

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 23rd October, 2002.

The House met at 9.00 a.m.

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

PRAYERS

### PAPER LAID

The following Paper was laid on the Table:-

The Report of the joint Departmental Committees on Agriculture, Lands and Natural Resources, and Finance, Planning and Trade on Sessional Paper No.1 of 2002 on the Restructuring of Agricultural Finance Corporation (AFC).

*(By Mr. Mkalla)]*

### ORAL ANSWERS TO QUESTIONS

*Question No. 482*

PROMOTION OF MR. ALI

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Ali not in? We shall come back to his Question later on!

*Question No.563*

ADHERENCE TO MINIMUM SHARE  
CAPITAL REQUIREMENT

**Mr. Obwocha** asked the Minister for Finance whether he could table the list of banks that have met the minimum share capital requirement of Kshs300 million.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Mr. Temporary Deputy Speaker, Sir, I wish to apologise that the answer to this Question is not ready. We have just received the answer, and for some reason, we have already advised the Clerk of the National Assembly that we need more time. I had also conferred with the hon. Member just before we came into the House and advised him of this fact. We should be ready with an answer sometime next week.

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, you can appreciate that this House is almost going to be dissolved, and this is a very serious matter where banks are operating below the Kshs300 million requirement by the Central Bank, and yet they have been licensed. It will not even take a day to get balance sheets from banks, if he assigned somebody to do that. Could you order the Assistant Minister to answer this Question tomorrow afternoon? One more day would be sufficient, because it is a very simple exercise. He should just summon the banks to bring their balance sheets and look at them.

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Arap-Kirui, the law states that all financial institutions must publish balance sheets. So, it must be information that is readily available.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Mr. Temporary Deputy Speaker, Sir, while I agree with the hon. Member that this is a grave matter, I think the Question, as the hon. Member knows, is not as simple as it looks. I am sure he will want a lot more information than just the number of banks operating under the required capital. I will still beg your indulgence to respond to this Question next week. We would not like to give a

half-baked answer to the hon. Member, to such a very important Question.

**Mr. Angwenyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to mislead this House that he cannot get access to this information when, in fact, that information accompanies applications for renewal of licences. All he needed to do is to seek from the Central Bank or the Kenya Licensing Board to give him the figures. As you know, Kenyatta National Hospital and the National Social Security Fund have lost millions of shillings by depositing the money in a bank which is under-capitalised. The bank is not able to refund that money to those institutions. This is a grave matter, and I would like to urge the Minister to respond to this issue this afternoon.

**The Temporary Deputy Speaker** (Mr. Imanyara): He says he is not in a position to do so. Could he be allowed to answer the Question next Tuesday?

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, I agree with you. This Question is of so much value to this country. So, for its worth, the latest should be Tuesday.

*(Question deferred)*

*Question No.565*

#### FLOUTING OF SUGAR ACT

**Dr. Kulundu** asked the Minister for Agriculture:-

(a) whether he is aware that Mumias Sugar Company is openly flouting the newly enacted Sugar Act; and,

(b) what urgent action he is taking to have the company comply with the said Act.

**The Temporary Deputy Speaker** (Mr. Imanyara): The Minister for Agriculture is not in? We shall come back to the Question later on!

*Question No.476*

#### SACKING OF MR. NDUNG'U

Mr. P.K. Mwangi is also not in? We shall come back to his Question later on!

*Question No.567*

#### GOVERNMENT HOSPITAL FOR GATUNDU

Mr. Muiruri is also not in? We shall come back to his Question later on!

*Question No.490*

#### RETIREMENT BENEFITS FOR MR. NZARO

**Mr. Maitha** asked the Minister for Water Development when he will pay Mr. Daniel K. Nzaro, PF No.34624, who worked with the National Water Conservation and Pipeline Co-orporation, his retirement benefits.

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

(a) Mr. Daniel K. Nzaro retired from Public Service on 1st July, 2001 and was paid his retirement benefits vide cheque No.0300115 of 24th July, 2001 amounting to Kshs42,417. The benefits cover the period between November, 1999 and 30th June, 2001.

For the period between October 1981 to October 1999, Mr. Nzaro was contributing to NSSF as per the scheme of service governing the members of the sub-ordinate staff. Mr. Nzaro should, therefore, take his benefits for the period 1981 to October, 1999, from the NSSF.

**Mr. Maitha:** Mr. Temporary Deputy Speaker, Sir, you have heard from the Assistant Minister that this person was only paid Kshs42,000 after working for very many years. Could he explain to this House how they arrived at that amount which is very little compared to the years the person had worked?

**Mr. Noor:** Mr. Temporary Deputy Speaker, Sir, Mr. Nzaro joined the Civil Service in 1981 as a subordinate staff. Subordinate staff were governed by the rules of the NSSF, until his promotion in 1995 to Clerk Grade III, thus we have only paid him from 1999 to 2000. That is the short period when he was on permanent and pensionable terms. The pension scheme was only enacted on 1st July, 1998, and he only joined in November, 1999.

**Mr. Maitha:** Mr. Temporary Deputy Speaker, Sir, could the Assistant Minister confirm that the Ministry of Water Development has very many of its employees who are working as labourers, and they have worked for very many years? When they get old, that is when they confirm them and employ them permanently. This person has worked for very many years as a subordinate clerk without confirming him. Why did it take so long for this Ministry to absorb him into permanent employment?

**Mr. Noor:** According to the scheme of service for civil servants, subordinate staff are not employed on permanent basis. They contribute to the NSSF as per the regulations. It is only after Mr. Nzaro was trained and promoted to pipe fitter Grade III that he was put on permanent and pensionable scheme.

**Mr. Maitha:** Mr. Temporary Deputy Speaker, Sir, Mr. Nzaro has suffered for ten years as a labourer. Could the Assistant Minister consider paying him a gratuity allowance for the ten years that he worked in this corporation? The Ministry should not misuse Kenyans by employing them on temporary basis.

**Mr. Noor:** Mr. Temporary Deputy Speaker, Sir, I do not understand what the hon. Member means by the term "labourer". I said Mr. Nzaro

**[Mr. Noor]**

joined the Civil Service in 1981 as a subordinate staff until 1999. He has been paid his salary. Under the code of regulations governing terms of service for civil servants---

**Mr. Maitha:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to say that Mr. Nzaro was employed in 1981 as a subordinate staff if he had worked as a casual employee for ten years before he was confirmed?

**Mr. Noor:** Mr. Temporary Deputy Speaker, Sir, I do not have the record as to when he was recruited as a casual labourer. I am only aware of the time he joined the Civil Service. I cannot confirm how long he may have worked. As far as I know, he joined the Civil Service as a subordinate staff in 1981, and he has been paid his dues from the time when he was confirmed as pipe fitter Grade III. He has also received his dues from the NSSF for that period of time; between 1981 to 1999.

*Question No.480*

COLLAPSE OF GUCHA BRIDGE

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

- (a) whether he is aware that Gucha Bridge on the Kamagambo-Etago Road is almost collapsing; and,
- (b) what urgent measures he is taking to avert a disaster in the event of the bridge collapsing.

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

- (a) I am not aware that Gucha Bridge on the Kamagambo-Etago Road is almost collapsing.
- (b) The structure is sound with few defects whose repairs will need to be prioritised by the DDC in its work plan.

**Mr. Omingo:** Mr. Temporary Deputy Speaker, Sir, this is an awful answer from a supposedly qualified Assistant Minister in this Government. This is the only single major road traversing my constituency where farm produce is normally transported. The bridge is actually on the verge of collapse. It does not make sense for the Assistant Minister to state here that this road needs to be given priority by the DDC. Could the Assistant Minister undertake to tour that particular bridge because he must have got the wrong advice concerning that bridge? It is on the verge of collapse and yet it is a major bridge. It cannot be given priority in the DDC because the DDC cannot afford to fund the construction of this bridge.

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, it is true I am a very qualified Assistant Minister. This is my 15th year. I said that this bridge needs some repair. This particular bridge falls under the category of structures which are supposed to be manned by the DRC. We gave out Kshs2 million last week for such a project to be given priority so that the necessary repair can be done. I said that this road needs repair and we have given out money to do so. This road falls under the DRC of which Mr. Omingo is a member and he should give it priority.

**Mr. Kathangu:** Bw. Naibu Spika wa Muda ni vizuri kusikia Waziri Msaidizi akituambia mambo ya DRC na

kiasi cha Kshs2 million. Kshs2 million hazitoshi kujenga daraja kama ile ya Gucha ambayo ina upana wa karibu mita kumi. Kujenga daraja ya upana wa mita kumi inahitaji karibu Kshs14 million. Waziri Msaidizi anafaa atuambie kama ataongeza Kshs12 milioni ili hiyo daraja ya Gucha ijengwe.

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I am not saying that we will build a new bridge. We will repair the bridge. There are some areas on this particular road which need to be repaired. There are some small cracks on the road as a result of soil erosion. If we are to build a new bridge we would need that amount of Kshs14 million, but the Kshs2 million is enough for repair.

**Mr. Omamba:** Mr. Temporary Deputy Speaker, Sir, the collapse of bridges is a very common occurrence in the country. There is a bridge in my constituency between Rapuogi and Uriri which is almost sinking and I have raised a Question to that effect in this House. In fact, the Assistant Minister promised to tour my constituency to see this bridge but up to date, nothing has happened. Is the Assistant Minister aware that when bridges collapse this affects the communication system of an area? How much will it cost to repair this bridge in Uriri and when will this be done?

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, it is true that I answered a Question on a bridge in his area last week and, as a Ministry, we undertook to visit the area. We will make that trip from tomorrow and we will actually look at this bridge. As regards Gucha Bridge, we are not building a new one. We are repairing the part that is damaged. I would advise the hon. Member to go and plan as a DRC on how to utilise this Kshs2 million towards the repair of the road. If this amount is not sufficient we can also have a look at the bridge.

**Mr. Mwalulu:** Mr. Temporary Deputy Speaker, Sir, it looks like civil servants are becoming notorious for misleading Ministers who in turn come to Parliament to mislead MPs and the whole country. The hon. Member is from the ground and when he says the bridge is collapsing, I want to trust him that he is speaking the truth. What action will the Assistant Minister take against the field officers if he tours this bridge and actually confirms [**Mr. Mwalulu**] that it is collapsing as opposed to the repairs he is talking about?

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I do not want to assume right now that the field officers misled me. As a Ministry, we will undertake a tour of that road as from tomorrow. We will look at this bridge and other projects in the field. If what the hon. Member is saying is true, then it means that I have been given misleading information by my field officers. If I verify this to be the truth, the necessary action will be taken.

**Eng. Muriuki:** The Gucha Bridge is a very important one. In fact, the Kamagambo-Etago Road should not even be classified under Class D. It should have been upgraded to Class E a long time ago. The Ministry of Roads and Public Works does have a national fund for bridges. There is, in fact, a senior engineer who is specifically in charge of bridges. Why does the Ministry not get the money required to repair the bridge from the Bridges Account in the fund? You should not tell us that you require consent from the DRC to get the money because there is nearly Kshs500 million allocated for bridges this year. You should just ask the DRC to request for money from this fund and hire an engineer to get the bridge done.

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, it is for the people on the ground to tell us their needs. We do not dictate to them from the headquarters.

**Eng. Muriuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to try to deny the obvious? I am saying that the account on the bridges for this year is over Kshs500 million, and the Ministry does not need to ask the District Roads Committees (DRCs) or any leaders at all! He should just talk to the engineers and decide which bridge to construct.

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I think I was answering the hon. Member! It is only that he cut me short. I am saying that there are some bridges and roads which need to be classified or upgraded as he has put it. Those details come from the ground. They have not put a request to the Ministry's Headquarters and we have refused. Once there is need for a bridge or a road under DADE and which needs to be upgraded, I am advising the hon. Member to put a request to us and we will look at it!

**Dr. Kulundu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to mislead this House by giving a misleading answer? In part (a) of the Question, he said he was not aware. In part (b) of the Question, and in reply to supplementary questions, he admits that there are cracks on that bridge. A collapse of the bridge begins by developing cracks. So, is he in order to mislead this House? Surely, if there are cracks, that is a sure way that the bridge is going to collapse!

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I am not intending to mislead this House. He is talking of a collapsing bridge which is not in use now. I have said that is not true and the bridge requires rehabilitation. But it has not collapsed to a stage where it is not being used now.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister's answer is sickening! Eng. Muriuki and myself belong to the Departmental Committee that deals with public works, roads and communications. Eng. Muriuki has told the Assistant Minister that there is a Fund to the tune of Kshs500 million, which is specifically

put aside for bridges. The Assistant Minister does not need to wait for information from the people on the ground. In fact, it is the people from the ground who wait for the people from above to come and see that the bridge is collapsing and, as a responsible Government, go and rectify the bridge. So, could the Assistant Minister answer that question, whether he is aware of the money for bridges? That is because he might not be aware about it. If he is not, could he be informed, go and tell the person in charge that Members of Parliament in charge of the Departmental Committee are telling him that there is Kshs500 million and he could take some of it to repair the bridge? That is simple, Mr. Assistant Minister! What is wrong with you?

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I think the hon. Member might not have listened carefully. I did not say that we do not have the money as he has alleged. There is a budget for bridges countrywide. That money goes where there is a bridge and not everywhere, even where there are no rivers!

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Assistant Minister, the Members of the Departmental Committee are telling you that there is a Fund--

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I am not denying that there is a Fund. But it is the particular DRC which requires money for the bridge, which should put that request to the Ministry and we will handle that. We are not refusing!

**Eng. Muriuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not know how many Members require to speak, so that the Assistant Minister could understand! We are saying that no money from the over Kshs500 million has been committed for any DRC anywhere! It is the Ministry and the engineers who should go and check! Hon. Members are telling you: "Just take a little money out of that account and repair the bridge!" That is all we are saying! Do not tell us to **[Eng. Muriuki]** go back to the leaders! Which leaders? The leaders are here and they are saying: "Take the money from the bridge account!"

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, we rely on requests! We do not just spend money anywhere! Once we have the request, we will fund the project.

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister is not understanding the question! You are being told that there are funds, the bridge has cracks and it is your responsibility to repair it! It is not for the people to come to you! Could you now go, check the bridge, repair it and confirm to this House whether you will do it or not?

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I have said that we will do it. That is why we have set aside Kshs2 million to do the necessary repairs. If that is not enough, they should ask for more money and we shall provide funds until it is fully repaired.

**Mr. Ndicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Would I be in order to tell the Assistant Minister that, that syndrome must be removed; where people sit in offices in Nairobi without going to the field to find out the problem, and say that they are waiting for problems to come from the ground? Would I be in order to tell the Assistant Minister that he is misleading this House because, as a responsible Ministry, they should tell me which bridge they want to repair in my constituency?

