounts of local authorities in this country. In particular, I would like to know when the accounts of Thika County Council were audited. I think there is a wrong concept that the LATF funds are given to local authorities to be spent in any way they want.

In Thika District, for example, it is not a wonder that every time you attend a church Harambee or a Harambee to assist a family with a problem of school fees, you will see councillors giving cheques to be drawn from LATF funds. I know the work of the councillors is to help people at the grassroots level, but is that Fund meant for donation? The Minister for Local Government allows this to happen with impunity. This is because the Minister attends Harambees with those councillors because they have money to donate. I thought the LATF funds should be given to local authorities so that councillors can sit down with their people and decide the priority projects. Even if this priority project will be a donation in Harambee, I would not mind. But you do not give a councillor Kshs100,000 cash to distribute as bursary funds. It has happened in my constituency. However, the nominated councillors are not given any money to distribute as bursary funds because they are not elected. I do not know whether this is what the Government had in mind when it gave LATF funds to the councils. But on the other hand, I also sympathise with the councillors because of the poor salary they earn. They earn between Kshs5,000 and Kshs7,000. We have councillors who have gone without salary for over six months. For example, councillors in Kisumu Municipal Council. We have very good councillors in Makeni County Council who address issues on the ground, but they have gone without salaries for the last four or six months. Unless councillors are well-paid, they will continue grabbing land and misusing the LATF Funds. Therefore, either the local authorities should be strengthened or the councillors are paid handsome salaries. In fact, they should earn Kshs100,000 per month paid from the Consolidated Fund. Maybe that time, they will be able to deliver without diverting the funds to other uses.

Mr. Temporary Deputy Speaker, Sir, with regard to planning, local authorities are supposed to provide water. Surely, Gatundu Market which is the headquarters of Gatundu South Constituency is a large town, but we do not have a sewerage system in place. The only sewerage system is one old septic tank from the police station which empties its effluent into the town and the effluent flows into the rivers where we get our water from. What a shame! We are letting

the effluent from septic tanks to flow into rivers which are being used by human beings.

I would like to challenge the Minister for Local Government to come and visit Gatundu and maybe find a solution particularly to planning for the area. If we cannot get money from the local authorities we should look for it elsewhere. But the initiative should start with the Minister for Local Government because he is supreme. Today he can disband all the local authorities and there will be no effect because it is the Minister who decides what should be done with his officers who are here and I am sure are listening. I am sure they also have no power to articulate issues on the ground because the Minister has so much power. I am not referring to Mr. Kamotho specifically, but the Minister in charge of local authorities.

Mr. Temporary Deputy Speaker, Sir, there is too much interference in the work of the councillors. They cannot work effectively because they are not independent. The other day, all councillors from Thika District were taken to Baringo District to do a Harambee and given money to go and donate. It was not their money. They were each given Kshs10,000, to donate Kshs6,000 and keep Kshs4,000. Surely, do we expect such councillors to be independent when it comes to working for people who have elected them?

I do not know whether to support the Motion, but nevertheless, I beg to support.

**The Assistant Minister for Trade and Industry** (Mr. Ekirapa): Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me time to contribute to this Motion. Judging from the comments that have been made by the previous speakers and the experience we have with the management of the local authorities, I think it is about time we made some very clear recommendations to the Minister that these councils must be restructured. They must be restructured in a manner that will, first of all, enhance the ability of the councillors to manage the affairs of the councils. This means that there must be some basic qualifications that the Ministry must impose in order for one to qualify to be a councillor. They must possess certain minimum educational qualifications so that they can understand the requirements of the public and be able to plan accordingly and deliver the services. I hope that the constitutional review process will take account of this particular problem.

This Parliament has indicated in the past that some of the powers and responsibilities of the Central Government should be devolved to the local authorities. This cannot be done if the managers of local authorities have the educational limitations we have today. They are people who are not able to plan and implement the policies to the expectations of the local people.

The first thing, really, is for us to restructure these councils in a manner that introduces competent people. We have people out there who can run these councils provided we hold them responsible and give them sufficient authority, resources and pay the councillors well.

Mr. Temporary Deputy Speaker, Sir, part of the problem of the local authorities is the question of remuneration of the councillors. The councillors' allowances which stand at Kshs7,000 per month with the demand on the local councillors from the public with regard to Harambee and contributions to many local projects---. It is impossible to expect the councillors to survive on Kshs7,000 per month. Therefore, even the LATF money which the Minister gives to the councils is not going to development projects. Councillors will always find a way of accessing this money for their personal benefits. You cannot expect a poor councillor to just distribute money to projects. It is important that, while we are restructuring the councils, we look at the remuneration of councillors. We should pay the councillors well in order to attract more responsible people to run those councils. It is only in that way that we can expect those councils to provide services to the people. We agreed that a certain percentage of the revenue from Treasury should go to the councils. It would be unwise for this Parliament to make that kind of a decision if the people who are going to manage those funds are not responsible enough. While on that issue, I would like to suggest to the Minister that it is very important that those funds are actually audited properly. At the moment, there is no proper auditing of these funds and councils simply spend money the way they want. There is no accountability, nobody is responsible, the money just disappears and wananchi get no services from the councils.

Mr. Temporary Deputy Speaker, Sir, there is also the issue of the chief officers which is related to that of the councillors themselves. The Ministry must determine how they want to run these councils because many councils have chief officers who are not able to run the councils well. They do not understand what is expected of them. They are not competent to run the councils. Instead of advising councillors they, in fact, mislead them. The Ministry must find a way of training more responsible council officers.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Mr. Ekirapa, you will continue for ten more minutes.

Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, 3rd October, at 9.00 a.m.

The House rose at 6.30 p.m.