

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 5th December, 2001.

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.635

CIVIL SERVANTS IN PRESIDENTIAL ENTOURAGE

Mr. Deputy Speaker: Ms. Karua is not there? We will come back to that Question.
Next Question, Dr. Kulundu!

Question No.740

GAZETTEMET OF HIV/AIDS AS NATIONAL DISASTER

Dr. Kulundu asked the Minister of State, Office of the President, why the Ministry has not gazetted HIV/AIDS as a national disaster.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, this Question is supposed to be answered by the Minister in charge of Cabinet affairs. I believe he is coming to answer it. Mr. Samoei and myself are in another department of Provincial Administration and Security.

Mr. Deputy Speaker: Well, we will come back to it.
Next Question, Mr. Orengo!

Question No.768

HOSTING OF GENOCIDE PERPETRATORS

Mr. Deputy Speaker: Mr. Orengo is not there? We will come back to that Question.
Next Question, Mr. Kaindi!

Question No.769

CRITERIA FOR ISSUANCE OF WORK PERMITS

Mr. Deputy Speaker: Mr. Kaindi is not there? We will come back to it later.
Next Question, Mr. Mwenda!

Question No.451

PURCHASE OF CEREALS BY NCPB

Mr. Deputy Speaker: Mr. Mwenda is not there? We will come back to it later.
Next Question, Mr. Mutahi!

*Question No.645*COFFEE EARNINGS FOR MUKURWEINI
CO-OPERATIVE SOCIETY

Mr. Deputy Speaker: Mr. Mutahi is not there? We will come back to it later.
Next Question, Mr. Muihia!

Question No.777

TARMACKING OF ROAD E497

Mr. Muihia asked the Minister for Roads and Public Works:-

- (a) whether he is aware that Road E497 in Gatundu South is listed as a tarmacked road in the Ministry's records while not all sections of the road are tarmacked;
- (b) how much money was spent to tarmac this road; and,
- (c) when the section of the road between Kiganjo and Gitwe trading centre will be tarmacked.

The Assistant Minister for Roads and Public Works (Eng. Rotich): Mr. Deputy Speaker, Sir, I beg to reply.

- (a) I am aware that records held by my Ministry show that not all sections of the road are tarmacked.
- (b) The road was tarmacked at a cost of Kshs5,730,357.50.
- (c) My Ministry is seeking funds to tarmac the section of the road between Kiganjo and Gitwe trading centre. During this financial year, my Ministry has programmed grading of a distance of 6.6 kilometres of earth road.

Mr. Muihia: Mr. Deputy Speaker, Sir, the Assistant Minister has not answered my Question because the records held by the Ministry of Roads and Public Works show that Road E497 is tarmacked. The Assistant Minister has said that only part of the road is tarmacked.

(Mr. Muihia's mobile phone rang)

An hon. Members: These people are too much!

Mr. Deputy Speaker: Who is the owner of the cell phone?

Mr. Muihia: Mr. Deputy Speaker, Sir, I apologise. It is mine.

Mr. Deputy Speaker: I will require you to leave the Chamber for the rest of this morning's sitting.

(Mr. Muihia withdrew from the Chamber)

Mr. Muchiri: Mr. Deputy Speaker, Sir, the Questioner had asked a supplementary question which the Assistant Minister has not answered.

Mr. Deputy Speaker: Which question did you want to ask?

Mr. Muchiri: Mr. Deputy Speaker, Sir, this Assistant Minister had promised this House that several roads would be tarmacked during this financial year and none of them has been tarmacked. He promised me that a road was going to be tarmacked in my constituency as from October this year, but it has not been done. Now that he has said that he is going to tarmac that road in Gatundu South during this financial year, can he give us the specific date when work will commence? How much money do they have to start the work?

Eng. Rotich: Mr. Deputy Speaker, Sir, I did not say that we are going to start tarmacking this particular road, E497, this financial year. I said that we are going to grade the remaining section. The tarmacked section is 5.2 kilometres. The total length is 11.8 kilometres. We are trying to look for funds to tarmac the rest of the 6.6 kilometres. But I did not say that we are starting work this financial year.

Mr. Imanyara: Mr. Deputy Speaker, Sir, the Assistant Minister did say they spent over Kshs5 million in tarmacking this road. When was this money spent, and when was this section of the road tarmacked?

Eng. Rotich: Mr. Deputy Speaker, Sir, this road was done in 1978/1979 Financial Year.

Mr. Anyona: Mr. Deputy Speaker, Sir, although the hon. Questioner is not here, I suppose the Question is the property of the House now. The Question seems to suggest, if not to state clearly, that the records in the Ministry show that the road is actually tarmacked. The hon. Member is saying that there are sections of that road

which are not tarmacked and which the Assistant Minister seems to agree with. I was just wondering whether the Assistant Minister agrees that the records show that the road is tarmacked when there are sections which are not tarmacked. I am asking this because we have had the same problem about the Kisii-Chemosit Road, where records show that the road was tarmacked in 1965, but it has not been tarmacked to this day. I am going to raise the issue later on. But is he saying that the records show that the road is tarmacked when it is not? If so, why?

Eng. Rotich: Mr. Deputy Speaker, Sir, the records that we have indicate that 5.2 kilometres of this road were tarmacked. In fact this section was done by the Ministry in-house by Road Construction Unit (RCU) No.1 in 1978/79 Financial Year. The total section of 11.8 kilometres is not tarmacked.

Mr. Keriri: Mr. Deputy Speaker, Sir, this is rather serious because the hon. Member claims that the records show the whole road is tarmacked. There are cases like that. The Assistant Minister knows this very well because he has been in that Ministry for a long time. Could the Assistant Minister tell us whether the money that was supposed to complete the road may have been misappropriated, therefore, someone entered in the books that the road is tarmacked? As the Assistant Minister is aware - and I worked with him in that Ministry - these things are possible.

Eng. Rotich: Mr. Deputy Speaker, Sir, as far as this particular road is concerned, it is not true that the records show that the total length is tarmacked. I am saying this because I worked on this road in 1978/79 Financial Year and we tarmacked 5.2 kilometres of this road, and not 11.8 kilometres, according to the records.

Mr. Muchiri: Mr. Deputy Speaker, Sir, could the Assistant Minister explain why it has taken 22 years to complete that road, and why it was not completed at the material time?

Eng. Rotich: Mr. Deputy Speaker, Sir, it has not taken 22 years to complete the road. The intention at that particular time was to do 5.2 kilometres of the road and not 11.8 kilometres. According to the contract, the instructions were that we do 5.2 kilometres of the road. This was done by the Ministry, in house, by RCU 1.

Question No.664

MISUSE OF LATF MONEY BY MARAGWA
COUNTY COUNCIL CLERK

Eng. Toro asked the Minister for Local Government:-

(a) whether he is aware that the Clerk to Maragwa County Council withdrew Kshs800,000 LATF money from Equity Bank, Kangari Branch;

(b) whether he is further aware that the Clerk used the same money to take 15 Maragwa County Council councillors to Mombasa for a holiday from 7th to 15th July, 2001; and,

(c) whether he is further aware that as a result of this, council workers were not paid their June, 2001 salaries.

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

(a) It is not true that the money was withdrawn from the LATF account. The money used by the councillors was from the General Fund Account.

(b) I am not aware of the holiday tour, but I am aware that the money was used to take councillors and officers for a study tour which the Ministry had approved.

(c) I am not aware that Maragwa County Council workers have not been paid their salaries as from June this year.

Eng. Toro: Mr. Deputy Speaker, Sir, the answer given by the Assistant Minister is quite misleading. There is misappropriation of money in the Maragwa County Council. The Clerk and the chairman flew to Mombasa while their personal vehicles were driven there by their drivers. The other councillors travelled in a Nissan vehicle. If the Assistant Minister is denying that no LATF money was used, could he tell the House how much money was in the General Fund Account at the time they went for this holiday, and how much of it was left after they came back?

Mr. Hashim: Mr. Deputy Speaker, Sir, as I said the money was from the General Fund Account, which provided for such expenditure as required by the budgetary regulations for the 2000/02 Financial Year, and not from the LATF fund because this money is meant for specific projects. The money withdrawn was Kshs800,000 and it was used as follows: 14 councillors were---

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister is repeating the answer he gave us. He has been asked to say how much money there was in the General Fund Account.

Mr. Hashim: I do not have with me the information concerning how much money was in the General

Fund Account, but I have got details of how they spent the Kshs800,000.

Mr. Keriri: Mr. Deputy Speaker, Sir, it is very disappointing when an Assistant Minister stands here and refuses to answer questions, saying that he does not have information. This is what we have said now and then, that Ministers do not do their homework. He has not done his homework. Could the Assistant Minister tell us whether that account had any money at all because that is what we want to know. He has also said that he is not aware that the council workers were not paid their June salaries. Could he tell us whether, at the time this Question was asked, the June salaries had been paid?

Mr. Hashim: Mr. Deputy Speaker, Sir, I am not refusing to answer the question about how much money was in the General Fund Account, but that information is not provided here. The council has paid all the salaries for June, July, August, September and October, 2001.

Mr. Deputy Speaker: Mr. Assistant Minister, the question you are being asked is--- When this Question was filed, it must have been July. So, had the June salaries been paid at that material time?

Mr. Hashim: As per the information availed to me, the June salaries have been paid.

Mr. Imanyara: Mr. Deputy Speaker, Sir, the problem of loss of money from local authorities is not happening only in Maragwa, but countrywide through these alleged trips and purchase of spare parts. Just yesterday, Meru Central County Council was going to withdraw and use Kshs5 million from a local bank. Had it not been for the quick action of the bank's management in Meru yesterday, this money would have been withdrawn. The problem is one of financial control of councils by the Ministry of Local Government. What steps have you taken to ensure that councils do not use money through false claims by councillors?

Mr. Hashim: Mr. Deputy Speaker, Sir, the Ministry suspended all trips after a lot of complaints were raised.

Mr. Maundu: Mr. Deputy Speaker, Sir, this Question clearly demonstrates the abuse of LATF funds within all the councils. The councils do not seem to understand the purpose of LATF funds, which was indicated by a legislation that was passed in this House. Could the Assistant Minister make a countrywide inquiry into the use of LATF funds that have been disbursed to councils for the last two years, because much of that money has not been used for the intended purpose? Could he initiate inquiries countrywide so that Members of Parliament can be seized of the developments that are taking place within councils? Most of these funds are being administered mysteriously and they are not even being perused by the DDCs who should be monitoring the projects that councils undertake.

Mr. Hashim: Mr. Deputy Speaker, Sir, as I said, this particular Ministry has taken stiff action to ensure that LATF money is spent for a specific purpose as provided for in the circular.

Mr. Kamande: Mr. Deputy Speaker, Sir, is the Assistant Minister aware that part of LATF money within Maragwa District has been used in the payment of salaries all over the country?

Mr. Hashim: Mr. Deputy Speaker, Sir, I am not aware.

Mr. Anyona: Mr. Deputy Speaker, Sir, as you know, local authorities throughout the country have serious financial problems and I would expect that Maragwa, being one of the new ones, would be worse off than many. In fact, Kshs800,000 is a lot of money for a poor council without services. What official tour was this? What precisely did these county council councillors go to do on this tour?

Mr. Hashim: Mr. Deputy Speaker, Sir, as I said, this was a budgetary item which the Ministry approved and the county council councillors toured the Mombasa, Malindi and Kilifi Municipal Councils and Kwale County Council. They studied on a comparative basis, the problems, solutions and the authority they represent.

Eng. Toro: Mr. Deputy Speaker, Sir, the problem we have in county councils is because the Ministry has failed to monitor their activities. The Clerk to the Council undertook this trip after the election of the chairman and the chairmen of various committees to celebrate and not for any official purposes. Could the Assistant Minister tell this House why, despite my Question to him earlier this year that there was shortage of staff in the county council, no action has been taken? Mr. Deputy Speaker, Sir, Maragwa County Council has got no treasurer, deputy clerk, internal auditor, principal administrative officer, district community development assistant, works officer and gazetted enforcement officer. So, it is only one person in the name of the Clerk, Mr. P.M.G. Kamau, who is running the council single-handedly. The Assistant Minister promised he is going to deploy the officers early this year and up to now he has not done so. When is he going to send an audit team to Maragwa County Council to investigate all this misappropriation of funds by one single person in the county council?

Mr. Hashim: Mr. Deputy Speaker, Sir, the sentiments of hon. Members have been taken seriously and I assure this House that we will take the appropriate action. All these officers will be posted to Maragwa County Council to countercheck the spending of funds.

(A mobile phone rang)

Mr. Maundu: On a point of order, Mr. Deputy Speaker, Sir. I hear some noises which resemble those of a mobile phone.

Mr. Deputy Speaker: The Chair also has ears! Order! Who is the Member responsible for that disturbance?

(Mr. Muchiri stood up in his place)

Hon. Muchiri, I order you out of the House for the rest of this morning.

(Mr. Muchiri withdrew from the Chamber)

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir. Did you see where hon. Muchiri went through? He exactly went through the back door. I do not think it is in order.

Mr. Deputy Speaker: Order! Maybe that is where he should be!

(Laughter)

Mr. Hashim: Mr. Deputy Speaker, Sir, we are noting with serious concern the shortage of staff at Maragwa County Council, and the Ministry is going to take serious steps to post all these staff so that the council can be run smoothly.

Mr. Deputy Speaker: Order, Mr. Assistant Minister! This is not the first time the Member has brought this issue to your attention. It does not take a year to post staff to Maragwa County Council. When are you going to do it?

Mr. Hashim: Mr. Deputy Speaker, Sir, I will request the House to give me time; at least, three months.

Mr. Deputy Speaker: We have already given you time. Three or four months ago, this Member raised the same issue here and you listed those circumstances. Mr. Assistant Minister, surely, you can do better than that.

Mr. Hashim: Mr. Deputy Speaker, Sir, by the end of February, we shall have completed the whole exercise.

Mr. Katuku: Mr. Deputy Speaker, Sir, hon. Eng. Toro has alleged that the council has a problem of auditing and has requested the Assistant Minister to send an audit team and not an individual to audit that council. When is he going to do that?

Mr. Hashim: Mr. Deputy Speaker, Sir, I said since we are approaching the Christmas holidays, we will do that immediately but not before February.

Mr. Deputy Speaker: Mr. Assistant Minister, the latest issue of *The Kenya Gazette* indicates that you have appointed inspectors to inspect Kitale and Kisumu Municipal Councils and the matter of investigations to those councils was brought to you later than hon. Eng. Toro's.

Mr. Hashim: Mr. Deputy Speaker, Sir, we will do that next year.

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

Question No. 705

ALLOCATION OF LAND TO SQUATTERS IN EMBAKASI

Mr. Deputy Speaker: Mr. Mwenje is not here? We will leave his Question until the end. Next Question, Ms. Karua!