**The Temporary Deputy Speaker** (Mr. Imanyara): That is not a point of order, but you have made your point!

**Mr. N. Nyagah:** Mr. Temporary Deputy Speaker, Sir, Eng. Muriuki worked in that Ministry for very many years as an engineer. Therefore, he understands the running of the Ministry very well! He has informed the Assistant Minister that the Fund has Kshs500 million. Could the Assistant Minister confirm to us, and the nation at large, that what we have been told by Mr. Raila, who has just left the Government, that Ministers have absolutely no powers and are at the mercy of civil servants who run the Ministries, is true? Could the Assistant Minister prove to Kenyans that he has powers and order that the bridge be repaired?

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, I want to assure Mr. N. Nyagah that Ministers have powers in their Ministries. I have said that from tomorrow, we are touring some parts of this country to see the projects and the one we are talking about is one of them. Where there is need and we have budgeted for it, that money will be utilised on those bridges.

**Mr. Omingo:** Mr. Temporary Deputy Speaker, Sir, it is a little disturbing when the Assistant Minister just refuses to respond to the issues raised. That bridge was built during pre-colonial days! By the way, it is a one-way bridge!

**The Temporary Deputy Speaker** (Mr. Imanyara): Pre-colonial or colonial?

**Mr. Omingo:** Sorry! Colonial days, Mr. Temporary Deputy Speaker, Sir. It was built during the colonial days and it is a one-way bridge. The bridge is cracking and the Assistant Minister accepted the fact that there are cracks! But one of the most interesting things with this Government is that it waits for disaster, flies over and takes

steps when lives have been lost! Could the Assistant Minister confirm that he is going to provide funds for that bridge because the Kshs2 million he is pretending to have given to my constituency is for the DRC and it is meant for the small rural access roads? It is not for the bridges. Could you confirm, and ignore the Boran temper that you are getting annoyed and tell this House that you are going to build that bridge, so that today or tomorrow, people can get something?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Omingo, the comment about the "Boran temper" is totally unparliamentary!

**Mr. Omingo:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister was getting a little incensed! I withdraw and apologise! But could he confirm that he will build that bridge and people will get that service? Do not wait for disaster!

**Mr. Mokku:** Mr. Temporary Deputy Speaker, Sir, it is true that those bridges were built in 1928 and that one in particular is an old bridge. It has just developed those cracks which need to be repaired in a day. I have also assured Mr. Omingo, who is my friend, that we will be visiting the place to see whether the information we have been given is correct. If there is anything different from what we have, we shall also take the necessary steps. The Kshs2 million must repair the cracks that we have been told about! If the money is not enough, we are at his service to add more money.

**The Temporary Deputy Speaker** (Mr. Imanyara): Let us move on to Dr. Ali's Question for the second time!

**Dr. Ali:** Mr. Temporary Deputy Speaker, Sir, I am sorry for coming late.

*Question No.482*

PROMOTION OF MR. ALI

**Dr. Ali** asked the Minister of State, Office of the President:-

(a) whether he is aware that Mr. Ahmed Abdi Ali, P/No.80076772 was employed as

an Administration Police officer in the year 1980, drawing a monthly salary of Kshs7,195;

(b) whether he is further aware that in April, 1999 he was re-designated to the post of Assistant Chief Grade II and his salary reduced to Kshs5,340; and,

(c) whether he could consider promoting Mr. Ali to Senior Assistant Chief to correct the anomaly on his salary difference, and pay his arrears.

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

(a) I am aware that Mohamed Abdi Jiro was employed as an Administration Police officer in---

**Dr. Ali:** On a point of order, Mr. Temporary Deputy Speaker, Sir. My Question does not involve Mohamed Abdi Jiro! The name should be Ahmed Abdi Ali. So, I do not know where the name "Jiro" came from.

**The Temporary Deputy Speaker** (Mr. Imanyara): Dr. Anangwe, are you answering Question No.482?

**The Assistant Minister, Office of the President** (Dr. Anangwe): Mr. Temporary Deputy Speaker, Sir, it is the same Question. Let me finish answering the Question because the essence is the same. Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) I am aware that Mohamed Abdi was employed as an Administration Police officer in 1980 with a starting salary of Kshs4,025 per month. This progressed to Kshs7,195 per month as at April, 1999 when he applied for re-designation to Assistant Chief.

(b) I am aware but the anomaly has been rectified.

(c) Mr. Ali's salary arrears have already been paid. However, his promotion to the grade of Senior Assistant Chief will depend on his work performance and recommendation from his superiors.

**Dr. Ali:** Mr. Temporary Deputy Speaker, Sir, I would like to thank the Assistant Minister because the anomaly has been corrected. But could he consider promoting him to a Senior Assistant Chief because his salary is equivalent to that of a Senior Assistant Chief? Now that he is drawing a salary equivalent to that of a Senior Assistant Chief, he is doing a good job and is an acting chief. Could he promote him?

**Dr. Anangwe:** Mr. Temporary Deputy Speaker, Sir, in the first instance, I would like to reiterate that the arrears which arose out of the anomaly have already been paid. That is the difference between Kshs7,195 before the anomaly was rectified and the salary of Kshs5,340, which he has been earning. However, when it comes to promotion, it is a more serious matter. As usual it is required that a person should have served in the grade of Assistant Chief I for three years. In addition, his superiors should be satisfied with his performance. When he fulfils these requirements, he

will be considered, along with others, for promotion to the said grade.

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, chiefs are public servants. Why are they not transferred from one particular location to another in a different district and province like other civil servants?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Muchiri, surely, that does not arise from this Question.

**Dr. Kulundu:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has said that one has to serve in the position of Assistant Chief, Grade II for, at least, three years before he is considered for promotion to Senior Assistant Chief. But Mr. Ali was appointed in April, 1999, which means that he has served for three and half years today. Why can he not be considered for promotion to a Senior Assistant Chief?

**Dr. Anangwe:** Mr. Temporary Deputy Speaker, Sir, I said that in addition to the requirement of serving for three years as an assistant chief, Grade II, the Assistant Chief should satisfy his superiors that he is a good worker or his performance is good. His promotion is also subject to availability of vacancies. When vacancies arise, I think that the said Ali will be considered for promotion.

**Dr. Ali:** Thank you, Mr. Temporary Deputy Speaker, Sir. The anomaly in Mr. Ali's case arose because of the reduction of his salary. So, the Government should ensure that it does not harass him by reducing his salary again. Could the Assistant Minister instruct the Ministry not to do things like this again?

**Dr. Anangwe:** Mr. Temporary Deputy Speaker, Sir, Mr. Ali has not suffered any loss. The arrears, or the difference which arose because of the anomaly, have already been paid. So, he did not suffer any loss.

*(Mr. J.D. Lotodo left the Chamber)*

**Dr. Kulundu:** Thank you, Mr. Temporary Deputy Speaker, Sir. Although I have not received a copy of the written answer, and in spite of the fact that the Assistant Minister for Agriculture and Rural Development has just run out of the Chamber, I beg to ask Question No.565.

*Question No.565*

#### FLOUTING OF SUGAR ACT

**Dr. Kulundu** asked the Minister for Agriculture:-

(a) whether he is aware that Mumias Sugar Company is openly flouting the newly enacted Sugar Act; and,

(b) what urgent action he is taking to have the company comply with the said Act.

**The Temporary Deputy Speaker** (Mr. Imanyara): Is there anybody from the Ministry of Agriculture and Rural Development?

**Dr. Kulundu:** Mr. Temporary Deputy Speaker, Sir, Mr. J.D. Lotodo has literally sped out of the House.

**The Temporary Deputy Speaker** (Mr. Imanyara): We will come back to that Question.

**Dr. Kulundu:** Thank you, Mr. Temporary Deputy Speaker, Sir.

*Question No.476*

#### SACKING OF MR. NDUNG'U

**The Temporary Deputy Speaker** (Mr. Imanyara): Is Mr. P.K. Mwangi not here? His Question is dropped!

*(Question dropped)*

*Question No.567*

#### GOVERNMENT HOSPITAL FOR GATUNDU NORTH

**The Temporary Deputy Speaker** (Mr. Imanyara): Is Mr. Muiruri not here? His Question is dropped!

*(Question dropped)*

For the third time now, let us move on to Dr. Kulundu's Question!

**Dr. Kulundu:** Mr. Temporary Deputy Speaker, Sir, I do not know whether the sentries can assist this House by getting back Mr. Lotodo here to answer this Question.

*Question No.565*

FLOUTING OF SUGAR ACT

**Dr. Kulundu** asked the Minister for Agriculture:-

(a) whether he is aware that Mumias Sugar Company is openly flouting the newly enacted Sugar Act; and,

(b) what urgent action he is taking to have the company comply with the said Act.

**The Temporary Deputy Speaker** (Mr. Imanyara): You will ask it on Tuesday unless he walks in right now!

**Mr. Osundwa:** On a point of order, Mr. Temporary Deputy Speaker, Sir. This is a very sensitive Question because it touches on the lives of 55,000 sugar-cane farmers. Furthermore, I know that the Assistant Minister is avoiding to answer this Question because the sugar factory cannot implement the Sugar Act because of the massive importation of sugar by people like, Mr. Sajjad, who is here. These people are importing a lot of sugar because they want to raise money for KANU elections. We would like this Question to be answered today.

**Mr. Sajjad:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Could the hon. Member substantiate that I am importing a lot of sugar?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Osundwa, did you say that Mr. Sajjad is importing sugar?

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I can substantiate that next week.

**The Temporary Deputy Speaker** (Mr. Imanyara): You cannot do that next week! Mr. Osundwa, you know the rules very well. If you do not have the information which the hon. Member has sought, you must withdraw the allegations.

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

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! We must finish this first. Mr. Osundwa, the rules of the House must apply!

*(Mr. J.D. Lotodo entered the Chamber)*

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I beg the indulgence of the House that the Assistant Minister answers the Question now, and then I will bring all the facts.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Mr. Osundwa, you know that you will not get away with that! For the second time, Mr. Osundwa---

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I have evidence that some companies associated with Mr. Sajjad---

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Osundwa, the issue is to substantiate!

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, can I do it this afternoon?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Osundwa, I have made a ruling that you must substantiate. The hon. Member is in the House and he has sought a substantiation on the allegation you have made against him. Could you please, substantiate or withdraw the remarks?

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I have the returns of the sugar imports for the month of August in which a company associated with Mr. Sajjad imported 2,700 tonnes of sugar. The company is called Ali Mbarak and the sugar was imported from Malawi.

*(Applause)*

**Mr. Sajjad:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I have not imported sugar into this country for the last eight years, and this country is not mine! How can the hon. Member utter false allegations against me and get away with it?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Osundwa, do you have evidence that those companies belong to Mr. Sajjad?



**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I said "companies associated" with the hon. Sajjad!

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! The rules of the House are not made by me, and you know them. Mr. Osundwa, please, could you substantiate your evidence that these companies are Mr. Sajjad's?

**Mr. Sajjad:** These companies are not associated with me! How can he connect companies with my name and yet they are companies which are associated with different people? Why is he leaving them and mentioning my name?

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order, Mr. Sajjad! If you know them, then you can probably explain it to Mr. Osundwa.

Mr. Minister, now that you are here, could you answer the Question?

**Mr. Sajjad:** Mr. Temporary Deputy Speaker, Sir, this is an issue in which my name has been mentioned! How can the hon. Member say that they are my companies, yet I have said here that I have not imported sugar into this country for the last eight years. Could he substantiate his allegations?

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, let the Minister answer the Question.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, Mr. Osundwa! Could you substantiate?

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I said the companies associated with Mr. Sajjad, and I went ahead and said Ali Mubarak---

**The Temporary Deputy Speaker** (Mr. Imanyara): No, that is not sufficient. You must substantiate the "association" or do what you must do!

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, I have already mentioned a name. If it is the wish of the Chair, I withdraw the remark.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order, Mr. Osundwa! Mr. Osundwa, I now require you to withdraw and apologise to Mr. Sajjad, or I will do the next thing that the rules require me to do.

**Mr. Osundwa:** Mr. Temporary Deputy Speaker, Sir, because I am interested in getting the answer from hon. J.D. Lotodo, I withdraw and apologise.

**The Temporary Deputy Speaker** (Mr. Imanyara): Very well. Now, Mr. J.D. Lotodo, could you answer the Question?

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Mr. Temporary Deputy Speaker, Sir, I would like to seek the indulgence of the House to allow me provide an answer to this Question tomorrow, because I do not have it ready.

**Hon. Members:** No! No! We want the answer now! It is a crucial Question!

**The Temporary Deputy Speaker** (Mr. Imanyara): Did you say that you want to provide an answer tomorrow?

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Yes, Mr. Temporary Deputy Speaker, Sir. This is because I was prepared for the Motion on cereals sector and not the Question.

**The Temporary Deputy Speaker** (Mr. Imanyara): Dr. Kulundu, the Question will be answered tomorrow.

**Dr. Kulundu:** Mr. Temporary Deputy Speaker, Sir, this Question has been with the Ministry for the last three months!

**The Assistant Minister for Labour and Human Resource Development** (Mr. Maizis): It will be answered tomorrow!

**Dr. Kulundu:** Mr. Temporary Deputy Speaker, Sir, could I be protected from the likes of hon. Maizis?

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order! Dr. Kulundu, is tomorrow okay with you? That is probably the earliest time we would have it put on the Order Paper.

**Dr. Kulundu:** It is okay, Mr. Temporary Deputy Speaker, Sir.

*(Question deferred)*

## QUESTION BY PRIVATE NOTICE

### MISTREATMENT OF EMPLOYEES BY SOCFINAF MANAGER

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

(a) Is the Minister aware that the Manager of Socfinaf Company Limited, Ruiru, is mistreating his employees?

(b) Is he further aware that the Manager has introduced segregation in the company along racial lines by declaring, "no-go-zones" for a certain category of employees?

(c) What action has the Minister taken to stop this practice once and for all?

**The Assistant Minister for Labour and Human Resource Development** (Mr. Maizs): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) I am not aware.

(b) I am not aware. Nevertheless, the manager has put barriers at entry points for security reasons; due to several robberies that have taken place in which two watchmen were shot dead by armed robbers.

(c) In view of answers to parts "a" and "b" above, part "c" does not arise.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I am surprised that the Assistant Minister never bothered to go to the ground and find out information about these allegations. He has just relied on information from the Labour Officer in Thika. The Socfinaf Company has got one Manager called Andrew Langley, who is mistreating employees there. He is beating and slapping them. He drew a gun threatening to shoot one employee and one man was ordered to go and cut grass for mulching in the coffee plantation and was bitten by a snake. When the incident was reported to him, he called that man "a stupid African".

Mr. Temporary Deputy Speaker, Sir, this manager has put two roads, one for the white people to drive on and the other for Africans. When I was told that information, I went to the ground to confirm whether that was true or not. I told the watchman that I wanted to drive on that road and he refused. He told me that they were under instructions not to allow any African to drive along that path. I wrote a letter to the Minister in charge of Internal Security, Mr. Sunkuli, and he is aware of it. He is the one who advised me to direct this Question to the Ministry of Labour and Human Resource Development. I am surprised that racial discrimination is taking place in our country, and instead of the Minister himself going to the ground to confirm this information, he relies on the information he receives from the ground. This is exactly what is happening and our people are suffering and wondering whether part of this country has been left to be governed by the white people. So, could the Assistant Minister promise to go to the ground to find out the truth of that information because, if the people whose Question I am asking on their behalf hear that this is what we have said, what would they think about this Government? So, could the Assistant Minister be serious and promise to re-investigate this matter and bring the report to the House, because this is the truth, the whole truth and nothing but the truth!

