

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Tuesday, 10th November, 1998

The House met at 2.30 p.m.

*[Mr. Deputy Speaker in the Chair]*

PRAYERS

## ORAL ANSWERS TO QUESTIONS

*Question No.342*

DISMISSAL OF MISS KIOKO

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

(a) whether he is aware that Miss Irene Kioko, who worked as a Secretary at M/S Panafrican Secretariat Undugu Society of I.Y.C.W. Box 46528, Nairobi, was sacked and her job taken over by a Malian citizen; and,

(b) if the answer to "a" is in the affirmative, when was the work permit of this Malian citizen issued.

**Mr. Deputy Speaker:** Anybody here from the Office of the President? We will come back to the Question later. Next Question.

*Question No.198*

LEVEL OF FOREIGN PRIVATE INVESTMENT

**Mr. Gatabaki** asked the Minister for Finance:-

(a) how many private foreign investors established investments in Kenya last year;

(b) what was the value of the investment; and,

(c) why has direct foreign private investment remained so low in Kenya compared to neighbouring countries and what is the Government doing to ensure that this downward trend is reversed.

**The Assistant Minister for Finance** (Mr. arap-Kirui): Mr. Deputy Speaker, Sir, I beg to reply.

(a) According to the records available, there were 31 foreign private investment projects established in Kenya in 1997.

(b) The value of these investments amounted to Kshs4.8 billion.

(c) I am not aware that direct foreign private investment remained low or so low in Kenya compared to the neighbouring countries.

**Mr. Gatabaki:** Mr. Deputy Speaker, Sir, the answer given by the Assistant Minister is appalling. I wish the real Minister for Finance was here because this is too important a Question to be answered by an Assistant Minister. Everybody knows that the value of foreign investment in Kenya has not only been low, but has ceased. The only investment is Castle Breweering (K) Ltd.

**Mr. Deputy Speaker:** Order, hon. Gatabaki. If everybody knows, then do not tell us. Just ask your question.

**Mr. Gatabaki:** Mr. Deputy Speaker, Sir, the main question that I want to ask the Assistant Minister is why the climate for investment in our country has remained poor. This is important because without foreign investments, job creation and development in this country will remain poor. Can the Assistant Minister answer this question because it hinges on the development goals of this country? Can he tell this House why foreign investment has remained poor instead of saying that he does not know and that he is not aware?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, the hon. Member wanted to know why has direct private

investment has remained low compared to neighbouring countries. As I said, I am not aware that, that is the case. I have not been provided with any information to indicate otherwise, on that issue.

**Mr. Wamae:** Mr. Deputy Speaker, Sir, this is an important Question and I think the Assistant Minister should give more information. This is because, I do not believe figure of Kshs4.8 billion, as invested in 1997, is sustainable. Which are these companies which invested Kshs4.8 billion and do they include the South African owned Castle Brewing (K) Ltd. in Thika?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, the Kshs4.8 billion is real and we have got a rather long list here. In fact, we have about 43 companies that invested in this country in 1997 and if the House might oblige, we can table this list for further perusal by the Member.

*(Mr. arap-Kirui laid the document on the Table)*

**Ms Karua:** Mr. Deputy Speaker, Sir, the Assistant Minister has said that the hon. Member did not provide figures for investments in Uganda and Tanzania. It is not the hon. Member who should provide the information. It is the Ministry of Finance which should do so. I would imagine that it would be a matter of concern for the Government if indeed, our neighbours are performing better than us. Could the Assistant Minister assure this House that, he will do his homework as required of him until he gets the figures from his counterparts in Uganda and Tanzania to be able to satisfactorily answer this Question?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, we are very keen to encourage foreign and local investments in our economy and I think, like everybody else in the world at this particular point in time, we are concerned with the general level of low investments. It is not only in this country. There is very low investment elsewhere in the world, particularly in South-Eastern Asia. I think unless the Member wishes to table a different Question seeking the information that has been requested for now, the Question as asked, has been answered. There is no evidence that our levels of investments are any lower than in the neighbouring countries.

**Mr. Wamae:** On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Assistant Minister aware that the IMF cancelled the Enhanced Structural Adjustment Facility (ESAF) for Kenya, and IMF is the one which is an indicator of the stability of any country and, as a result, Kenya has had a downward trend in investment since then?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, I think we have answered the Question and the fact that there was a form of cancellation, may not have a direct bearing on this Question. There is no evidence, whatsoever, that has been submitted that the investments in this country are any lower than in other countries. If you have that information, then we will respond to it.

**Mr. Ita:** Thank you very much Mr. Deputy Speaker, Sir, for giving me time to ask a supplementary question on this issue. This is a very critical issue for our country and the revival of the economy and the Government should not attempt to say that it is not aware that investment has been on the decline. In fact, on many occasions, the Government has been told why foreign and private investment is not coming into this country. Has the Ministry attempted to prepare a Cabinet Paper on this issue, because it is so critical to the revival of our economy?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, that is a slightly different slant on this Question. The facts on the Table are that there was investment in this country last year. We have submitted that there is no evidence to show that direct foreign investment is low. We are concerned that we should have better foreign and local investment. We will do everything possible to encourage this. There are very many incentives which the Government has introduced, and which it will continue to introduce, in order to attract foreign investment.

**Mr. Gatabaki:** Mr. Deputy Speaker, Sir, I thought that the Assistant Minister would bring substantive issues - I mentioned the issue of infrastructural decay, bad governance and poor receipts from tourism. The President should be willing to fire those Ministers who were involved in corrupt practices, and those who have been mentioned in tribal clashes; Ministers with catalogues and chronology of evils against Kenyans, otherwise we have no chance of reviving our industries!

**Mr. Deputy Speaker:** Order! Order, hon. Gatabaki! What is your question?

**Mr. Gatabaki:** Mr. Deputy Speaker, Sir, could the Government realise the seriousness of a country degenerating and becoming the 21st of the poorest countries on earth because of lack of economic growth?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, I am not sure there is any question that I need to respond to.

**Mr. Deputy Speaker:** Dr. Kituyi, the last one!

**Dr. Kituyi:** Mr. Deputy Speaker, Sir, arising from the Assistant Minister's reply, is he aware that over the past two years there has been an inverse correlation between the decline of the Stock Exchange in Nairobi and

the growth of the bourse in Kampala? Over the past five years, all the three Scandinavian Governments have given more than twice as much to the Uganda Government than to the Kenya Government in bilateral investment in infrastructure. This has been accompanied by private investors, including the largest supplier of fertilizer to Kenya, (Losch Hidru ?), taking out a large portfolio on fertilizer manufacture in Tororo, Uganda. If he is aware of this, and that the Ugandan market was the first for Erickson and NPN to take a contract on a parallel rural telephone service in East Africa, can he now tell us that he does not notice that there is a greater attraction of foreign investment in that neighbouring country than in Kenya?

**Mr. arap-Kirui:** Mr. Deputy Speaker, Sir, think I might have to take the hon. Member's word on this, because I am not aware of it. On the other hand, let us not forget that some of our neighbouring countries were starting from zero. Secondly, we were, and have continued to be very much, ahead of them in both private and public investment. There are several instances of this. We have got about 43 of them there. In his question, the hon. Member has mentioned three or four instances. If we compare 43 examples against three or four, which is better?

**Mr. Deputy Speaker:** Next Question. Mr. Francis Wambua!

*Question No.711*

DROWNING OF PUPILS IN OPEN WATER TANKS

**Mr. Wambua** asked the Minister for Education and Human Resource Development:-

(a) whether he is aware that two students, Mutheu Mumbwa and Pauline Kitenge of Kathangathini Primary School, and two other students, Loma Kinyumu and Wambua Malila, of Kakunike Primary School in Ikombe and Katangi Locations, Katangi Division, drowned in open water tanks in their schools;

(b) if the answer to "a" above is in the affirmative, what steps he has taken to prevent such incidences from recurring as there are more open water tanks in other schools in the area; and,

(c) what steps he has taken to ensure that the parents of the deceased pupils are compensated.

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

(a) Yes, I am, indeed, aware.

(b) My Ministry, together with the Provincial Administration and local leaders, have since completely sealed the water tanks to ensure that their use does not endanger the lives of children.

(c) The Water Tanks Project was implemented in the primary schools in that division by the United Nations International Children's Education Fund (UNICEF), in conjunction with the Ministry of Health. We have instructed the District Education Office in the area to advise the parents to seek assistance from the District Development Committee (DDC), regarding the compensation.

*(Loud consultations)*

**Mr. Deputy Speaker:** Order! Order, hon. Members! Order, hon. Shaaban! We would like to hear the Assistant Minister's answers and the questions being put to him by hon. Members. So, please, consult, if you must, in very low tones, so that we can hear them. Proceed, hon. Wambua!

**Mr. Wambua:** Mr. Deputy Speaker, arising from that misleading answer from the Assistant Minister, is he aware that as we stand here, the tanks are still open, and that they are full of water? Other students can still drown in those tanks. Why is the Assistant Minister misleading the House? I came from Yatta this morning and I know that all the tanks in about 30 schools are open. The other thing that---

**Mr. Deputy Speaker:** Order! Please, ask your question, hon. Wambua.

**Mr. Wambua:** Could the Assistant Minister assure this House that those tanks will be sealed? Education officers in the area are asking parents to look for money to seal the tanks, while the Assistant Minister is telling the House that the tanks have been sealed. Is he aware that the tanks have not been sealed?

**Ms Karua:** And when were they sealed?

**Mr. Awori:** Mr. Deputy Speaker, Sir, the information I have is, indeed, that they are sealed. But I cannot dispute the information that has been given by the hon. Member, if he has been there and has found that they have not been sealed, and that I have been given a misleading answer. I will naturally go and find out the correct situation. However, our Ministry does not have the resources to seal those tanks because, in the first place, they

were not our project.

**Mr. Ndicho:** Mr. Deputy Speaker, Sir, my question concerns compensation. The Assistant Minister has just said that his Ministry has instructed the District Education Officer in Machakos District to advise the parents to seek appropriate advice on the issue of compensation from the DDC of Machakos District. We know very well that DDCs have no money for compensation in case of such losses. Is the Assistant Minister in order to mislead this House that he has instructed some other forces, or the DEO, to advise parents to seek advice and compensation from the DDC when we know that it is his Ministry which should compensate the parents?

**Mr. Awori:** Mr. Deputy Speaker, Sir, my Ministry is not liable to compensate the parents for the loss of their children. The water tanks were a project of UNICEF together with the community. The fact that the tanks were located within primary schools does not make them the Ministry's project.

**Mr. Kajwang:** Mr. Deputy Speaker, the Assistant Minister has repeatedly said that this project belongs to the UNICEF and the community, and that the tanks were left open in primary schools, with all the risks that attend to them. If the Ministry knew that there was no money to seal those tanks, why did it allow the project to go on in school compounds and expose the children to those dangers eventually?

**Mr. Awori:** Mr. Deputy Speaker, Sir, that is an area which is prone to serious droughts. In 1984/86, when UNICEF offered to construct water tanks, everybody welcomed the project. It is only later that we found--

**Dr. Oburu:** On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Assistant Minister in order to mislead this House that there are UNICEF, DANIDA or donor projects in this country when all projects by those donors are for the Kenya Government? Is he in order to mislead the House and disown a project funded by a donor on behalf of the Kenya Government?

**Mr. Deputy Speaker:** Order! Order! That is not a point of order, but an argument. So, answer the original Question.

**Mr. Awori:** Mr. Deputy Speaker, Sir, I answered by stating that in 1984/86 when UNICEF offered to construct those water tanks, they were very much welcome. They were constructed through the Ministry of Health. I am sure at that time no one envisaged the dangers that were posed to the school children. In hindsight, I feel that those water tanks should not have been left open as they have been because, indeed, they are a great threat to the children. I feel very sad that four children so far have lost their lives and as it stands at the moment, I cannot see their parents being compensated. As I said, this is a Ministry of Health project and I cannot see them being able to compensate.

**Mr. Kitonga:** Asante sana, Bw. Naibu Spika. Ni haki kwa Waziri Msaidizi kutoa jibu ambalo halitoshelezi Bunge hili? Waziri Msaidizi anaweza kueleza Bunge hili ni mabomba mangapi ambayo yamezibwa na ni katika shule gani badala ya kutoa jibu ambalo halina macho?

**Mr. Awori:** Mr. Deputy Speaker, Sir, I was never asked that question. But, nevertheless, I can still answer that there were 47 such tanks in the whole of that division. I have not got the names of all the primary schools, but I have got names of two primary schools where four children drowned. I have already given that information to the Questioner.

**Mr. Wambua:** Mr. Deputy Speaker, Sir, is the Assistant Minister aware that none of those 47 water tanks have been sealed? Could he tell us when those tanks will be sealed?

**Mr. Awori:** Mr. Deputy Speaker, Sir, I have answered that. I have said that I am not going to dispute the information given by an hon. Member who comes from the area. If he tells me that those tanks are not sealed, I am inclined to accept his statement. What I have stated is that right now in the Ministry of Education and Human Resource Development, we have not got funds to effect the sealing of those 47 tanks.