Question No. 635

CIVIL SERVANTS IN PRESIDENTIAL ENTOURAGE

(Mr. Keriri stood up in his place)

Mr. Deputy Speaker: Are you the hon. Member of Parliament for Gichugu?

Mr. Keriri: No, Mr. Deputy Speaker, Sir. However, I am her neighbour. Could I ask this Question on behalf of hon. Ms. Karua?

Mr. Deputy Speaker: Order! In fact, this Question was not due to be answered because it had been answered before. I think the Minister undertook to provide some information and that is why it is back on the Order Paper.

Mr. Minister, so there is no need to answer the Question in total, but just respond to the information that you are supposed to provide.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, unfortunately, I am no longer seized of the matter. The docket has since moved to hon. ole Ntimama, who will provide the information.

Mr. Deputy Speaker: Order! Make sure hon. ole Ntimama is ready with that information tomorrow afternoon.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, I cannot make sure.

(Laughter)

Mr. Deputy Speaker: Hon. Sameoi, since you are further apart, please, inform the Minister concerned to bring this information to this House.

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. This is a matter of Cabinet collective responsibility and it has nothing to do with their relations. Should the House really accept that?

Mr. Deputy Speaker: Well, how can the House make sure that they do their work collectively?

(Laughter)

Next Question, Dr. Kulundu!

Dr. Kulundu: Mr. Deputy Speaker, Sir, I would like to ask Question No.740 for the second time.

Question No.740

GAZETTEMMENT OF HIV/AIDS
AS A NATIONAL DISASTER

Dr. Kulundu asked the Minister of State, Office of the President, why the Ministry has not gazetted HIV/AIDS as a national disaster.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, we will bring it to the notice of the Minister who is supposed to answer because he has not arrived.

Dr. Kulundu: On a point of order, Mr. Deputy Speaker, Sir. The Office of the President is "littered" with so many Ministers and Assistant Ministers and since hon. Sunkuli seems to be the most eminent of them all---

Mr. Deputy Speaker: Certainly the most regular!

Dr. Kulundu: Mr. Deputy Speaker, Sir, he is actually the *de facto* "Prime Minister" in this Government.

(Laughter)

The Minister of State, Office of the President (Mr. Sunkuli): On a point of order, Mr. Deputy Speaker, Sir. The hon. Member is a very educated man and I am sure he can find a good word instead of saying we are "littered". Actually, we are well structured and everybody has his responsibilities. However, I wish to undertake, on behalf of the Office of the President, that this Question will be answered tomorrow.

Mr. Deputy Speaker: Order! I hope the office of the Clerk is compiling a list of those hon. Members who have not turned up to ask their Questions, and those Ministers and Assistant Ministers who have not turned up to answer Questions. Action will certainly be taken against them.

Mr. Imanyara: On a point of order, Mr. Deputy Speaker, Sir. You heard the Minister taking objection to the use of the word "littered;" that, the Office of the President is "littered" with Ministers and Assistant Ministers. The Minister took objection to the word "littered" and not the "Prime Minister." Are you satisfied that the distinction of the "Prime Minister" is correct?

(Applause)

Mr. Deputy Speaker: Order! I cannot force any hon. Member of this House from harbouring ambitions to become a Prime Minister.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, we all swore to protect the Constitution as it is. Are you satisfied that Mr. Imanyara is not breaching the Constitution that he swore to protect by creating positions which are not in the Constitution and allocating them to hon. Members of this House?

Mr. Deputy Speaker: Order!

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

Mr. Deputy Speaker: Proceed, Mr. Keriri.

Mr. Keriri: Mr. Deputy Speaker, Sir, the Minister has twice said that, that Question is in another docket. When these Questions were asked, they were in some particular docket and the answers could not possibly have been expected to be prepared after whatever change there had been. So, he must have had an answer to this Question. For that matter, he could have replied to the Question because he had the answer.

Mr. Deputy Speaker: Order! We now know which Minister is responsible for answering this Question. When the list of those Ministers and Assistant Ministers, and equally hon. Members, is brought to me, I will take action.

The Assistant Minister for Agriculture and Rural Development (Mr. Sumbweiywo): On a point of order, Mr. Deputy Speaker, Sir. I do not know whether you are satisfied or you are happy how Dr. Kulundu referred to Mr. Sunkuli as *de facto* "Prime Minister." It is a very serious issue if Dr. Kulundu can appoint Prime Ministers in this country. It is going to be very serious.

Mr. Deputy Speaker: Order, Mr. Sumbweiywo! Which Standing Order has he offended?

The Assistant Minister for Agriculture and Rural Development (Mr. Sumbweiywo): Mr. Deputy Speaker, Sir, under the Constitution of Kenya---

Mr. Deputy Speaker: Order, hon. Members! Give me a break! Here, we are operating under our Standing Orders. Which Standing Order has that hon. Member offended?

The Minister of State, Office of the President (Mr. Sunkuli): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order, Mr. Sunkuli! I am on my feet! First, I want to finish with Mr. Sumbweiywo.

The Assistant Minister for Agriculture and Rural Development (Mr. Sumbweiywo): Mr. Deputy Speaker, Sir, it is under Standing Order No.68.

Mr. Deputy Speaker: Order! Mr. Sumbweiywo, Standing Order No.68 talks of a point of order. Have you read it? I have read it out many times. What does it require? It requires an hon. Member on the Floor, when another hon. Member stands on a point of order, to sit down. That hon. Member on the Floor - if he reads part two - requires the Chair to rule, and the Chair rules on the basis of Standing Orders. Points of orders, as I have repeatedly told you, must relate to the conduct of that hon. Member on the Floor or another hon. Member or procedure. Now, which one of those two are you exploiting?

The Minister of State, Office of the President (Mr. Sunkuli): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Let me finish with Mr. Sumbweiywo!

The Assistant Minister for Agriculture and Rural Development (Mr. Sumbweiywo): Mr. Deputy Speaker, Sir, I was talking about the conduct of the hon. Member who was on the Floor, who asked the question. I am asking the Chair to rule whether he is in order to appoint or create positions of Prime Ministers or Presidents in this country.

Mr. Deputy Speaker: Order! You, hon. Members, are often on the Floor saying that the Chair should not gag the House. When an hon. Member expresses an opinion which does not offend the Standing Orders, it cannot possibly be otherwise.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Deputy Speaker, Sir, I want to seek your ruling on this matter; that, you, yourself, and the Speaker have ruled that hon.

Members must only be referred to by their names or by the names of their constituencies. You can also refer to me as the Minister of State, Office of the President, but if we establish a tradition where we use nicknames in this House to describe people, do you think that we will be in order?

Mr. Deputy Speaker: Order! I am now going to bring a stop to this privilege! Mr. Sunkuli, you are lucky that I did not take you on because you cannot stand there on a point of order and ask the Chair questions.

Mr. Imanyara: Mr. Deputy Speaker, Sir, in fact, the provisions are not found in the Standing Orders, but in the Constitution of Kenya. The offices of the Ministers and Assistant Ministers are not found in the Standing Orders; this is found in Section 17 of the Constitution of Kenya, which creates the office of the Ministers and Assistant Ministers. Therefore, is it in order for Dr. Kulundu - you pointed to me; but it was not me - to refer to Mr. Sunkuli as the "Prime Minister" when the Constitution of Kenya creates the offices of Ministers and Assistant Ministers?

Mr. Deputy Speaker: Order! The endeavour to run the affairs of this House using the Constitution must come to a stop. The Constitution has given this House authority to make its rules and regulations. Those rules and regulations are what we must use. If you want to interpret what the Constitution says, we have to proceed to court.

Next Question, Mr. Orengo.

Question No. 768

HOSTING OF GENOCIDE PERPETRATORS

Mr. Gatabaki, on behalf of **Mr. Orengo**, asked the Minister of State, Office of the President:-

(a) whether he could confirm or deny that Kenya is hosting genocidaires, some of whom have been indicted by the International Criminal Tribunal for Rwanda (ICTR), including Felicien Kabuga, Aloys Ntwiragabo and Tharcise Renzaho;

(b) whether he is aware that this violates international norms and instruments that require states to co-operate with institutions like ICTR and ICTY and derails the process of the creation of the International Criminal Court whose statute Kenya signed in August, 1999; and,

(c) whether he could assure the House that Kenya will not continue to host suspected perpetrators of acts of war, crimes against humanity and other violations and International Humanitarian Law including genocide and rape, as this jeopardises and compromises national security.

Mr. Deputy Speaker: This is the second time that this Question was called out!

Next Question!

Mr. Gatabaki: Mr. Deputy Speaker, Sir, I am asking---

Mr. Deputy Speaker: The Member for Kathiani! Sorry, Mr. Gatabaki!

(Question dropped)

Mr. Kaindi: Mr. Deputy Speaker, Sir, I apologise for having come late.

Question No. 769

CRITERIA FOR ISSUANCE OF WORK PERMITS

Mr. Kaindi asked the Minister of State, Office of the President:-

(a) whether he is aware that the informal sector in Nairobi and other major towns has been invaded by people of other nationalities thereby disadvantaging Kenyans; and,

(b) whether he could explain to this House what criteria is being used to allow and issue work permits.

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Deputy Speaker, Sir, I am not aware that the informal sector in Nairobi and other major towns has been invaded by people of other nationalities. The Government only allows employment of foreigners in those areas where skills, experience and technology are not readily available, and also in key positions where investors wish to safeguard their interests.

Mr. Kaindi: Mr. Deputy Speaker, Sir, with all due respect to my friend, Mr. Samoei, if he cares to move to the building next to County Hall, he would find that in the pavilion purported to be run by men of Chinese

descent and origin, they are selling socks, ties and second-hand shirts. If he cares to drive to Adams Arcade, he would find men of Chinese origin selling second-hand shirts. If he drives to Embakasi, he would find them baking mandazis. Is he talking of those experiences and skills?

Why are we allowing them to compete with our Kenyans who are able to sell those merchandise?

Mr. Samoei: Mr. Deputy Speaker, Sir, I agree with Mr. Kaindi, but the description he has given does not fall in the category of foreigners who qualify to be given work permits. I have taken steps to ensure that such people are driven out of this country. If we prove that they are not Kenyans, we will certainly put them on the next plane to their home countries.

Mr. Mwalulu: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has talked about [Mr. Mwalulu] steps he has taken to ensure that such people are driven out of the country. Could he tell the House the specific steps he has taken and when such persons will be driven out of this country, so that Kenyans can benefit from our economy?

Mr. Samoei: Mr. Deputy Speaker, Sir, I have given instructions to the Principal Immigration Officer. Since September this year, we have managed to round up 149 aliens. We charged them in court and, as I speak, 23 of them have already been deported. The exercise is continuing within the environs of Nairobi and other major towns. I would like to assure this House that we are reviewing our immigration laws with a view to tightening up the loopholes that have enabled such persons to operate illegally in our country.

Mr. Sifuna: Mr. Deputy Speaker, Sir, arising from the Assistant Minister's reply, and in view of the fact that we have established the East African Legislative Assembly, will Ugandan and Tanzanian traders be affected in this swoop or not?

Mr. Samoei: Mr. Deputy Speaker, Sir, there are conditions which allow our Tanzanian and Ugandan brothers and sisters to be in this country. They need to have certain documents in order for them to be in this country legally. Until we agree on a common citizenship of the East African countries, we will have to comply with the law as it is.

Mr. Wanjala: Mr. Deputy Speaker, Sir, the same thing is being experienced in the fishing industry. Asians go to purchase fish along Lake Victoria, thereby competing with African fish dealers. Could the Assistant Minister, therefore, tell the House whether the exercise he has talked about will be extended to cover our fishing areas, so that Asians can be stopped from purchasing fish directly from fishermen?

Mr. Samoei: Mr. Deputy Speaker, Sir, the law does not discriminate against individuals on the basis of their colour, so long as they are Kenyans. Even if one is of Asian origin, if he is a Kenyan, we consider him as such on equal basis with the rest of Kenyans. However, foreigners who are illegally in this country doing whatever business, including that mentioned by Mr. Wanjala, will be affected.

Mr. Deputy Speaker: The last question, Mr. Kaindi!

Mr. Kaindi: Mr. Deputy Speaker, if the Assistant Minister is convinced that he is taking appropriate steps, what mechanism is he going to put in place, first of all, for immigration officers to vet and verify that the so-called "foreigners" possess skills and experience which do not compromise the position of indigenous Kenyans?

Mr. Samoei: Mr. Deputy Speaker, Sir, as I said, we are reviewing the regulations that support the immigration laws to ensure that the provisions that have been made for issuance of work permits to persons who wish to protect their investments, and to persons who provide specific skills are not abused by immigration officials. We will continue assessing the situation and if need be, we will recommend to this Parliament to amend the immigration law to ensure that we shut out every other person who does not provide the skills that are required in this country.

Mr. Deputy Speaker: Very well. Let us proceed to Mr. Mwenda's Question.

Mr. Mwenda: Mr. Deputy Speaker, Sir, first of all, I wish to apologise to the House for coming late.

Question No.451

PURCHASE OF CEREALS BY NCPB

Mr. Mwenda asked the Minister for Agriculture:-

- (a) why the National Cereals and Produce Board (NCPB) stopped purchasing millet grains from Kenyan farmers; and,
- (b) when the Board will start purchasing millet grains in order to safeguard millet farmers from exploitation by middlemen.

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

(a) The grain market was liberalised in the 1992/93 season, thereby allowing competitive participation by private sector players. Also, the NCPB participates in the market on commercial basis.

(b) In order to encourage the growing of traditional cereals and provide an incentive to farmers, the NCPB will continue to participate in the grains market. During the 1999/2000 season, the Board purchased 2,496 bags of millet.

Mr. Mwenda: Mr. Deputy Speaker, Sir, millet, particularly *burash* millet, is widely grown in the marginal areas of Tharaka, Mwingi and Kitui Districts, among other districts which receive very little rainfall. There is need to encourage farmers to grow more of this cereal, which is very nutritious. Could the Assistant Minister tell us where the Board bought the millet he has referred to in the 1999/2000 season; at what price, and why its purchase was not spread to all the millet-growing areas of this country?

Mr. J.D. Lotodo: Mr. Deputy Speaker, Sir, I agree with the hon. Member that millet is a very delicious grain with a high carbohydrate content, and that its growing should be encouraged. In recent times, the millet production level in the country has been very low. So, farmers use the little millet that they produce for subsistence purposes, rather than commercially. They do not produce a surplus for export or commercial purposes. I would, therefore, like to assure the hon. Member that our extension officers will continue to encourage farmers to grow the crop. On the price aspect, the NCPB bought every sack of millet at between Kshs1,800 and Kshs2,000.