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, I agree to investigate the matter further. But, as far as I am concerned, within the last two years, there has been six incidents of robberies in which two watchmen were shot dead and four robbers killed and four guns recovered. The management has foiled two armed robberies that took place on 7th and 21st September, 2002. As a result of the robberies, the managers have introduced barriers to all roads within the premises which are managed by gate-keepers at the entry points.

Whereas I accept to make further investigations, if the hon. Member has any evidence of what he is saying, the Branch Secretary of the Kenya Plantation and Allied Works Union (KPAWU) Thika, has not lodged any complaint and he does not have a specific complaint from the shopsteward and the trade union of that area. But still I am willing to go and check what is happening on the ground.

**Eng. Toro:** Mr. Temporary Deputy Speaker, Sir, this is a very serious issue hon. Ndicho has brought to this House. That is why I am wondering why Mr. Ndicho should even join KANU to continue misruling Kenya. He should be on the Opposition side and actually tell the Government off. We have had problems with these plantations and hon. Ndicho has brought issues to Parliament about mistreatment of employees at the Kenya Cannery Limited. A few years ago, Mr. Ndicho made sure that the staff of the Kenya Cannery Limited were given proper transport. The people who are employed in these plantations also come from Kandara. I have heard about how the employees are mistreated. We cannot have a South African treatment of the employees in the democratic Republic of Kenya! Could the Assistant Minister undertake to go with Mr. Ndicho to Socfinaf Company Limited so that he can identify---

**The Temporary Deputy Speaker** (Mr. Imanyara): Eng. Toro, he has already said that he is prepared to do that. Why do you not ask him when he will be going there?

**Eng. Toro:** Could the Assistant Minister tell us when he will go there? Despite the fact that he is an Assistant Minister, he will not be allowed to drive on the whiteman's lane. Could he give an **[Eng. Toro]** undertaking as to when he will go there?

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, the work of the Ministry of Labour and Human Resource Development is to arbitrate cases when there is a dispute between the employer and the employee, through the trade union and the shopstewards. But if there is no complaint from the trade union and the shopsteward, I agree in principle--

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order, Mr. Assistant Minister! There is a point of order.

**Mr. Ndicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister is referring to

the trade union people and shopstewards! I am the hon. Member who represents those workers. He has absolutely no business to talk about people who have no mandate to come and represent those people here. I am the person with that mandate! Is he in order to suggest that there is a shopsteward who should have complained and come here to ask that Question, rather than the hon. Member for Juja Constituency?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Assistant Minister, the purpose of Questions is for the hon. Members to raise them in this House. You cannot refer them to trade unions.

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, I oblige, I will comply and check with them in one week's time and report back to the House.

**Mr. Katuku:** Mr. Temporary Deputy Speaker, Sir, the issue of workers being mistreated by their employers, especially by Asians and foreigners, is common in most industries and companies in this country. Worse still, the officials of the Ministry of Labour and Human Resource Development work in cahoots with these employers to frustrate the workers. The employers bribe those officials so as not to take any action against their companies. What is the Assistant Minister doing to ensure workers get a fair deal, especially where workers are being beaten? Is there any policy to deal with these corrupt officials of the Ministry?

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, we are aware that there could be a deal between employers and our District Labour Officers on the ground. What we normally do is to send a team of inspectors from the Ministry's headquarters to make surprise checks, so as to report to the Ministry. We always encourage hon. Members to come to our offices so that we sort out some of these problems. We have sorted out such problems in our offices.

**Mr. N. Nyagah:** If the allegations raised by Mr. Ndicho are true, that there are certain roads in that company that an African cannot drive on, then this is serious. We must guard against the re-introduction of Apartheid laws in this country. Since the Ministry of Labour and Human Resource Development has enough officers and they are not extremely busy, why can the Assistant Minister not order one of his officials to go and check this out, this afternoon, even if he will not accompany them? If the Government is serious, it should handle this serious allegation with the seriousness it deserves.

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, as I said, we will send somebody there and inform the House accordingly.

**Mr. Mwalulu:** Mr. Temporary Deputy Speaker, Sir, Mr. Ndicho might have taken an unfortunate political direction. However, I support him when he defends his people. I believe this is just a tip of the iceberg as far as exploitation of workers is concerned. Could the Assistant Minister undertake to investigate all foreign companies, especially during this time of economic decline? Many of them are taking advantage of the prevailing high level of unemployment to exploit Kenyans. The Ministry should investigate such companies with a view to taking action against those discriminating against our people.

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, as I said earlier, there are trade unionists and shopstewards. If this House does not trust them because they are on the side of the employers, I undertake to investigate all companies where the House feels there is injustice.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister says there were claims that there were some robberies in that company which made the management instal barriers. In fact, I have no problem with the barriers. Many companies have installed such barriers. The issue is the way Mr. Andrew Langley is treating African employees in that company. It is dehumanising, racist and colonial. That is what made me to bring this Question here. This man confiscated over 50 bicycles belonging to people who had gone to cut the grass along the road near his company. He ordered a tractor to run over 50 bicycles. They were all destroyed. It is a pity because I witnessed all this happen. I almost shed tears because I could not imagine that this could happen in an independent country. Since I have raised this matter in this House, could the Assistant Minister tell us when we will visit that company? We should go there quietly and drive on that road designated for whites and he will see that nobody will open the gate for us. When will he bring that report back to this House?

**Mr. Maizs:** Mr. Temporary Deputy Speaker, Sir, we will visit that company on Tuesday.

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

## MOTIONS

### BILL TO HARMONISE LAWS GOVERNING CEREALS SECTOR

THAT, this House do grant leave to introduce a Bill for an Act of Parliament entitled The Agriculture (Amendment) Bill to harmonise all laws governing the cereals sector in the wake of

liberalised market economy.

*(Mr. Kirwa on 16.10.2002)*

*(Resumption of Debate interrupted on 16.10.2002)*

**The Temporary Deputy Speaker** (Mr. Imanyara): It is time for the Official Government Respondent. Who is responding on behalf of the Government?

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Mr. Temporary Deputy Speaker, Sir, thank you very much. I would like to take this opportunity to appreciate the sentiments expressed by the hon. Members across the House on this Motion.

Many issues have been raised concerning the cereals sector and other sectors within agriculture. In this respect, the Government, through the Ministry of Agriculture and Rural Development, has liberalised the cereals sector through a combination policy and institutional reforms. The Cereals Sector Liberalisation Process started in 1992. It is almost complete. Specific actions taken to liberalise the sector are contained in some documents such as National Food Policy; Sessional Paper No.2 of 1994, under review and the operational rules and programmes. In the process of liberalisation, the Government has ensured that both cereals producers and consumers are protected from high price fluctuations as a result of excess supply in the market or severe grain shortages. It also happens that grain produce floods the market during the harvesting month resulting in depressed prices in short-term.

Food security is maintained by ensuring availability of cereals, particularly maize, at all times throughout the country. Monitoring indicators include the price level. Co-operatives and the private sector are gradually building the capacity to enable them achieve a reasonable degree of involvement in marketing of cereals. The efficiency of the NCPB has increased. Any market intervention is kept within socially and economically justifiable limits.

Mr. Temporary Deputy Speaker, Sir, to add on that, we know that the cereals sector experiences some problems that are related to marketing, high cost of production, inadequate support to cereal producers, importation of maize, inadequate support to cereals research programmes and increased cases of commercial grains and fake seeds among others. The above problems have been aggravated by the fact that in a liberalised cereals sector, there are---

**Mr. Kathangu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to read when replying to the Motion?

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Mr. Temporary Deputy Speaker, Sir, I am just trying to get the gist of the matter on the National Food Policy so that I can reply effectively.

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Kathangu, the hon. Assistant Minister is referring to a Sessional Paper. I think we can allow him to refer to it.

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Mr. Temporary Deputy Speaker, Sir, the above programme has been further affected by the fact that in the liberalised cereals sector, there are many stakeholders, including producers, millers and traders, who have different and open competing interests. The Ministry has, therefore, recognised the need to complete the revision of the relevant policies and laws pertaining to the cereals sector to be fully in line with the liberalised environment, and at the same time develop a legislation which will provide a comprehensive framework under which the different stakeholders, Acts and policies can operate. Such a legislation will harmonise the Act and policies governing the cereals sector needs, necessary actions and the role of each stakeholder.

Since developing a Cereals Bill will be part of the ongoing process, the Ministry aims at completing the liberalisation of the sector. The Ministry is best placed to consult widely with the various stakeholders and then produce a draft Bill which will then be forwarded to Parliament for debate and enactment. In the Bill, we intend to cover commodities such as sugar, tea and cotton, among others. Although the process appears to be slow, the results are proving to be most satisfactory and sustainable. So, the Government is committed to preparing a Bill to cover all cereals just like we have legislations on tea, coffee and cotton. Therefore, I urge hon. Members to give us time to prepare the Bill and bring it here. The Ministry has held several consultative meetings with stakeholders in the provinces concerning the privatisation of the various agricultural commodities.

Therefore, in that breath, I beg to oppose the Motion.

**The Temporary Deputy Speaker** (Mr. Imanyara): Hon. Members, if any of you is willing to contribute to this debate, there is still time to do so. If there is nobody who is willing to contribute, I will call upon the Mover to reply.

**Mr. Kombo:** Mr. Temporary Deputy Speaker, Sir, I thank you for giving me the opportunity to contribute to this extremely important Motion, which the Assistant Minister has opposed.

The Motion is trying to bring out the importance of food security in this country. Whenever we talk about food security, we have in mind only maize. However, if we have in place proper laws, we will not only encourage the growing and marketing of maize, but we can look into other cereals as well, including the traditional finger millet, *wimbi* and sorghum among others. If the Government had a policy of developing these cereals, we would never think about starvation. Of course, we have a Government which does not have direction or ideas. It just does not know where it is heading to; it is just like a blind mouse moving around a blind man.

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): On a point of order, Mr. Temporary Deputy Speaker, Sir. I think the hon. Member is imputing improper motive on the Government by saying that we are blind, and yet we have brought before this House Bills on the coffee, tea and cotton industries, which were passed.

**Mr. Kombo:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister knows very well that the Bills he has referred to were brought here following pressure mounted on the Government by the Opposition. We woke them up to bring the Bills here. That is why Mr. Kirwa is also trying to push these "blind mice" to bring before this House a Bill on food security.

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Kombo is trying to impute improper motive on the Government since the Government has for the---

**The Temporary Deputy Speaker** (Mr. Imanyara): What is your point of order?

**The Assistant Minister for Agriculture and Rural Development** (Mr. J.D. Lotodo): Mr. Temporary Deputy Speaker, Sir, is Mr. Kombo in order to say that the Government is being awoken at this particular time, when he knows very well that Kenya got its Independence in 1963, and that the Ministry of Agriculture and Rural Development has since been in existence?

**Dr. Kituyi:** Jambo la nidhamu, Bw. Naibu Spika wa Muda. Waziri Msaidizi alipopewa nafasi ya kujibu maoni yaliyotolewa hapa juu ya Hoja hii, alisoma kutoka kwa maandishi aliyokuwa ametayarishiwa; hakuweza kuzungumza moja kwa moja. Mbona sasa hataki kumpa nafasi mhe. Kombo achange Hoja hii? Kwa nini hakuzungumza alipopewa fursa ya kufanya hivyo?

*(Laughter)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Continue, Mr. Kombo.

**Mr. Kombo:** Mr. Temporary Deputy Speaker, Sir, the point I am trying to make is that, with properly harmonised laws, we can develop the cereals sector and ensure that we have enough food in this country. Those of us who come from maize growing areas know that, because of the poor state of the roads, farmers are unable to move their produce to the markets. So, again, with proper laws to ensure that proper infrastructure is put in place to enable farmers to move their maize produce to the market, we can improve the maize sub-sector.

Mr. Temporary Deputy Speaker, Sir, a farmer spends about Kshs900 to produce a bag of maize. However, because the price of maize is not stabilized, and because of importation of large quantities of maize in times of drought, we are unable to buy our own maize at a price which will encourage the farmer to grow more maize. So, we need to have laws which will ensure that the maize farmer will be paid an amount of money which will cover his costs and enable him to make some profit. If we had a serious Government, as is the case in the developed world, it would say that if a farmer loses out for whatever reasons, the Government will move in to stabilise the price of the produce; it will buy the produce at the right price to ensure that the farmer does not suffer. In this country, the farmer is totally ignored. In fact, the farmer is the most down-trodden person, because the Government does not care about him. Sometimes I wonder why the same Government goes back to the farmers and asks for votes. So, I hope that in the forthcoming elections, the farmers, especially maize farmers, who have suffered, are watching out. I hope that they will ensure that their votes go to the alternative Government, which will look after them.

Sometime this year, maize which had been purchased at Kshs1,000 per bag was sold to individuals at Kshs200 per bag, who exported it. So, I wonder how that kind of loss is going to be dealt with. Because we are not properly organised, such huge losses are incurred, and nobody cares. When we import maize, we levy duties. However, the duties that are levied are not passed on to the maize farmer to improve the sub-sector. Instead, the levies disappear into the pockets of a few individuals. I am sure that the Assistant Minister will confirm this; he knows the people who ran down maize-related organisations such as the Kenya Farmers Association (KFA) and the defunct Kenya Grain Growers Co-operative Union (KGGCU); the proceeds of maize produce were pocketed by a few individuals. It is, therefore, on this basis that I support the Motion, and hope that the Assistant Minister will change his mind about opposing it, so that we can move forward and stabilise the maize prices in the cereals sub-sector.

With those few remarks, I beg to support.

**Dr. Wekesa:** Thank you, Mr. Temporary Deputy Speaker, Sir. I would like also to support this Motion and point out a few very glaring omissions by this Government.

You are aware of the fact that security of a country is not just security of human resources. Security covers also food. Food security is very crucial to most nations. A country like Japan ensures that if anything happens to the agricultural sector, it has food for its people for five years. This Government, for a long time, has confined security only to human resources and has ignored the food situation. It is very important that we must have laws that guarantee food security for our people. You are aware of the fact that even now when we have not had a serious drought, Kenyans are being fed by a foreign country. The whole of Ukambani, West Pokot and Turkana areas depend on food that comes from the United States of America. This is because of poor planning.