**Mr. Deputy Speaker:** Next Question, Mr. Muchiri.

**Mr. Muchiri:** Mr. Deputy Speaker, Sir, before I ask the Question, I want to state that I do not have the written reply from the Minister.

*Question No.631*

ALLOCATION OF PLOTS BY CITY COUNCIL

**Mr. Muchiri** asked the Minister for Local Authorities:-

(a) if he is aware that since 1992, Nairobi City Council has allocated hundreds of plots within Nairobi area without public advertisement;

(b) if the answer to "a" above is in the affirmative, how many plot allocations have been revoked for having been illegally allocated and how many were confirmed as legally allocated; and,

(c) if he could table the list of the revoked and confirmed allocations and areas where they are situated.

**The Assistant Minister for Local Authorities** (Mr. Mwakalu): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The Ministry is aware that hundreds of plots have been allocated by the Nairobi City Council since 1992.

(b) There are no allocations that have been revoked as there have been no illegal allocations of those plots.

(c) Yes, I will table the list before the House. But as a matter of information, there are 11,146 plots that have been allocated legally in various parts of Nairobi. There are no cases of illegal allocations. However, various plots have been allocated legally within parts of Nairobi as per this schedule.

**Mr. Deputy Speaker:** Order, Mr. Assistant Minister! You should retain the schedule until you finish answering all questions and then, you can table it.

**Mr. Mwakalu:** Thank you, Mr. Deputy Speaker, Sir.

**Mrs. Mugo:** Mr. Deputy Speaker, Sir, could the Assistant Minister tell us where the money has gone because, I believe that when these plots are allocated they are paid for? We know that the Council collects Services Charge yet, they are not paying their employees or rendering services. Where have the proceeds from the plots gone and how much has been collected from the sale of those plots?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, the allottees pay to the Council land rates and rent depending on the value of the respective areas.

**Mr. Deputy Speaker:** Order! Order! Mr. Assistant Minister, the question was: How much?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, the allocations over the last seven years have been 11,146 plots have been allocated. I have as per the data available---

**Hon. Members:** How much?

**Mr. Deputy Speaker:** Order! Order! Proceed, Mr. Assistant Minister.

**Mr. Mwakalu:** Thank you, Mr. Deputy Speaker, Sir. I do not have the information on the amount of money that the hon. Member is asking about. However, I would like to make it clear that the different prices of plots depend on the specific areas that have been allocated.

**Mr. Muchiri:** Mr. Deputy Speaker, Sir, is the Assistant Minister aware that the public was not invited to apply for the plots that were allocated during the material date?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, it is entirely at the discretion of the Council to advertise or not to advertise those plots. The law is very specific on this matter and I would like to quote Cap.265, Section 144(5). If you are not aware of it, I can tell you what it says. Cap 265 states:

"A Local Authority may let or grant to owners to occupy any land which it may possess."

*(Laughter)*

**Mr. Deputy Speaker:** Order, order Members! Mr. N. Nyagah?

**Mr. N. Nyagah:** On a point of order, Mr. Deputy Speaker, Sir. You would agree with me that the portion of Cap 265 is irrelevant as read by the Assistant Minister. The law is very clear---

**Mr. Deputy Speaker:** Mr. N. Nyagah, ask your question!

**Mr. N. Nyagah:** Mr. Deputy Speaker, Sir, the plots in question had not been; first, brought to the public through advertisement in the local newspapers; secondly, they have not been minuted by the Council and have not been approved by a full Council. Could the Assistant Minister table the Minute of the Council which approved 11,000 of those plots? In particular, I have one case where I want him to prove to me that was allocated recently. I want the Assistant Minister to give me the Minutes and advertisement in the local newspapers for those three plots which were given out in Biafra.

*(Mr. N. Nyagah tabled a document)*

**Mr. Deputy Speaker:** Order, Mr. N. Nyagah! Could you withdraw that piece of paper you have placed on the Table? What is it?

**Mr. N. Nyagah:** Mr. Deputy Speaker, Sir, it is not just a piece of paper---

**Mr. Deputy Speaker:** Order, Mr. N. Nyagah! You have to tell us what it is. You do not just produce a piece of paper from your pocket!

**Mr. N. Nyagah:** Mr. Deputy Speaker, Sir, this is a plan by the Nairobi City Council where it allocated

plot No. LR\209\7259\230 in Biafra, to a lady called Jane, who works in Nyayo House. This plot is occupied by people who have been living on it since 1977.

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, I propose to the hon. Member that he should put more substantive questions as far as he wants verification, clarification, and his declaration. The plot allocations by the Council are done in accordance with the Local Government Act Cap 265, section 144(5). The law does not require that public advertisement be made before a Council can allocate plots. The procedure for the plot allocations is done through the committee system whereby applications received are considered depending on the availability of the plots. Any Kenyan or institution is qualified to apply. The beneficiaries are landless Kenyans, willing developers, individuals and institutions wishing to settle or invest in the city of Nairobi and who applied to the Council plot allocation committee. Finally, the allottees pay the Council land rates and rents depending on the value of the respective area.

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

**Mr. Deputy Speaker:** Order, hon. Members! Mr. Assistant Minister, the hon. Members asked you whether you can table the Minutes of the relevant committees of the Council where those plots were allocated. So, I think that is the issue you should address yourself to.

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, we are going to table those Minutes at a later date.

**Mr. Deputy Speaker:** When?

*(Laughter)*

Order, hon. Members! Mr. Assistant Minister, when can you do that?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, we will do that in two weeks because the list is very long. The duration involved covers six to seven years---

**Mr. Deputy Speaker:** Order, Mr. Assistant Minister. Could you table those Minutes in the next two weeks indicating who these 11,000 plots have been allocated to?

**Mr. Mwakalu:** Thank you, Mr. Deputy Speaker, Sir---

**Mr. Deputy Speaker:** Order! Hon. Mwenje!

**Mr. Mwenje:** On a point of order, Mr. Deputy Speaker, Sir. You notice that this is an area---

**Mr. Deputy Speaker:** Hon. Mwenje, what is your point of order?

**Mr. Mwenje:** Mr. Deputy Speaker, Sir, I am going to my point of order---

**Mr. Deputy Speaker:** Get to it immediately!

**Mr. Mwenje:** Yes, Mr. Deputy Speaker, Sir, I am coming to the Assistant Minister. You notice that the Assistant Minister is avoiding---

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

**Mr. Mwenje:** Mr. Deputy Speaker, Sir, my point of order here is that the first question asked whether the actual value of all these plots--- Up to now the Assistant Minister has been avoiding to tell us precisely what was the value of all these 11,000 plots. Could he tell us how much money these plots were worth and how much was paid to the Council? He has avoided that question and he is yet to answer.

**Mr. Deputy Speaker:** Order, hon. Mwenje! That is not a point of order, but a question. You would remember that the Chair did in fact ask the Assistant Minister to address that particular point because he avoided it. So, you are really flogging a dead horse!

**Mr. Raila:** On a point of order, Mr. Deputy Speaker, Sir. If the law is what the Assistant Minister has stated, which I doubt, because what he is talking about is temporary leasing or letting of Council property--- It is not an allocation of Council properties. But, the spirit is that there must be fairness in allocation of public properties. The Assistant Minister is saying that many Councils are under no obligation to advertise for sale or the disposal of Council properties. In the absence of any public advertisement, what criteria has the Council used to discriminate in allocating Council properties to members of the public?

**An hon. Member:** I am not aware!

*(Laughter)*

**Mr. Mwakalu:** I am aware that hon. Mwenje has been a beneficiary of plot allocations.

**Mr. Ndicho:** On a point of order, Mr. Deputy Speaker, Sir. An hon. Member interjected before the

Assistant Minister spoke by saying that "he is not aware" and truly to demonstrate that he is not aware, he drags in the name of hon. Mwenje by saying that he was allocated a plot. Hon. Mwenje is a Kenyan and he has got a right to be allocated the plot. So, is the Assistant Minister in order to avoid to answer the question which he had been asked by hon. Raila? Could he answer that question? Let him leave hon. Mwenje alone!

*(Loud consultations)*

**Mr. Deputy Speaker:** Order, order hon. Members! Proceed, hon. Mwakalu.

**Mr. Mwakalu:** Thank you, Mr. Deputy Speaker, Sir. The criteria for assessing an application for allocation of plots is based on the individual's interest to apply for the land. The application is then assessed on that basis, and allocated or not allocated as a result of the decision reached by the committee system. So, it very much depends on an individual case---

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

**Mr. Deputy Speaker:** Order, order hon. Members! Hon. Muchiri!

**Mr. Muchiri:** Mr. Deputy Speaker, Sir, is the Assistant Minister telling this House that even the plots allocated on public roads are legally allocated?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, any allocation and all allocations of public utility land are illegal and, can be revoked and have no standing as the Minister already assured this House.

**Mr. Muithia:** On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to beat about the bush in answering this question?

**Mr. Ndicho:** Karura bush!

**Mr. Muithia:** Mr. Deputy Speaker, Sir, the Question asked before was on how many plot allocations have been revoked, but the Assistant Minister says that nothing has been revoked. I agreed that land had been allocated from road reserves!

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, no public utility land has been allocated legally. If it has, the Minister has revoked the allocation and declared it illegal.

**Mr. Deputy Speaker:** Order, hon. Members. Next Question! Yes, hon. Orengo?

**Mr. Orengo:** On a point of order, Mr. Deputy Speaker, Sir. Hon. Raila Odinga asked a very important question here on the issue of fairness in allocation of public land. But, the Assistant Minister has not answered that question. I think he should go on record by telling us on what basis is the public assured that there is fairness in allocation of plots if they do not advertise the allocation of land. That question has not been answered.

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, every land applicant who wants allotment is considered, not on whether he or she is rich or poor, but whether there is need and if he is a Kenyan---

*(Loud consultations)*

**Mr. Deputy Speaker:** Order, hon. Members! Yes, Mr. Raila?

**Mr. Raila:** Mr. Deputy Speaker, Sir, I would like the Assistant Minister to really address this question fundamentally. We are talking about fairness and that would mean that the public must be made aware. How is the public ever made aware that the Council has got land that it is disposing of so that they can apply?

**Mr. Mwakalu:** Mr. Deputy Speaker, Sir, the law gives the Council the benefit of the doubt.

**Hon. Members:** No! No! That is not true!

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

*Question No. 119*

#### COLLECTION OF REVENUE FROM MARINE PARKS

**Mr. Maitha** asked the Minister for Natural Resources:-

(a) how much revenue has been collected by the Kenya Wildlife Service at the Marine Parks since it was started to-date; and,

(b) how much of that revenue has been used in the Coast Region as regards provision of infrastructure, health and education.

**The Minister for Natural Resources** (Mr. F.P.L. Lotodo): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Since its inception in 1990, the Kenya Wildlife Service has collected Kshs211,007,640 at the Marine Parks to-date.

(b) Out of the revenue collected at the Marine Parks, the Kenya Wildlife Service has spent Kshs23,879,692 on community development projects in the Coast Region as follows:-

Infrastructure and	
Enterprise Development-	Kshs12,617,643
Health-	Kshs1,202,199
Education-	Kshs9,759,850

**Mr. Maitha:** Mr. Deputy Speaker, Sir, I come from Kisauni where the Minister owns a very big chunk of the Marine Parks. I have not benefitted from whatever he is talking about here, unless he proves it. If the Kenya Wildlife Service (KWS) has collected Kshs211 million and they have given us only Kshs23 million, that is only 10 per cent of our entitlement. I am aware that the KWS is supposed to give 25 per cent to a certain Service region. Where is the remaining 15 per cent?

**Mr. F.P.L. Lotodo:** Mr. Deputy Speaker, Sir, we have spent not only Kshs23 million, but also Kshs401 million over time. In Kilifi, where he comes from, we have used Kshs460,000 for enterprise development; in Kwale, Kshs9,643,246 for enterprise development and Kshs465,670 for health services. In Mombasa where he is a resident, we have used Kshs811,113 for enterprise development and in Taita-Taveta we have used Kshs1,596,739, and Kshs50,000 for enterprise development and Kshs607,789 for health services.

**Mr. Maitha:** On a point of order, Mr. Deputy Speaker, Sir. The Minister is misleading the House. I am talking about Marine Parks which are found at the seashores. He is talking about the money collected even from National Parks while I am talking about Marine Parks. Marine Parks are found along the seashores where Wazungu wanaangalia mawe ya baharini!

**Mr. F.P.L. Lotodo:** Mr. Deputy Speaker, Sir, I am telling him how the money from Marine Parks has been spent, unless he does not want to listen. We have answered the Question as it was asked which is about the whole region. This includes Kilifi, Mombasa and the whole province.

*(Mr. Shidie and Mr. Angwenyi consulted loudly)*

**Mr. Deputy Speaker:** Order, hon. Shidie and hon. Angwenyi!

**Mr. Muihia:** Could we be enlightened whether the leader of the Abagusii has been named as the new Vice-President?

**Mr. Deputy Speaker:** Order, hon. Muihia! When I need your assistance, I will ask for it. Proceed!

**Mr. Otula:** Could the Minister tell this House how they have spent the rest of the money?

**Mr. F.P.L. Lotodo:** Mr. Deputy Speaker, Sir, we spent the money according to the requests made by the DDCs from the Coast Province. If we get Kshs211 million we are not going to dish it out anyhow. We dish it out according to the projects requested for by every district.