Mr. Mwenda: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to avoid answering part of my supplementary question? I asked him where the NCPB purchased millet from in the 1999/2000 season, and why the purchase was not extended to cover all the millet-growing areas of this country. Could he answer that question?

Mr. J.D. Lotodo: Mr. Deputy Speaker, Sir, this was just a project which was meant to encourage millet farmers in Tharaka. As I said, millet production level is low; farmers could realise maximum production of the cereal. So, we purchased millet from farmers in that particular area in order to encourage them to continue growing the crop. That is why we buy a bag of millet at between Kshs1,800 and Kshs2,000.

Mr. Gatabaki: Mr. Deputy Speaker, Sir, one of the objectives of forming the NCPB was for the maintenance of strategic grain reserves for the country. The NCPB is supposed to buy sufficient amounts of grains from Kenyan farmers and release them to the market in times of drought. Now that the Board is no longer buying grains from farmers, is its objective of maintaining strategic reserves still part of the Board's objectives?

Mr. J.D. Lotodo: Mr. Deputy Speaker, Sir, I agree with the hon. Member that the objective of the NCPB is to maintain strategic cereals reserves. However, over the last couple of years, the Board has not managed to maintain the strategic reserve of 3 million bags of maize. Therefore, we had to encourage farmers to grow the crop as much as they could. However, due to drought, we could not get as much maize as we had anticipated. So, since the liberalisation of the cereals market, the Board has almost ceased to operate as it used to.

Mr. Angwenyi: Mr. Deputy Speaker, Sir, one of the objectives of the National Cereals and Produce Board (NCPB) was to provide an environment of price stabilisation so that farmers of this country do not suffer losses in the production of foodstuffs. Now that the Assistant Minister has said that the NCPB is actually non-functional, could he consider disbanding it immediately?

Mr. J. D. Lotodo: Mr. Deputy Speaker, Sir, I do not think it is wise to disband the Board because we are still trying to see how we can rejuvenate it, or increase the production of these crops. Therefore, the Board will continue to assist where need arises.

Mr. Mwenda: Mr. Deputy Speaker, Sir, the Assistant Minister has repeatedly said that the Government is encouraging the growing of the millet crop, but he has not told us how it is doing that. Could he tell the House what measures the Government has put in place to encourage the growth of this crop?

Mr. J.D. Lotodo: Mr. Deputy Speaker, Sir, the Government provides extension services to farmers and also produces quality millet seeds. I am sure that the hon. Member will agree with me that there are extension agricultural officers in Tharaka who are showing the farmers how to grow this crop and, of course, subsidising its production by providing seeds.

Mr. Mutahi: Mr. Deputy Speaker, Sir, first of all, I would like to apologise to the House for coming late.

Question No.645

COFFEE EARNINGS FOR MUKURWEINI
CO-OPERATIVE SOCIETY

Mr. Mutahi asked the Minister for Agriculture:-

- (a) what are the total coffee earnings by Mukurweini Coffee Farmers Co-operative Society in the year 2000/2001;
- (b) how much of this amount went to reduce the Co-operative Bank loans and how much was taken by the liquidator; and,
- (c) how much was paid to the farmers.

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

(a) The total coffee earnings for Mukurweini Coffee Farmers Co-operative Society in the year 2000 and part of the year 2001 were Kshs265,085,903.25. The earnings were handled by a liquidator who was appointed on 3rd January, 2001. He dealt with the proceeds of the financial years 1999/2000 and part of 2000/2001.

(b) Kshs145,021,840.90 was paid to reduce the Co-operative Bank of Kenya loan. Kshs924,050.95 was taken by the liquidator, out of which he contributed Kshs225,949.05 to pay salary arrears. The contribution by the liquidator will be recovered at the final settlement of the liquidation account. The Co-operative Bank of Kenya is still owed an amount of Kshs225,142,763.35 out of the total amount of Kshs370,164,604.20.

(c) Farmers were paid Kshs119,140,011.40. This covered advance by the Co-operative Bank of Kenya at Kshs7 per kilogramme, totalling Kshs91,776,300, and December, 2000 payments at various rates totalling Kshs27,367,711.40

Mr. Mutahi: Mr. Deputy Speaker, Sir, I require your guidance on this Question because you were on the Chair last week but one, when you deferred this Question to today. The same answer that I was given by the Assistant Minister then is the same one that he has given me today. The agreement was that he would go and break down the amount of money that was taken by the Co-operative Bank of Kenya to reduce its loan.

Formerly, we had only one co-operative society, but it has now been split into 13 co-operative societies. He said that he would bring a breakdown showing which society owes the Co-operative Bank of Kenya money, and how much. In fact, his words were: "I will bring the breakdown next time". He has given me the same answer that he gave me last time. I require your guidance on this issue.

There is still a balance of the Co-operative Bank of Kenya loan of Kshs225 million. We wanted to know which co-operative society, out of the 13 co-operative societies, owes the Co-operative Bank of Kenya money, and how much. The Assistant Minister has not provided that information.

Mr. Sumbeiywo: Mr. Deputy Speaker, Sir, although I do not want to abdicate my responsibility, I do not think I am the one who answered this Question last time. But the answer that was given stated: "The society was then sub-divided into 13 new co-operative societies, which started delivering their coffee direct to the millers". It is easy to go through records and find out the amount of money each co-operative society owes the bank. I am prepared to bring that information tomorrow.

Mr. Deputy Speaker: Mr. Mutahi, will tomorrow afternoon be fine with you?

Mr. Mutahi: Mr. Deputy Speaker, Sir, I hope he will do that because that is what he promised to do two weeks ago.

Mr. Deputy Speaker: Let us hope I will be in the Chair.

Mr. Mutahi: Mr. Deputy Speaker, Sir, I did not hear you.

Mr. Deputy Speaker: He has promised to bring that breakdown tomorrow afternoon.

Mr. Mutahi: Mr. Deputy Speaker, Sir, I hope you will be on the Chair.

Dr. Murungaru: Mr. Deputy Speaker, Sir, one

of the objectives of asking this Question was to protect the farmers from the liquidator. This is because in the process of liquidation, farmers truly get fleeced. Could the Assistant Minister, as he brings the breakdown of the figures that Mr. Mutahi has asked for, also bring details of how much the liquidator will be paid at the completion of the liquidation process, so that he does not demand a cent more than what has already been agreed on?

Mr. Deputy Speaker: Mr. Sumbeiywo, bring that information tomorrow afternoon.

Mr. Sumbeiywo: Agreed, Mr. Deputy Speaker, Sir.

(Question deferred)

Mr. Anyona: Mr. Deputy Speaker, Sir, something has not been done about this problem, where Ministers come to the House with answers that are incomplete and then they are asked to go back and bring certain

information. Once the Question is deferred, those Ministers then abscond and send someone else who is not in the picture as to what transpired. This also means that the Permanent Secretaries (PSs), who are supposed to assist the Ministers, do not care about what transpires in this House. So, whose responsibility will it be to ensure that when Parliament tells a certain Minister or an hon. Member to go and bring certain information, he does so? How will we ensure that, that is done? This is taking a lot of time of the House.

Mr. Deputy Speaker: Order! You know the House regards its Members as answerable and accountable. Whether the Ministers go to Timbuktu to get the information, the House is not really concerned. We are concerned with the Ministers whose personal responsibility it is to answer Questions in this House. So, any Minister who comes here and gives an excuse about a civil servant having refused to give him information will only earn the wrath of the Chair here.

Ministers must be personally responsible for the accuracy of the information they bring to this House. If their PSs or their other civil servants are not working properly, they had better go and report them elsewhere. But the House Committees have got the power and the responsibility to bring those recalcitrant civil servants before them to inquire into their behaviour and report to this House for a decision to be taken.

Mr. Mwenje: Mr. Deputy Speaker, Sir, I apologise that I was not here when my Question was called for the first time. This is because, yesterday, we left Parliament at 11 p.m. or thereabouts.

Question No.705

ALLOCATION OF LAND TO SQUATTERS IN EMBAKASI

Mr. Mwenje asked the Minister for Lands and Settlement:-

(a) who the owner of land Ref.LRII379/3 is;

(b) whether the Minister is aware that the High Court issued orders of *mandamus* for the above land to be allocated to the 5,000 squatters who have been living there; and,

(c) when he will comply with the order.

The Minister for Lands and Settlement (Mr. Ngala): Mr. Deputy Speaker, Sir, the answer to this Question is not ready. It only complicates the situation and I am trying to handle it to the best of my ability because there is certain information which I am trying to get. Because of the Question's sensitivity, I would like to ask this House to give me more time, until tomorrow afternoon, so that I can be able to answer it. I came to this Ministry when information on this Question was being sought. Therefore, because this Question is very sensitive, I beg the indulgence of this House that I be allowed to answer it tomorrow afternoon.

Mr. Deputy Speaker: Mr. Ngala, this Question is fairly straightforward. It asks you the owner of land Reference No.LRII379/3, and what happened to the court order.

Mr. Mwenje: Mr. Deputy Speaker, Sir, you do appreciate the fact that this is the second time that this Question is being asked in this House, and the Minister is asking for the Question to be deferred for the second time. I do appreciate the fact that the Minister needs to go deep and find out exactly what happened, but we know what is happening. The situation on the ground is actually volatile and it is likely to erupt and cause clashes any time now.

Mr. Deputy Speaker: I will defer this Question to tomorrow afternoon. Are you agreeable, Mr. Mwenje?

Mr. Mwenje: Mr. Deputy Speaker, Sir, I will agree, but let us make sure that we have the answer tomorrow. This is because it may cause another "Kibera", if we go beyond tomorrow.

Mr. Deputy Speaker: Order! Order, hon. Mwenje! The Question is deferred to Thursday afternoon.

(Question deferred)

The Minister for Lands and Settlement (Mr. Ngala): On a point of order, Mr. Deputy Speaker, Sir. I wanted to ask about what the Chair expressed as being straightforward. The Question is not that straightforward as the Chair may see it. I support what the hon. Member has said, that there are some complications. The Question may look very straightforward, but I think there are intricacies involved in it.

Mr. Deputy Speaker: If it is complicated a lot, then that is why we have given you until tomorrow afternoon to come with the answer.

Next Order! Questions by Private Notice!

QUESTIONS BY PRIVATE NOTICE

INTERDICTION OF CHIEF NDIRANGU

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 Chief Ndirangu of Lamuria Location, Sirima Division, was interdicted two weeks ago?

(b) Why was he interdicted?

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware that Chief Ndirangu of Lamuria Location, Sirima Division, was interdicted.

(b) The chief was interdicted because of alleged misappropriation of relief food.

Mr. Kiunjuri: Mr. Deputy Speaker, Sir, I have a lot of respect for the Assistant Minister, but he is being misled. The fact of the matter is that this chief gave me some time to address people when he was distributing relief food. That is one of the reasons why he was interdicted. Secondly, he was interdicted because he gave evidence when he was called by a woman whose husband was having a love affair with a Madam District Officer. The chief accompanied that woman to the house of the Madam District Officer at midnight, and they caught the Madam District Officer red-handed with the husband of that woman. The chief gave evidence before us and that is why he was interdicted.

Mr. Deputy Speaker: Ask your question!

Mr. Kiunjuri: If it is true that this chief was misappropriating relief food, that is a criminal case and he is supposed to be arraigned before a court of law. Could the Assistant Minister table the Occurrence Book of where this case was reported and also state the name of that particular police station in Laikipia?

Mr. Samoei: Mr. Deputy Speaker, Sir, I had given the chief up to yesterday, 4th of December, 2001, to respond to the allegations made against him in respect of the misappropriation of relief food.

Mr. Deputy Speaker, Sir, as and when I gather enough information to charge the chief, I will certainly take him to court. If on the contrary, I find that the information that will be availed to me is not enough to prove a case against him, I will take the necessary action. As regards allegations about the District Officer and the husband of the woman, all these persons are beyond the age of 18 years and they are free to do what they want to do with people's husbands or wives.

If you heard him very well, Mr. Kiunjuri said that the chief gave evidence to him. I do not know whether Mr. Kiunjuri operates a court.

Mr. Imanyara: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister said that the chief was interdicted because there were allegations of misappropriation of relief food. Could the Assistant Minister tell this House who made those allegations?

Mr. Samoei: The allegations were made by members of the public and we are investigating the allegations.

Mr. Imanyara: On a point of order, Mr. Deputy Speaker, Sir. When an allegation of a criminal offence is made, specific names are given to the police or to Government officers so that they can interdict the suspect. Who are these members of the public who alleged that the chief had misappropriated relief food, in view of the information given by the hon. Member that the reason for the interdiction was that the chief allowed him to address a public baraza. Who were these members of the public who made the allegation that made the chief be interdicted?

Mr. Deputy Speaker: I will treat that as a supplementary question but not as a point of order.

Mr. Samoei: Mr. Deputy Speaker, Sir, I did say that there were allegations made against the chief. We do not, as a Government, interdict people on frivolous grounds. The fact that the chief gave the hon. Member time to address a gathering, or the fact that he accompanied somebody's wife to the DO's house cannot form a basis for him to be interdicted. As I have said, the chief was interdicted because he was involved in the misappropriation of relief food. This House will do me a great deal of favour if it can allow me to take appropriate action against persons who have been reported to have stolen food that is meant for people who are going hungry. I think this is a very serious issue, and there have been complaints that Members of the Provincial Administration have engaged themselves in acts like the one in question. I think I should be given the opportunity to discipline these officers.

(Dr. Murungaru stood up in his place)

Mr. Deputy Speaker: Order! Order, Dr. Murungaru! The Standing Orders state very clearly that when an hon. Member is on the Floor, the rest of the hon. Members should remain seated.

Dr. Murungaru: Mr. Deputy Speaker, Sir, I have some information to give the hon. Member!

Mr. Deputy Speaker: Whether you have a point of information or no point of information, you must be disciplined. Follow our own rules!

Mr. Ndicho: Mr. Deputy Speaker, Sir, I agree with the Assistant Minister that we have made several complaints in this House about chiefs and other Government officials being involved in theft of relief food. Out of those complaints, the Government itself created other bodies to oversee the distribution of relief food. One such body is the World Food Programme. As we know, chiefs are no longer involved in the distribution of food. All they do is to call the people for the WFP officials to come and distribute food. How come that the chiefs are coming again to be distributing relief food, yet we have complained that, if they are allowed to distribute relief food, they will steal it? Why did the Assistant Minister allow chiefs to go back again and start giving food?

Mr. Samoei: Mr. Deputy Speaker, Sir, to make sure that relief food is fairly and properly distributed, we did form a consortium which involves members of the Provincial Administration, the World Food Programme and members from the communities in question.

Mr. Deputy Speaker, Sir, we did not exclude members of the Provincial Administration, but we included members from other sectors of society in order to have a comprehensive team that can supervise the distribution of relief food. In this particular case, I beg this House to give me a chance. If I find that, indeed, this chief was involved in misappropriation of relief food, I promise that I will sack him.