Kenya, being an agricultural country with beautiful climate and soils, has no excuse to import food or to depend on the donor community to give us relief food that is donated to Turkana, West Pokot and parts of Eastern Province. We need a proper policy by the Ministry of Agriculture and Rural Development to ensure that production of cereals is guaranteed. You are aware of the fact that the Government used to have a Planning Department in the Ministry of Agriculture and Rural Development which was very efficient. I know this because I used to be at the Ministry many years ago. This responsibility has been assigned to politicians who just want to talk in public rallies about food policy. This duty should not be left to politicians, but should be undertaken by agriculturists and economists in the Ministry of Agriculture and Rural Development under the Department of Planning. We need a proper re-organisation of the Ministry.

The emphasis has now shifted to the importation of cereals. Traders all over the country are very excited. Briefcase businessmen are very keen to find out what should be imported into the country. Whenever there is drought, for example the one we had early this year, people want to know what they should import. So, the Government gave priority to importers and traders. The situation should be the reverse of this. The Government should give consideration to the production of cereals such as maize, beans and millet. The small-scale farmer depends on the production of beans. His income is solely geared towards the production of crops such as beans and millet. This could bring in a lot of money to a large proportion of Kenyans who do not have huge tracts of land.

**Mr. Temporary Deputy Speaker** (Mr. Imanyara): Dr. Wekesa, time is up! It is time for Mr. Kirwa to reply.

**Mr. Kirwa:** Mr. Temporary Deputy Speaker, Sir, I wish to give three minutes of my time to Mr. Munyao.

**Mr. Munyao:** Mr. Temporary Deputy Speaker, Sir, I thank Mr. Kirwa for giving me some of his time. I also thank him for thinking so clearly and drafting such an important Motion and bringing it to this House. I believe the Government will implement this Motion.

Food security for a country like Kenya is very important. Just recently, we had a World Food Summit in Rome, where Kenyans ratified a world agreement that no country should entertain shortage of food. President Moi, on behalf of Kenyans, signed the agreement. The Summit was followed by another one in South Africa just two months ago. This was a follow-up of what had happened in Rome. Both Summits addressed the issue of the world food policy. We have got enough land in this country, and there is no reason why we suffer from famine year in, year out. We have got enough labour force and enough land, and all that is lacking is a food policy in the Ministry.

I am very happy because this Government will not have time to implement this Motion. The Opposition will implement this Motion next year when we form the next Government. I would like to ask Mr. Kirwa to keep his notes ready because he will be required to do what he has asked the Government to do in February next year. I will be happy to see the Minister for Agriculture seated on the Opposition side and have an opportunity to see how we will run the country. There will be no problem. It beats reason to see Kenya receiving famine relief food when we have got such a beautiful land. It is only recently when we started receiving famine relief food, yet in the past, we had fewer people to work on our land than we have today.

We also need to internalise our trade and know what can be grown in Busia, so that when it is in abundance we can sell it to people at the Coast. We should also grow other crops in the Rift Valley Province which could be sold to people in Nyanza Province. We should also internalise trade within Eastern and Central Africa. We had a seminar in Uganda two weeks ago, and we looked into the issue of internalising food markets to ensure that there will be no food surpluses or shortages in the Eastern and Central African region. This will also stabilise prices, and a farmer will not have to sell his 90-kilogramme bag of maize at Kshs400 when it cost him about Kshs1,000 to produce it. I was given three minutes and I do not want to look uncivilised, particularly when we are about to take over this Government.

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

**Mr. Kirwa:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I want to thank all hon. Members who contributed to this Motion. I also want to thank the Assistant Minister for having agreed with us that this is a very worthy Motion, only that the Government needs time to implement it. But we feel that we can implement it faster than this Government.

With those remarks, I beg to move the Motion.

*(Question put and agreed to)*

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

LEAVE TO INTRODUCE CONSTITUENCIES  
DEVELOPMENT FUND BILL

**Eng. Muriuki:** Mr. Temporary Deputy Speaker, Sir, I beg to move the following Motion:-  
THAT, this House do grant leave to introduce a Bill for an Act of Parliament entitled The Constituencies Development Fund Bill to provide for the implementation of the resolution of the House passed on 29th November, 2000, recommending that 2.5 per cent of the Government Revenue be allocated to constituency based development projects.

Mr. Temporary Deputy Speaker, Sir---

**Mr. Munyao:** On a point of order, Mr Temporary Deputy Speaker, Sir. With all due respect, when such an important Motion is being debated, the Minister for Finance or one of his Assistant Ministers in that Ministry should be here to listen to it.

**The Temporary Deputy Speaker** (Mr. Imanyara): The Deputy Leader of Government Business is here.

**Eng. Muriuki:** Very well, Mr. Temporary Deputy Speaker, Sir. Please, do keep the Deputy Leader of Government Business here.

Mr. Temporary Deputy Speaker, Sir, our country, Kenya, has been described as a developing country since Independence. The questions in my mind which I am asking all Members of Parliament on both sides of the House are: Until when is our country going to be described as a developing country? Is there going to come a time when we shall stop being called a developing country and actually become developed? Our country is proud of hollow issues like having very large airports here and there, very many universities and graduates and very many large ports. All that is okay since I have no quarrel with having very many universities or very large ports and all that. However, development is about people and, much as I am not a professional economist, nonetheless, I keep very keen interest in economics.

Mr. Temporary Deputy Speaker, Sir, one of the factors that we know is used in measuring how a country is doing, is something we call per capita income. I am very well informed regarding the per capita income around the world. We are informed that the per capita income in our country is hovering around US\$300 per year. However, the disaster is that when you look back, 20 to 30 years ago, you see that we had the same per capita income. As a matter of fact, it has been going down in the last couple of years so that it is even worse. When I compare our country Kenya with other countries which started the same at the time of Independence especially in the South East Asian countries, a country like Myanmar which previously was called Burma had the same per capita income with Kenya in 1970 at US\$300. Today, it is proud to have over US\$3,000 per capita income. If you look at a country like Thailand, we had the same per capita income at Independence but they are now proud to have an income per capita of over US\$4,000 which is over ten times that one of ours. Other countries like Singapore which again in 1965 to 1970 had the same income per capita with Kenya, it now has a higher income per capita than even some European countries. It has a per capita of over US\$21,000.

Mr. Temporary Deputy Speaker, Sir, we have over the years tried various ways of attempting to develop our country. Sometimes we come up with something called the District Development Committee (DDC). Sometimes we create an "animal" called Export Processing Zone (EPZ). Sometimes we come up with something called Export Compensation Scheme. Of course, some of the enemies of development do take some of these well-meaning schemes, which I am not so sure whether they are genuine because they milk the country dry--- Sometimes we have also come up with suggestions from here and there; that we should borrow from the World Bank, other donors and so on. If you look at the borrowing which we have undertaken, pretending **[Eng. Muriuki]** that we are developing, up and until the year 2001, the total amount of money borrowed from outside is close to US\$8 billion which works out to nearly Kshs600 billion. All this money somewhere along the way has to be repaid by Kenyans who have nothing at all to show for this very heavy borrowing.

Mr. Temporary Deputy Speaker, Sir, as a matter of fact, as an amateur economist, when I was checking I found out that if we borrowed Kshs600 billion, over the years it would come to nearly Kshs3 billion per constituency. In fact, none of the constituencies here can show anything near this kind of level of borrowing and one wonders where all this funding has been going. It has been fashionable for the current Government, which is on its way out, to blame foreigners. The outgoing Government says that because foreigners are not giving us money that is why we cannot run our coffee sector. We keep on saying that foreigners are not giving us money and that is why our cereal and milk sectors have collapsed. Whether the Government, the donor or whoever is going to come here and give us money,

nobody is going to give us US\$1,000 each so that we stop being poor. It is ourselves who are going to work harder as Kenyans. We should work with the resources which we have and be able to develop our country.

Mr. Temporary Deputy Speaker, Sir, I would also like to take this opportunity to also correct an illusion which has been created by the current Government that you can develop this country through Harambee. There is no country which has been developed through Harambee. I think the Harambee spirit was introduced in this country by the late Mzee Jomo Kenyatta with very good intentions. I think the Harambee concept has done its job. We have done things which we could not have done otherwise without the Harambee. However, I think the Harambee concept has been misused and now the people have got the wrong impression that you can have leaders like Members of Parliament going around the country developing it by donating money through the spirit of Harambee. The Members of Parliament have a primary responsibility to spearhead the development of their individual constituencies and it is only fair that they be supported in that enormous job.

Mr. Temporary Deputy Speaker, Sir, the Harambee concept is not a solution and, in fact, the only time in my view that Harambees do appear like they can be a solution to the many problems in the rural areas, is when you have some few leaders who I do not know where they get huge amounts of money, donate it in Harambees. When you have a Harambee wherever it is taking place and Kshs500,000 is collected, but you find the local community because of its poverty can afford to contribute only Kshs10,000 or Kshs20,000, the rest is brought by two or three heavyweights, then that is not called a Harambee. That is called a donation and I can assure you that there is nobody who is going to donate Kshs400,000 or Kshs1 million from his hard sweat. That can only be stolen money and I do not see it in any other way. By pretending that that is the way we are going to develop our country, then we are deceiving ourselves.

Mr. Temporary Deputy Speaker, Sir, this Motion was passed by this House in November, 2000. The Government has been very reluctant to implement this Motion. Nonetheless, the Members of Parliament in their wisdom did pass this Motion although there was a small amendment. My original proposal was that we should allocate 5 per cent of the Government revenue to constituency- based development projects. It was reduced to two and a half per cent which I think in my view is a good beginning. It worked out to a good Kshs23 million to Kshs24 million per year and it is a good idea for us to see the effect which should be there if we had this Motion implemented.

Mr. Temporary Deputy Speaker, Sir, for example, in my constituency, I am struggling to develop eight health centres because when I was elected they were not there, but the people wanted them and the development committees were formed and so on. So far, we have managed to build only two or three health centres. We have been a little bit lucky to get a benefactor from outside; that is one donor or two. However, all the money which has been raised so far for the health centres is only about Kshs2 million to Kshs3 million over all that period. If this Motion was passed, the Kshs24 million is more than enough to develop all the eight health centres in my constituency and next year we could focus on something else like education. I would also wish to say that the Eighth Parliament, in its own wisdom, passed a law which formed the Kenya Roads Board (KRB), and within the KRB, we have the District Roads Committees (DRCs). I am proud to say that, I was one of the people who were principally instrumental in passing this particular provision. The money which comes out to the DRCs is only Kshs5 million or Kshs6 million, but if you look at the effect of that Kshs5 million or Kshs6 million throughout the country, I think it is, perhaps, the best gift which has come out of the Eighth Parliament to the Kenyans. In some areas where they have never seen a grader or a culvert, for the first time, they were able to see it because of a small provision of only Kshs5 million. If it was the Kshs24 million which we are proposing, I think it would do wonders in this country. In the year 2001, I did bring a Question to this House asking the Government why it was not implementing this Motion although it had been passed with overwhelming majority with minor amendments. The then Minister for Finance said that they could not implement it because the Motion was asking him to disburse money to the constituency, while the Government works in sectors like education, agriculture and so on. I would like to inform the Acting Leader of Government Business, whom I understand is standing in for the Minister for Finance, that I have no intention of telling them to give a cheque of Kshs24 million to an hon. Member. I want the Government to do its job. In fact, my proposal is that the Kshs24 million should be given out by the Executive arm, which is supposed to implement development projects irrespective of where the money comes from.

Mr. Temporary Deputy Speaker, Sir, the first beneficiary of this Motion is our national leadership. At the moment, hon. Members are completely grounded by Harambees for classrooms, health centres, scholarships and so on. The first beneficiary should be hon. Members and other leaders. These people need to be freed from Harambees so that they can concentrate on other more important political and economic issues of the nation; issues which *wananchi* have elected them to tackle in this House.

One of the most important issues in the provisions is that the hon. Member for each constituency will spearhead what will be proposed for implementation in each constituency. The point here is that our country is very diverse. Whereas in my constituency I may be looking for funds to develop a milk plant, another area may be looking for a police station or a police post because their problem may be lack of security. Another area will be looking for a



slaughterhouse, or electricity for their coffee factory. So, it is important that the hon. Member liaises with the other leaders in each particular area so as to bring proposals to the House on what should be done in each constituency.

I am happy to note that the tribunal, which was appointed to look into the affairs and terms for the Members of Parliament, did recognise the need to incorporate the provisions of this proposal. We hope that by the time they pass those proposals, this Motion will have gone through so that the country can move ahead.

Finally, but not last, Mr. Temporary Deputy Speaker, Sir, occasionally, we have had disasters in our various areas. Sometimes, you find that a school roof has been blown off by wind or a bridge has broken down somewhere, or a generator in a hospital has broken down. But to get emergency funds from the Government to attend to such emergencies, which have happened overnight, becomes very difficult. I would propose that the 2.5 per cent of the Government revenue should be put in a national fund account so that, as and when a disaster strikes in any corner of the country, we do not have to call the hon. Members of Parliament to contribute money in Harambees. They do not have this money because of the doldrums of the economy and we do not want to ask the residents of that area to contribute in Harambees. If we have this money and such a thing has happened, we can authorise the withdrawal of some amount of money to repair the roofs.

I am aware the current Government will continue being reluctant to implement this Motion because they do not want to free the minds of the leaders. They want to enslave our minds. I wish to assure everybody in this country that the National Alliance Party of Kenya (NAK) is taking over the Government next year. I ask hon. Members to pass this Motion and in a few months time, we shall have it implemented to enable our country run like other countries, which have improved their *per capita* income from US\$300 to US\$10,000 within a few years.

I wish also to inform hon. Members that, I and a small caucus of hon. Members have sat down, consulted where need be and the draft Bill is ready. We only need to pass the Motion so that we can bring the Bill here and in a day or two, we pass it so that we can progress.

With those few words, I beg to move, and request Mr. Kathangu to second the Motion.

**Mr. Kathangu:** Asante sana, Bw. Naibu Spika wa Muda. Kwanza, ningetaka kutoa shukrani nyingi kwa mhe. Muriuki kwa kuleta Hoja hii hapa nikikumbuka kwamba pia yeye ndiye alileta Hoja ile nyingine katika Bunge hili mwaka wa 2000. Mhe. Muriuki anahitaji pongezi hizo kwa sababu pia alihusika katika kuandika Hoja ambayo ilihusisha Wizara ya Barabara na Ujenzi kufikiria ni jinsi gani nchi hii inaweza kujisimamia kuhusu mambo ya barabara katika sehemu zetu za uwakilishi Bungeni.