**Mr. M.A. Galgalo:** Mr. Deputy Speaker, Sir, could the Minister tell us how much money other districts like Tana River and Lamu get out of

**[Mr. M.A. Galgalo]**

the revenue collected from Marine Parks, because all those areas are covered by Marine Parks?

**Mr. F.P.L. Lotodo:** Mr. Deputy Speaker, Sir, I have got a long list here and hon. Galgalo can come and scrutinise it.

*(Mr. Lotodo laid the list on the Table)*

*Question No.628*

#### OWNERSHIP OF NDERE ISLAND

**Mr. Ayoki** asked the Minister for Natural Resources:-

(a) whether he could confirm that Kenya Wildlife Service legally owns Ndere Island in Lake Victoria;

(b) if the answer in "a" above is in the affirmative, when the Kenya Wildlife Service acquired the



Island from the indigenous owners; and,

(c) what plans he has to develop the Island as a tourist destination.

**The Assistant Minister for Natural Resources** (Mr. Lengees): Mr. Speaker, Sir, I beg to reply---

**Mr. Ndicho:** On a point of order, Mr. Deputy Speaker, Sir. You can see that hon. Sambu, Col. Kiluta and everybody else there is excited over something. Are we entitled to know what it is, because we understand this morning there was an inkling about the Vice-President?

**Mr. Deputy Speaker:** Order, hon. Shidie! The Standing Orders require you either to be seated or to be going somewhere else, but not standing in the House. So, hon. Members, observe the Standing Orders. Hon. Ndicho, you also seem to be very excited. I do not know what the excitement is all about.

**Mr. Maitha:** It is about the Vice-President!

**Mr. Deputy Speaker:** Mr. Maitha, I thought you were excited about the Marine Parks but now you are excited about something else. Whatever the excitement is all about, it is certainly not an agenda before this House. So, shall we proceed with the matter before us?

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

(a) KWS does not legally own Ndere Island on Lake Victoria. Ndere Island was gazetted as a National Park vide Legal Notice No.368 of 3rd November, 1986. Ndere National Park is a national heritage owned by the Government of Kenya and placed under the control and management of KWS by the Wildlife Conservation and Management Act, Cap.376 of the Laws of Kenya.

(b) The gazettelement of Ndere Island as a National Park in November 1996 was done after consultations with the relevant authorities, that is the county council and the Provincial Administration as required by the Wildlife Conservation and Management Act, Cap.376 of the Laws of Kenya.

(c) The Government plans to enhance tourist activities in this area by including it in the Western Kenya Tourist Circuit. Tourists travelling from Nairobi to Mt. Elgon via Maasai Mara, Ruma National Park and Kisumu Impala Park will have an opportunity of visiting Ndere Island National Park.

**Mr. Ayoki:** Mr. Deputy Speaker, Sir, the Assistant Minister has just acknowledged the management of Ndere Island since 1986. That is about 12 years ago. It is common knowledge that communities and institutions within the national parks in this country do get some revenue from the Kenya Wildlife Service (KWS). Could the Assistant Minister tell us how much assistance has been given to the community living around Ndere Island in the last 12 years?

**Mr. Lengees:** Mr. Deputy Speaker, Sir, according to the information available to me, Ndere Island, as a national park, is a very small area. It only occupies about 4.2 square kilometres. Plans to develop this island have already started. We have included it in the Kenya Western Tourist Circuit. It is the intention of the KWS to take small antelopes to Ndere Island so that they could attract tourists. Maybe the local people could develop the island by creating some small camp sites for tourists. So, there are no figures available to-date.

**Mr. Otula:** Mr. Speaker, Sir, could the Assistant Minister tell this House clearly when KWS is going to take over and develop Ndere Island specifically?

**Mr. Lengees:** Mr. Deputy Speaker, Sir, as I said earlier on, in 1986, Ndere Island was gazetted. The KWS has already taken over the Island as per the Act and the development of Ndere Island will commence as soon as funds are available.

**Mr. Ngure:** Mr. Deputy Speaker, Sir, could the Assistant Minister tell the House why it was necessary in 1986 to "rob" the community around Ndere Island of the benefits that were accruing to them from this Island? This particular Island was a sanctuary for fishermen when they went to cast their nets at night. But due to persuasion, they were told that they were going to benefit as a result of them surrendering it to KWS. Since then, it is almost 12 years and yet the local people have not benefited from the acquisition of the Island by KWS. Can the Assistant Minister assure this House that if money will not be available then this Island will revert back to its original owners?

**Mr. Lengees:** Mr. Deputy Speaker, Sir, Ndere Island still benefits the local community because they make it a destination for their fishing boats. At the moment, I have said---

**Mr. Ayoki:** On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister is deliberately misleading the House because Ndere Island is not being used by the fishermen because the KWS park askaris prevent the local community from---

**Mr. Deputy Speaker:** Order, hon. Ayoki! That is not a point of order. If you want to ask a question, please, do so. That is not a point of order! Proceed, Mr. Lengees.

**Mr. Lengees:** Mr. Deputy Speaker, Sir, I did not hear the question he was asking.

**Mr. Deputy Speaker:** He stood on a point of order, but that was not a point of order he was raising. Had

you finished answering the question?

**Mr. Lengees:** Mr. Deputy Speaker, Sir, I have already finished answering it.

**Dr. Ochuodho:** Mr. Deputy Speaker, Sir, for tourism to get roots in Western Kenya, accommodation is one of the important aspects. Are we going to take the Government seriously when we know that the few hotels that tourists use in the area have been run down, like the Homa Bay Tourist Hotel and Sunset Hotel? Can he assure us that the Government is serious and wants to develop tourism in Western Kenya?

**Mr. Lengees:** Mr. Speaker, Sir, I think the question should have been directed to the Ministry of Tourism. The hon. Member knows as well as I do that tourism in this country, in the last few years, has declined. But at the moment, I am sure that the Ministry of Tourism has assured Kenyans that tourism is picking up and that is why KWS has included this Island among the areas visited by tourists within the Western Kenya Tourist Circuit.

*Question No.670*

COLLECTION OF COST-SHARING  
MONEY AT MIGWANI HEALTH CENTRE

**Mr. Musila** asked the Minister for Health:-

- (a) how much money has been collected in Migwani health Centre since the introduction of the cost-sharing scheme;
- (b) how much of this money was spent in the improvement of the facilities of the health centre; and,
- (c) if he is satisfied that the funds collected as a cost-sharing from this Health Centre have been put into the good use.

**The Assistant Minister for Health (Dr. Wako):** Mr. Deputy Speaker, Sir, I beg to reply.

- (a) The total collection of cost-sharing money for Migwani Health Centre is Kshs589,000.50.
- (b) A total of Kshs441,787.50 has been spent in the improvement of the facility and service in this health centre. This is about 75 per cent of the total revenue collected.
- (c) I am satisfied that the funds collected and spent have been put into good use.

**Mr. Musila:** Mr. Deputy Speaker, Sir, I am grateful to the Assistant Minister for the reply. However, I am very sad that this answer is not satisfactory because, before I put this Question, I visited the health centre. The water supply to the health centre had been disconnected for non-payment of water bills. In addition to this, this health centre has no electricity because its wiring stopped many years ago because of lack of funds. In view of the answer given by the Assistant Minister, could he table a list showing the details of the improvements and their cost? If you look at the reply given, the total figure of the money collected is calculated as 75 per cent and given as the money spent. Could the Assistant Minister lay on the Table, the list of items that have been improved in that health centre because it is my contention that nothing has been done for the last six years?

**Dr. Wako:** Mr. Deputy Speaker, Sir, a total of Kshs203,500 has been used directly at the facility as follows:-

	Kshs
Minor repairs	30,000
Emergency drugs	15,000
Laboratory reagents	20,000
Cleaning material	39,000
Hiring of casual labourers	23,000
Stationery	9,000
Purchase of equipment	21,400
Maintenance of buildings	40,000
Travelling and accommodation expenses	6,000

Emergency drugs and pharmaceuticals for the whole district were sourced from health centres, and Migwani Health Centre, which was a beneficiary, contributed Kshs238,287.50. This gives a total of Kshs441,787.50.

**Mr. Parpai:** Mr. Deputy Speaker, Sir, in view of the answer that the Assistant Minister has given, is he aware that this money that was initially intended to improve the physical facilities of the health centre has been diverted to buying drugs because of non-supply of drugs by the Government to the health centres and district

hospitals?

**Dr. Wako:** Mr. Deputy Speaker, Sir, the hon. Member should understand that it is the Management Board of the Health Centre which decides what it wants to buy. In this particular case, the priority which the Management Board of Migwani Health Centre had is what the Ministry has already given out. This is because the Government supplies the kit but any other drugs which a dispensary or a health centre requires can be obtained from the cost-sharing money.

Thank you.

**Mr. Haji:** Mr. Deputy Speaker, Sir, could the Assistant Minister clarify how the Ministry could use Kshs40,000 for minor repairs and employ casual labourers for Kshs23,000 to carry out renovation work costing Kshs40,000?

**Dr. Wako:** Mr. Deputy Speaker, Sir, Kshs40,000 is the cost for maintaining the building. The hiring of casual labourers does not mean that the money was meant for the maintenance of that building. In certain health centres and district hospitals, casual labourers are hired for cleaning or doing other things. The total amount of money used on hiring casual labourers came to Kshs23,000. It does not mean that the maintenance cost of Kshs40,000 included the Kshs23,000 as the cost incurred on casual labourers.

**Mr. Musila:** Mr. Deputy Speaker, Sir, the Assistant Minister did refer to a Board that allocated this money. I can tell him that no such a Board has ever met to allocate the money as he has stated. However, could he assure us now that water will be connected to the health centre, wiring will be done and that in future the Ministry of Health will make sure that money collected for cost-sharing in all the hospitals will be utilised properly by the management committees?

**Dr. Wako:** Mr. Deputy Speaker, Sir, I would like to take this opportunity to urge all hon. Members to take a lot of interest in health centres and district hospitals, and how the funds from cost-sharing are used. I would like to assure the hon. Member that if the water bill is the problem Migwani Health Centre is facing, the Ministry will direct the Management Committee to pay up the bill as quickly as possible.

*Question No.574*

TARMACKING OF OL-JORO-OROK-MIRANGINE ROAD

**Mr. Muriuki** asked the Minister for Public Works and Housing:-

- (a) when the Ol-Joro-Orok-Mirangine Road, which is vital for horticultural industry, will be tarmacked as recommended by the Nyandarua District Development Committee (DDC); and,
- (b) whether he could consider gravelling the road to make it passable as it awaits tarmacking.

**The Minister for Public Works and Housing** (Mr. Kones): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The Ministry is not in a position to confirm when Ol-Joro-Orok-Mirangine Road will be tarmacked as recommended by the local DDC, because the necessary funds are not yet available. Meanwhile, the road will be adequately maintained to ensure it is motorable.

(b) The Ministry will grade and spot-patch the road at a cost of Kshs200,000 from next year.

**Mr. Muriuki:** Mr. Deputy Speaker, Sir, I would like to thank the Minister for the answer he has given in this House. In his answer, he says that the necessary funds are not yet available. That suggests that the Minister has been making some efforts to get some funds for the repair of this road. Therefore, could he tell us what effort the Ministry has been made to get funds for the repair of this road? For example, has the effort been to include this road in the budget of the Ministry, and this House has declined to approve?

**Mr. Kones:** Mr. Deputy Speaker, Sir, I am saying that we recognise the high necessity for this road to be tarmacked. The Ministry has even been thinking of carrying out some repairs on the road, but before that is done, the Ministry ought to know where it is going to source the funds from. I would like to inform this House that the Ministry has requested many donors to assist in funding the repair of this road, but upto now it has not received any positive reply. As soon as the Ministry gets a positive reply, I will inform the hon. Member for that area.

**Dr. Murungaru:** Mr. Deputy Speaker, Sir, in view of the Minister's answer given that funds are not readily available, and considering that the short rainy season has come, could he assure this House that important roads, like the one the hon. Member has raised a Question on, will be murramed as an emergency measure to make them passable? Could he also assure us that other roads in other areas which are impassable, and are of as much importance as the one the hon. Member has asked about, will be considered for emergency murraming? An example of such important roads is Muiga/Endarasha Road.

**Mr. Kones:** Mr. Deputy Speaker, Sir, indeed, they will be considered.

**Mr. Ndicho:** Mr. Deputy Speaker, Sir. This is a very important road, and I had the opportunity to work in that area at one time. When I was there the President came there and ordered that the road be tarmacked, and money was provided for the whole road to be tarmacked. In fact, the road was tarmacked half-way from Dundori Trading Centre upto---

**Mr. Deputy Speaker:** What is your question, Mr. Ndicho?

**Mr. Ndicho:** Since the President ordered the road to be tarmacked and money was provided, where did the rest of the money go to because work on the road was never completed?

**The Minister for Natural Resources (Mr. F.P.L Lotodo):** On a point of order, Mr. Deputy Speaker, Sir. Is the Backbencher allowed to use the name of the President in his argument?