Mr. Wamae: Mr. Deputy Speaker, Sir, could the Assistant Minister let us know the amount of food that was stolen by this chief? This is because, in the allegation, there must be the quantity of food, or the number of bags of food which were stolen. Could he give us those details?

Mr. Samoei: Mr. Deputy Speaker, Sir, I am not in a position to provide the details. I have said that I am investigating this issue. If this House would like me to report on the progress of that investigation, I will do it, but, indeed, I am taking this exercise very seriously.

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

Mr. Deputy Speaker: Mr. Ndicho, you rose and asked a question, and now you want to rise on a point of order. There are other hon. Members in the House!

Mr. Mwenda: Mr. Deputy Speaker, Sir, you heard the Assistant Minister say that he is not in a position to give the details now. Already, he has taken action against this chief. In fact, disciplinary measures have already been taken against the chief by the fact that he has been interdicted. How come that disciplinary measures were taken against him without getting information on the person who made the allegation, the amount of food he stole and when he stole it? How come that serious action was taken against the chief before the Assistant Minister got this information?

Mr. Samoei: Mr. Deputy Speaker, Sir, my disciplinary action was based on good information. I have said that I cannot avail that information to this House right away, but that information is there. We do not interdict our officers on grounds that we are not sure of. I think it is in the interest of this House that we take appropriate action when people are in breach of what they are supposed to do for the public.

Mr. Kiunjuri: Mr. Deputy Speaker, Sir, this is a political war against me by the Provincial Administration. However, the World Food Programme (WFP) is the custodian of any relief food which is distributed in the country, and the Assistant Minister is aware of that. I would like to point out that the WFP only releases the food to the distributing points, where a sub-committee is set up in every sub-location to distribute it. So, the food is kept by the WFP, and it releases it to the sub-committee which distributes it to wananchi. At which point did the chief become the custodian of the food so that he could steal it? If he stole it, whom did he collaborate with? How many other people are being charged alongside the chief? Let the Assistant Minister tell us at what point the food was stolen.

Mr. Samoei: Mr. Deputy Speaker, Sir, what the hon. Member has said is not true. I would like to point out that food is contributed by both the donors, including the WFP, and the Kenya Government, which contributes up to 40 per cent of the food component that is distributed in the country. The food is the property of the Government until it is given to the persons who deserve it. The members of the Provincial Administration have a duty to make sure that, that food is safe until it is given out. In this particular case, allegations were made that the chief, alongside other persons, were involved in misappropriation of this food. That is the reason why I am taking this action. If the hon. Member can give me time, I will investigate the matter and take the necessary action, and if he is not satisfied with the action I will take, he can petition me.

Dr. Murungaru: On a point of order, Mr. Deputy Speaker, Sir. This House is being misled. In Laikipia

District, and this particular---

Mr. Deputy Speaker: Dr. Murungaru, what is your point of order?

Dr. Murungaru: Mr. Deputy Speaker, Sir, my point of order is that the House is being misled. I would like to point out that food is distributed by a Catholic organisation called "Catholic Relief Services (CRS)" in Laikipia District. This is the case, and yet we are being told that the food is distributed by the chiefs---

Mr. Deputy Speaker: Order! Dr. Murungaru, if you know the answer to these questions, why do you not sit on this side of the House so that you can answer them? When you rise on a point of order, you should really address an issue at hand and not to answer the Question in the way you think it should be answered!

Mr. Kiunjuri: On a point of order, Mr. Deputy Speaker, Sir. It is true that the Government is no longer the custodian of relief food, and the organisation which is charged with this responsibility is the CRS of Nyeri. They are the custodian of the food, and at any given time, the Government has no say in the distribution of food. So, the Assistant Minister is misleading this House. It is evident and it is written in black and white. Could the Assistant Minister, really, be open to the House and tell us exactly at which point the chief was the custodian of the food?

Mr. Samoei: Mr. Deputy Speaker, Sir, I stand by what I have said; that it is alleged that the chief took part in the misappropriation of food. If I find that the information availed to me is enough to take action, I will dismiss him.

Mr. Deputy Speaker: Let us move on to the next Question!

Mr. P.K. Mwangi: Thank you, Mr. Deputy Speaker, Sir. I have not received a copy of the written answer.

SUSPENSION OF DONOR FUNDS FOR ROADS

Mr. P.K. Mwangi: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Finance the following Question by Private Notice.

(a) Could the Minister explain what reasons have caused the suspension of Kshs2.4 billion by the World Bank meant for emergency rehabilitation of roads?

(b) Could he table the list of the projects affected?

(c) When will the Government fulfil the basic conditions set by the donors as per the deadline of 30th November, 2001?

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The World Bank suspended, on 1st October, 2001, disbursements on the Kenya Urban Transport Infrastructure Project (KUTIP) due to elevation of fraud and corruption in the implementation of the project.

(b) The Ministry of Finance and Planning cannot table the list of projects which have been affected by the suspension because the project is implemented by other Ministries.

(c) The matter is currently being investigated by the Criminal Investigation Department (CID) and further discussion thereof will prejudice police investigations.

Mr. P.K. Mwangi: Thank you, Mr. Deputy Speaker, Sir. You will agree with me that this is a question of corruption within this Government. I am asking for the list of these projects to be tabled in this House so that we can know the projects which have been affected. When will the Assistant Minister table in this House the list of these projects? It does not make sense for him to tell us that this project is being implemented by other Ministries. When will he table this list?

Mr. Michuki: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Assistant Minister to mislead this House that he releases money without even knowing where it goes to, because this is what he is saying? Is it in order for the Ministry of Finance and Planning to do this?

Mr. Deputy Speaker: Certainly, that is not in order!

Mr. Marrirmoi: Mr. Deputy Speaker, Sir, I said that the funds were allocated to the Office of the President and the Ministry of Local Government. That is why I talked of Ministries.

Mr. Deputy Speaker: Order! Mr. Assistant Minister, you know that even by simply looking at the Estimates, the projects are identified. You cannot say that you sent the money to the Office of the President and other Ministries without knowing for what purpose it was going to be used. So, provide that list to this House!

Mr. Marrirmoi: Mr. Deputy Speaker, Sir, it is not difficult to get the list, but I might request to be given more time so that we can get it from other Ministries.

Mr. Keriri: Mr. Deputy Speaker, Sir, as I keep on saying, I think the Ministers who are seated in front

here are taking us for a ride. An Assistant Minister for Finance and Planning, who is the custodian of public property and funds, comes to this House and says that he cannot give---

Mr. Deputy Speaker: Ask your question! If you want to lecture him, take him out!

Mr. Keriri: Mr. Temporary Deputy Speaker, Sir, I will take him out next time. Why was the Assistant Minister unable to get that information from Treasury if he cared to look for it and did his homework properly?

Mr. Marrimoi: Mr. Deputy Speaker, Sir, there were several projects which were forwarded. In this particular case, the Questioner is not specifying the project, and that is why I am saying that the list---

Mr. Deputy Speaker: Order! Mr. Assistant Minister, part "b" of the Question asks if you could table the list of projects affected. You could not have reached a quantum of Kshs2.4 billion without individual projects within it. I defer this Question to tomorrow afternoon. The Assistant Minister must come better armed to answer the Question.

(Question deferred)

INADEQUATE TRANSPORT FOR SUSPECTS AT KAMITI

Mr. Ndicho: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Home Affairs the following Question by Private Notice.

(a) Is the Minister aware that Kamiti Maximum Prison has not enough vehicles to transport suspects to courts in Kiambu, Thika, Kibera, Makadara and the High Court, for either mention or determination of their cases?

(b) Is he further aware that as a result, suspects are languishing at Kamiti Maximum Prison for months without knowing when they will appear in court?

(c) What urgent measures is he taking to alleviate this problem?

The Assistant Minister, Office of the Vice-President and Ministry of Home Affairs, Heritage and Sports (Mr. Choge): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am not aware that Kamiti Maximum Prison has not enough vehicles to transport suspects to courts in Kiambu, Thika, Kibera, Makadara and the High Court. Kamiti Maximum Prison is served by the following caged-lorries used to ferry remand prisoners to and from courts: Izusu FTR GK 855A, Nissan GK Z343, and Nissan GK A550.

This is in addition to the transport which police provide from each police station to the courts for suspects in their custody.

(b) It is not true that the suspects are languishing at Kamiti Maximum Prison without knowing when they will appear in court. As the hon. Member is aware, dates for the mention or hearing of court cases are set by the courts, and it is mandatory for suspects to be produced in court. The prison authorities have always ensured that this is adhered to. The officer in charge of Kamiti Maximum Prison has confirmed that no remanded suspect has failed to appear in court as per court production orders and warrants.

(c) Because of the explanation offered, the question of taking other urgent measures does not arise.

Mr. Ndicho: Mr. Deputy Speaker, Sir, the courts themselves will laugh at the Assistant Minister because of this answer. The courts themselves complain that when they fix dates for the mentioning and hearing of cases of Kamiti Maximum Prison suspects, the prison authorities fail to take those suspects to courts. Consequently, the court officials end up staying idle.

The Assistant Minister talked of three lorries and police vehicles used to ferry remanded suspects from Kamiti Maximum Prison to courts. Is he satisfied that those three lorries are enough to serve Kiambu, Thika, Kibera, Makadara and the High Court, in view of the large number of remanded suspects in those stations? Is he further aware that there are no police vehicles operational at the moment? Is he satisfied three lorries can serve five courts in a day like today?

Mr. Choge: Mr. Deputy Speaker, Sir, I am very satisfied. If there are more remanded suspects needed at the courts, the prison authorities always ring the police who send caged-lorries from their stations or any other Government institution to assist them ferry the suspects to courts.

Capt. Ntwiga: Mr. Deputy Speaker, Sir, we talk about bringing services closer to the people. Prisoners are also our people. More often than not, we hear of suspects escaping from those vehicles either on their way to or from the courts. If it is not possible to take those suspects to courts, could the Assistant Minister consider establishing mobile courts within the precincts of Kamiti Maximum Prison, so that suspects are not kept there without having their cases determined?

Mr. Choge: Mr. Deputy Speaker, Sir, the courts have not complained. If the courts need to determine cases of many suspects from Kamiti Maximum Prison, then the prison authority can use one lorry to transport them. One lorry will be enough to ferry suspects to and from the courts.

Mr. Kathangu: Mr. Deputy Speaker, Sir, I would like to appreciate that the Assistant Minister is speaking from a point of knowledge. He has the personal experience because he has been to prison, just like me. So, when he answers this Question, he does so with authority. Unfortunately, Kamiti Maximum Prison is the prison where he and I have been, and he knows, for sure, this prison was meant for 800 prisoners. Today, we have 1,100 remanded suspects charged with capital offenses; that is, murder and robbery with violence, in Kamiti Maximum Prison. We also have many prisoners whose cases have already been determined. Normally, every time a capital offender is escorted to court, he is not mixed with other prisoners. The prisons authority has to organise for his own transport to and from the court. The three lorries the Assistant Minister referred to, only ferry suspects whose cases have been determined. The rest of suspects are left in prison without being taken to court. Some suspects stay in prison for more than five years before they are taken to court. Is it in order for the Government to cheat the House---

Mr. Deputy Speaker: We do not cheat here! Hon. Members vary the truth!

Mr. Kathangu: Is it in order for the Government to mislead the House and the nation, that there are no remanded suspects languishing in prison because they cannot be taken to court? The Assistant Minister knows for a fact that this is true.

Mr. Choge: Mr. Deputy Speaker, Sir, I am happy that the hon. Member who has just asked the question knows I know Kamiti Maximum Prison very well. He also knows that when capital offenders are taken to court, they are normally handcuffed and they can be accompanied by other remanded suspects in the same lorry. It is not necessary that we transport them in a separate lorry.

Mr. Anyona: Mr. Deputy Speaker, Sir, I do not know why human beings sometimes behave like chameleons. This Assistant Minister himself languished in Kamiti Maximum Prison. He knows the problems we are talking about. When we were there, there were only two vehicles, and in very bad condition, but let us grant him that there are three lorries. Could he deny or confirm that those three vehicles are enough to transport prisoners from Kamiti Maximum Prison to the High Court alone leave alone, Kibera, Kiambu, Thika and the other courts? Could he also confirm or deny that, in fact, the law does not allow police to transport remanded suspects who have been sent to prison by courts? They are in the hands of the prisons authorities. The police are not allowed to transport them. The Assistant Minister is misleading the House by saying they use police vehicles to transport suspects from prisons to courts.

Mr. Choge: Mr. Deputy Speaker, Sir, a vehicle is a vehicle. Whether it is a police vehicle or a prison vehicle, it is a Government vehicle and the Government can ask the police to come and assist or bring their lorries to ferry the suspects to the courts.

Mr. Deputy Speaker: Order! When does the Government sit to ask the police to assist?

Mr. Choge: Mr. Deputy Speaker, Sir, always, the prisons officer in charge can let the officer in charge of a police station know when and where these lorries are needed so that he can make them available.

Mr. Anyona: Mr. Deputy Speaker, Sir, it is a requirement of the law, that once a person is charged in a court, that person is put in the hands of the prison authorities. Very often the police have no access to that person, unless they are allowed by the court. So, how come that the police transport prisoners? I thought you were in Kamiti Maximum Prison and you saw it happening?

Mr. Choge: Mr. Deputy Speaker, Sir, when the police allow their lorries to ferry those people to court, it is only the driver who goes to the prison, but it is the prison warders who escort those people. A vehicle is different from a police officer.

Mr. Ngure: Mr. Deputy Speaker, Sir, this Assistant Minister is misleading the House. Police vehicles have not been built to transport convicts. They are open, and if you put convicts in those vehicles they can jump out.

Mr. Choge: Mr. Deputy Speaker, Sir, he has no experience as much as I do. There are those lorries in the police station which are caged and, therefore, they can carry any other offenders from either the prison or the police station.

Mr. Kimeto: Mr. Deputy Speaker, Sir, the Assistant Minister has said that prison vehicles are not adequate to transport the convicts to courts. Could I ask him to liaise with the Attorney-General to have court sittings in the prison compound so that the prisoners cases can be determined fast?

Mr. Choge: Mr. Deputy Speaker, Sir, the hon. Member, including me and any other hon. Members in this House, have always heard that prisons are congested because the courts do not dispense cases on time, and if

the cases are not determined they should be released. We are taking care of that issue.

Mr. Mwenje: Mr. Deputy Speaker, Sir, you realise that most of the hon. Members who have asked questions, including Mr. Ndicho, Mr. Anyona, Mr. Kathangu, the Assistant Minister and I, are talking from experience. We have all been in remand cells.