Pia, nina furaha kuhusishwa na mhe. Muriuki kwa sababu mara nyingi ameniuliza nchangie kuunda fikira ambazo zimeingia katika Hoja. Ninasimama hapa kusema kwamba nchi inategemea jamii na ikiwa jamii ya Kenya haiwezi kujitegemea, basi, ni vigumu sana kwa nchi yetu kujitegemea. Tumeona mambo mengi yanayotendeka kuhusu jamii au familia wakati tunapofikiria maswala ya viwete na wasiojiweza, wale ambao wana ulemavu wa kimwili au kiuchumi. Ikiwa nchi ama jamii ya Kenya haiwezi kufikiria wale ambao hawajiwezi au wamelemewa au wapo hospitalini, nchi hiyo haiwezi kujitendeleza au kujitegemea. Mara nyingi tunaangalia mambo kwa njia ya dharau. Kwa mfano, ukimwona mama mjamzito barabarani, unamdharau bila kufikiriakwamba tunda ambalo anabeba ndilo litakuja kuunda nchi yetu. Watoto na wazee wakongwe katika nchi yetu wameanza kukosa nafasi. Kwa hivyo, tunapojadili Hoja hii, tunahitaji kufikiria ni jinsi gani fedha zile zinavyoweza kumsaidia yule mama mjamzito na ni vipi yule mtoto ambaye amezaliwa au yule kipofu au kilema anaweza kusaidiwa. Pia tunahitaji kuona ni vipi tunaweza kuwatunza vikongwe na watoto wetu katika maeneo yetu ya uwakilishi Bungeni ili waweze kukuza nchi yetu kwa njia ya elimu ambayo tunatetea hapa na kadhalika.

Mipango ya jamii ni kama vile kujenga hospitali, shule na mambo mengine yanayotekelezwa vijijini. Ni vigumu sana kwa Ofisi ya Rais ama Ofisi ya Mipango ya Uchumi kushughulikia viwanda vya mashambani hapa Jijini Nairobi ili kufaidi kijiji cha mashambani. Kwa hivyo, ni lazima mipango hii ianzie mashinani kwa sababu, kule mashinani ndiko kuna wazee wanaojua ni jambo gani linalowasumbua. Na vijana wa vijijini ndio wanaojua shida wanazozipata. Wale waliolemewa wanajulikana kule vijijini. Hao ndio watu wanaotakikana kuzungumzia shida zao, ili ziletwe kwetu, na tuweze kuzitungumzia na kuzitatua.

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

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

Bw. Naibu Spika wa Muda, katika kuzingatia suala la maji, barabara, umeme na simu, hakuna vile nitatambua shida za vijiji vilivyoko Mkoa wa Nyanza, isipokuwa wale wanaotoka kule. Tumeona mambo mengi sana katika nchi hii, na ni mambo yanayoonyesha ufukara wa fikra. Katika kamati ya DDC, wanatambua ni jinsi gani wanavyoweza

kuambatanisha mipango mbali mbali ambayo wanaelezwa na chifu au DO. Hao jamaa hawahusishi ile kamati ya mipango ambayo ningependekeza ishirikishwe katika mipango ya maendeleo. Utakuta ya kwamba, wale wanaosimamia idara mbali mbali ndio wanaokusanyika katika ofisi ya DC ili kuamua ni jinsi gani wanavyoweza kuendeleza sehemu zao. Wakati ambapo kunatokea mabadiliko ya kiofisi, wanaondoka na kuenda bila kufuatilia mipango ambayo walikuwa wameandikisha, huku ikiota katika droo. Tungepependa kugeuza huu mtindo, ili kwamba, yale mambo yanayohusu maendeleo ya mashinani, ni lazima yategemeo kamati ya mipango ambayo itaundwa na vijana na wazee katika sehemu tunazoziwakilisha Bungeni.

Bw. Naibu Spika wa Muda, kama vile Eng. Muriuki alivyosema, kuna tofauti baina ya kusaidiana na kujenga taifa. Kwa mfano, mimi nikienda katika sehemu nyingine ya uwakilishi Bungeni na nitoe pesa za Harambee kwa sababu ya mradi fulani, hivyo si kumaanisha kwamba tunajenga taifa. Ujenzi wa taifa unategemea fikra za watu binafsi na vile hizo fikra zinahusishwa katika ujenzi wa taifa.

Tunalazimika kufikiria jinsi gani kodi zetu zinavyotumiwa. Ndiposa ninafikiria juu ya pesa ambazo zinaibiwa na zile ambazo zinapotea kwa sababu ya usimamizi mbaya. Kwa mfano, tunajenga nyumba mahali ambapo haitakikani, au baadaye tunashindwa kuimaliza. Mwishowe, hiyo pesa inapotea. Vile tunavyosema ni kwamba, nchi yetu imeunda idara mbali mbali, na inaokota pesa kupitia kwa kodi. Zile pesa zimerundikwa pamoja kwa mtu mmoja au kinyangarika fulani katika Serikali ambaye ananyakua zaidi ya Kshs20 billioni. Vile ninavyosema ni kwamba, ikiwa tunataka nchi yetu iendelee mbele, inafaa sehemu za uwakilishi Bungeni zijisimamie. Tumepiga hesabu na Eng. Muriuki na tukatambua kwamba, ikiwa kila sehemu ya uwakilishi Bungeni itapewa Kshs50 milioni ambayo ni asilimia kumi ya karibu Kshs200 bilioni ambazo Serikali inaokota kwa mwaka, inamaanisha kwamba kila sehemu itaweza kujisimamia kwa mipango mbali mbali, ikiwemo barabara, shule, umeme, hospitali na mambo mengine ya mawasiliano. Kila sehemu ya uwakilishi Bungeni ikipewa Kshs50 milioni, tutaishi katika utajiri na tutaacha kuota katika takatakata kama ilivyoko Jijini Nairobi.

Bw. Naibu Spika wa Muda, mwisho ningependa kusema kwamba, yaliyo mema yawe, and yaliyo mema hayawezi kuwa ikiwa hakutakuwa na amani. Huu ni msimu wa siasa ambao unatuelekeza kwa uchaguzi mkuu. Itakuwa vigumu sana kuendeleza nchi, au kupata mapato na kuyatumia kwa njia nyooфу ikiwa kutakuwa na kelele juu ya wale tunaowaunga mkono. Ikiwa kutakuwa na kelele na kutoelewana kati ya wale tungetaka wachaguliwe, ama ikiwa kuna wale ambao hawataki kuacha uongozi baada ya kukataliwa na wananchi, hatutakuwa na amani na maendeleo. Vita baina ya jamii haviwezi kuendeleza nchi yetu.

Ninaunga Hoja hii mkono.

*(Question proposed)*

**Mr. Kamolleh:** Asante sana, Bw. Naibu Spika wa Muda, kwa kunipatia nafasi ili niweze kuchangia kwa mjadala huu ambao ni muhimu sana, hasa kwa wale watu ambao wanaishi mashambani. Mabaraza ya manipaa na mabaraza ya miji huwa yanaendeleza mambo ya Serikali ambayo hayajafanyika. Wale ambao tunaishi katika sehemu zile zilizoko katika mashambani, mjadala huu unatupatia nafasi ya kuweza kuongeza misaada ambayo Serikali wakati mwingine huwa haiwezi kupeana ama imesahau kupeana. Hata sisi Wabunge tulioko katika sehemu za mashambani, tunalazimika kufanya michango ili tuweze kusaidia, kwa mfano, zahanati au madawa katika zahanati. Tunalazimika kufanya michango ili tuweze kuona kwamba shule zinajengwa au kununua madawati katika shule hizo.

Tunatakikana pia kuenda kukaa na wananchi ili tutengeneze barabara zilizoko mashambani ambazo hazijaratibiwa kwa kiwango cha "A", "B", "C", "D" au "E", na ambazo zinaitwa kwa Kiingereza "rural access roads". Hizo ni barabara muhimu kwa wananchi, ambao huzipitia wakati wanapotoka kwenye mikoroshu, mikahawa au michungwa yao. Lakini Serikali huwa inasahau mambo hayo. Pia, tunatakikana kufanya michango ili kuweza kujenga vile vidimbwi vya kuoshea ng'ombe wasiweze kuathirika na wadudu. Na pia tunatakikana kufanya michango ili tuweze kupata kituo cha kuhudumia wanyama kwa madawa, na mara nyingine inatubidi tununue madawa ya wanyama. Wakati mwingine, tunatakikana kulipia wale madaktari ambao wanawahudumia wanyama na binadamu. Wabunge wa kutoka mashambani wanalazimika kufanya michango ili wajenge shule za nursery au kuwalipia walimu wa nursery. Nimezungumza juu ya madawati ambayo yanatakikana katika shule za upili, msingi na hata za nursery. Mbunge analazimika kufanya mambo haya yote. Basi ninasema pia kuna wale walimu ambao hawatoshi. Kuna walimu wa baraza ambao wanalipwa. Ikiwa tunaweza kupata misaada hii ambayo mhe. Muriuki, aliyeleta Hoja hii, anazungumzia, basi tutajisaidia katika mambo hayo.

Kuna visima vya maji na mitambo ya kuvutia maji kutoka chini, huko mashambani. Mambo haya yote huwa yanaachiwa Mbunge na Serikali haishughuliki hata kidogo na mambo haya. Huko ninakotoka, katika sehemu za Shimba Hills, Mkongani na Mwaluvamba kuna shida ya maji. Hii ndio sababu niliamua kumwunga mhe. Muriuki kwa dhati kwa kuleta Hoja hii ili tuipitishie na tupate fedha hizo za gharama ya asilimia 2.5 ziwasaide watu wa mashambani. Vile vile utapata kuwa Serikali haishughuliki na kujenga au kuendeleza masoko huko vijijini. Ni

Mbunge ndiye anatakikana afanye michango ya kutosha ili tuweze kufanya miradi hii. Ninatoa orodha hii ili Serikali isikie kwamba Mbunge aliye mashambani anateseka. Wakati umefika Hoja kama hii ipitishwe kwa haraka ili pesa kama hizi zipatikane na ziweze kusaidia hasa kule mashambani. Utapata kuwa Harambee nyingi zinafanyiwa kwa watu wa Nairobi kwa hivyo hawajui ile dhoruba ambayo sisi wengine tunapata.

Kuna machifu, DO na askari wa utawala ambao hawana maofisi na huku wanapewa bunduki. Hizi silaha zitawekwa wapi ikiwa hakuna chumba maalum cha kuweka silaha? Hoja kama hii pia itawasaidia wale walio katika Serikali kufanya mambo yao ambayo wamesahau kufanya. Kuna ndugu zetu ambao wanataka kujiendeleza kiuchumi wanaofanya biashara ya jua kali. Hiki kiwanda cha jua kali kimeachiwa Mbunge peke yake. Natarajia kuwa Hoja hii itasaidia kupunguza michango ya Wabunge kufanya mambo haya. Kama tungekuwa jeshini, mhe. Muriuki angeitwa Jemadari kutoka Luteni, kwa sababu Hoja hii ni muhimu kabisa katika Jamhuri hii ya Kenya. Hoja hii ni muhimu kwa sababu itaweza kusikika mashambani na wananchi wataona kwamba masilahi yao sasa yanaanza kuangaliwa sawa sawa. Wataweza kupata pesa huko mashambani baadala ya kuandika barua huku mjini na kuambiwa kuwa pesa bado hazijafika au hazitoshi, kwa hivyo, wasubiri mpaka mkondo ujao wa pesa. Haya ni mambo mazuri. Tungeleta Hoja hii Januari, 1998, lakini hatukuweza kufanya hivyo kwa sababu ya kazi nyingi. Hata hivyo, chelewa lakini ufike. Tumefika na sasa ni wakati wa Serikali kuona kwamba watakubali Hoja hii ipite, iwe sheria ili asilimia 2.5 ya fedha iwe inaenda kwa kila eneo la ubunge.

Wengine wetu tunatoka katika sehemu za ukame ambazo zina miembe, mikanju na miti mikubwa ambayo saa nyingine huweka kivuli cha kutosha kuwa na ng'ombe za kutoa maziwa. Lakini ni lazima ng'ombe hao wanunuliwe. Hakuna siku moja ambayo Serikali ilisema: "Nyinyi Wadigo, chukueni hawa ng'ombe mkawalishe ng'ombe wa maziwa". Ni lazima tutunue ng'ombe wenyewe. Itakuwa ni shida kama Hoja hii haitapitishwa kwa sababu tunakaa sehemu kame za mashambani na tunataka maziwa. Hoja hii itatuletea nafuu kubwa kuweza kuchota pesa kidogo hapa kununua ngo'mbe ili tufuge na tunywe maziwa kama wenzetu wa Bonde la Ufaa. Kwa hivyo, Hoja hii ni muhimu kabisa na hakuna haja ya kuisisitiza hapa zaidi kuliko ilivyoandikwa na mhe. Muriuki.

Jambo la mwisho ni kwamba sisi Wabunge tunatakikana kufanya michango kutoka Januari mpaka Decemba ili kupata pesa za kusaidia karo. Hizi ni pesa muhimu kwa watu wa mashambani, hasa ikiwa korosho, bixa na mimea mingine imezoroteshwa. Je, huyo mzazi atalipa hiyo karo ya shule namna gani ikiwa Hoja kama hii haitapitishwa haraka? Tutachota hapa kidogo tusomeshe watoto wetu ili wasikose elimu kwa sababu sisi ni maskini. Ningetaka kuwashawishi ndugu zangu wa pande zote za Jumba hili kuunga mkono Hoja hii ili tupunguze mzigo huu wa kulazimishwa kufanya michango huku na kule. Kwa hivyo, hakuna haja ya kushawishiwa zaidi ya hapo. Hii ni Hoja mhimu na lazima tuone kama ni jaza kwa watu wa mashambani na Wabunge wanaowawakilisha.

Kwa hayo machache, ninakushukuru kwa kunipa nafasi.

**Prof. Anyang'-Nyong'o:** Mr. Temporary Deputy Speaker, Sir, I would also like to support the Motion by my dear friend, Eng. Muriuki, regarding the support that should be given to constituencies by proper budgeting and allocation of resources for constituency development. As my friend, Mr. Kamolleh, has just said, we cannot continue relying on *ad hoc* moves to provide resources at the grassroots level through Harambee. Not only have we agreed through the new Constitution that we shall devolve power to the grassroots level, but that a lot of resources should be budgeted for, and allocated at the grassroots level, especially when we are proposing to revive location, village and county councils as it was in colonial times. We look forward to a structure of government whereby basic services like education, health and even security are organised and run at the local level. It is only local people who can maintain their security. A government should not exist, which imposes security on people. The voluntary manner in which security apparatus are managed by the people is much better than having a highly paid police force which does not feel that it is in sync with the local community.

Mr. Temporary Deputy Speaker, Sir, it is the local community which knows which son or daughter of so-and-so is likely to go astray and harvest somebody else's crops or steal another person's shirt. It is that kind of social solidarity at the local level which provides primary security. In this regard, if the constituency is allocated money, it will use that money more for productive purposes, rather than for less productive ventures. It will realise that it has a certain resource base which is better used for financing schools, health centres and food production, rather than using too much of it in financing security because the people themselves provide their own security, and they are their own guarantors of good governance. I remember, when I was growing up, people never used to lock their doors because they knew that it was a taboo to go into somebody's house and steal. With the increasing poverty level nowadays, people are not very conscious of things like taboos because they want to put food in their stomachs. If you have resources at the grassroots, you will make sure that food is produced in plenty and that there is food security. If you make sure that the rural access roads are well maintained, then people will be using their bicycles to go to the lake shores, bring fish and market it locally. With this kind of economic activity, you will reduce the sense of insecurity and poverty.