**Mr. Deputy Speaker:** Mr. Ndicho was not on a point of order, but he was asking a question. Hon. F.P.L. Lotodo, you must catch the Speaker's eye before you contribute. You just do not match to the microphone and start contributing. Of course hon. Members know that the Standing Orders prohibit you from using the President's name as your authority for making a statement here unless you are a Minister.

**The Minister for Natural Resources (Mr. F.P.L. Lotodo):** On a point of order, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Mr. Lotodo, I have already responded to your point of order. Proceed hon. Ndicho!

**Mr. Ndicho:** Mr. Deputy Speaker, Sir, when the President was passing through that road once upon a time he ordered that this road---

*(Laughter)*

**Mr. Deputy Speaker:** Mr. Ndicho, ask your question!

**Mr. Ndicho:** Mr. Deputy Speaker, Sir, there was money which was provided by the Government for tarmacking the whole of this road; from Dundori Trading Centre upto Ol-Joro Orok in order to connect with Nyahururu Road. Where did the rest of the money go because the road was done only half-way?

**Mr. Kones:** Mr. Deputy Speaker, Sir, I am not aware that there were such funds available at one time.

**Mr. Muriuki:** Mr. Deputy Speaker, Sir, in the answer to part (b) of the Question, the Minister has said that Kshs200,000 will be allocated. There seems to be a lot of funds in the Development Budget of the Ministry of Public Works and Housing, which the Minister has discretion to use. To name a few, you have Item 444 with each having Kshs115 million for something called "Minor Roads", and it does not specify which ones. Further on, there is Item 454---

**Mr. Deputy Speaker:** Order, hon. Muriuki. You should have gone to those details when we were discussing the Vote of the Ministry. Now, ask him a supplementary question arising from your Question.

**Mr. Muriuki:** Mr. Deputy Speaker, Sir, I am giving him those Items because there is a total of Kshs860 million in his budget, which does not specify which roads. We are discussing an important Class C Road which connects two districts. What I am saying is that the five Items in his proposed budget do not specify which roads will be repaired. What I am saying is that instead of Kshs200,000 being used while we are waiting for the tarmac, we should get Kshs10 million out of the Kshs860 million so that the road can be done. One of the Items includes the set of roads called "minor roads headquarters."

**Mr. Kones:** Mr. Deputy Speaker, Sir, the project that the Member was asking for is under routine maintenance which is covered under the Fuel Levy. The Items that he has been reading out are on development, which is actually a donor-funded project. That is under the Roads 2,000 Programme. So, we cannot re-allocate that for that section of the road.

*Question No.435*

TARMACKING OF ROADS IN  
NORTH EASTERN PROVINCE

**Mr. Shidie** asked the Minister for Public Works and Housing:-

- (a) whether he is aware that there are no tarmacked roads in North Eastern Province; and,
- (b) if the answer to "a" is in the affirmative, whether he could consider tarmacking the road between Garissa and Mandera towns to ease communications in the Province.

**The Minister for Public Works and Housing (Mr. Kones):** Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware that there are no tarmacked roads in North Eastern Province. However, there is a small section of 11 kilometres of road around Garissa town.

(b) The Ministry is not in a position to consider tarmacking the road between Garissa and Mandera because the huge amount of money that will be required is not available. The Ministry will, however, put maximum efforts into maintaining the road to be motorable, to the extent that the available resources will facilitate, with the view to making the area accessible.

**Mr. Shidie:** Mr. Deputy Speaker, Sir, North Eastern Province is one-third of this country in size. It is difficult to reach this Province. Today, if you want to reach Wajir or Mandera, it will take you seven days. Could the Minister be kind enough to tarmac a portion from Garissa to Wajir, and then, when he gets other monies, he can start again from Wajir to Mandera? That will be very good for us.

**Mr. Kones:** Mr. Deputy Speaker, Sir, indeed, we sympathise with the situation. But as of now, as we are talking, there are no funds available for that. But definitely, we are looking forward to a situation where, with the improvement of the economy, we should do as he has suggested. But it is not that we have abandoned that Province totally. We are looking forward to doing something.

**Mr. Shaaban:** Mr. Deputy Speaker, Sir, for the last 35 years, no funds have been available to tarmac any road in North Eastern Province. North Eastern Province is the only Province without tarmacked roads in this country. Can the Minister tell us when funds will be available? Is it 30 years, 20 years or the next 1,000 years? When will the Government or the Ministry take a decision to tarmac roads in the North Eastern Province? When will the Government, through the Ministry of Public Works and Housing tarmac roads in the North Eastern Province? How long will it take? It is only North Eastern Province which has no tarmacked roads! It is very bad!

**Mr. Kones:** Mr. Deputy Speaker, Sir, the Question was specific. It asked when the road from Garissa to Mandera will be tarmacked. It will take the Government Kshs21 billion to complete that project. We realise that, that amount of money is not available now. What we are doing at the moment is to make those areas accessible. But like I said, we in the Ministry are not saying that the road will never be tarmacked. We are looking for donors to give the funding for this project. As and when we get the funding, we will move straight to the project. But we sympathise with the situation as of now.

**Mr. Shidie:** Mr. Deputy Speaker, Sir, we can hear the Minister very clearly. Today, we do not even have murramed roads. Eight months of the year, we are cut off from the rest of Kenya. Today, Wilson Airport is the only means of transport. We use that Airport to fly light aircraft to those areas, which is even more dangerous.

Mr. Deputy Speaker, Sir, 11 kilometres of tarmac road for an entire Province is not justified. We want the Minister to source some funds, I do not know where he is going to get the funds, but he should get some funds to do something. That place should not be a cancerous growth in this country.

**Mr. Kones:** Mr. Deputy Speaker, Sir, I have said that we will be trying as much as possible to do something about it. The 11 kilometres of tarmacked roads in Garissa have not been included as part of the roads network. It is just some piece of a road within the town. So, that is actually excluded.

**Mr. Raila:** Mr. Deputy Speaker, Sir, communication is not a luxury. Actually, it is an essential service. Only last week, we had bandits roaming all the way from Ethiopia, to come and lynch and kill people somewhere in the heart of Kenya, because of lack of communication. So, lack of communication is also responsible for insecurity in parts of Eastern and North Eastern Provinces. Now, will the Minister agree with me, that as the Government made efforts to open up communications, to link us with Ethiopia and Somalia, that even Ethiopia now, which is having a problem accessing the Red Sea through the ports of Assav and Massawa, could be actually transporting its goods through the port of Mombasa and that it is, therefore, necessary to do this?

**Mr. Kones:** Exactly, Mr. Deputy Speaker, Sir. I quite agree with the hon. Member. Currently, we are aggressively looking for funds to link Moyale to Isiolo. That will definitely open up that part of the country. We realise that after that, there will be a lot of trade between Kenya and Ethiopia.

*Question No.342*

DISMISSAL OF MISS KIOKO

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

(a) whether he is aware that Miss Irene Kioko, who worked as a Secretary at M/S Panafrican Secretariat Undugu Society of IYCW Box 46528, Nairobi, was sacked and her job taken over by a Malian citizen; and,

(b) if the answer to "a" is in the affirmative, when the work permit of the Malian issued.

**The Minister of State, Office of the President** (Maj. Madoka) Mr. Deputy Speaker, Sir, I apologise for coming late to answer this question, and beg to give the following reply.

(a) Yes, I am aware that a Miss Irene Kioko left the employment of this particular organisation on her own accord, and at the moment, she is working at Jomo Kenyatta International Airport. Her job was taken over by a Miss Susan Wanjiru who is a Kenyan.

(b) The Malian being referred to was, indeed, issued with a entry work permit on the 8th of July, but she was employed not as a Secretary, but as a co-ordinator for this organisation, mainly training missionaries and liaising with other Young Christian Workers' Movement in Africa. Her entry permit was authorised on the ground of being an elected member of the Management Board of the International Young Christian Workers, now being the Movement, African Regional Headquarters. Kenya was bound by the Headquarters agreement to grant the permit. The permit number is 300347 and it is valid for two years.

**Mr. Sifuna:** Mr. Speaker, Sir, arising from the Minister's reply, it is not true that Miss Kioko was replaced by a Kenyan, but this Malian. Could the Minister tell us the criteria, background and qualifications of the so-called co-ordinator, because she is actually a mere secretary in that organisation?

**Maj. Madoka:** The facts that I have given are clear. Miss Kioko was replaced as a secretary by Miss Susan Wanjiru.

**Mr. Sifuna:** Could the hon. Minister tell us why they dismissed Miss Kioko from that organisation? What were the reasons?

**Maj. Madoka:** Mr. Deputy Speaker, Sir, Miss Kioko left the employment in fact, as a result of mismanagement of secretarial funds.

**Mr. Sifuna:** Mr. Deputy Speaker, Sir, since the hon. Minister has just informed this House that Miss Kioko left because of misappropriation of funds, could he tell us whether she was taken to court to prove that she actually misappropriated the funds?

**Maj. Madoka:** Mr. Deputy Speaker, Sir, I will really leave that to the organisation.

#### QUESTIONS BY PRIVATE NOTICE

##### ABSORPTION OF EMPLOYEES BY CONSOLIDATED BANK OF KENYA

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

(a) Is the Minister aware that the Consolidated Bank of Kenya has not been able to absorb the employees of the nine subsidiaries it took over from ailing banks since it was formed?

(b) If the answer to "a" is in the affirmative, could he inform the House what is ailing Consolidated Bank, and what measures is he taking to stop the bank from victimising employees from the subsidiary banks?

(c) Would he further inform the House how many employees have lost their jobs from those subsidiaries in the last two weeks and how many have been newly employed by the Consolidated Bank?

**The Assistant Minister for Finance (Mr. Keah):** Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware that the Consolidated Bank did not take over employees of the nine subsidiaries of the ailing banks.

(b) There is nothing ailing the Consolidated Bank. Indeed, the bank made profits both in 1996 and 1997 and profitability is improving progressively. Secondly, I want to confirm that the bank is not victimising any employees of this institution. When the Consolidated Bank was formed, the aim was to restructure the ailing institution, protect the depositors and create a viable banking institution. By the time Consolidated Bank took these institutions over, they were liquid insolvent and incapable of sustaining their functions including paying the staff. Given the magnitude of the insolvency of these institutions, it was not possible to guarantee the employees their jobs. However, the Consolidated Bank has, indeed, done a commendable job to preserve these jobs under very difficult circumstances. Whether these employees can be retained or not, will depend on their suitability on the basis of professionalism and qualifications as well as honesty together with their performance and, of course, continued profitability of the business.

(c) No employee has lost any job during the last two weeks. However, during the last one month, three dishonest managers have been sacked for misconduct. Furthermore, during the last two weeks, the bank has not hired any new employees. In conclusion, let me urge hon. Members and indeed, all leaders, and the Press to avoid making unfounded allegations which can cause a run on the banks. Of late we have seen how much damage such allegations can cause. Such allegations could put depositors money at risk.

**Mr. Kathangu:** Mr. Deputy Speaker, Sir, first it is disheartening to hear the Assistant Minister say that

we have made unfounded allegations about banks. In the last two weeks the bank has systematically been discriminating against some employees of the nine subsidiaries. Nevertheless, I would like to know, from the Assistant Minister, whether the Consolidated Bank received any vesting orders from the Treasury or has it not? It appears like the Assistant Minister does not know what a vesting order is.

**Mr. Deputy Speaker:** Since you have asked the Question, let the Assistant Minister respond.

**Mr. Kathangu:** I have asked the Question.

**Mr. Keah:** I did not hear the last two words of the Question, could he please repeat them?

**Mr. Kathangu:** I am talking about the vesting order which the Minister for Finance then, hon. Mudavadi, talked about here.

**An hon. Member:** Lay the documents on the Table!

*(Mr. Kathangu laid some documents on the Table)*

**Mr. Kathangu:** Maybe, the Assistant Minister may want to look at the documents before he answers the question.

**Mr. Deputy Speaker:** Order, hon. Members! Hon. Members, if you have documents to lay on the Table, please do it in an orderly manner. Do not just produce pieces of paper and throw them on the Table. Hon. Kathangu, will you withdraw that piece of paper, whatever it is, and tell us what it is before you are allowed to lay it? Please proceed.

**Mr. Kathangu:** Mr. Deputy Speaker, Sir, I am very surprised that the Assistant Minister for Finance does not know what a vesting order is. But for the benefit of this House a vesting order is given to a new bank particularly when it is taking over such institutions like the nine subsidiaries taken over by the Consolidated Bank in 1991. That is the order that enables the bank to manage including, disposing of property *et cetera*. I am asking the Assistant Minister: In absence of such vesting orders is he not aware that the Consolidated Bank is ailing although he is saying that the bank is not ailing? The main subsidiaries of the Consolidated Bank, that it took over in 1991, have been discriminated against all the time. Has the bank now stopped that discrimination?