Mr. Deputy Speaker, Sir, the Assistant Minister has admitted that the vehicles are not enough and that is why they request the police to assist them with police vehicles. Instead of dilly-dallying with the whole issue, could he put this request in the next Budget, so that we can authorise them to buy more vehicles for Kamiti Maximum Prison? We are prepared to do so in the next Budget.

Mr. Choge: Mr. Deputy Speaker, Sir, we will consider that.

Mr. Deputy Speaker: Mr. Choge, hon. Members are telling you, that from their point of view, you are much better off spending more money in prisons than in schools, because they are not likely to go back to schools, but they are more likely to go to prison.

(Laughter)

Mr. Choge: Mr. Deputy Speaker, Sir, I agree with you. But every Government department has got to be taken care of. Therefore, we will seriously consider what the hon. Member has said.

Mr. Ndicho: Mr. Deputy Speaker, Sir, this matter has been taken with a light touch in this House. The seriousness of this Question, with regard to the people who are languishing in Kamiti Maximum Prison, is so enormous. I was in one of the courts, when I was told by the prosecutor and some policemen to assist them, by asking a Question in Parliament with regard to lack of enough vehicles to transport convicts from Kamiti Maximum Prison to the courts. On Wednesday, the allotted day for Kamiti Maximum Prison convicts to be taken to Kibera, Kiambu or Makadara Law Courts, the convicts are not produced because there is lack of transport. Could he promise the House that he is going to investigate those allegations further and make sure that after his investigations, he will look for more vehicles from the police and other Government departments and make sure that the remandees and suspects are taken to the respective courts at the appointed time? Justice delayed is justice denied. Next time it will be his son or brother who will be languishing in the cells. He knows this is a fact, he was a remandee and he knows how he suffered.

Mr. Choge: Mr. Deputy Speaker, Sir, our business is to keep these people for the courts. If the courts do not require them, we cannot just send them to court. The courts have the dates when they must hear those cases. The actual problem lies with the court and the prison. When they require these people, we have to produce them. We are only custodians; we only keep these people for the courts. As you might have heard, I think the problem is that the judges and magistrates are not enough. We cannot just take somebody to court to have the case heard. We do not organise the court time table. It is up to the Chief Justice, the judges and the magistrates to do that. We can only produce the convicts when they require them.

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

Mr. Deputy Speaker: Under what Standing Order?

Mr. Katuku: Mr. Deputy Speaker, Sir, under Standing Order No.68. The Departmental Committee on Constitutional and Legal Affairs, which I served before I resigned, visited Kamiti Maximum and Industrial Area prisons, and produced a report which could have been laid on the Table of the House. In that report, the Commissioner of Prisons told us that, actually, there is a problem of transport. Is the Assistant Minister in order---

Mr. Deputy Speaker: Which Standing Order did you say?

Mr. Katuku: Mr. Deputy Speaker, Sir, Standing Order No.68. My argument was that the Assistant Minister is misleading this House that there is adequate transport and, yet a Committee of this House headed by Mr. Kajwang visited these prisons---

Mr. Deputy Speaker: Order, Mr. Katuku! Have you read Standing Order No.68?

Mr. Katuku: Mr. Deputy Speaker, Sir, it covers the contents of my point of order!

Mr. Deputy Speaker: Order, Mr. Katuku! You are standing on a frivolous point of order and, there is only one punishment available to me; to send you out. So, you must not take the issue of Standing Orders lightly because this is the Bible of this House. You cannot go to church and start reading the Hindu Book and claim to be in church. Mr. Katuku, I will spare you this morning.

Mr. Ndicho: On a point of order, Mr. Deputy Speaker, Sir. It is wrong to misuse the name of the Bible. We have only one Bible, and we cannot call any other book a Bible.

Mr. Deputy Speaker: Order! Order! I believe you have been to school and you know the usage of English words. The "Bible" means a document to which you attach importance and which guides your operations.

Mr. Ndicho: No!

Mr. Deputy Speaker: Order, Mr. Ndicho! This is an English word!
Next Order!

UTILIZATION OF SOTIK ROADS FUND

Mr. Kimeto: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Roads and Public Works the following Question by Private Notice:-

(a) Is the Minister aware that Kshs1.5 million, released to Sotik Constituency Roads Fund was not used as per the allocation of Constituency Roads Committee?

(b) How many kilometres of road were done using this money in every location in Sotik?

The Assistant Minister for Roads and Public Works (Eng. Rotich): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am not aware that Kshs1.5 million released to Sotik Constituency Roads Fund was not used as per the allocation of Constituency Roads Committee.

(b) A total of 43.5 kilometres was graded, 700 metres spot-patched, and nine kilometres of bush cleared.

Mr. Kimeto: Mr. Deputy Speaker, Sir, how many kilometres were graded in the parts of Buret and Bomet districts in my constituency? That is because my constituency lies within the two districts and has three divisions. How many kilometres were graded in every location or division?

Eng. Rotich: Mr. Deputy Speaker, Sir, it is true that Sotik Constituency stretches between the two districts. I have the names of the roads that were graded and the areas where they pass. But I do not have the number of kilometres per location. I wish to lay the document on the Table.

(Eng. Rotich laid the document on the Table)

Mr. Kimeto: Mr. Deputy Speaker, Sir, is the Assistant Minister aware that since my constituency lies between the two districts, the people of Buret District are always complaining that they have never received any money for roads, and that all the money has been used in Sotik Constituency in Bomet District? Why does the Government want to put me in a position where I cannot be able to answer those complaints raised by leaders of Sotik Constituency in Buret District?

Eng. Rotich: Mr. Deputy Speaker, Sir, I am not aware of that particular problem. What we do is that we allocate money per constituency. Last year, we allocated Kshs1.5 million to Sotik Constituency. But I am not in a position to solve problems on the ground. But we give money to constituencies, irrespective of where they stretch to.

Mr. Omingo: Mr. Deputy Speaker, Sir, the problem of District Roads Committees (DRCs) is not unique to Sotik only. Since Members of Parliament were restrained from being executives in the DRCs, there has been total misuse of those funds through the district roads engineers. For example, in my constituency, the DRC commissioned the destruction of trees along the road, all numbering 1,060,000. The end result is that we ended up without a road and trees! Is the Assistant Minister aware that the DRCs, from the time that Members of Parliament were chucked out of them, have been misusing money? What measures is he going to put in place to make sure that those funds are properly utilised for the intended purposes?

Eng. Rotich: Mr. Deputy Speaker, Sir, we have received unconfirmed reports of the claims that are being made by the hon. Member. What we have done is to set up a team, under the Road Works Inspectorate, to investigate and find out what exactly is happening in the DRCs. But Members of Parliament are still members of the DRCs. They may not be executives or chairmen, but they are still members and can attend the meetings. We attend the meetings. But they cannot be chairmen. The Road Works Inspectorate Unit is now visiting two or three districts to confirm those allegations. But it is true that we have received the unconfirmed reports.

Mr. O.K. Mwangi: Mr. Deputy Speaker, Sir, the Assistant Minister has said that Sotik Constituency received Kshs1.5 million. According to the Roads Act, every constituency was supposed to receive Kshs5 million. What happened to the Kshs3.5 million in respect of every other constituency?

Eng. Rotich: Mr. Deputy Speaker, Sir, the Kshs1.5 million is for the last financial year and not this financial year. Every constituency got Kshs1.5 million in the last financial year.

Mr. Deputy Speaker: Order! But he has asked you what happened to Kshs3.5 million in respect of every constituency!

Eng. Rotich: Mr. Deputy Speaker, Sir, what was available to us last time was only Kshs1.5 million that

was distributed to the constituencies. That is what we got in the last financial year. We did not have more funds!

Mr. Imanyara: Mr. Deputy Speaker, Sir, a very important issue was raised by Mr. Kimeto regarding constituencies that fall in more than one district. Although the Assistant Minister has said that the money goes directly to the constituencies, the practice - and we all know what is happening since we are members - is that the district is the focus point. The money reaches the constituency through the district. So, in constituencies that are like Mr. Kimeto's and fall in more than one district, there is a real chance that one district may end up getting the money to send to that constituency, but not send it there because a portion of that constituency is deemed not to be sufficiently big to fall in the district. What is the policy with regard to constituencies that fall in more than one district, in terms of funds that are set aside for roads?

Eng. Rotich: Mr. Deputy Speaker, Sir, there are not very many constituencies that have that problem! There are a few and one of them is Sotik Constituency. We sent the money to Bomet but not Buret, where he sits in the District Development Committee (DDC) and the DRC. So, the Kshs1.5 million was sent to Bomet District. The remaining Kshs2 million and was also sent to Bomet District.

Mr. Muturi: Mr. Deputy Speaker, Sir, you have heard the Assistant Minister say that what was available to the Ministry in the last financial year to allocate to each constituency was only Kshs1.5 million. Previously, the Assistant Minister had occasion to explain that they collect close to Kshs8 billion per year from the Fuel Levy Fund. Since the money which was to go to the constituencies was to come from the Fuel Levy Fund, what happened to the approximately Kshs5 billion that they may have collected in the last financial year, regarding the money that was supposed to go to the Kenya Roads Board?

Eng. Rotich: Mr. Deputy Speaker, Sir, last year was a transition period and we had contractual commitments to our contractors. We completed those commitments last year. This year, each constituency will get, in fact, more than Kshs5 million. It will be Kshs5.5 million and Kshs2 million has already been received. In January, another Kshs2 million will be received. Then, around May or June, another Kshs1.5 million will be received. So, it will be Kshs5.5 million this financial year.

Mr. Kimeto: Mr. Deputy Speaker, Sir, could I ask the Assistant Minister to give the Sotik Constituency Roads Committee power to use the money? That is because my constituency extends between two districts and all the money from the Ministry is sent to Bomet District. The people in Buret District sit and say that the money is in Bomet District. Could he assist me to enable the Roads Committee in my constituency to use the money that is given to us?

Eng. Rotich: Mr. Deputy Speaker, Sir, the money is spent as per the work plans in the constituencies. I have a copy of the work plan from the constituency, stating which roads are supposed to be done. I am hoping that the Member of Parliament participated in drawing up this work plan. I have it here.

Mr. Kimeto: You give me the power to use what I have already spent because the Kshs1.5 million was not used as per my request!

Mr. Deputy Speaker: Order! That is the end of Question Time!
Next Order!

PERSONAL STATEMENT

WATER BILLING BY NAIROBI CITY COUNCIL

Mr. Anyona: Mr. Deputy Speaker, Sir, last week, I asked the new Minister for Local Government, Mr. Kenyatta, to carry out investigations and make a Ministerial Statement with regard to the problem of water in Nairobi, both distribution and billing by the Nairobi City Council. Kenyans are being given fictitious water bills which are inflated, and have no record. The Minister did indicate that he was going to make that statement personally yesterday.

Mr. Temporary Deputy Speaker, Sir, true to form, the Minister did not appear personally to make that statement. We had expected, as I had said earlier that being a new broom, he might be able to sweep cleaner than the previous Minister. In my judgement, therefore, the Minister did fail his first litmus test in this House, by not turning up when we expected him in the name of the so-called "Young Turks", to do just that. Instead, a statement was read out here by his Assistant Minister, Mr. Sirma. Mr. Sirma went on a spree of scandalous allegations against me, but I was not in the House at that particular time. The question I asked was not about myself. It was about water bills in Nairobi. I gave my own case so that they could not say the matter was hypothetical. Apparently, the Assistant Minister did make the matter personal.

Mr. Deputy Speaker, Sir, Mr. Sirma is one Assistant Minister whom I consider gullible and garrulous. Yesterday he made scandalous allegations against me but you will remember that I raised a Question here about the demolition of kiosks in Nakuru and he gave the House false information. The Chair ordered that he goes to Nakuru to establish the facts, and the Chair asked me to assist him. We went there with him and what he told the House yesterday did not exist. He has never come back to the House to give a report.

Mr. Deputy Speaker, Sir, the other week, I raised a Question here on people who were displaced during the construction of the Kisii Sewerage Plant and he said there was a list of the affected people. He was told to go and bring a list which he has not brought. He told me along the corridors of this Parliament that the Minister has said there is no such list, and he has not come back to the House to give that information. That is why I describe him as gullible and garrulous.

Mr. Deputy Speaker, Sir, I have lived in Madaraka Estate since 1974. I have been paying my water bills and rent. For a long time, the City Council employees have been vandalising water meters and there was no water. Sometime last year, or the year before, I led a delegation to the then Minister for Local Government, Prof. Ongeru. It was Prof. Ongeru who ordered the City Council to install new meters and supply water. Some meters were installed but there has never been water in Madaraka Estate. I sometimes fetch water from Parliament and the staff of this Parliament are my witnesses. In view of the statement made yesterday by Mr. Sirma, I want him to explain what the meter that reflects the bill he was talking about is. In the receipt I tabled here, I had said that a certain number was given as the number of the meter. I was saying that advisedly because I knew that there was no such meter. The number given was 72171014. That is what is reflected in this receipt. In fact, the meter that was installed in my House after the intervention of Prof. Ongeru - though there is no water - is 00332. So what was Mr. Sirma talking about, when he referred to this as my water bill? Secondly, I would like the Assistant Minister to say when the last reading was done to show that I have failed to pay my water bills. Thirdly, I would like the Assistant Minister to produce a record of meter readings, the dates and particulars.

Mr. Deputy Speaker, Sir, Since I got this bill, I have been to Karen and City Hall. I have talked to the City Treasurer, asking him to give me a breakdown of the records to support this bill. But he told me that those records do not exist. How can Mr. Sirma come here and say I have failed to pay my water bills? In any case, the Assistant Minister said he was going to disconnect water to my house. There is no water to my house! How can he disconnect water that is not there? I feel strongly that this is a serious matter. If you were to invite Kenyans, who have suffered under this corruption, to bring their water bills to this House, they would inundate the whole of this Parliament. So, I would like the Chair to assist me to get the Minister himself to come and respond properly to that Ministerial Statement.

POINTS OF ORDER

SUPPLY OF SUB-STANDARD DRUGS BY NAIROBI EQUIP AGENCIES

Mr. Anyona: Mr. Deputy Speaker, Sir, I would like to seek a Ministerial Statement from the Attorney-General over a very serious matter. There was Tender No.S/44/20 of 1995, by the Ministry of Roads and Public Works. This tender was used by Ministries to make procurement of various things. The Ministry of Health then, went on to procure malaria drugs worth Kshs7.2 billion. A company called Nairobi Equip Agencies was awarded the tender. There were 20 Local Purchase Orders (LPOs) issued out and the company, apparently supplied fake and sub-standard drugs. When the matter was raised here, the Ministry investigated and cancelled the tender. The company went to court and filed Criminal Case No.1459/99 against the Government. Apparently, some corrupt deals seem to have taken place and the company got judgement in their favour against the Government, amounting to Kshs1.9 billion.