I would like to say a few more things about Harambee. We do not realise that Harambees are extremely costly

because a lot of money that is collected is never used for its intended purpose. I know that, for example, when you go home for Harambees a lot of money is spent cooking food for the guests. They will also spend some money buying a goat to be donated to the guest of honour. By the time you add up the money that has been used to prepare for the Harambee and compare it with the money that is finally collected, you will find that it is almost the same amount. When you also take into account the amount of money you use to drive all the way from Nairobi to Kisumu to attend a Harambee where you will donate Kshs30,000, the wear and tear of the vehicle you use and fuel costs, this will amount to about Kshs7,000. When you deduct that Kshs7,000 from the Kshs30,000, you will find that you have only contributed Kshs23,000. When you add up the time that the women take to cook the food and the money used to purchase this food, the whole cost benefit analysis does not make sense, especially in rural areas. Now, if we have the Constituencies Development Fund, where we know that money will be coming from the Government; where we know that if, indeed, you want to supplement it, you could pay development tax--- We pay a lot of taxes anyway! We pay Training Levy, Hotel Levy, Value Added Tax (VAT) and others. We pay them so that the Government could get money to finance development. Now, when you pay all that and then begin contributing to Harambees, it does not make sense! I would rather pay 1 per cent of my income to put in a development tax and know that, that money will further be aggregated and used for constituency development. It is a neater, quicker and more cost-effective way of doing things, rather than collecting all kinds of taxes that we are collecting, misuse them and then tax people again on Harambees, and then, when you add up what you have spent a month in terms of Harambees, it comes to something like Kshs300,000. It does not make sense! Then, it is not effectively used. I think Eng. Muriuki has brought us a very sensible Motion in this House, which we should pass, so that we can begin planning properly.

When the new Constitution comes into effect and we have the village and location councils, they will operate within the context of the Constituency Development Fund. The money will be properly budgeted for and will go in there, be used and Members of Parliament will not need to run up and down like mad dogs attending all kinds of Harambees all over the country. It does not make sense at all! People develop high blood pressure and die early! We lose them - because they are well trained human resources - just because we have organised Harambees all over the country to make sure that those people die early! It does not make sense whatsoever! So, I hope we can take Eng. Muriuki seriously and pass this Motion quickly, so that when we go back to our constituencies and get elected, we shall know that we have an arrangement in the new year, which is rational, sensible, cost-effective, efficient and we shall thank Eng. Muriuki forever!

With those few remarks, I beg to support.

**Capt. Ntwiga:** Thank you, Mr. Temporary Deputy Speaker, Sir. First of all, I have to congratulate Eng. Muriuki for bringing this kind of Motion to this House, knowing very well that he is the same person who brought another Motion and the District Roads Boards (DRCs) came into effect. You can imagine how the Kshs5 million has helped the constituencies. So, I wish Eng. Muriuki well, so that he may come back to this House in the next Parliament, and continue with the same vigour. I also would like to thank another Member; whether he is on the other side of the House or not, it does not matter--- I would like to take this opportunity to thank Mr. Kihoro for bringing a very important Motion to write off loans belonging to coffee farmers, so that they could go back to their farms. That is the only way we can revive the economy of this country. So, those are two great sons of this House, whether they belong to the Opposition or not! I must say that they have done a very good job!

Mr. Temporary Deputy Speaker, Sir, the 2.5 per cent which Eng. Muriuki is asking from the Consolidated Fund is not enough! That amounts to almost Kshs20 million per constituency per year. I wish it could be 5 per cent because it could have a better impact in the constituencies than the 2.5 per cent. However, better half a bread than a whole bread when it is not forthcoming! Therefore, let it be so and let us pass this Motion as quickly as possible, although it is not going to be implemented immediately. It will be implemented in the next Parliament and that is why I am wishing him well to come back. Let us pass this Motion overwhelmingly, so that our people can benefit in the rural areas.

Mr. Temporary Deputy Speaker, Sir, the constituencies should be the centres of development. That is because the shoe owner knows where it pinches most! The people in the grassroots know the problems affecting them. Therefore, if they are financed in this manner, they will know where to put that little resource effectively. They will know where to put less capital-intensive, as opposed to the capital-intensive projects, where a lot of money is misused and the resource does not help the population. So, the constituencies should be the centres of development. They should get the money immediately, from the Ministry of Finance direct to the constituencies. It should not pass through the Permanent Secretaries in various Ministries where they would start planning and doing things which are not applicable or beneficial to the people at the grassroots!

So, I am saying that, that money should go directly to the constituencies. If there is anything to do, it should be tendered at the constituencies. The stakeholders know their problems. For example, if I got Kshs20 million in my constituency, where I am struggling to build bridges to connect people through Harambees, I would be a very happy

man! The Kshs5 million which Eng. Muriuki is proposing is not enough to build big bridges in my constituency. We should not mind about the geographical and demographical aspects of a constituency. Let us give the money to the constituencies whether they are in North Horr, Makadara and other small constituencies. We should not mind about the geographical and demographical aspects. Let us give the constituencies the money and things are going to work. I believe things are going to work because that is the only way we can relieve the Members of Parliament from conducting Harambees. We have become paupers because every weekend--- Like now, from here, I am going to a Harambee! Imagine! Tomorrow, I will be back here! That would relieve the Members of Parliament of all that burden. That money should go to the constituencies, so that a Member of Parliament could allocate it with his people. The committee can allocate the money to various projects. Otherwise, we have been reduced into Harambee robots! If anything, there is no time even you, Mr. Temporary Deputy Speaker, Sir, that you can miss a card for a Harambee in your pigeon hole every day and hour. In fact, most of the letters we receive here - you are also a witness, Mr. Temporary Deputy Speaker, Sir - are cards for Harambees! So, that will relieve us and the Members of Parliament will be conducting the business of this House without much worry, and it will be very beneficial to us.

With those few remarks, I do not have to say much. Eng. Muriuki, keep it up! Thank you! I support!

**Mr. Munyasia:** Mr. Temporary Deputy Speaker, Sir, thank you very much for the opportunity to support this particular Motion. The work of a Member of Parliament has been very frustrating because the constituents expect that he or she would be the one to spearhead development in the constituency. When the Member of Parliament ensures that he attends all the sub-DDC and DDC meetings, all he ends up doing with the rest of those who sit on those committees is that they draw up what they call the annex; making recommendations of what projects should be given priority, and then, the annex is sent to the central Government. As usual, we will be told that when funds are available, they will do something. So, projects which have had priority rating in various constituencies have remained in that state year in, year out. Unless an hon. MP has a clear mind and sticks to the truth of the situation, he can give in to the pressure of the constituents and develop what they call

"Constituency Development Fund". There are a number of such funds which have been introduced in this country. I resisted such temptation because I knew that without an annual tax, or a mechanism for making sure that there is money which would replace whatever is spent on a yearly basis, it will be useless. I still ought to be told which Constituency Development Fund still functions to date. Even the former hon. Member for Butere, who as early as 1963 established what was called the "Butere Constituency Development Fund", had given up by the time we started the Seventh Parliament. This is because it is not possible to sustain that fund.

Mr. Temporary Deputy Speaker, Sir, this particular loophole has given opportunity to con men from various areas - those who would like to be elected to Parliament - to go around accusing the sitting MPs of doing nothing. These people include the Provincial Administration, who go round accusing hon. MPs of not being development conscious because they have not used their personal resources to fund public projects. These people say that such and such an MP has not initiated any development project. What do they mean by initiating development projects without a view to funding? What will be his sources of funds so that he can start a health centre which he will maintain? So, this particular Motion is a welcome development. The so-called Constituency Development Funds which have been started by some of our hon. MPs can now get life and the constituencies that did not have them can begin planning, knowing that there will be money on a yearly basis to carry out some of those development projects.

I have been reminded about the frustrations that I suffered in my constituency when we had the so-called Structural Adjustment Programmes (SAPs). This Government came up with what it called "Social Dimensions of Development". We were supposed to recommend projects which were going to be funded by the Government so that those who were economically vulnerable or suffered most from the SAPs could benefit a bit. We made those recommendations, but nothing came out. Now, we have what they call "Poverty Eradication Programmes". We have made those proposals, but nothing has come out. So, we allow con men from other areas to continue coming to cheat our people.

I have in mind a group of Nairobi University lecturers who spent parallel degree programme monies, some of it which was collected fraudulently from parents. They came to campaign in Sirisia Constituency. They said that they were going to set up a bursary fund in that constituency because the sitting MP had not established one. They went ahead and raised only Kshs171,000 to sponsor students who were going to do parallel degree programmes at the University of Nairobi. A year has passed since this was done but nothing has been done. Not even a single student has benefited from such a programme. But I am saying that these people would not have had that opportunity to deceive the people if we had a constituency fund which was funded by the Central Government, which the people of Sirisia Constituency were in control of.

Mr. Temporary Deputy Speaker, Sir, I support the proposal made by Eng. Muriuki that when this money comes, it will not be paid to the hon. Members. Definitely, I would not like to receive such money, but we want it to be there and be executed by the Executive arm of the Government. But the people of the constituency will be the ones,

of course, to make the plans or identify the priorities.

If this money is used in the manner in which the Local Authorities Transfer Funds (LATF) have been used in this country, it will be a sorry matter. In many county councils and municipal councils, money which was meant to assist those councils provide services in areas they had been unable to have been paid directly to the councillors who represent wards and not the nominated ones. Those councillors have used the money to buy themselves suits, plots and do whatever they can do with it. There is hardly anything on the ground which they can show for using the LATF money. So, that is why I support the idea that it should not be understood that this money will be paid to the hon. MP. The hon. MP will only be in charge of the committee which will plan the development projects in the constituency. During the campaign period, those people contesting for parliamentary seats can, indeed, go round promising the people of the areas which lack such and such a facility that they will make sure that they have it if they are elected. This is because they know that there is a fund which can be sustained on a yearly basis.

Mr. Temporary Deputy Speaker, Sir, a fraction of that money should be put aside as a contingency fund because many times, hon. MPs get embarrassed when certain calamities occur. For instance, when there are floods, like in Budalangi Constituency, people suffer every year. So, you will not know how many people will be displaced at one time. Those people require immediate assistance. When roofs of buildings are blown off, like it happened recently in my constituency, in Lwandanyi area, those who are campaigning now, of course, had a God-given opportunity. They rushed there and gave whatever money they had so that they could say: "Look, how much has your hon. MP given out?" They told the people that they were development conscious. But if there was a contingency fund, we would have handled some of the calamities which occur suddenly.

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

**Mr. Mutiso:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on this important Motion by my colleague, Eng. Muriuki. I would like to thank the hon. Member for having been visionary in bringing this important Motion to this House. I do understand that Eng. Muriuki was also the hon. Member who was instrumental in coming up with the Constituency Roads Committee.

I would like to say that constituencies are the building blocks of development in this country. Unfortunately, as per the Government policy, which was envisaged sometime back, the District Focus for Rural Development has failed. The District Development Committees (DDCs) in the various districts are responsible for the allocation of the resources which are granted by the Government through this House. The chairmen of these DDCs are the DCs; the Provincial Administration, plus the heads of various departments.

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

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

Mr. Temporary Deputy Speaker, Sir, time and again, in the District Development Committees, proposals are made to enhance development in various constituencies. Unfortunately, district plans are not in tandem with the allocations made by the Treasury. I believe some of the projects which the Government has promised, year in, year out, in different financial years, have not materialised because of the method in which these resources are channelled down to the constituencies. I believe in a bold step in trying to empower our constituencies, and more so the rural household. It is well founded in economics that, unless we improve the domestic consumption; income per household, it will be impossible to improve the development of these constituencies. I would like to urge the Minister for Finance, as my fellow colleague had earlier commented that, such an important Motion requires his presence in this House. It is quite unfortunate--- Although we have the Leader of Government Business in the House, I think some of these comments have to be heard by the Minister himself or the Assistant Minister. Without elaborating much on that---

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is obviously new in the House and he does not know who the Minister for Finance is. He is represented in this House. I was merely pointing out that the Minister for Finance is present in this House. We are here!

**Mr. Mutiso:** Thank you, Mr. Assistant Minister. Let me just make another comment as far as leadership is concerned, particularly when we talk about leadership in a true democracy. As my fellow colleagues have raised concern about the method in which resources are mobilised from the constituencies, through the Harambee, the intention of Harambee was good for raising funds by pulling together in order to build a common good. However, hon. Members have actually been bestowed with this responsibility beyond what was envisaged in the original Harambee spirit. You find that, even today, the manner in which positions are allocated in the Government--- There is nothing

more than the pressure of these leaders trying to get higher positions where they could get more money through fair or unfair methods. When somebody is given a Government responsibility, it means more resources will be made available to that person.

Therefore, as Eng. Muriuki has proposed, let us have the Constituencies Development Fund directly under constituencies. We are saying that constituencies should also establish a mechanism which, I believe, will be provided in the Draft Bill. In the Draft Constitution by Prof. Yash Pal Ghai, there is a proposal about the village and local councils. I think this will act as a mirror to enforce the vision of the Draft Constitution, to have in those councils the Constituencies Development Fund.

Mr. Temporary Deputy Speaker, Sir, I believe the Minister for Finance, in this year's Budget Speech, proposed to levy kerosene by Kshs1 more. He had also projected to collect about Kshs600 million which would, at the end, be channelled to the constituencies. It is now more than three months and this levy is still being collected, and up to this moment, even through our district development water officers, we have not received even a single cent. I believe there is a problem with the management of the Treasury of this country and, therefore, it is such levies, like the kerosene levy, which our people are saying that there is an extra Kshs1 being levied through kerosene whose service they are not getting. I think if such move would be harmonised and we have the constituency levy, being a forum in which these monies would be channelled out, it would be more welcome.

With those few remarks, I beg to support.

**Mr. Michuki:** Thank you, Mr. Temporary Deputy Speaker, Sir, for granting me the opportunity to contribute to this very important Motion.

At the outset, I would like to say that I rise to support the spirit of this Motion. I believe this Motion has been necessitated by failure in resource allocation within this country because of failure of policies. We do not need an Act of Parliament to set out our priorities within this country. We know our priorities, the need to provide infrastructural facilities; roads, clean water, education, *et cetera*. Indeed, from the very beginning of our Independence, we aimed at eliminating three problems, namely: poverty, ignorance and disease. It is within these areas that we have dismally performed, because citizens interact with problems on a daily basis. It becomes an issue for discussion with leaders within the constituencies.

Mr. Temporary Deputy Speaker, Sir, if you look around you will see that Harambee, apart from those done by the churches, which are entirely different organisations, have been concentrated on education and health; hospital bills, operations, *et cetera*. You have seen this in the newspapers! People advertise for help in order to be saved from death by their friends and not their Government, because it has failed; a Government which since Independence was committed to actually fighting disease. With Kshs230 billion, it has dismally failed in health, education and the elimination of poverty to the extent that we now have 56 per cent of our population living below the poverty line. So, this Motion is most welcome because it is reminding the Government of its failure to allocate resources properly.