**Mr. Deputy Speaker:** What is that piece of paper you keep on pushing over the Table?

**Mr. Kathangu:** Mr. Deputy Speaker, Sir, this is a letter from the then Finance Minister, hon. Musalia Mudavadi, to the Presiding Judge, Industrial Court Nairobi. This letter was received on 22nd November, 1996. It states as follows: "I confirm in accordance with Section 3 of the Consolidated Bank of Kenya Act, 1991, I have not exercised the power of issuing vesting order to transfer all the assets and liabilities of the of the subsidiaries taken over by Consolidated Bank of Kenya Limited in general". The orders published as per Kenya Gazette Legal Notice No.332 referred to the undertaking of the Union Bank of Kenya in relation to the account of Sunbeam Supermarket Limited only. I think there is also a problem of grammar, but at the same time this is from the then Minister for Finance confirming that he had not issued vesting orders which I think is causing a big problem to those banks. I want the Assistant Minister to say whether or not this vesting order has now been issued.

**Mr. Keah:** Mr. Deputy Speaker, Sir, the word is "vest" not "hafting". If he had said vesting, I would have been able to answer him much earlier. The Consolidated Bank of Kenya Limited was incorporated on the 7th December, 1989, to restructure the financially troubled banking and non-banking financial institutions in order to stabilize the financial sector and to create a viable commercial bank that would eventually sell shares to the public. What then happened is that, the assets and liabilities of all those ailing institutions would have been then taken over by the Consolidated Bank. There has been no discrimination whatsoever with regard to ailing institutions. Indeed, if you look at the accounts of 1996 and 1997 of the Consolidated Bank, you will find that the accounts of the ailing institutions have been consolidated therewith. There is, therefore, no issue nor question of discrimination. The issue of the vesting order is really confirmed by the fact that the Consolidated Bank was established and the assets and liabilities taken over.

**Mr. Kajwang:** Mr. Deputy Speaker, Sir, although the Assistant Minister is saying that there is no discrimination in the bank, I would like him to confirm or deny that a secretary employed in 1998 by Consolidated Bank is earning Kshs15,000, but a clerical officer who was employed in the subsidiaries taken over by the Consolidated Bank, is up to now earning Kshs8,000. Is that not discrimination?

**Mr. Keah:** Mr. Deputy Speaker, Sir, when employing staff, a lot is dependent upon the qualification, professionalism and the integrity of the individual. I do not know the particular circumstances of the two members of staff he is referring to. Therefore, I cannot comment specifically with regard to those two. But I want to confirm once again that there is no discrimination that I am aware of.

**Mr. Ndwiga:** Mr. Deputy Speaker, Sir, the Assistant Minister says that the employees have not been

sacked by this bank. First and foremost, I wish to lay on the Table of this House a list of 14 members of the Consolidated Bank who have been forced to resign in the last two weeks. Is the Assistant Minister aware that since this bank was consolidated, employees have actually been treated in a discriminatory manner? Indeed, all employees of different sections, like mortgages, banking and the others, earn different salaries and none of them have had a salary increase during this period. This is because new employees are being employed at higher rates of salary. Is he aware?

*(Mr. Ndwiga laid the list on the Table)*

**Mr. Keah:** Mr. Deputy Speaker, Sir, I am not aware of any discriminatory practices going on in this bank.

**Mr. Deputy Speaker:** Order! Order! The last one, hon. Kathangu!

**Mr. Kathangu:** Mr. Deputy Speaker, Sir, I have the Consolidated Bank's payroll here, and I wish to lay it on the Table. But even before then---

**Mr. Deputy Speaker:** What is it that you want to lay on the Table?

**Mr. Kathangu:** I have the payroll here which shows the discrimination on salaries which the Assistant Minister here is saying he does not know. But this Consolidated Bank has been the subject of discussion in the Ministry of Labour and also it has been a subject in the Industrial Court. Is the Assistant Minister also aware that the Consolidated Bank goes against directions of the Central Bank by allowing its managers to take unsecured loans and overdrafts; like Mr. Ombimo who has taken Kshs560,000, unsecured?

**Mr. Deputy Speaker:** Order, is that an authenticated document from the bank or something else?

**Mr. Kathangu:** Correct, Mr. Deputy Speaker, Sir, it is here.

**Mr. Deputy Speaker:** No, that is just--- Give it to us.

**Mr. Kathangu:** So, now, Mr. Deputy Speaker, Sir, if you allow me, I will lay the payroll on the Table.

*(Mr. Kathangu laid the payroll on the Table)*

**Mr. Deputy Speaker:** What is your question?

**Mr. Kathangu:** When does the bank intend to stop this discrimination?

**Mr. Keah:** Mr. Deputy Speaker, Sir, I am not aware that hon. Njeru Kathangu has become a paymaster of the Consolidated Bank. I do not even know how he managed to get the payroll - such a confidential document - in his possession.

**Hon. Members:** Do not mind! That is not your concern, answer the question first!

**Mr. Keah:** Mr. Deputy Speaker, Sir, we are treading on dangerous grounds, the moment we try to pry on private information of institutions such as banks. Be that as it may, personally, I would wish to say, to me, I do deplore the fact that we do want to have laid before us a payroll of a whole bank, an institution that really has to deal with its confidentiality. By having its payroll brought here, we are treading on dangerous grounds. Be that as it may---

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

**Mr. Deputy Speaker:** Order! Order! Hon. Anyona!

**Mr. Anyona:** On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to object to a matter before the House without telling us the basis of his objection? Which of our rules says that we cannot get a payroll here? Prove the case! Is he in order?

**Mr. Keah:** Mr. Deputy Speaker, Sir, I did mention in the early part of my answer that we have to be careful with regard to banking institutions, otherwise, we are going to make a run on this bank. The moment we kill the confidence in banks by exposing their confidential documents, we are eroding the confidentiality that these banks have. That is my concern.

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

**Hon. Members:** Point of order! Point of order!

**Mr. Deputy Speaker:** Order! Order! Hon. Ndwiga.

**Mr. Ndwiga:** On a point, Mr. Deputy Speaker, Sir. The Assistant Minister is really avoiding the issue. Is



he in order to avoid answering a very pertinent question concerning rampant discrimination in this bank? This Assistant Minister is aware that the bank has actually been asked by the Ministry of Labour to stop this discrimination and pay arrears to the employees there. Is he, therefore, in order to talk about safeguarding a bank? This issue of the Consolidated Bank is about banks which were taken from indigenous Kenyans; some of the processes were not even fair. So, it is subject to the scrutiny of this House and Kenyans. So, could the Assistant Minister now answer the question of discrimination?

**Mr. Keah:** Mr. Deputy Speaker, Sir, on the question of discrimination, I want to confirm once again that, I am not aware that the bank is exercising discrimination among its employees. But let me say that, the Consolidated Bank has done a tremendous job having salvaged banks and institutions that had been plundered by the very Kenyans that my hon. colleague here is talking about. Yes, they were, indeed, ailing banks, plundered and roughed up by the Kenyans themselves and the Consolidated Bank has done an excellent job---

**Mr. Deputy Speaker:** It is true that the employees from the various institutions that were taken over by the Consolidated Bank are still being paid as if they were still employed by those banks. Now, the question hon. Members seem to be asking is whether the Bank has been consolidated in every aspect, including salaries? If the answer is no, just say, no.

**Mr. Keah:** Mr. Deputy Speaker, Sir, I answered, no.

**Mr. Deputy Speaker:** The next issue is that this document laid on the Table by hon. Kathangu is [Mr. Deputy Speaker]

not an authenticated bank document. I will therefore, not accept it as a document laid on the Table of the House.

**Hon. Members:** Which document?

**Mr. Deputy Speaker:** Order! It is a computer print out. It does not indicate which bank it is from, neither does it indicate who signed it. So, really, we cannot accept this kind of document as authenticating the allegations we make in this House. So, hon. Kathangu, you will withdraw this document.

**Mr. Michuki:** On a point of order, Mr. Deputy Speaker, Sir. Is it in order that the Assistant Minister dealing with this question on one hand should refer to ailing banks and on the other hand, when the issues of discrimination and the salaries are raised, he argues on the basis of confidentiality? Is he in order to even imply that the bank - because we are probing into these questions - would have a run on it, when the contrary is the case if he speaks the truth about this matter? Could he be asked to go and look into this matter and bring it back here because, it is very serious? It involves monies that belong to other people, members of staff and even Kshs40 million from Murang'a County Council which now cannot perform, because the Bank has been unable to pay.

**Mr. Keah:** Mr. Deputy Speaker, Sir, I said that this Bank is trading profitably and based on the audited accounts for 1996 and 1997, the Bank has made profits. However, it is being pulled down by the accumulated losses of all those ailing institutions that were taken over by the Consolidated Bank. The Bank continues to make profits.

I would like to confirm here, the projections are that, the Bank is doing well and will continue to make profits. But until such time as we are able to clear the backlog of the accumulated losses, we are not in any position to make any payments to Murang'a County Council or to any of the other people who were caught up; whose funds were tampered with by the managements of those ailing banks that were taken over.

#### REVENUE COLLECTION FROM PETROLEUM PRODUCTS

(**Mr. Maore**) to ask the Minister for Finance the following Question by Private Notice:-

(a) What was the total weekly collection for road maintenance from petroleum products between 1st May, 1998 and 30th September, 1998?

(b) Could the Minister table a schedule from the Treasury detailing when and how the money was released to the Ministry of Public Works and Housing for the intended purpose?

(c) Could the Minister explain why there has been undue delay between the time Customs Department receives the money and when the same is released to the Ministry of Public Works and Housing?

**Mr. Deputy Speaker:** Hon. Maore's Question is deferred by agreement!

*(Question deferred)*

#### SUPPLY OF DIP CHEMICALS TO LIVESTOCK OWNERS

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

(a) Is the Minister aware that livestock owners in Ijara Sub-district, Masalani and Hulugho Divisions have lost a large number of cattle due to uncontrolled tick invasion?

(b) Is he further aware that veterinary officers in Garissa District have failed to control this invasion and cattle owners are left helpless?

(c) If the answers to "a" and "b" are in the affirmative, what urgent measures is the Minister taking to supply dip chemicals to the livestock owners and also direct the veterinary officers in Garissa to mount a tick control campaign in the area concerned as soon as possible?

**The Assistant Minister for Agriculture** (Dr. Wamukoya): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that livestock owners in Ijara Sub-district, Masalani and Hulugho Divisions have lost some animals due to various causes, for example, trypanosomiasis and Rift-Valley Fever, but not from tick borne diseases. Currently, my Ministry is carrying out vaccination campaigns against Rinderpest and contagious Bovine Pleuro-Pneumonia in the whole of Garissa District. So far, we have covered over 150,000 head of cattle. Over and above the said campaigns, investigations are being carried out to determine whether there are other disease problems in southern Garissa.

Mr. Deputy Speaker, Sir, although tick borne diseases are not major killer diseases in the whole of North Eastern Province---

**Mr. Muhiha:** On a point of order, Mr. Deputy Speaker, Sir. We seem to have a problem with the communication system. We are not getting the answers clearly. Could you please order that the machines be rectified?

**Mr. Deputy Speaker:** They have heard you! Proceed, Mr. Wamukoya!

**The Assistant Minister for Agriculture** (Mr. Wamukoya): Mr. Deputy Speaker, although tick borne diseases are not major killers in the whole of North Eastern Province, my Ministry is assisting the farmers in constructing dips in Masalani and will soon supply acaricides.

**Mr. Haji:** Mr. Deputy Speaker, Sir, I would like to disagree with the Assistant Minister on the following grounds: First of all, I did not ask him about Garissa as a district. I asked him specifically about certain areas. I came from the area on Saturday. It is true that these animals are dying because of tick borne diseases. There is a very strange phenomenon which I found at home. Nowadays, zebras and all sorts of wildlife are grazing with cows.

**Mr. Deputy Speaker:** Mr. Haji, ask your question!

**Mr. Haji:** Mr. Deputy Speaker, Sir, how many animals died of the tick borne disease and what are they doing, as a Ministry, because he has admitted that there are tick borne disease?

**Mr. Wamukoya:** Mr. Deputy Speaker, Sir, first, may I state that zebras do not carry tick borne-diseases for cattle. Secondly, I would like to state that the tick load in North Eastern Province and particularly, Masalani, Hulugho and Ijara is very low. Thirdly, I would like to state that the ticks there do not carry tick-borne diseases like East Coast Fever and Berbesiosis. There is a bit of tick paralysis which does not cause death. The animals recover within six to 12 hours. In any case, if the tick detaches itself, the animal will immediately stand up and walk.

**Mr. Shidie:** Mr. Deputy Speaker, Sir, I think the Assistant Minister is misleading the House. Ijara Constituency is the most tick-infested area in Garissa District. Could the Assistant Minister tell us the number of veterinary officers stationed in this constituency to avert such a crisis like tick-borne diseases?

**Dr. Wamukoya:** Mr. Deputy Speaker, Sir, I did not get the question well, but I heard something like, whether there are veterinarians in those divisions and districts. If that is the question, we have veterinarians in those divisions and in the district of Garissa.