We, therefore, want the Attorney-General to explain the circumstances of that case. Secondly, whether the Government appealed against that judgement or not. If not, why not?

CONSTRUCTION OF KISII-CHEMOSIT ROAD

Mr. Deputy Speaker, Sir, we were promised that construction of this road would start this year in November, but nothing has happened. So, I want the Minister for Roads and Public Works to make a Ministerial Statement and tell us the name of the contractor, the contract sum, the commencement date, and the date of completion. We do not want to hang in the air again over this issue.

FAILURE BY MINISTER TO MAKE
MINISTERIAL STATEMENT

Mr. Anyona: Mr. Deputy Speaker, Sir, the Assistant Minister for Labour and Human Resource Development had promised to make a Ministerial Statement about a matter which I had raised in this House, but he has not done so. Parliament is apparently going on recess and I want this information. People in my constituency are killing each other because there are accusations that one of them had received the money in question. That information has not been provided and I do not know what we are going to do about it.

The Assistant Minister for Education, Science and Technology (Mr. Karauri): On a point of order, Mr. Temporary Deputy Speaker, Sir. My point of order is in view of what hon. Anyona, who is my good friend, has done. When he requested for a Ministerial Statement, the Minister stated the day he would give the statement. The Assistant Minister for Local Government gave the statement yesterday and hon. Anyona was not here. Could the Chair order that, when hon. Members ask for Ministerial Statements, they should be present to listen and seek clarifications at the time the statements are being given, so that they do not bring up the same issues later on, making it look like a vicious cycle?

Mr. Deputy Speaker: Order! Order! Of course, all Members and Ministers are supposed to be in the House all the time. But if a Member stands under Standing Order No.69, it does not have to relate to a Ministerial Statement. It relates to a matter that he considers personal to him. Mr. Anyona stood under Standing Order No.69 which allows him to raise the issue today, tomorrow or even next month. In this case, he used the right Standing Order. But, in general terms, Members who do not turn up to seek clarification from Ministers who have given specific dates on which to issue Ministerial Statements will not be allowed to raise them thereafter.

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. Indeed, my colleague is right. Yesterday, I was here and when I did not see Mr. Kenyatta, because he had promised to issue the statement, I went to one of the rooms to collect some material. When I was there I heard Mr. Sirma making this kind of allegation.

Mr. Deputy Speaker: I have made that ruling and it is in the HANSARD, so, the Ministers must come and clarify whether it is one week later or one month later.

Next Order!

RE-INTRODUCTION OF LEVIES IN PRIMARY SCHOOLS

Mr. Imanyara: On a point of order, Mr. Deputy Speaker, Sir. We were promised a Ministerial Statement on school fees and, yesterday, the Minister did indicate that it would be issued this morning. I was given to understand that Mr. Ojode is doing that this morning. Is that being done?

The Assistant Minister for Education, Science and Technology (Mr. Ojode): Mr. Deputy Speaker, Sir, I do not know why my colleague needs a Ministerial Statement when the President himself has already given a directive that school fees should not be paid. As a Ministry, we are going by the directive made by the President that no levies shall be charged in primary schools. I am aware of some schools, especially in the City of Nairobi, Nakuru, Eldoret and other urban centres, where primary headteachers charge levies to the tune of Kshs15,000. I am ordering that the practice should be stopped forthwith.

(Laughter)

Mr. Imanyara: Mr. Deputy Speaker, Sir, with regard to the first point, as to what His Excellency the President may have said, or may not have said, it has absolutely no relevance to giving a Ministerial Statement which a Ministry has undertaken to give in this House. Are you satisfied that it is in order for the Assistant Minister to base his response on the directive by the President? That notwithstanding, we know that there are no schools that are not charging these levies. This is as a result of a circular that was issued by the Director of Education, Mrs. Naomi Wangai to all schools in this country. They are calling them "user charges". It is not a matter of the Assistant Minister being aware of a particular school charging levies to the tune of Kshs15,000, they are complying with a circular that was issued by the Director of Education. We would like to know whether that circular has been withdrawn or not. Who authorised Mrs. Naomi Wangai to issue that circular to schools? What action is the Ministry taking against her and any other person who has done what this House forbids? It is not the President only who did this, it is the House that passed a resolution through a Motion brought by Mr. Donde that no charges of whatever nature should be charged on parents. The Minister stood up in this House in answer to a Question and said they were going to comply. Mr. Karauri said that a circular was being prepared to go to all

schools. Instead of that circular going to schools to tell them not to charge fees, what has gone to schools is a circular telling them to charge school fees beginning January next year. What is the position?

The Assistant Minister for Education, Science and Technology (Mr. Ojode): Mr. Deputy Speaker, Sir, I do agree with him. There was a circular which was circulated in the last two weeks and it has already been revoked through a directive of the President.

Mr. Achola: Mr. Deputy Speaker, Sir, I think Mr. Ojode is not giving us a proper answer to this matter. The Ministry must have a policy specifically with regard to education; free education for all. Kenya is a signatory to the convention that states that all pupils will receive free and compulsory education. If that is the case, how come the Director of Education issued a circular asking schools to charge school fees? The response that he has given is not comprehensive enough. We would like to ask him to go back and come to this House with a written response stating exactly what is the policy of this KANU Government with respect to free education; education for all.

Dr. Kituyi: Mr. Deputy Speaker, Sir, it is a very popular thing to talk about free education, health and so on. Technically, there is no possibility of free health and education services. It means the consumers do not directly pay. The Exchequer pays from the taxes. If this is logical, could the Government tell us what budgetary facilities have been put in place to pay for the services for which the charges are being withdrawn from the consumers? Who is going to buy chalk or repair desks? Who is going to transport pupils to other schools for necessary functions? Does the Government just declare the way it declared rent to be removed and then it becomes a law, or it has presented alternative sources of funds to pay for what has to be paid for? Does it think Harambees will do that?

Mr. Wamae: Mr. Deputy Speaker, Sir, we would like further clarification. Most of these schools, including primary schools, have watchmen and non-unionisable staff. Does it mean that the Government will now provide, in the Budget, the salaries for watchmen and non-unionisable staff? The Presidential directive cannot be an answer to what was requested for in this House. We would like the Minister for Education to come here with a comprehensive statement on this matter. The Director of Education could not have written this circular alone. It must have been a policy of the Ministry, including the Minister himself. We do not see what the Minister is doing these days. It seems as if he has abrogated his responsibility of running the Ministry.

Mr. Kombo: Mr. Deputy Speaker, Sir, is this House going to accept that a Presidential decree or utterance in a market place or somewhere, is enough to withdraw a circular from the Ministry of Education? In the 21st Century, if we are going to depend on utterances of one individual to run policies, I think it is not right at all. It is not consistent with the rule of law.

The Assistant Minister for Education, Science and Technology (Mr. Ojode): Mr. Deputy Speaker, Sir, as a Ministry, we are trying to do whatever we can in order to see that pupils have quality education. The Ministry is looking for alternative sources of funding in order to cater for the purchase of chalk, dusters and so on. The Director of Education gave a circular which proposed that fees would be paid in primary schools. But the same circular has already been revoked and withdrawn. It is not in force. The Ministry will come up with a comprehensive report on this particular matter. Just as we said, a Minister is a Minister. I am standing here as an Assistant Minister for Education, Science and Technology to issue a Ministerial Statement. I do not know which Minister he is looking for.

(Laughter)

Mr. Deputy Speaker: Order! Order! Hon. Members, when a Ministerial Statement is requested of a Minister, it must include and refer to policy. It must be factual. It ought to be written, because we believe that it is only when you sit down to write a matter relating to policy, that you can cover it in its entirety. So, Mr. Ojode, I do not think you have performed very well this morning. In matters relating to education, parents have a very emotive interest. I am a member of Kisumu DEB. I came from Kisumu the previous day and there was no circular cancelling the one that is already in force. Let us be serious for a change, hon. Members! I will require you to lay on this Table a circular from the Ministry cancelling the one already issued by the Director of Education because we are right in assuming that the Director of Education of the Republic of Kenya acts only with authority. The President may have said what he did, but that little headmaster in Seme may not have read the newspaper. So, do us a favour and let us see the circular cancelling the other one so that we can go back to our constituencies and inform parents that the previous circular is no longer in operation.

The Assistant Minister for Education, Science and Technology (Mr. Ojode): Mr. Deputy Speaker, Sir, let me assure hon. Members that the circular cancelling the one which was issued by the Director of Education

will be tabled. As we talk, the schools are closed. I promise that I will issue that circular any time next week.

Mr. Deputy Speaker: We just want a copy of the circular.

The Assistant Minister for Education, Science and Technology (Mr. Ojode): I promise to table the circular.

Mr. Deputy Speaker: We have exhausted that issue.
Next Order!

MOTIONS

LEAVE TO INTRODUCE BANKING (AMENDMENT) BILL

THAT, in view of the importance of promoting the participation of Kenyan entrepreneurs in the banking industry, this House do grant leave to introduce a Bill to amend the Banking Act (Cap.488), Section 7(2) by removing the full stop and adding the following words after schedule. "Taking into consideration the rate of economic growth and ensuring that at least 40 per cent of domestic banking is owned by Kenyan entrepreneurs".

(Prof. Anyang'-Nyong'o on 28.11.2001)

(Resumption of Debate interrupted on 28.11.2001)

Mr. Deputy Speaker: Mr. Wamae, you have five minutes.

Mr. Wamae: Mr. Deputy Speaker, Sir, as you know, the commercial banks are not at present giving loans to applicants. They are on a go-slow because they consider that the amount we recommended in this House through the "Donde" Bill is not sufficient for their requirements. Therefore, they are mostly lending money through Treasury Bills. The country is getting disappointed and the commercial sector is getting upset as to why the commercial banks are not lending in a normal manner. When the Minister comes to reply we would like him to tell us what measures the Government will take so that commercial banks can go back to normal lending and commercial activities can continue normally.

It is because of this frustration that the Mover of this Motion thinks that Kenyanisation of these banks will lead to a better response by the commercial banks. The amount of money that some of these banks have been making in the past is so much, such that a bank with shareholders' funds of Kshs4 billion is making over Kshs3 billion profit. This is unheard of in this world. This profit is beyond anything you can think of. This is why this House felt that these banks, particularly the foreign-owned banks, are taking this country for a ride. I hope that something, even if not necessarily as drastic as what is proposed by the Mover, will be done by the Government to ensure that Kenyans' interests are taken into account in the banking sector which is very important in motivating the economy of this country.

With those few remarks, I beg to support.

Mr. Deputy Speaker: Mr. Mutiso! Since Mr. Mutiso is making his maiden speech. He must be heard in total silence!

The Member for Kilome (Mr. John Mutinda Mutiso): Thank you, Mr. Deputy Speaker, Sir, for according me this time to present my maiden speech and to support the Motion.

Let me start by thanking the people of Kilome for electing me to this august House. I would also like to thank my party, the Ministers and MPs who also assisted me in my campaign.

I would like to touch on a few issues pertaining to my constituency before I give my contribution to the current Motion. There is the land issue in Kilome Constituency which has been long pressing. There are the issues of settlement, title deeds and displaced people during the colonial times. There is also the issue of crown land which was not allocated to the people who were displaced initially. I would like to appeal to the Ministry of Lands and Settlement to ensure that the squatters living in Ulu, Kima and other areas are settled on this crown land. I would also like to urge the Government to reclaim the land which was taken from the people who were living in Yoani, Ndatai and Kenze.

Let me also address the issue of the water problem which has been affecting Kilome Constituency. I would like to appeal to the Minister in charge to implement the second phase of the National Water Corporation to the interiors of Kilome particularly Kieu, Kasikeu and other zones. I would also like to appeal to the Ministry of

Education, Science and Technology to address the chronic problem of understaffing of teachers that we are facing in Kilome which is a remote area.

Let me come back to the Motion pertaining to the banking industry which was brought here by Prof. Anyang'-Nyong'o. The banking sector is a core industry in this country. Between 1992 and 1997 this country witnessed a turmoil in the banking industry because of regulation which was not in tune with the growth of this country. The banking industry, being a core sector in this country, should involve the participation of the indigenous people. I would like to propose that the amendment made by Prof. Anyang'-Nyong'o be taken into account by taking into consideration the rate of economic growth and ensuring that 40 per cent of domestic banking is owned by Kenyan entrepreneurs.

As much as we would like to embrace globalisation in this country, we cannot absolutely globalise our resources and wealth which are being handled by the banking sector. I would like to suggest that a paragraph "ensuring that at least 49 per cent of domestic banking should be owned by indigenous entrepreneurs" be added to the Motion. This should be in line with the international banking rules. In developed countries the foreign stakeholders are entitled to only up to 51 per cent ownership of banks. Therefore, I would like to urge the Minister to ensure that at least 49 per cent of our banks are owned by indigenous entrepreneurs.

Mr. Deputy Speaker, Sir, I wish to support the Motion.

Mr. Ndicho: Mr. Deputy Speaker, Sir, I rise to also support this very important Motion. When we have such important Motions, it is important for Members to know their effects.

Mr. Deputy Speaker, Sir, in 1963, when we attained Independence, the Government embarked on a programme of Africanisation and Kenyanisation of the Kenyan economy. The banking industry was definitely one of the areas that our Government had focused on to make sure that it thrives by encouraging Africans to take over what the Europeans and foreigners had started. So, that was a process that took off very well, nicely and smoothly, such that by the late 1970s and early 1980s, Africans, or Kenyans of African origin, had gone into the banking industry and had started owning their own banks which were helping the Kenyan Africans. We must understand the mechanisms that took place and exactly what happened leading to the collapse of the African-owned banks.

Mr. Deputy Speaker, Sir, the foreign-owned banks felt jittery, uneasy and uncomfortable that the African banks were "eating" into their profits and sooner than later, they realised that the African banks, or the African banking sector, would grow so fast and eventually kick them out. They engaged in a war of fighting the African banks. By the early 1980s, a "virus" entered and started "eating" away the African banking entrepreneurship such that today, the banks which were started by Africans are completely gone and only a few survived.

Mr. Deputy Speaker, Sir, we, as a country and nation, ought not to have allowed that to happen. This is because the after effect of that was that the foreign-owned banks went back to the earlier position that they were in. This was controlling the entire banking industry, setting banking interest rates and conditions for lending and all these other things without being challenged by any competitor. They ensured that there was not going to be any competition at all in the banking industry. It is very sad that it is our Government that lagged behind and never stopped that.

Mr. Deputy Speaker, Sir, there is nothing more interesting and enterprising than competition. The after effect of this is that the European or foreign-owned banks, having been left to operate alone without any challenges and opposition, started setting rates that were incomprehensible. The few Africans who were supposed to borrow the money and help this country grow are the ones who now ended up suffering. Anybody who borrowed money sometime in the 1980s and 1990s, even if the world came to an end today, there was nobody who could be able to repay those loans.