Mr. Temporary Deputy Speaker, Sir, we had discussions regarding other areas which require to have money appropriated on the Floor of the House. If you look at this Motion and many others that have been passed here from another angle, you will see that we are equating Acts of Parliament with the provisions of the Constitution, particularly on the establishment of funds; for example, the Consolidated Fund and the Civil Contingencies Fund, from where one gets money for emergencies awaiting Supplementary Estimates. The danger is: I would like to point out, as a person who has dealt with finance for many years--- In fact, it is possible to allocate the whole Budget through Acts of Parliament to specific areas of expenditure so that this Parliament will have no money to vote at any given time. This is the tendency which is now creeping into the management of finances in Kenya. We must appropriate money for the construction of roads because the Government has failed. We must pass an Act here.

So, Mr. Temporary Deputy Speaker, Sir, the next Government, which will be led by the National Rainbow Coalition, will remove some of these burdens from the people. For example, we shall make sure there will be no fees paid in primary schools. There will be no cost-sharing programme in hospitals. These are the areas which really overburden citizens of this country. We will begin by addressing these areas. We shall make sure that teachers are properly remunerated. You cannot say you love children when you treat those people who spend most time with them so poorly. We must pay teachers accordingly.

Mr. Temporary Deputy Speaker, Sir, in the absence of priorities, this Motion is most welcome. I agree the Kshs5 million allocated to constituencies for maintenance of roads, especially in my constituency, did a lot to improve our roads. We have opened up access roads which were impassable. Our people are now getting to their homes in their cars. They are also able to transport materials to build modern houses. Since the Government itself has failed, obviously, we must force it on the Floor of this House to allocate money to constituencies. That is why I welcome this Motion by Eng. Muriuki. We will also have solutions to other problems in this country. We shall show hon. Members on the other side of the House, how public resources are managed. But in the meantime, I urge this House to pass this Motion so that it will form part of the consideration when we allocate resources to constituencies.

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

**Mr. Kuria:** Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to support this Motion. This Motion will assist the marginalised areas of this country. There are areas in this country where the Government has never initiated any project since we attained Independence.

Mr. Temporary Deputy Speaker, Sir, we can say Nakuru District is the centre of the Government because that is where the President lives. There are some areas in this country where the Government has never initiated any development project because of the political stand of the local leaders. If this Motion is passed and implemented, it will help the marginalised areas because the communities concerned will prioritise their needs. The other day, we passed a Motion here to establish the District Roads Committees. We can all see the impact of DRCs in our constituencies. Hon. Members have been able to make good use of that money. Now the Government is seen to have done something for wananchi. The 2.5 per cent of the Government revenue sought by this Motion will help hon. Members to initiate projects in their constituencies instead of conducting Harambees. I am sure, Mr. Temporary Deputy Speaker, most of the Harambees you have done in your constituency are for community-based projects. Some areas have never had a secondary school. The hon. Member is expected to initiate projects in his constituency, and yet he does not have resources to do so. Is he expected to do this from his salary? Hon. Members do not have resources to initiate projects. Therefore, it is very hard for them to implement or start a project. Those of us who are development conscious end up being very poor in this country because we love our people and would like to see those projects completed. In fact, when the Budget is approved through the DDC, those of us from the Opposition areas do not get anything.

In my area, for example, since 1963, there have been only two projects; a health clinic and a water project. Even now, the Engashura Water Project has never been completed. The pipes have been lying there for many years and there is no water. It is a pity that President Moi initiated that project and our people had hope that they would get water, but for the last ten years, there has been no water.

Mr. Temporary Deputy Speaker, Sir, if this Motion is passed and implemented, hon. Members will initiate many projects in their constituencies. I recommend that this money should not be disbursed directly to hon. Members, but let us form a Constituency Development Committee (CDC) to prioritise the projects in the constituency. They can use the money to initiate projects from the grassroots level. Here, we are talking about community-based projects, for example, secondary schools. In my area there were only two secondary schools. But at the moment, we have 15 community-based secondary schools built through Harambee efforts. I am happy that these schools are now being assisted by the Government. As you know, it is very difficult to build a secondary school through Harambee. It is very expensive to build a school. If the Government supplements the Harambee efforts with the Kshs20 million we are talking about, the Government will be seen to be doing something in that area.

Mr. Temporary Deputy Speaker, Sir, I really support the Motion. I would like also to thank Eng. Muriuki for bringing this Motion to Parliament. I believe if this Motion is passed and implemented, it will assist constituencies to initiate projects.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, Sir, I support the Motion.

**The Assistant Minister for Transport and Communications (Mr. Keah):** Mr. Temporary Deputy Speaker, Sir, I would like to take this opportunity to thank the Mover for bringing this Motion, which is long overdue. So, I wholeheartedly support it.

Mr. Temporary Deputy Speaker, Sir, the practice by the Central Government has been to budget for major projects in districts and constituencies. It has been noted, however, that the Budget provisions by the Central Government have not made it possible for development to reach the grassroots. The Central Government may plan for projects such as Nyali, Kilifi and Sabaki Bridges; it may also plan for major road and water projects. However, the Central Government has not managed to plan for development projects at the grassroots level.

In order for minor projects to be included in a Ministry's budget, the area Member of Parliament has to approach the relevant Government officials and, literally, beg them to provide funds for them. So, the establishment of the proposed Constituencies Development Fund will solve the problem of hon. Members having to move from one Ministry Headquarters to another to beg for funds to be provided for certain projects in their respective constituencies. If established, the Fund will rescue hon. Members from the weekly Harambees they have to contribute to in order to help uplift the standards of living of people in remote areas. Personally, I have had to attend many Harambees for minor projects.

Once in a while, an hon. Member can ask his friends for contributions in respect of a Harambee project. However, you cannot do that every weekend. So, we end up writing cheques on our own bank accounts. As a matter of fact, today, most of my colleagues survive on bank overdrafts. Most of the money they contribute at Harambee meetings is from overdraft facilities. That is dangerous. I am sure that I am not the only hon. Member who relies on overdraft facilities. We commit ourselves in this manner because we want to help our constituencies to develop. So, the creation of this fund is most welcome; it will give us a breathing space, so that we can plan for major projects within



our constituencies, rather than be involved in very minor development projects.

I see the proposed fund as the way forward towards poverty alleviation. Probably, the Poverty Reduction Strategy Paper (PRSP) tried very much to suggest the way forward. In my view, the creation of the proposed fund will enhance the PRSP. If 2.5 per cent of the Government revenue is put into the proposed fund, each constituency will get Kshs22 million per year. Such an amount of money can do much more for a constituency than is the case today. Today some constituencies hardly get Kshs1 million or Kshs2 million. If you look at the Printed Estimates, you will realise that some constituencies hardly get Kshs4 million for development. Of course, the bulk of the Budget goes to recurrent expenditure. For development expenditure, some constituencies hardly get Kshs4 million. So, the Kshs22 million is, indeed, a big jump from the current scenario. Certainly, this will go a long way towards poverty alleviation.

I can foresee the proposed funds going towards improving the education sector. The floors of some classrooms in certain schools are not properly finished. Many schools do not have desks; classrooms do not have doors or window shutters, and cases of burglary are quite common. So, if these funds are provided to the constituencies annually, they can be used to fund small development projects in the constituencies. The funds can be used to provide clean drinking water. For instance, we have been talking about Mzima Springs II, which is the second largest water project in Mombasa. Once that project is complete, money from this fund will be used to tap water from the main line to the rural villages. In the absence of this fund, hon. Members of constituencies along the main water line will be required to organise Harambees, so that water can be tapped to specific villages.

I can foresee areas such as Tsangatsini, Gotani and Mwanamwinga benefiting from the proposed fund. Areas which are located in the most remote parts of my constituency, which no Permanent Secretary or water chief engineer has ever realised the need to provide with water, will also benefit. Such areas have been neglected despite the monthly recommendations we have made to our respective Divisional Development Committees. So, the proposed fund will enable the respective District Development Committees (DDCs) to undertake their priority projects. I see this fund as a saviour for rural access roads. Currently, constituencies benefit greatly from the Kshs5 million that is allocated to them from the Fuel Levy Fund. That initiative is working very well. People from within particular sections of a road which is earmarked for repair get employment; they are paid from the Fuel Levy Fund money. In return, roads are now being maintained to motorable standards. This is really the kind of initiative a developing country like Kenya must undertake. The creation of this fund is, therefore, most welcome.

Mr. Temporary Deputy Speaker, Sir, I can foresee money from the proposed fund assisting youth groups to start their own projects. For instance, in my constituency, there are youth groups which have registered themselves with the Department of Culture and Social Services to undertake self-help projects within their respective areas. These groups do not require so much money; they only need between Kshs20,000 and Kshs40,000. Those funds should be used to finance youth development projects. The *jua kali* sector will also be covered by this fund. Women and men groups, any other group and, indeed, small-scale businessmen will all be funded from this fund. All I can say is that we require accountability. There ought to be a well qualified committee to man this fund, so that the funds do not end up in the wrong hands.

With these few remarks, I beg to support this Motion.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Thank you, Mr. Temporary Deputy Speaker, Sir. I wish at the outset to state that in principle, the Government is not opposed to the spirit of this Motion.

As you will recall, and this has been stated in this House before, we accepted the original Motion which we passed sometime towards the end of the year 2000. In fact, in the light of that, one would be forced to suggest that this Motion might be superfluous. We accepted the original Motion and what needed to be done was to implement it. Be that as it may, I suppose that it is probably harmless to accept this matter at this point. But otherwise, as I said, the Motion would seem to be superfluous. We accepted the original Motion and, in fact, the Minister moved an amendment to reduce the proposed percentage from 5 to 2.5 per cent. He also accepted that the Government would in the future put arrangements in place to ensure that these funds were availed to the constituencies.

Mr. Temporary Deputy Speaker, Sir, the reason for the reduction of the proposed percentage from 5 to 2.5 per cent was the inadequacy of funds overall, considering various Government commitments. The same inadequacy of funds has not made it possible up to this point to implement the provisions of the Motion. It is no secret that Government revenues have not hit intended targets. It is, therefore, a practical matter that under these circumstances, it would not have been possible to implement the provisions of this Motion.

Hon. Members are also aware that in the last and the current financial years, the Government has had to engage in a lot of heavy out-goings. First, in connection with the constitutional review process, and more recently, in connection with the impending general election. We are talking of nearly Kshs10 billion committed to these processes.

While accepting in principle the proposal made by this Motion, I do not accept that funds have not been availed at the local level. Hon. Members are aware that for each Ministry, there are district allocation budgets as stated in the original Motion. Through the district budgets, the Government clearly sets out resources that would be availed to each district.

This could be desegregated further to indicate the resources availed to each constituency.

Mr. Temporary Deputy Speaker, Sir, you are further aware, and this has been mentioned several times, that the Fuel Levy Fund funds are allocated for road maintenance through the Kenya Roads Board under District Roads Committee. We are availing to each constituency, courtesy of a proposal from this House, approximately Kshs5 million each year. This amounts to approximately Kshs2 billion set aside for each constituency. I am not sure whether my figures are correct, but somebody had proposed Kshs8 billion, which seems to be the total Fuel Levy Fund funds. But out of this Fund, a big proportion is now availed to constituencies at the local level. Also, through the Local Authorities Transfer Fund (LATF), the Government is transferring to the local level slightly over Kshs3 billion. This amount is availed to local authorities. Again, this money is available for use on projects at the local level. So, while accepting this proposal, we would like to have it on record that the Government is, in fact, already undertaking a similar exercise through various activities.

May I also point out that before this process is put in place, whether we go by the provisions of the original Motion or by the intended Act, certain infrastructure must be in place. The personnel to man the systems must be available. The systems of accounting and reporting must be in place to ensure that funds are properly accounted for and their use is very transparent. This cannot be over-emphasised as we have learned from expenditure of the funds availed to the District Road Committees. In the majority of cases, not all these funds have been used effectively. It is only in the current year that we have seen some activity out of these funds. Otherwise, the process through which the funds were used in the previous years was rather opaque, and it will take us some time to determine whether the funds were used for the intended purpose. It is, therefore, essential that these systems are in place before we can implement the proposed mechanism.

We need to remind ourselves that through these processes, we will not get away from the Harambee spirit that has greatly contributed to the development of this country. As I said, we have made funds available through the LATF and the DRCs. Those funds are massive, but there has not been the slightest reduction in the number of Harambees that hon. Members of this House have undertaken. Although these are new systems that have been put in place by this Parliament, we have not seen a reduction in the number of Harambees. If anything, there has been a significant increase in the number of Harambees. I would like to forewarn the hon. Members that availing these funds would, in fact, call upon them to invest even more in Harambees. This is probably a good thing because it means that there will be more and more resources available for development at the local level.

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

**Mr. Khamasi:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute to this Motion. First, I would like to express my annoyance in that this Motion is coming very late. It is wrong for this Government to wait until Members come to seek permission from the House to introduce Bills when, in actual fact, this should have been done by the Government itself. The initial request which was brought by hon. Eng. Muriuki was that 5 per cent of Government revenue be allocated to constituency-based development projects. However, it was somehow surprising and annoying that, in fact, the Government ganged up to reduce this percentage to 2.5. One was wondering what the essence was when actually Members of Parliament who this money was going to help would gang up and reduce the percentage. It was rather unfortunate and it is even much more unfortunate that it is coming too late, and I hope that the Government will not leave Eng. Muriuki to introduce the Bill. The Government should move forward and introduce this Bill so that it can be passed by this House.

Mr. Temporary Deputy Speaker, Sir, I believe that if this Bill comes to this House and is passed, these monies should be managed and controlled by Members of Parliament. I am saying that because if you do a contrast of what has happened with District Roads Committees (DRCs) money, that is the money from the Kenya Roads Board, the usage of that money is terrible. The monies are under the control of district works officers, district road engineers and district accountants. This money has never been put to good use at all. In some of the constituencies, like mine, this money is literally stolen by these civil servants and whenever you raise an issue with the Ministry concerned, nobody seems to take note. It is as if you are complaining about nothing. What those people are doing on the ground is what they are supposed to do. So, when you complain, you seem to be an odd man out. Why are you complaining when the actual thing that is supposed to be done is being done? So, if such a fund was established, I thought it should be done under the control and chairmanship of the area Member of Parliament because we are directly responsible and answerable to the people we represent in this House.

Mr. Temporary Deputy Speaker, Sir, I do not see a situation where an hon. Member of Parliament will dip his hands into this sort of fund to steal money because at the end of the day you will be asked what this money has done. When we move around, we are accused that we have not carried out development. We are being told that "You, Member of Parliament, have been in Parliament for so many years and you have not done this road or bridge". It is just because this Government has made the electorate know that it is the responsibility of an area Member of Parliament to bring about development, which should not be the case. It is this Government which collects taxes from people and it is

the one which is supposed to bring about development. However, the ordinary *mwananchi* down home feels that it is hon. Khamasi who is supposed to do a road, which, in actual fact, is not the case. So, I believe that if we establish this fund, the control or, at least, the chairmanship and the role of overseeing of this fund will be the responsibility of the area Member of Parliament.