**Mr. Werah:** Mr. Deputy Speaker, Sir, it is very sad for an Assistant Minister to mislead the House. At this moment---

**Mr. Deputy Speaker:** Ask your question!

**Mr. Werah:** Mr. Deputy Speaker, Sir, at this moment, and even before, there has never been even one technical staff who has been posted to this area. Secondly,---

**Mr. Deputy Speaker:** Ask your question!

**Mr. Werah:** Mr. Deputy Speaker, Sir, that is my first question.

**Mr. Deputy Speaker:** That is not a question!

**Mr. Werah:** Mr. Deputy Speaker, Sir, since the outbreak of this disease, no technical personnel have been sent to the district.

**Mr. Deputy Speaker:** Order, hon. Werah! If you ask your question, there will be time for other hon. Members to also put their questions. But you are now addressing the House. If you do not ask your question, I will leave you and go to somebody else.

**Mr. Werah:** Mr. Deputy Speaker, Sir, I would like to ask the Assistant Minister why the Ministry has not sent any technical personnel to advise farmers or treat the animals which are dying *en mass* in the area.

**Dr. Wamukoya:** Mr. Deputy Speaker, Sir, we have technical staff in Ijara Sub-District. Secondly, in my answer, I said that while the teams were vaccinating against Rinderpest and the contagious Bovine Pleuroneumonia, they were also investigating the occurrence of other diseases. These three divisions are found in Garissa District.

**Mr. Haji:** Mr. Deputy Speaker, Sir, I would like to follow this question. How do you treat tick-bone diseases? How many dips do we have in the area? If the animals would be paralysed for 12 hours and they are 70 kilometres away from home, whom does he expect to look after the sick animals?

**Dr. Wamukoya:** Mr. Deputy Speaker, Sir, I started by saying that the tickload in Garissa and North Eastern Province is very low. That is why there are no dips in that place, although Boran cattle are susceptible to tick-borne diseases. The reason why there are no ticks is because there is a low tick-load and those ticks do not carry tick-borne diseases except in Masalani area where there is a dip being constructed. They started constructing this dip in 1993, but by that time, the Government was privatising---

**Mr. Musila:** On a point of order, Mr. Deputy Speaker, Sir. I have a lot of respect for the hon. Assistant Minister. He is telling us about those days when he was perhaps, a vet. But Mr. Haji is talking about now. Animals are dying now, but he is telling us about what used to be done. Could he address the question as of now and not yesterday?

**Dr. Wamukoya:** Mr. Deputy Speaker, Sir, if the hon. Member had cared to wait, I was coming to that. I was trying to explain why this dip has been static since 1993. The reason is that this is one of the functions that was privatised by the Government in 1993 while the dip was still under construction. But because of inflation, the Government noticed the expense of tick control. The acaricides became expensive and in 1997, they found a donor who is now helping the Government to rehabilitate the dips and fill them with acaricides and that is what I told the hon. Member that we are going to do.

#### INSTALLATION OF STD FACILITY AT MBITA

**Mr. Kajwang:** Mr. Deputy Speaker, Sir, I beg to ask the Minister for Transport and Communications the following Question by Private Notice:

(a) Is the Minister aware that Mbita Town which is the headquarters of Suba District has no Subscriber Trunk Dialling facility?

(b) Is he further aware that the International Centre of Insect Physiology and Ecology (ICIPE) is almost closing down its research centre in the area because of lack of modern telephone facilities?

(c) If the answers to "a" and "b" are in the affirmative, what steps is the Minister taking to instal a modern STD facility at Mbita?

**The Assistant Minister for Transport and Communications (Mr. Obure):** Mr. Deputy Speaker, Sir, I beg to give the following reply:-

(a) Mbita has modern STD facilities provided through a line concentrator connected at Homa Bay. I wish to add here that we are not satisfied that this facility is providing service to the standard required.

(b) I am not aware that ICIPE is closing down due to lack of modern telephone facilities as this is not a sufficient reason to do so.

(c) I am aware that the services at Mbita Town have not been of high quality because of the poor exchange at Homa Bay. At the present time, KPTC is in the process of installing a modern digital exchange at Homa Bay which will improve the services provided to residents of Mbita Town and ICIPE. This process will be completed by July next year, although we are trying to urge the engineers to complete it earlier.

**Mr. Kajwang:** Mr. Deputy Speaker, Sir, it is the Assistant Minister's own admission that the standards are very poor in Mbita. This is an international research station and it gets donations from all over the world and the donors need to communicate with Mbita through fax, e-mail and all other modern telecommunications. The donors have been worried because they cannot reach ICIPE and they have been threatening to pull out their donations because they cannot reach the administration of ICIPE at Mbita. In any event, this is a district headquarters and to add to that, the DC cannot communicate with his bosses, the OCPD and all other senior

officers. We are even at the border with Uganda and Tanzania. In the event that anything happens, how do we communicate with the world? Why are we cut-off? Why are you not putting a facility at Mbita? Why are you talking about a remote and old equipment at Homa Bay?

**Mr. Obure:** Mr. Deputy Speaker, Sir, the problem is being addressed. It is considered more economical and more efficient to do it from Homa Bay, but we are confident that the problems experienced by residents of Mbita and ICIPE in particular, will be a matter of history when this modernisation programme is completed.

**Mr. Ayaeko:** Mr. Deputy Speaker, Sir, the Assistant Minister has admitted that the telephone facilities at Mbita are insufficient. He has stated very well that there are plans to rehabilitate the telephone facility. Could the Assistant Minister tell the House whether such plans include intention to have people from Gwasi in Magunga, Soria and other areas to have adequate telephone facilities because to talk about telephone facilities in one urban area is not to talk about adequate communication?

**Mr. Obure:** Mr. Deputy Speaker, Sir, if the areas he mentioned are served from Homa Bay Exchange, they will automatically benefit from the modernisation programme which is going on. It is right now under-way. Most of the areas served from Homa Bay will benefit after this work is completed.

**Dr. Ochuodho:** Mr. Deputy Speaker, Sir, the scenario in Homa Bay and Mbita is very interesting. We are fed from Kisii Exchange which goes on to Abucha in Gembe, Mbita and it by-passes Mbita, comes back to Homa Bay and then goes back to Mbita. Could the Assistant Minister assure us that what we experienced in the past is not going to happen? In 1995, an old exchange was transferred from Changamwe, which currently serves Homa Bay and when a new exchange was to be taken to Homa Bay in 1996, it was taken to another district which I could mention. We are now being told the Homa Bay exchange is going to be modernised. But that only solves the problem of the town. Could we be re-assured that the neighbourhood, and there are eight satellite points, Mbita being one of them served by this exchange--- Could we be assured that the modernisation will go beyond just the Homa Bay Exchange alone?

**Mr. Obure:** Mr. Deputy Speaker, Sir, I want to assure the hon. Member that we are serious about this one and the facility being installed in Homa Bay now will be a very modern equipment which will provide very satisfactory service. I am confident about that.

**Mr. Kajwang:** Mr. Deputy Speaker, Sir, I just want to ask the Assistant Minister one thing. Between now and July 1999 is more than one year, or more than half a year. What is going to happen to us if we want to communicate with the rest of the world? Are you doing something to enable us communicate as you said about that modern equipment?

**Mr. Obure:** Mr. Deputy Speaker, Sir, we are not saying that there are no telephones right now. What we are saying is that the telephone facilities available right now are inadequate. We are asking the residents of this area, ICIPE and Mbita in particular to be a bit more patient because we are hoping that the work going on to modernise the facility will be completed even earlier than July.

**Mr. Obure:** Mr. Deputy Speaker, Sir, our budget estimates are on telephone at the moment but the funds are not adequate. This situation has been going on for some time and we are saying: "Okay, let us be a bit more patient for the next few months since the problem is being addressed and before July, the problems experienced will be a thing of the past".

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

**Mr. Deputy Speaker:** Order! Hon. Members, we have taken two hours on Question Time and I must now move to the next Order. Hon. Ministers, you had asked to be given a lot of time to make Ministerial Statements but really, we have taken far too long on Question Time and there is pressing business for us to proceed on with. So, could you kindly make them tomorrow morning, after Question Time, or tomorrow afternoon. I will make sure that we do not over indulge in questions.

**Mr. Anyona:** On a point of order, Mr. Deputy Speaker, Sir. I want to seek the guidance of the Chair on the next business on the Order Paper.

**Mr. Deputy Speaker:** But we have not gone into it yet.

**Mr. Anyona:** Mr. Deputy Speaker, Sir, that is why I want guidance before we come to it, so that we know how to proceed. I can do it later but I thought this was the right time. If you look at the Order Paper, Order Nos. 7,8 and 9 all deal with The Appropriation Bill; First Reading, Second Reading and The Committee Stage. It means that all the three stages are going to be taken in this sitting. Now, under the provisions of Standing Order No.99, that is fine; that, this Bill is exempt from the Standing Orders that require that you take one stage of the Bill at a time. Now, Standing Order No.101 (a) requires Bills to be referred to a Committee of the Whole House but paragraph 4 of that Standing Order exempts this Bill from going through that process. So, what it means is that at the end of this process, this Bill will never have been before any committee. The reason is because we were

supposed to have an Estimates Committee to deal with the Budget before it comes here. We have not got there yet. Now, I want to seek a very simple guidance from you, Mr. Deputy Speaker, Sir. Would it then be right to say that the business of the Appropriations Bill is commenced and ended in one sitting today or does it mean that this debate continues for as long as the House wishes to do so? I think it is important because you might find the House being rushed into concluding this business and as far as I am concerned, there is no provision which requires that we do this business in one sitting.

**Mr. Deputy Speaker:** Order! Order, hon. Members! As hon. Anyona rightly points out, Standing Order No.99 does, in fact, exempt the Appropriation Bill from the provisions of our Standing Orders vis-a-vis the Bill as ordinarily understood and Standing Order No.101 (a) does, in fact, also apply. Now, if you look at your Order Paper for today, there is nothing really to indicate that you are going to discuss this Bill in all its three stages today. So, if at the Second Reading, there are Members still wishing to contribute, leave it to the Chair to determine that they are still interested in the Bill and debate may proceed and continue until such time as it is appropriate for us to go to the Committee Stage. So, really I think it is a little premature to suggest that the intention of this Order Paper is such as to guard Members from discussing this Bill in full when it comes to the Second Reading. So, those Members willing and ready to contribute to the Second Reading, please just stand up to catch the Speaker's eye and you will be given the opportunity to speak.

## BILLS

### *Second Reading*

#### THE APPROPRIATION BILL

**The Minister for Finance** (Mr. Nyachae): Mr. Deputy Speaker, Sir, I beg to move that The Appropriation Bill be now read a Second Time.

Mr. Deputy Speaker, Sir, I wish to confirm that His Excellency the President has signified his consent to the Bill. The hon. Members had the opportunity to contribute to the debate on some of the Votes during the Committee of Supply. The rest of the Votes were guillotined on the 29th October 1998, in accordance with the provisions of Standing Order No.142 (7). The purpose of The Appropriation Bill (1998), is to seek statutory approval from this House to authorise the issue of sums of money out of the Consolidated Fund and to appropriate those sums to the various services and purposes during the year ended 30th June 1999.

Mr. Deputy Speaker, Sir, the Vote On Account approved by this House on the 25th June 1998 allowed me to release half of the laid sums included in the 1998/99 Estimates of Recurrent and Development Expenditure. Once this Bill is enacted and His Excellency the President gives assent, I will be able to issue the total amount from the Consolidated Fund to enable Ministries and Departments to incur expenditure in order to provide services to the public.

Mr. Deputy Speaker, Sir, The Appropriation Bill contains the armbit and provision for each Vote including Appropriations-in-Aid. Indeed it is a summary of the Statutory Estimates contained in the 1998/99 Printed Estimates Books of Recurrent and Development Expenditure. Clause 2 of the Bill provides for the issue out of the Consolidated Fund of the sum of K£5,672,543,990 required to meet public expenditure during the Financial year ending 30th June 1999.

*(Mr. Deputy Speaker left the Chair)*

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

The Clause also appropriates the money granted for various services and purposes as specified in the schedule, which is based on the Estimates for the 1998/99 Financial Year.

Mr. Temporary Deputy Speaker, Sir, clause 3 makes provisions for Appropriations-in-aid of those services and purposes. The provisions enumerated in the Bill follow the established practice. I would, therefore, urge hon. Members to enact this Bill, so that I can release the total voted provisions to the Ministries and Departments from the Consolidated Fund for the development of our nation, and in order to continue improving the welfare of our people.

With those few remarks, I beg to move.

**The Minister for Agriculture** (Mr. Mudavadi) Mr. Temporary Deputy Speaker, Sir, I beg to second the

Appropriations Bill. I really want to state that a lot of what is being sought here is really a procedural issue. We need to allow the Government to draw, from the Consolidated Fund, the resources required to enable the Government to carry out its various functions in terms of provision of services and the undertaking of other programmes upto to 30th June, 1999.

Mr. Temporary Deputy Speaker, Sir, it suffices to say that a lot of the issues that appear in the Bill have, indeed, been discussed during the Vote-on-Account of specific Ministries, which the House deliberated on for quite some time. In the past, the Appropriations Bill has been dealt with in a day. However, judging from the sentiments raised on the Floor of the House, hon. Members would like to debate this Bill a little longer. I would like to stress that we, as much as possible, want to avoid repetition. We really do not want to cover issues which were covered during previous debates. So, I would like to ask hon. Members to be very focused and try, as much as possible, to veer away from repetitive matters, so that we can dispose of this Bill as soon as possible.