Mr. Deputy Speaker, Sir, if we allowed the ownership in the banking industry, and especially more so domestic banking, to go by our people, I am sure our people who are controlling the 40 per cent would not have left our people to be declared bankrupt, their accounts be declared inoperational and even for them to be resold. If we allow this to be law now, what will happen is that, because of the sympathy of our people to help their own people, if somebody has got a loan that he is unable to service, the only obvious thing to do is to reschedule that loan and make it in such a way that this person can be able to pay the loan. However, if you leave Africans in the hands of foreigners whose interest is only to reap and raise interest rates here and repatriate them back to their own countries, there is no way we can stand here and talk about economic growth.

There is no way we are going to talk about economic growth if our Government itself is not in the forefront to help this country achieve economic growth, it is the one to blame. The British Government encourages economic growth through ensuring that interest rates in banks are controlled in such a way that every citizen who wishes to go into business and be facilitated to borrow money, is done in such a way that he can afford to pay that loan.

Mr. Deputy Speaker, Sir, we cannot talk about economic growth if Kenyans of African origin cannot

access credit in the banks. Why can they not access it? One, it is very expensive and we are unable to repay. Secondly, it is also suicidal. This is because if you are unable to repay and you have mortgaged your property, it is just like taking it to the market. So, it is important that we enact this kind of law to ensure that our people are encouraged and in the process, economic growth will be boosted.

Mr. Deputy Speaker, Sir, if there are a lot of economic activities taking place in this country, it is one sure way of improving the security situation. One of the reasons why we have so much insecurity in this country is that people are so idle; they cannot do anything. So, I am saying that we can also minimise insecurity and the Government ought to know this. It needs to tackle the issue of insecurity from any front. Importing guns and having sophisticated guns to fight thugs is not one sure way of dealing with the insecurity problem. One important factor is to encourage as many economic activities in this country as possible. This can only be achieved if people can be allowed to access cheap credit in such a way that they are able to pay it.

Mr. Deputy Speaker, Sir, in the European money market, the issue of putting a three-year-repayment period for a loan is unheard of. Why should a bank put a three-year-repayment period for a loan and the economic activities are not commensurate with that short period of time? Honestly, there is nobody who is able to pay any amount of money within a period of three years. In any case, we are not going anywhere. The banks themselves are set to stay and remain until "the Kingdom come". So, we should also bring another law here not only to regulate the lending rates, but also to check on the issue of term of payments. If we are here to stay, let somebody pay within a period of ten to 15 years. This is because the short-repayment time that banks put for these kinds of loans is a sure way that you are unable to repay that money within that time and it is only the banks themselves that benefit. People go out of their way even to sell their other properties to repay the bank loans. It is very immoral for foreign-owned banks to earn billions and post them as the profits they have earned in their foreign countries at the expense of the local people where they trade.

So, this is a very important Motion. Let our people own as many industries as possible. There is no point having some exclusivity in certain industries. There is no point thinking that it is only Europeans, foreigners and whites who can manage any industry better than Africans, including the banking industry. So, it is high time that we told the Government that if it wants this economy to recover, it must look at the issue and direction of lending and the banking industry. This is because the banking industry is the hub, centre and heart of economic growth. If there is no money to be lent to the people, how do we revive our economy?

Mr. Deputy Speaker, Sir, I really support this Motion and say, like the Member for Kilome said, that even the 40 per cent might not be adequate. Why do we not go for 50 per cent domestic banking and foreign banking takes the other 50 per cent so that as they reap profits, we also do the same?

With those few remarks, I support.

The Minister for Public Health (Prof. Onger): Mr. Deputy Speaker, Sir, I stand to contribute to this Motion. But I think we are getting our facts wrong. The transfer of ownership from category A to category B does not instantly confer the ability of category B; lending out funds or giving opportunities to African entrepreneurs to develop business. That is a wrong premise of argument and, in fact, it might be worse. I think we should be looking for different parameters other than the premise of transferring of resources of ownership from category A to category B. It will automatically confer the activities that we are now arguing about on the Floor. That is one premise that I want to clear.

The second premise that I want to clear is that ownership of banks is a very expensive exercise, and we all know that recently - even as late as last night - when the Minister for Finance tried to lower the amount of capital required to start a banking institution, this very same idea was shot down last night in the Finance Bill reverting back to the original figures which were much higher. Therefore, it made it virtually impossible for ordinary Kenyans who could not have that kind of massive capital to invest in banking institutions.

I do not know whether hon. Members were aware of what they were doing last night because, basically, by shooting down that particular amendment, they were saying that we should go back to where we were; where there was a requirement of the banking industry that the investors should have as high capital as Kshs500 million rather than the one which had been suggested; downwards from Kshs300 million to Kshs150 million and Kshs100 million in terms of ownership. That is the second point that I want to make.

The third point that I want to make, which is an important point, and we should be looking at it, is that most of the banking institutions in this land are already quoted in the Stock Exchange. Through the Stock Exchange, Kenyans are able to participate and purchase in a modest way the shares that are important for their use. Computing this, and I think everybody knows it--- Through this process of Stock Exchange shareholding, Kenyans currently enjoy a fairly high percentage of involvement in the banking industry. In fact, I would say that it is greater than 60 per cent. This Motion is seeking to tell us to endeavour to revert back - forget about the stock exchange - to the ownership of the banks in the hope that these bankers will be able to give generous loans to the

Africans in order to cause economic growth which is only a single factor in assessing the growth of any nation.

Therefore, I would suggest that, currently, through the dual system one of the core capital which is in the banking industry, Kenyans have fully participated and we have a fairly generous level of participation at that level. Through the Stock Exchange shareholding, Kenyans are fairly well represented, in fact, totalling to a level of about 63 per cent. In my opinion, therefore, if we are already at 63 per cent, why do you want to reverse these rules? Why do you want to have a Bill trying to achieve a lower level than what we have already achieved? I will consider this to be superfluous. I think, in all honesty, the Mover of this Motion should have looked at it and made use of it and appealed that we try our best to reverse the event in another way.

Fourthly, one of the things that we must seriously consider is that we are already coercing people to have what we call capital inflow in terms of investments. One way of investing is through the Stock Exchange, the funds investments in the banking industry and other industries in this country. Why do you want to stifle this by creating a monolithic approach so that you can be able to stifle this? Therefore, I do not feel inclined to support this type of Motion because there are so many faults when we are already ahead of time.

Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Mr. Minister, it is now time for you to reply.

The Minister for Finance (Mr. Obure): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity.

I would like, first of all, to say that I have listened carefully to the arguments being made in favour of this Motion. This Motion is intending to make a requirement that each of the banks operating in this country should have, at least, 40 per cent shareholding by local people. I want to express the view that this kind of requirement goes completely contrary to the spirit of free enterprise. It will be cumbersome and difficult to implement such a requirement. You cannot tell people where to invest, and the question of risk assessment should be left to the people themselves to decide which ventures they would go into, based on their assessment on the risks involved and the returns that they expect from those ventures that they go into. I think, at a time when the entire world is moving into an era of liberalisation; at a time when people are being expected and being given the freedom to make choices, it will be wrong for us to go backwards as it were into an era in which we know that it has failed; an era where decisions were taken on behalf of the people and they were asked to put their money even when they believed the money will not achieve the best returns possible. Therefore, I feel strongly that hon. Members in this House should not allow this kind of Motion to pass. Already, on average, banks in this country have a local participation of approximately 60 per cent. This has happened without having to put in place a legislation to force people to do so. We are, however, aware of the existence of small banks, some of which have been promoted and owned by individual entrepreneurs. The Motion seems to be asking such banks to sell at least 40 per cent of their shares to local people. We believe that this would be a step backwards. We should allow people to assess their financial positions and invest in ventures they think will give them reasonable returns.

[Mr. Deputy Speaker left the Chair]

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

In my opinion, therefore, this move by Prof. Anyang'-Nyong'o is mis-timed and calculated to achieve negative results, and I do not think that it has been well-thought out. I do not understand the basis used to arrive at the proposed 40 per cent shareholding of financial institutions by indigenous Kenyans ratio. This figure is arbitrary and, in my opinion, totally unnecessary. We should allow local entrepreneurs to do what they want. It will be particularly difficult for local people to mobilise the massive capital that is required to invest in banking at a time when people could not afford to fully subscribe to the Government shares in Mumias Sugar Company, which we tried to sell to the public through the Nairobi Stock Exchange. If we force banks to sell part of their shareholding to local people, the local people will not be able to raise the required capital. I, therefore, urge hon. Members to reject this Motion at this point in time.

With those few remarks, I oppose the Motion.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Kombo, I understand that you are responding to this debate on behalf of Prof. Anyang'-Nyong'o.

Mr. Kombo: That is correct, Mr. Temporary Deputy Speaker, Sir. Prof. Anyang'-Nyong'o is in Addis Ababa. He has asked me to respond to debate on his behalf. But before I do so, I would like to donate a few of my minutes to Mr. Donde to say a few words about this Motion.

Mr. Donde: Mr. Temporary Deputy Speaker, Sir, I would like to thank Mr. Kombo for giving me a few of his minutes to contribute to this debate.

Mr. Temporary Deputy Speaker, Sir, I would like our colleagues on the Government side to note something which was mentioned by the Minister for Agriculture during the debate on the recently passed Coffee Bill, namely, the issue of liberalisation. A few days ago, Dr. Godana mentioned in this House that the Government of Kenya seems to think that liberalisation means free-for-all. There can never be a situation where there are no rules no matter the situation. So, the Government's thinking that anybody can be left to operate within an industry within the context of liberalisation cannot work. There is no country in the world which does not protect the interests of its citizens. All countries in the world normally have a rule which provides that the indigenous people should own a certain percentage of the shareholding in the country's important areas such as the telecommunications sector and land among others. With regard to the banking sector, this is what we are seeking to make possible for our people. Our people were caught unawares. The banking sector in this country is now foreign-dominated. All the big banks in this country such as Barclays Bank Limited, Standard Chartered Bank, ABM Amro Bank, among others, are mainly foreign-owned.

Really, we must correct this situation to give our people opportunity to buy shares in most of these banks. So, we must look into certain things which we failed to scrutinise properly initially. I agree with Prof. Ongeru in some of the things he talked about. It is important that we try to help our people to come up economically. We should not shy away from helping indigenous Kenyans to prosper. There is nothing wrong about doing so. If you go abroad today, you will be treated like a second-class citizen. Some of us have been there, and we know these things. In some countries, foreigners are not allowed to own shares in certain industries. So, let us do away with the idea of shying away from addressing some of these issues in public. Let us face the matter squarely. I do not find anything wrong with this Motion, and I would like to support it.

Thank you, Mr. Temporary Deputy Chairman, Sir.

Mr. Kombo: Mr. Temporary Deputy Speaker, Sir, firstly, let me thank the hon. Members who have contributed to this Motion. The hon. Members who have supported the Motion are, indeed, concerned about the wellbeing of Kenyans.

While the Motion seeks to give at least 40 per cent of banks' shareholding to indigenous Kenyans, the Minister claims that banks in this country have a local participation of approximately 60 per cent. If that is the case, so be it. However, through this Bill, we want to ensure that the level of shareholding in banks by indigenous Kenyans does not go below 40 per cent. Really, I do not understand why the Minister stood up and opposed the Motion on that basis.

I would like to agree with Mr. Donde that the Government has swallowed hook and sinker, the issue of liberalisation, or globalisation. The Government seems to believe in liberalisation as if liberalisation is the panacea of this country's problems. Countries in the developed world will always talk about globalisation and liberalisation but will ensure that their own citizens and industries fair well. That is what we are trying to say. No country will ever be developed by outsiders. Every country that is developed has had to rely on its own citizens.

Mr. Temporary Deputy Speaker, Sir, in the event of an insecurity problem in this country, or if the high level of corruption soars further, the foreign-owned financial institutions we are talking about will definitely pack and go; they will not care to remain in this country. However, Kenyan entrepreneurs are here to stay. This Motion is really about encouraging our local entrepreneurs. Today, global institutions do not operate in Somalia. When Uganda had problems, it was the Ugandans themselves who remained in that country to ensure that their economy was revived. The global institutions we want to rely on, or be afraid of, just pack and go when situations become unfavourable to them.

We have witnessed the Barclays Bank of Kenya, and other big banks, close down their branches in this country's rural areas. If they really had the good intention of developing this country, why would they want to close down their branches? So, if we rely on these institutions heavily we will be holding this country to ransom. I have heard hon. Members on the Government side sing quite often that agriculture is the engine of growth for this country's economy, and yet the large banks they want to rely on are not interested in rural areas; they would rather operate in urban centres. You know, these banks will not help us.

Mr. Temporary Deputy Speaker, Sir, the Motion is important in that to develop, we want to insist that Kenyan citizens should be in a position to make a contribution and the money sector is an important area in that respect. Therefore, if we allow more of our local entrepreneurs to participate in the banking sector, they will be spread throughout the country. They will not just be urban-based. That is what we are talking about. So, we want to complain about the capital outlay that the Minister, from time to time, requires.

On what basis, for example, are we saying that today the required capital for establishing a bank is Kshs200 million and by next year it will be Kshs500 million? If you look at it, it seems that the Minister has sat

down in his Treasury ivory tower office and come up with those figures. He has indicated that it is Kshs200 million today and will be Kshs500 million next year. He does not even look at the state of the economy in the country, which should dictate how he sets these parameters. He should realise that the economy is performing poorly today and, therefore, to ask for Kshs500 million next year, no local entrepreneur will be able to raise that kind of money, yet the multinationals will do so. As I have said before, they will do so, but pack and go when the situation does not suit them. So, I want to urge the Minister and his colleagues that, if they love this country and believe that Kenyans deserve better service - because the KANU Government has over the last 37 years managed an economy that has been going down, and since the Nyayo Era started, the going down started accelerating very heavily - they should change their minds and encourage our local entrepreneurs.

With those few remarks, I beg to move.

(Question put and negatived)

LEAVE TO INTRODUCE ELECTRIC POWER
(AMENDMENT) BILL

Capt. Ntwiga: Mr. Temporary Deputy Speaker, Sir, I beg to move:-

THAT, this House do grant leave to introduce a Bill for an Act of Parliament entitled the Electric Power (Amendment) Bill, to allow for micro-hydroelectricity power production in the rural areas and liberalisation of power generation.

When moving this Motion, I am considering the fact that the Kenya Power and Lighting Company (KPLC), which is the agent of the Ministry of Energy, is not able to provide electricity to the rural areas in this country through the Rural Electrification Programme. That is why I have brought this Motion to this House so that those areas which are endowed with water resources can embark on private or governmental projects and build micro-power stations in order to alleviate poverty in the rural areas.