Mr. Temporary Deputy Speaker, Sir, we stand very frustrated as Members of Parliament because the funds that are available, which, actually the Assistant Minister, in his reply, was talking about, are completely within the hands of the civil servants who do not want to use it in the right manner. This, as my friends have said before, will check on the question of Harambees which has become a real menace. In fact, the high level of corruption in this country has been brought about by this business of Harambee. I am looking forward one day, after being re-elected to this House, when we shall enact a law in this House to ban Harambee once and for all.

Mr. Temporary Deputy Speaker, Sir, these guys carry a lot of money in their boxes, and I do not know where they get all this money. Recently, even "the Project" donated Kshs2 million two to three times in a week.

**The Assistant Minister for Finance and Planning** (Mr Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not know who "these guys" are in this House. Could the hon. Member first clarify who "these guys" are and further substantiate the claim about these guys carrying money in boxes?

**The Temporary Deputy Speaker** (Mr. Munyasia): Mr. Arap-Kirui, I thought that he was referring to those who were going to the Harambee with their briefcases.

**Mr. Khamasi:** Mr. Temporary Deputy Speaker, Sir, I do not know why the Assistant Minister is being itchy about this claim because I know he does not carry money in boxes. So, I was referring to those people who do that. No wonder people say that the guilty people always feel it when somebody just mentions anything. I have never heard of him contributing Kshs2 million in a week. So, I was referring to those guys and if he is one of them, then, it would be too bad, but I did not mean he was the one.

Mr. Temporary Deputy Speaker, Sir, this business of Harambee must come to an end in one way or another. I believe that with the new Government coming in place next January, that is one the laws that we have to work on and stop this business of Harambee. It has been misused and abused, and more so particularly by the executives in the Government. God knows when this will come to an end. When you get even the Judiciary officers getting involved in being invited to contribute to Harambees, and whenever they go, you know that at least part of the Government is there, then where will you get justice? It is high time we started thinking very seriously about this matter because if we do not, then obviously what we are saying is that we are basically giving a green light to corruption. I think we have had enough contribution on this Motion and I want to just say that this fund is necessary and we shall be looking forward for the Government to introduce the Bill soon, so that we can enact it.

With those few remarks, I beg to support.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I have got a problem with this Motion because Eng. Muriuki is proposing that we be given 2.5 per cent of Government revenue, but do you know the danger involved in this? The Government can say: "Okay, we have given the Members of Parliament money, and so let them go and develop their constituencies". This will be an excuse by the Government to refuse to develop the constituencies and it will further say that: "The Members came to Parliament, made a law and said that they will be given the Kshs22 million".

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

**Mr. Ndicho:** Just listen to me first. Do not be itchy. You cannot rise on a point of order before you hear my argument.

**The Assistant Minister for Agriculture and Rural Development** (Mr. Sumbeiywo): On a point of information, Mr. Temporary Deputy Speaker, Sir. I would like to inform my hon. friend, Mr. Ndicho, that the money is not going to be given to the Members of Parliament, but it will be given to the constituencies for the development of projects.

**Mr. Ndicho:** I have no problem with that, but let nobody say that the 2.5 per cent was given for the development of our constituencies. In fact, I wanted to propose an amendment, if I had time, to say "...alongside other Government-funded projects". I can see a danger in this. Somebody can say: "*Wabunge walipitisha pesa yao huko, basi, waendele*", and there will be no other money that will go to the constituencies. This Motion is good, but we should take care of that kind of thing, where somebody can say that they have given us 2.5 per cent of the revenue and so the Government is not giving more. I would like to inform the hon. Members that, we, in the Departmental Committee on Energy, Communications and Public Works, have complained that we are not getting the Kshs2 million for our roads. It goes to the District Public Works Officer, who tries to find out whether the area Member of Parliament knows about it. If the hon. Member is not aware of it, he does whatever he wants with that money. So, unless we know that, that money is there, it will be misappropriated by the civil servants. That is why I am saying that we might fall into a similar situation. So, let us not have a situation that will make the Government have excuses of not

developing the country.

I would like to inform my friend that Harambees are here to stay.

**The Temporary Deputy Speaker** (Mr. Munyasia): Time up! It is now time for the Mover to reply.

**Eng. Muriuki:** Thank you, Mr. Temporary Deputy Speaker, Sir. I will give five minutes to Mr. Mwakiringo.

**Mr. Mwakiringo:** Thank you, Mr. Temporary Deputy Speaker, Sir. I just rise to support this Motion. I think once we have this 2.5 per cent going into the Constituencies Development Fund, it will reduce the burden on people who are impoverished in the rural areas. One, it will support and assist schools because most of them do not have enough desks and classrooms. Once this money is taken to the constituency, it will reduce that burden. It will effectively reduce the problem of Harambees. With the introduction of the DRCs, we do not need to hold Harambees to construct bridges. That will be a thing of the past. We do not have to raise funds to support ourselves when we have to go out to repair some road somewhere because the Government cannot do it. But now, with this one, it will reduce this problem of Harambees to our people.

One more important thing is that, the DDCs are not being effective in our districts as they were meant to be. This is going to be one of the major projects which will revive the objectives of the DDCs, because people will be involved in the prioritisation of the projects. Finally, it is going to make people get involved in the planning and governing of their own funds, which come to develop their constituencies. So, this is a very important Motion, which needs to be supported by everybody.

With those few remarks, I beg to support.

**Eng. Muriuki:** Thank you, Mr. Temporary Deputy Speaker, Sir. First of all, let me take the opportunity to thank all those hon. Members who have contributed to this Motion, and particularly my friend, Mr. Kathangu, for seconding it, and also the Assistant Minister for seeing the sense and supporting this Motion wholeheartedly.

Mr. Temporary Deputy Speaker, Sir, the Assistant Minister, in his reply, did mention that funds are being availed to the constituencies and I have no reason to doubt that he meant well. However, hon. Members have said that they do not see that money. So, we want something which is visible. Harambees will always be there, and I should not be mistaken by anybody that I said that Harambees will disappear. They will also be there, but let them be for the correct cause. Being called to build a bridge on a Harambee basis does not make sense. As a matter of fact, sometimes, when there is an emergency like a flood or a landslide, some people take advantage of that calamity to show off by contributing hundreds of thousands to an extent that if the area Member of Parliament does not go there to contribute Kshs1 million, he is accused of not being development conscious. This is the picture which we want to remove once and for all.

Mr. Temporary Deputy Speaker, Sir, dishing out money will never be a solution to our problems in this country. The fundamental point is that when you take a Ministry, like the Ministry of Health, its budget during the last financial year was Kshs11 billion, and yet I cannot get funds for my eight small health centres, despite writing letters, visiting and literally kneeling down before them. So, with this fund, we are able to do our health centres and assist our people. We shall need a few parallel provincial institutions, like the budget office in Parliament, which was rejected by misguided individuals here.

I also take the kind words of Capt. Ntwiga for wishing me well. I will try to work very hard and convince the people of Ol Kalou, and I hope they will do that.

Last, but not least, the intention to reduce my original proposal from 5 per cent to 2.5 per cent was accepted by this House in good faith, thinking that the Government would implement it. But because it did not implement it, I think when the Bill comes, we shall change that from 2.5 per cent to 5 per cent.

With those few remarks, I beg to move.

*(Question put and agreed to)*

**The Temporary Deputy Speaker** (Mr. Munyasia): Next Order!

LEAVE TO INTRODUCE STATE CORPORATIONS  
AND PUBLIC ASSETS REFORM  
AND DIVESTITURE BILL

**Prof. Anyang'-Nyong'o:** 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 State Corporations and Public Assets Reform and Divestiture Bill to create a legal framework that brings about the transfer of ownership in assets, organisations, commercial enterprises, institutions or

bodies corporate presently vested wholly or partially in the sovereign State of Kenya.

Mr. Temporary Deputy Speaker, Sir, this Motion has been in the pipeline since the year 2000, and every time it comes on the Order Paper, somehow it is pushed down and down until we go on recess. But this time, as a result of the ugly incident that this nation witnessed; that is, of a Government preparing in broad daylight to steal a public asset through a dubious method of privatisation, that was fortunately unveiled by some of us to the extent that we saved this nation billions and billions of shillings---

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. I am not certain that I like the word "steal". I am also not sure that the word "steal" is appropriate in this House. May I also seek your guidance as to whether the hon. Member may not be asked to substantiate how the Government was going to steal. If I recall, this was a transaction with some outside concern, where the Government was not involved.

**Prof. Anyang'-Nyong'o**: Mr. Temporary Deputy Speaker, Sir, I am surprised that the Assistant Minister had not even heard what I was saying. I had not even come to the fact. So, for him to presume what I had not said, I did not understand what his point of order was. Nonetheless, I would like to inform the Assistant Minister that in the case of Kenya Reinsurance Corporation, the Minister for Finance was on television saying that they were prepared to sell the Kenya Reinsurance Corporation to the Zimbabwe Reinsurance Corporation and Monarch Insurance Limited for Kshs800 million. That was the Minister for Finance speaking from the Treasury House. When we raised objections, the Minister dilly-dallied for several weeks and, finally, again, went on the same television and said: "Now that we realise the price is Kshs2.4 billion that is being offered, it is not even enough". These are public records in the public domain, and unless we want to camouflage the language, I would say, that was "misappropriation", which is tantamount to the same thing I was saying.

Mr. Temporary Deputy Speaker, Sir, nonetheless, the Minister for Finance accepted that selling the Kenya Reinsurance Corporation for Kshs2.4 billion was even less, as they had realised, after the facts had been unveiled by us. I will now come to the principle issue, that, since the privatization exercise started in the early 1990s, there has not been a proper law to guide the process, and to ensure that public assets are properly disposed of in the interest of the taxpayer. Because public corporations are set out in Cap.446 of the Laws of Kenya; the State Corporations Act says clearly that the Government holds these assets in trust for the people. Section 13 of the same Act says:-

"The assets of a State corporation may be disposed of, (a), if they are current asset in the normal course of business carried out on by the State corporation; (b), where the disposal and the utilization of the proceeds have been taken into account in an annual estimate prepared and approved in accordance with Section 11 of this Act, and; (c), by way of sale or otherwise, with approval of the Minister and the Treasury, where such disposal has not been taken into account in the estimates".

The Sub-section 2 of the State Corporations Act says the following:-

"Subject to Sub-section (i), the Minister for the time being responsible for finance may, in consultation with the Investments Committee, make rules for the acquisition and disposal of assets by State corporations, and different rules may be made with respect to different State corporations, and such rules shall be brought to the notice of the State corporation and other persons affected thereby, but it shall not be necessary to publish the rules in the gazette".

Mr. Temporary Deputy Speaker, Sir, it is this particular provision in the State Corporations Act that we have called into question since 1992. This is because, this particular sub-section of Section 13 says that the Minister may make rules for the disposal of public assets in various State corporations, but different rules may be made for different corporations being privatised. This gives too much discretion to the Minister, because he may decide that, for example, in the privatization of the Kenya Milling Corporation, which took place in 1994, that it can be privatized by an agreement between the buyers and the vendors without interference by the Minister. That is a rule. Indeed, in the case of the Kenya Milling Corporation, which was valued at Kshs450 million, the corporation was sold for Kshs150 million and the buyers moved into running the asset before paying a cent. They run the asset for one year before paying a cent, and finally when they turned around to pay the Government Kshs150 million, they paid it from the profits they had made, and not from the money that they took from their pockets. This is broad daylight robbery of public assets.

Another example is that when the Government was selling its shares in Firestone to the Sameer Group of Companies, the shares were grossly undervalued. There was objection from the Industrial and Commercial Development Corporation (ICDC), which is the holding company of those shares. The ICDC objected to the amount that was being offered for the sale of Government shares in Firestone, but the Government did not give in. Finally, the shares were sold in spite of the objection from the ICDC. I can go out and count so many such cases. We had published a book called the *Context of Privatisation in Kenya in 2000*, which catalogues so many public assets that are being disposed of through improper ways.

By 2000, according to our estimates, the amount of money that the Government had lost through improper

privatisation processes was close to Kshs28 billion. This is a staggering amount of money that could be used to do a lot. Further, we have been proposing that when the Government is privatising public assets, the money so raised should be put in a separate Government account. It should not go to the Exchequer. That money should be used for pressing development concerns in the country or be put in some investment that will enhance and improve the productive capacity of our nation. That money should not be used to pay retrenched civil servants; they can be paid from normal Exchequer money. That money should not be used for modernising the Nyayo monument which is not a productive asset. It should not be used for the President to take tremendous trips abroad with 74 civil servants. That is not a productive enterprise. Up to now, the Investment Secretary of the Government has not given a proper account to this House on how the privatisation money is being used.

This is the reason why, in the law and Bill that we have drafted, we are catering for four important aspects of privatisation. First, we intend to establish a Privatisation and Divestiture Commission that will be responsible for privatisation. This commission will be a body corporate, which can be sued and can sue in law and will be fully in charge of the privatisation exercise. The status of this body will be different from that of the Executive Secretariat and Technical Unit (ESTU) of the Privatisation Reform Commission, which existed without any proper status in law, and which was disbanded by the Government overnight to the extent that as I speak today, there is no particular institution in the

Government that is charged with the privatisation exercise. Since the Investment Secretary was moved to another Ministry, we do not even have an Investment Secretary at the moment. The Government, in other words, has downgraded privatisation.

The second institution that we are proposing in the forthcoming Bill is a tribunal to step in when there is a controversy about privatisation. For example, if we had that tribunal in place when I raised the controversy with the Government over the privatisation of the Kenya Reinsurance Corporation, it would have settled the issue much more expeditiously than the pussy-footing of the Minister for Finance and his ilk. These are people who did not even know the value of the assets that they were disposing of.

The Bill that we are proposing will stipulate where and how revenue raised from the privatisation exercise will be used. This is a good guarantee to the public that when the public assets that the Government owns in trust for them are disposed of, their interests will be protected. Sections 28, 29 and 30 of the State Corporations Act had envisaged the fact that public assets would be disposed of. These sections had also envisaged the necessity of setting up such funds and proper institutions. As you know with this Government, they do not seem to respect even things provided for in the Constitution and existing laws. For example, Section 13 of the Constitution of Kenya requires that we have a Presidential Retirement Benefits Fund Bill since Independence, but not until I addressed the matter in 1998, did the Attorney-General start pussyfooting about coming up with the Bill in this Parliament. I even prepared the Bill and gave it to him and it is only coming up now.

It is extremely urgent that we pass this Motion so that the Bill on privatisation can be brought to this Parliament even before we are dissolved, so that we can have a proper law guiding privatisation in Kenya.

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

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Munyasia): Hon. Members, it is now time for the interruption of business. The House stands adjourned until this afternoon, at 2.30 p.m.

The House rose at 12.30 p.m.