With those few remarks, I beg to second.

*(Question proposed)*

**Mr. Mwiraria:** Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support the Motion before the House, but in doing so, I would like to pose a few questions to the Minister. This is because there are a few things which are happening, which could make it impossible for him to raise adequate revenue.

Mr. Temporary Deputy Speaker, Sir, the first issue that I would like to raise regards the Kenya Revenue Authority (KRA). In his Budget Speech, and while introducing the estimates of expenditure this year, the Minister was very emphatic that he wants to improve the KRA---

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, Mr. Mwiraria! Hon. Ndicho, please, consult in a low tone.

**Mr. Mwiraria:** Mr. Temporary Deputy Speaker, Sir, the Minister assured us that he would do everything possible to make the KRA autonomous, self-supporting and efficient enough to collect revenue effectively. As things are at the moment, the KRA seems to be having two parallel salary structure for its employees: One structures for those who were recruited into the current KRA, and another for those who were recruited into the old Treasury Departments of Customs and Excise, Income Tax., VAT, *et cetera*. One should not be surprised to see that an old official in the Income Tax Department, who is senior to a newly-appointed KRA official, earns less than his new colleague.

In all fairness, I do not think that the Minister can have a motivated and satisfied team to work for him in such circumstances. A letter was recently published in one of the newspapers regarding this issue. I do not know how authentic it was, but when I saw it, I took trouble to check whether really the salary structures are different for the two groups of employees working under the KRA. I have the two salary structures in my documents folder here, in case he wants them. I am sure that he knows that, that is the case. I really hope that in replying to this Motion, he will tell the House when he will merge the two salary structures, so that those serving under the old terms can also enjoy the better terms being enjoyed by their new colleagues.

The second point I would like to raise, and to which I would like to admit that I have no solution, is that by the way things are moving, our economy is shrinking. The Minister has done a lot to lower the interest rates. We appreciate that they have come down substantially, but not enough to lead to the expansion of the economy. All around us, businesses are collapsing, and life is getting harder. Now, with reduced incomes all around, where will the Minister get his funds from? He will not do so unless he increases the collections, improves on them, and reduces the amount of corruption, which has been rampant in the past.

Mr. Temporary Deputy Speaker, Sir, there is the issue of the arrested senior KRA and Treasury officials, which may or may not have been resolved. If it was resolved, I may not have known how this was done. Now, has the matter been resolved once and for all, or is it still hanging over the heads of the officers? If the issue is still pending, it will also make it impossible for the officers to perform efficiently and to the best of their ability. We would want to hear what the Minister has done to resolve this issue once and for all. This is because, in a sense, the issue sends the country back to the stage where it was not credit-worthy in the eyes of foreign donors. We are aware that the Government has done a lot in trying to win over donor confidence. Anything that goes against this will take us several steps backwards. So, once again, we would like to know what happened.

Mr. Temporary Deputy Speaker, Sir, my final point relates to the collection of revenue from petroleum products. The oil companies still give the impression that there are some oil companies which have become sacred

cows which do not pay all their revenues and which are selling petroleum products at lower prices than they would sell them, if they had paid duty and other taxes. Once again, we hope that the Minister will look into this. But speaking of revenues from petroleum products, I want to refer specifically to the Road Maintenance Levy. This levy should, at least, enable the Minister for Public Works and Housing to do a little work on our roads particularly since the advent of the *El Nino* rains. Unfortunately, the roads around the country and particularly within Meru District are in a pathetic condition. The main road between Meru and Maua, is for all intents and purposes completely broken down. They will have to re-do it anew. There are other problems like the Mutonga Bridge in the Nkubu-Thuchi Road where stones have been pushed gradually by shifting sands onto the road. As I came this way yesterday, the stones had only left one narrow lane and with the onset of the rains, this road will be closed sooner than we expect. The question I am asking the Minister is: Does the Road Maintenance Levy Fund actually get to the Ministry of Public Works and Housing so that we can blame them for not doing the works they are expected to do?

Mr. Temporary Deputy Speaker, Sir, some of the other comments, maybe, we will make them in the Committee Stage and I will, therefore, only like to make a concluding remark regarding the fate of indigenous banks in this country. We may have started off on the wrong footing with the financial institutions, but those of us who had the opportunity to work with the financial institutions when they existed, will remember that they really gave a shot in the arm to African businessmen, farmers, wananchi, contractors and so on. We have today these large banks which are mainly foreign with the exception of course, of a few, particularly the two main Government ones and a few smaller ones. I want to tell the Minister that we cannot indigenise the economy if we are totally or almost entirely dependent on foreign banks. To me, the existence of Kenyan banks is almost a *sine qua non* with indigenisation of the economy. Quite honestly, I would hope that instead of discouraging indigenous Kenyans from owning and running banks, we should be encouraging them. The Minister should bring a Bill here which will enable Kenyans to own banks, so that they can give other Kenyans loans and money. When we go to this *Mzungu* banks, everything is computerised, you have to be evaluated. I think there is a matrix and if the matrix says "no", it is "no", whether you are viable or not. Whether you have filled your forms rightly or wrongly, if the matrix has said "no", there will be no loan. I am really urging the Minister to look afresh at the existence of Kenyan banks. We ought to give them priority because I personally believe that, if we had many indigenous banks, the owners would be a little more considerate and give loans to our poor people which is not happening today.

Mr. Temporary Deputy Speaker, Sir, before I conclude, let me say that recently coffee farmers offered to open a coffee bank. This does not mean that it is going to be a bank for coffee farmers only, it is going to be an indigenous Kenyan bank like the Co-operative Bank, the Kenya Commercial Bank (KCB) and the National Bank of Kenya. I believe that it is really in the interest of this country for the Minister to approve the establishment of a coffee bank because today, more than at any other time in our history, we need support from the local banking industry so that the engine that moves the economy; the banking system, can begin assisting the poorer members of our society.

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

**Mr. Raila:** Thank you, Mr. Temporary Deputy Speaker, Sir. I also rise to support this Bill and in supporting it, I want to make a few remarks. One has to do generally with the way we handle matters of finance in this House. With the passing of the Appropriation Bill, we will more or less have finished our process of budgeting. I am concerned that the way that we have stuck to the tradition does not give this House a proper opportunity to deal with financial matters in a more effective way. I am saying so because in September, I attended a debate in the Bundestag when the budget was being moved in the middle of the election campaigns. That was a budget for a financial year that is going to begin on 1st January next year, but it is debated three months ahead of time and in a number of other countries, even the USA and Japan that is the system and even Britain has also now changed. The traditional way of having secrecy surrounding the matters of the Budget is something that has now actually been abandoned. The way that the Budget is moved in this House, basically takes the House for granted in the sense that, the Minister comes here and announces certain measures which become effective from midnight of the same day that the Budget has been moved. So, he is taking for granted that the House has already approved those measures. It is important that this House debates the measure introduced by the Minister before they become effective. I see no reason why the Minister cannot--- I have looked at several other laws that deal with matters of finance; I have looked at Cap.5 Section 10 of the Constitution and I have also looked at Standing Order No.133. I think it is Standing Order No.133 which says that the Estimates have to be presented to the House not later than 20th June of every year. But this can be looked at and I am suggesting that this matter be considered for the next financial year. I see no reason why this cannot be moved in April so that the House has got sufficient time to debate those matters before they become effective on the 1st July of every financial year.

Mr. Temporary Deputy Speaker, Sir, the second issue that I want to talk about is the *El nino* Emergency

Fund referred to here during the Budget Speech. When it was said that IDA had given credit of some US\$40 million to this emergency project and that the World Bank had also re-assigned an additional US\$37 million from the Kenya Urban Infrastructure Project to this Fund and that the African Development Bank (ADB) was also going to provide another US\$10 million, making it a total of Kshs5.2 billion for rehabilitation of our infrastructure. This makes it a lot of money, yet, we are not seeing any effect of this money. We do not know where this money had been deployed.

Mr. Temporary Deputy Speaker, Sir, as hon. Members from Nairobi area, we were called to an emergency DDC meeting at which we were told that Nairobi province had been allocated some Kshs200 million for rehabilitation of our infrastructure; for construction of some of the bridges which had collapsed in slums such as Kibera, Mathare, Mukuru and so on. As I am speaking, the administration is insisting that residents of those slums must raise money through Harambees for construction of bridges which were washed away during the *El nino* rains. We would want the Minister to tell us what happened to the Kshs5 billion which was earmarked for the rehabilitation of infrastructure.

Mr. Temporary Deputy Speaker, Sir, the other issue is about the question that was alluded to by the hon. Member who spoke earlier about the Road Maintenance Levy. The Minister said that some Kshs6.5 billion will be raised through this Fund and that out of that, Kshs5.3 billion will be used for classified roads and the remaining Kshs.1.2 billion will be used for the maintenance of roads within local authorities. The Minister also went ahead and said that the appropriate amendments to the Appropriation Fund will be made in the Finance Bill which in fact the Minister did introduce. But, if one looks carefully at those amendments, actually in basics these amendments make the Ministry of Finance responsible for the management of the Road Maintenance Fund. I am saying so because clause 68 of the amendment states:

"Section 7 of the Road Maintenance Levy Fund Act is amended by inserting a column at the end of sub-section 6 and the following proviso:- "provided that any contracts for the repair and maintenance of such roads shall not be awarded except upon such terms and conditions as the Minister for Finance may from time to time specify."

So, Mr. Temporary Deputy Speaker, Sir, what does that imply? It basically implies that the Ministry of Public Works and Housing cannot award any contract for road maintenance using these funds without authority from the Ministry of Finance. It tells me that the Ministry of Finance is accounting for these funds and that the hands of the Ministry of Public Works and Housing are being tied through these amendments. This money has not been used because we are still seeing the continuing deterioration of our infrastructure in our urban centres. The Ministry of Local Authorities is doing what I call a "cosmetic exercise" in the city of Nairobi. The major roads within the City Centre and the posh areas of the City are the ones which are being maintained. Beyond River Road, there are no roads. If you go to Eastleigh and Mathare, there are no roads. These roads are not maintained at all. But, the Ministry of Local Authorities is happy to maintain Uhuru Highway, Langata Road, Ngong Road and Waiyaki Way because this is where the expatriates and tourists pass through. Yet, we are giving a false impression that something is being done about our decayed infrastructure, which is not happening. Thirdly, the Ministry of Local Authorities does not have the technical expertise to supervise road maintenance. The expertise only exists within the local authorities themselves or the Ministry of Public Works and Housing. That is the reason why the Ministry of Local Authorities should not be awarding tenders for contracts for maintenance of roads in urban centres.

Mr. Temporary Deputy Speaker, Sir, when you go to Mombasa, you will find, of course, that something is happening. But, most of it is through the local efforts of the Local Authority itself, through the Mayor of the Mombasa. It is not that the Mombasa municipality has received any of this money. Other urban centres like Nakuru and Kisumu have not seen any of this money. The road between Kisumu and Busia is a nightmare, and has continued to be so. This road is permanently under repair, and the contract to repair it is all the times awarded to one Hare Dishan Singh. He begins to repair from Kisumu, and by the time he reaches Busia, the Kisumu end already needs to be repaired, and so again he is awarded a contract to begin afresh. This is the cost of corruption. I would not hesitate to state this: That even I have been approached by this same contractor who told me that he is prepared to begin repairing the road between Kisumu Town and Kisian using his own funds provided that he would be paid later and that he is prepared to add something on top of it which could be used by other officials for "Harambee" later on. The Government knows that this is happening everyday and what these contractors are doing. So, most of the money that is given to these contractors to do road maintenance, three-quarters of it just goes to the pockets of the contractor and few of our people. The same thing is also happening in the city of Nairobi where we have got Crescent Construction. Whenever Crescent Construction is awarded a contract to do work, we know that only a quarter of the sum being paid goes actually to the maintenance work. Therefore, we call for more prudent use of this Fund. We want to see some qualitative change as a result of the application of this Fund since



we are talking about a lot of money in this Fund.

Mr. Temporary Speaker, Sir, if I specifically talk about the Bill, it gives us a global picture. It gives us a bird's eye-view of how balanced or unbalanced our total budget allocation is.

Mr. Temporary Deputy Speaker, Sir, I am particularly concerned about Vote R33 - Electoral Commission of Kenya. We are giving the Electoral Commission K£14 million and by comparison, we are giving the Ministry of Industrial Development K£7 million only. At the same time, we are giving the Ministry of Energy K£3.5 million only; Ministry of Labour K£10.6 million and the Ministry of Natural Resources K£3 million. In a year when we have no elections, why should we give the Electoral Commission that much money? What is the Electoral Commission doing with that kind of money? Even if we were to have a few by-elections, how much is that going to cost? The Electoral Commission has become a very expensive institution in this country and this is basically because of the inherent idea behind the elections; that these people need to be pampered so that they can rig the elections. Why should the members of the Electoral Commission have Land-Rover Discovery each, when Members of Parliament are not provided with motor vehicles? Why should we pay these people allowances almost on daily basis when they are doing no work? Electoral Commissioners' should not be a full time occupation! The Commissioners should only be paid when they are doing actual work. This is not a full time occupation. They should have a secretariat headed by an executive but then, we should have these people as members of the Board. They should be deployed as and when they are required. So, I think it is not fair to the taxpayers that we should be paying people money for doing nothing. I think this is not fair while productive Ministries which have employed people who are doing productive work for this country should be getting peanuts when we are paying Electoral Commissioners this much money.