Mr. Temporary Deputy Speaker, Sir, areas such as the Mount Kenya region, are endowed with a lot of rivers and very good terrain which allow for micro-hydroelectricity generation for the purposes of consumption in the localities. But the current practice, and this is the reason why I have brought this Motion to this House, is that while power is generated using water, it is taken directly to the national grid for distribution to other areas without considering the locality where this generation takes place. I have brought this Motion so that after the generation of power from these small hydro-electricity projects, for example, Kiambere hydro-electricity project, their localities can benefit.

The other day, the Minister indicated to us that it is very expensive to step down a high voltage power line. But here I am calling for small-scale hydro-power generation in the rural areas so that we can make that area habitable and create employment. After producing this cheap sustainable power of low voltage, and then it is used in the locality, the same can be used to pump water from the rivers to a higher ground. From there, irrigation in the vicinity can be done through gravitational means. This is a very cheap exercise, and by so doing, you can bring about a green revolution in the rural areas. I am seeing a green revolution if the contents of this Motion are implemented and taken by the Ministry seriously. Those areas that can produce this kind of power can do micro-irrigation. These are very cheap irrigation schemes in the rural areas, and within a very short time we will see a green revolution in this country. People in such areas will grow trees and crops, and by so doing also create employment in the vicinity. The Jua Kali sector in such areas will grow and so many other sectors will come up as a result of power generation.

I am very happy with the Ministry of Energy for having started a similar pilot project in my constituency. Although it is not off the ground yet, it is going on and it is called Tungu-Kabiri Community Micro-hydropower Project. It is on Tungu River and it is supposed to produce 18 kilovotes per ampere (KVA). The Ministry is undertaking this project in collaboration with the United Nations Development Programme (UNDP). The body that is implementing this project is called "Intermediate Technology". As we speak here, it has installed the turbines already. I am only appealing to the Minister to provide the generators, so that this project can act as an example to other parts of the country where this potential is lying idle.

Mr. Temporary Deputy Speaker, Sir, the kind of power generated by KVA is not much and does not need to go to the national grid. Therefore, that is the reason why I am calling for this Act to be amended so that power can be used, whether commercially or not; in the vicinities, for example, market centres, schools and for irrigation purposes. This is because even at the moment, even if the Ministry completes the projects, there are no arrangements for the same power to be supplied to the nearest market centres. This power will only be taken to a certain kiosk and that will be the end of it.

Therefore, I am calling upon the Minister to look into that matter so that this project can be useful to our people in the rural areas. By so doing, the monopoly created by the Kenya Power and Lighting Company Limited (KPLC), to implement the monster called Rural Electrification Programme, will be taken care of in those areas where the situation will allow. As I have said, this country is endowed with so many resources, for example, water which can be put into a lot of use. The same power can be used for lighting, in *Jua Kali* sheds, irrigation purposes and for photocopying services. People travel long distances to look for these services in the rural areas.

Mr. Temporary Deputy Speaker, Sir, when I am talking about liberalisation of the energy sector, I mean setting people free to generate electricity using water. People should be set free so that they are not hindered; to generate power for commercial purposes. There should be regulations set out in this Bill so that those who want to generate electric power and use it in their localities, without necessarily taking it to the national grid, can do so without any hinderance. At the moment, the practice is that, you are not free to do so. For example, I have got a missionary who wanted to generate power in my constituency in order to provide light in the mission, but the regulations denied him that opportunity. He was told that unless the power he generated was taken to the national grid, he could not be allowed to do so. So, I am calling for the liberalisation of the energy sector so that we can remove the monopoly created by the KPLC. Some of us can benefit from this kind of arrangement because we live in the rural areas. It is very expensive, tedious and cumbersome to get power from the KPLC. If we can liberalise the energy sector, that can be very useful to us.

Mr. Temporary Deputy Speaker, countries in South East Asia, like Thailand and China, are practising this kind of power generation. If you move to a raised area and looked down at the background in those countries, you will find that there is lighting in every centre and that is why we want to have the same in our country because we have the potential.

Mr. Temporary Deputy Speaker, Sir, as I move this Motion, I also speak on behalf of Mr. Joseph Nyagah, Mr. Muturi and Mr. Mwenda. I have visited these areas and found out that power is produced in the vicinity but the people who live there cannot benefit from the same. The other day, Mr. Mwenda asked a Question in this House about the electrification of Marimanti District Headquarters and he was told that the nearest power point is almost 40 kilometres away and, therefore, it would be very expensive to carry out the project. But in the vicinity of Marimanti Town, there is Kathita River which has very good scenery for the generation of micro-hydro-electric power. Therefore, I am talking on behalf of the hon. Members of Parliament so that they can benefit from the same.

In my proposals on how to alleviate poverty in my area, I have got a blue print, I have named many rivers with big waterfalls where we can generate hydro-electric power. I believe that poverty can only be reduced or alleviated by going to the rural areas. I have said before that most of the revenue in this country comes from rural areas. This is because agriculture is the backbone of this nation.

As I move this Motion, I have in mind the fact that I have got over 80 coffee factories in my constituency. The Co-operative Bank of Kenya gave the coffee societies loans to carry out internal wiring with a promise that they would be supplied with power in order to reduce the expenses incurred as a result of using diesel engines. To date, these societies are re-paying the loan, and yet they have not been supplied with electricity. This is a project which has taken five years. Since it is difficult for the Kenya Power and Lighting Company (KPLC) to supply electricity--- If we passed this Motion and encouraged micro-power production in the rural areas using simple technology, we shall be out of this "cocoon" of waiting to be supplied with power by the KPLC. I would like to point out that this is sustainable and cost-effective.

Mr. Temporary Deputy Speaker, Sir, I am talking about the sustainability of such projects. There is no need of talking about big projects which are capital-intensive, while there are these small technologies which can alleviate poverty in the rural areas.

Mr. Temporary Deputy Speaker, Sir, I am seeking the support of hon. Members to pass this Motion. It is the first Motion to be moved by a Member for Nithi Constituency since Independence and I beg the House to support it whole-heartedly because it will be of much importance to rural areas in this country. Before I sit down, I request hon. Muturi to second the Motion.

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

Mr. Muturi: Mr. Temporary Deputy Speaker, Sir, I rise to second this Motion as ably moved by Capt. Ntwiga. Looking at the Motion as drafted, it calls upon the House to grant the leave to introduce a Bill for an Act of Parliament to amend the existing Electric Power Act Chapter 314 of the Laws of Kenya in order to allow for micro-hydroelectricity power production in the rural areas and liberalization of power generation. The Motion seeks to amend the existing law. It does not specifically call for the amendment of specific sections. The spirit of the Motion is good. The existing Electric Power Act was enacted way back in 1920. Indeed, it commenced operation on 30th March, 1920. Through various Legal Notices and subsidiary legislations, the Act has been

updated culminating in the revision of 1986, which is about 15 years ago. This Motion calls for a revisiting of the provisions of the current Act, for example, Section IV which puts restrictions on the use and supply of electricity. Such restrictions are found in the power granted to the Minister, who, under section 145, is mandated to make rules to regulate the generation, transmission, distribution, supply and use of electrical energy. At this time and age, it is important that a fresh look be given at such powers. We have seen in the past, through practice, and not through law, the creation of, or what has evolved as a monopoly in this country. This has arisen primarily because the Minister is given the power to make rules and regulations. Through practice and not law, the KPLC has become a monopoly. Indeed, the much talk about all power generated being connected to the national grid is not anything that is regulated through rules made by the Minister or even under the Act. It is just a practice which was put in place way back to the time that this Act was put in place. If you go through the Act, there are rules that were made around 1922 and 1923 creating Kenya Power Company and the areas within which it operated then, as areas in which no other licensees could operate. At that time, the areas referred to in the Act are areas like Parklands. Through practice, the areas in which the generating body has operated have kind of been made monopolies; areas in which no other person would be licensed to operate in either to supply or to generate.

Mr. Temporary Deputy Speaker, Sir, it is important to look at some of the provisions. For instance, under Section 4, Subsection 2 and the proviso immediately thereunder, you find that if a rated capacity of a generating plant does not exceed 25 kilowatts in the case of a public or a local authority and 100 kilowatts in the case of a company, person or body of persons, one is not required to submit whatever power they produce or generate to the national grid. What this Motion calls for is a re-think of not only the practice, but a fresh look at what is contained in the Act.

If we have a new look at this Act, we will notice, for instance, references that we think are unnecessary. That the standards to be applied in generation, distribution and supply are the standards followed in the United Kingdom. Thirty eight years after Independence, when we are calling ourselves part of the global village - even though we have been told that we are in the caves and not in the village - this is an unnecessary appendage. We do not have to use standards limiting ourselves to the United Kingdom.

Mr. Temporary Deputy Speaker, Sir, if the Act is revised afresh, we will allow our rural areas and entrepreneurs to go into the rural areas, generate and distribute electric power within a small radius or small localities, which will give impetus to the much touted industrialization of the country by the 2020, unless it is one of the many pipe dreams that we have been having over the years. If we are really serious about being industrialised by that year, we must give serious impetus for entrepreneurs, both local and international to move into the rural areas. We should copy what is happening in other newly-industrialised countries like Malaysia, South Korea and Indonesia. We should also copy what we find in the small Swiss cantons. A lot of the industries in those countries are not in the major cities. We must stem the rural-urban migration. One of the ways of doing this, in my view, is by allowing entrepreneurs to go and invest in viable projects. In my view, an investment in power generation in the rural areas, targeting those rural communities will have the effect, in a spiral manner of industrialising the rural areas. We have areas in North Eastern Province where small industries in the leather sub-sector could be boosted by such investments, where we have seasonal rivers, whose waters could be tapped and be used to generate electricity. We have areas in Western Kenya and the Coast Province where that can be done. I have no doubt in my view that it will have the effect of stemming rural-urban migration and spur growth in the rural areas.

With those few remarks, I beg to second.

(Question proposed)

Mr. Muite: Mr. Temporary Deputy Speaker, Sir, I would like to support this Motion. It is very fitting that the Motion should be moved and seconded by hon. Members from near Mt. Kenya, where many rivers flow and that sort of generation could take place. But on a very serious note, if you were asked today to list, in the order of priorities, the issues or obstacles to economic revival or resuscitation in this country, you would list the high interest rates as one of the issues. But the second issue would be the cost of electricity or energy in this country. Those are the two issues. Without resolution of those two issues, there is no way in which we can expect to have economic revival. So, this Motion is to be supported because it is an example of the innovative radical approach that we can adopt as a nation to bring down the cost of electricity. We are talking about an economy that cannot be competitive because of the cost of electricity, whether it is in agriculture where you have to do irrigation or in the manufacturing sector. Even in the countryside, if you go round my Kabete Constituency, you will find evidence of a commodity that is called electricity very expensive and yet, the demand---

Mr. Khamasi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for us to discuss

such an important Motion when the Front Bench is empty?

Mr. Muite: Mr. Temporary Deputy Speaker, Sir, it is only the Front Bench! I had seen one of the Ministers for Energy. But I suppose there is nothing in the rules that says that the Front Bench has to be here. It, sort of, demonstrates the lack seriousness because this is a Motion that is seeking leave of the House. If leave is granted, it is going to result in the law being amended.

Mr. Temporary Deputy Speaker, Sir, I was saying that we have a commodity that is very expensive and yet, the demand exceeds the supply. In Kikuyu, you will find groups of Kenyan citizens in a particular locality who want electricity taken to their homes. They make application to the Kenya Power and Lighting Company (KPLC) and they are asked to pay a deposit. They collect money through Harambees because they want to have electricity in their houses. They are asked to deposit Kshs1 million or Kshs2 million. They collect that money from their meagre resources and deposit it with the KPLC. Then, they wait for a year, two years and even three years!

Mr. Temporary Deputy Speaker, Sir, I have got groups in my constituency which paid money four years ago. After those four years again, they have been asked to pay more money. Nobody has been paying them interest on the money they deposited with the KPLC four years ago. These are, but just a few examples! I am sure that this is not happening in my constituency alone. It is happening in many other constituencies. That is a microcosm of what is happening across the entire country. People dig into their pockets, pay deposits to the KPLC and wait for years before electricity can be supplied to them. After three or four years, they are told to pay more money and yet, they are getting no interest for the money they paid. Nobody in my constituency has felt the benefits of rural electrification.

So, these innovative approaches, where we can generate electricity on small-scale basis to supply to particular localities, needs to be supported. There is no technical evidence to show that we cannot manage to do this. It should be done! If you talk to the experts, they will tell you that we are losing, as a country, up to 30 per cent of our electricity by transporting it for long distances. The trend all over the world, technically, when you talk to electrical engineers, is to make sure that you transport electricity for as short distances as possible from the point of generation. This is what we should encourage because it will bring down the cost of energy and curb wastage of energy. This is one issue that can revolutionise this country immediately. We are moving towards dismantling those monopolies which are inefficient and wasteful. If you allow small-scale generation of power, you are going to have efficiency not only just in the technical aspect of transportation for short distances, but also in terms of management.

Mr. Temporary Deputy Speaker, Sir, the people of the greater Meru could get together - an investor could go there and generate electricity from the rivers - and supply the whole of the greater Meru with electricity at a fraction of the cost of electricity that the people in that particular area are paying today. So, these are innovations that should have been made by the Government itself. But it is better late than never. We assume that the Government is going to support this proposal.

Mr. Temporary Deputy Speaker, Sir, in California, in the United States of America, they are dismantling those huge generations which result in the transportation of electricity for very long distances, in favour of small-scale generation of electricity. So, this is the way forward for this country. No one is saying that we should get into anarchy in terms of ensuring the safety of the electricity that is going to be generated. The regulations, in terms of licensing, are going to be there and the person to generate this small-scale electricity will have to be licensed by the Kenya Electricity Generation Company (KenGen). Before anybody is licensed, they should be able to demonstrate that they have the technical capability and the systems that are going to secure safety. Of course, electricity is one of those things where safety has got to be assured. But before anybody is licensed to generate and distribute electricity, the licensing authority will ensure that they have the technical capacity and the systems that are going to secure the safety of the people. So, whether it is from the technical or the cost aspect, this Motion needs to be supported because it is very timely. It is going to benefit Kenyans across the entire country. Most of our people want to enjoy electricity not only for lighting but also for productive activities like the *Jua Kali*. The ability of Kenyans to have *Jua Kali* projects across the entire country will be boosted by these small-scale generation projects.

So, from whatever angle you look at this Motion, it is something that we need to support. This is something that we should have done yesterday! I do not think we are going to experience any objections to this Motion. That is the way to dismantle these monopolies.

With those remarks, I beg to support the Motion.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Imanyara): Order, hon. Members! It is now time for the interruption of business. The House is, therefore, adjourned until this afternoon, 5th December, at 2.30 p.m.

The House rose at 12.30 p.m.