Mr. Temporary Deputy Speaker, Sir, we are paying these people mileage allowances which we are denying Members of Parliament. Parliament is a very important institution in this country. I want to appeal to the Minister to address this issue of mileage allowance once again for Members of Parliament. This is a matter that needs to be revisited. We are prepared to pay civil servants much higher rates of mileage claims than we are prepared to pay our Members of Parliament who have got constituencies to service. I do not think that is fair and that is why I am suggesting that we use the minimum AA rates to pay our Members of Parliament. I do not think Kshs14 per kilometre is adequate. We know that some other institutions pay as much as Kshs69 per kilometre. All we are asking is that the Minister should double these allowances. I am saying this, being very conscious of the fact that I am not a beneficiary because I am a Member of Parliament from Nairobi. I know that I will not benefit. But I know what it takes a Member of Parliament to travel from here to Mandera, Malindi, Muhuru Kadem or to Busia. That is the reason why I want to appeal, on behalf of my colleagues who come from rural areas, that this mileage rate should be enhanced. It is not money that Members of Parliament are going to put in their pockets. It is money that they are going to need to buy fuel to maintain their vehicles so that they can become better and more effective representatives of the people. We have said time and again that some Members of Parliament represent large constituencies and I have said all the time that if the constituency is geographically vast, the case is not to divide it if the population is small. But that is a very strong case for more resources to enable this particular Member of Parliament to be an effective representative of his people. So, I would like to appeal to the Minister to revisit this case before we close this matter. I think Members of Parliament are going to feel that they are really honourable Members of Parliament and they are going to be more regular in their visits back in their constituencies and I think that they are also going to make better contributions in this House if this issue is looked into.

With those few remarks, I beg to support.

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, I intend to say only a few things at this stage of The Appropriation Bill. First, my concern regards the foreign policy of this country. It is unfortunate that if you have listened to debate in this House for the past few months, there is virtually no attention given to the under-articulation of our foreign relations policy and interests. This could be forgiven if we still lived in those days when we were to look at Britain to tell us what to say and we say it; what once Foreign Affairs Minister, Dr. Njoroge Mungai called await-and-see policy. But we are living under slightly different circumstances today. The focus of our foreign policy is of necessity in the region where we belong.

Mr. Temporary Deputy Speaker, Sir, in this regard, a number of things have been very worrying. First of all, the current crisis in the Great Lakes Region is of immense concern and interest to this country. To start with, even before the programs that led to the collapse of the Mobutu dictatorship emerged, Kenya was the most important source of manufactured produce for Eastern Zaire, what is now Eastern Congo. That means that we had a very significant domestic interest to project our national interest in the foreign relations of the Great Lakes Region. At that stage, you witnessed that when Museveni and Kagame drove Mobutu out of power and imposed Kabila, Kenya dragged her feet and never defined her long term or even medium term interests. If anything, we

expressed cynical remarks about Kabila. "Huyu ni Kabila gani?" Until he was in power and then we rushed to pledge our loyalty. We did not manifest any capacity for strategic thinking about which side was likely to win and what the consequences were going to be and not just the geopolitics of the Great Lakes Region; of the economic competitions in the Eastern Congo, but also of the national interests of Kenya. That was the first phase.

On the second phase, the forces that had imposed Kabila on the Congo joined some progressive forces and some proto-national forces, Tutsi interests, to try to dispose off the same Kabila. Up to this moment, the Kenya Government has not clearly defined what its national interests are. Up to this moment, we have done two contradictory things. The first thing is that since Museveni went to attempt to remove Kabila, the President of Kenya was the first foreign Head of State to visit Kampala in a purely solidarity gesture to go and open an international show. All the leaders who have been coming in, have been coming in to tell Museveni to get his soldiers out of Congo. Ours went in to open an agricultural show. He was sending a solidarity message to Museveni that we are in solidarity with him. Two weeks after that, we were saying that we wanted a peaceful resolution. We are sending mixed signals. It is like we are waiting again to see if Mugabe is succeeding in "exporting" his economic problems into the Congo like he is already doing with his brother's company already replacing Museveni's brother as the principal miner in Kasai Occidental. If he succeeds, then we will start congratulating those ones and if Museveni's group succeeds we start congratulating Wamba Dia Wamba as the new President of the Congo.

Mr. Temporary Deputy Speaker, Sir, it is a shameful thing that a country with potentially the most significant capacity to be a regional player is pushed to the fringe of regional affairs even by countries like Namibia and Chad which seem not to be capable of defining what their national interests are. But there is even a more fundamental thing; we are in the process of negotiating the creation of an East African Community; we are in the process of negotiating the removal of tariff barriers between our countries for the free movement of labour goods in the East African Region.

Mr. Temporary Deputy Speaker, Sir, what is happening in the Great Lakes Region is a major warning about the consequences of greater integration in East Africa. Unless we are starting to negotiate the surrender of some sovereignty by the Governments of those countries, we are going to be in a situation where we stop the free movement of services, goods and labour, and one of the Presidents can go into adventurist interventions in neighbouring countries, committing economic resources of this country without consulting us when the ramifications have a ripple effect on our own economy. If you remove the tariff boundaries between Uganda and Kenya, and Museveni commits his economic resources to a war in another country, Kenya suffers ripple effect on the economic commitment of Uganda in that other country. So, it is about time that this country started defining to what extent we shall allow neighbouring countries to have the unilateral freedom of committing their resources in wars we do not want to understand, but which will have a major consequence on us without consulting us while we are steaming ahead, in trying to create an economic common market. This is not only important for the Minister for Foreign Affairs, I think it is also very important for the Ministry of Finance.

Similarly, Mr. Temporary Deputy Speaker, Sir, there is a matter I have been raising in this House from 1993; about the relationship between Kenya and Tanzania. It is true that part of the reasons that led to the collapse of the East African Community was that Kenya was getting more than its fair share of the benefits of the Community. Kenya was more the domicile of the most productive component of the Community. It is even true that in ensuing years, tourist operations based in Kenya were exploiting the natural resources of Tanzania with very minimal returns for the Tanzanians. But these matters have been addressed very systematically. I am very glad that, that component of the dialogue on greater integration has been fairly positive.

The problem I have is that today, nearly five years since we started giving signals that we were now seeking greater integration, vehicles coming from Tanzania to enter Kenya do so tariff free, but vehicles going from Kenya to enter Tanzania pay a substantive tariff at the border. The national interest is such that you cannot pretend this one away. First and foremost, the business of the Government of Kenya is the business of Kenyans. Just like it was wrong for the Kenya Government to accept a massive increase in tariffs on power generated in Jinja without any increment in the tariffs we levy on petroleum we supply to Uganda; it is also wrong for Kenya to accept that Tanzania Government penalises us when we drive to Tanzania and we do not penalise them when they drive to Kenya. It is the business of the Government of Kenya that even as we seek greater integration and even as we position ourselves as the potential most important beneficiary of closer integration, the Government of Kenya must start defining how to protect and nurture the Kenyan interests even as we embrace solidarity in great co-operation in Eastern Africa.

I wish to come back home a bit and add my voice to those who have expressed outrage at the problems that were witnessed recently in Wajir District on the border between Wajir and Moyale districts. It is painful. It is not one tribe having a problem with another. We cannot afford to trivialise a threat to the national security of our

country. It is unfortunate that weeks after the incident in Wajir, in Bagalla, we have not gotten a clear position as to whether the Oromo Liberation Front guerrillas invaded Kenya or Gabras and Borans called Oromos to invade the Degodias. That is a very unfortunate statement. We have an over-developed security intelligence apparatus with idle security personnel and idle Special Branch officers who sit in Parliament from the time the hon. Members come here. They come and sit up here and listen through all the debates and we do not have sufficient personnel to monitor the movement and security around our international borders.

**Mr. Raila:** It is very unfortunate!

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, I can hear even hon. Raila endorsing this ambiguity; that this is an ambiguous situation. We hope that the Government can start setting priorities properly and rationalise the mobilisation of personnel at the disposal of Government. Since everything they want to hear about Government can be read in the HANSARD, the Special Branch in and around Parliament can be mobilised to beef up border areas security teams, at least, to gather intelligence on any possible plans to invade or threaten the security of the Kenyan community.

On security, there is another matter that I think the leaders of this country have to start paying some attention to. A couple of years ago, I was doing a consultancy on behalf of the Uganda Government in Karamoja. When you come from Soroti to enter Karamojong territory through the hills that form a natural gate, the first thing that you see are young men looking after cattle, standing like our Maasai do, on one leg, but holding an AK47 rifle over their shoulders. Every young man over the age of 14 years has an AK47 and it is loaded, but they are not slaughtering each other.

**Mr. Ayacko:** On a point of order, Mr. Temporary Deputy Speaker, Sir. With due respect to my hon. colleague, and his reference to Uganda, we are a bit lost. We cannot fully trace the geography of Uganda. Is it in order for the hon. Member to keep on referring to Uganda as an example?

**An hon. Member:** Are you a Ugandan?

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, as you can see, I am under no obligation to answer that one. It sounds like it is sufficiently taken care of by the reaction of the hon. Members. But I want my hon. colleague to understand that, the main reason why I mentioned Uganda in the context of security is that whereas in Kenya, we have opted for a model where we sent airforce planes to threaten pastoralists and hope then that they will surrender their guns to the Government - a total ridiculous prospect - in Uganda, the Government has started paying a wage to the age-group leader of every set of young men among the pastoralists. His duty is to keep an audit of the guns that his colleagues own. So, the Government, without involving any of its own forces, knows how many bullets are in which hands. When they use those bullets, they say either they were repulsing an attack from the Pokots, Turkana or Toposa or they used them to shoot a lion which was invading their animals. That way, at very low cost, the Ugandan Government has indirectly managed to silence the guns that are in the hands of citizens. But when you use the Kenyan method where either you have to beef up the weapons in the hands of the other side so that there is mutual deterrence, or you threaten violence until you intimidate the poor souls to surrender the guns they have, which can never work--- You spent a lot of money. There are more lives lost and you do not succeed in eradicating those guns. I am saying that there might be a cost-effective method of establishing efficient social units of responsibility in the pastoral communities and whether they can, on their own, with little assistance from Government monitor the use of the weapons in their hands since the Government has no capacity to disarm them. I hope that I have satisfied my colleagues that the case of Uganda made some sense to what I am saying.

But since I am a constituency politician, I wish to mention a few things about security in my constituency as well. I have just come from my constituency and we have a number of crises. The first one is massive increase in cattle rustling. A lot of cattle are being stolen from my constituency and driven across River Nzoia into Lugari forest which is adjacent to my constituency.

**An hon. Member:** Those are Pokots!

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, we should outgrow tribe labels about these matters. I have not been accusing one tribe against the other. The tribe I am accusing is "cattle rustlers." I am saying that cattle rustlers have been driving cattle from my constituency - from Tongaren Division into Lugari Forest in Lugari Constituency. I have not spoken about tribes here. While we support the Government's desire for the Appropriation Bill to be passed, I would like to request that the Government strives to beef up security in those areas where economic hardships are leading to criminal conduct by youths who are now rustling across constituencies' borders.

Mr. Temporary Deputy Speaker, Sir, this year has been full of work stoppages. Many man hours were lost in industrial action. Part of this was inevitable in that labourers are demanding much more than the State and

private sector had to offer, which reflects hard economic conditions. I think part of this also reflected poor public relations. I do not think that it was necessary for the teachers to go on strike, cause much anxiety and disrupt the preparations for national examinations by candidates as severely as they did in the recent past. It was possible that the Government could have entered into negotiation with the teachers to avert the strike. It is not a matter of somebody being the Vice-President, as some people would like us to believe, but because it is within their docket of their responsibility. They should manage relations in such a way as to avoid unnecessary strikes. Now, the teachers are not on strike but they just suspended their strike. They have not called it off totally. This is an opportunity for the relevant arms of the Government, particularly the Treasury, the Ministry of Education and Human Resource Development and the Ministry of Labour, to take proactive steps to avert another teachers' strike in future. They should take the initiative of paying the teachers the remaining salary increments instead of waiting for teachers' trade unionists to start making demands of them. They should come out and tell the teachers' leaders that the Government is facing some financial difficulties. They should ask them: "Can we find a mutually agreeable method of moving forward?"

Mr. Temporary Deputy Speaker, Sir, it is not good for the Government to wait for the teachers to threaten a strike or go on strike and then start telling them that "hakuna pesa". That is not negotiation! The Government has the capacity to pre-empt another crisis by initiating discussions at this stage. It should see when it is possible to do that. For Example, we have seen that the Government is collecting more tax money than it had projected. We also realise that there are substantially higher returns on tea than the Government anticipated. So, the Government should give the teachers something "small" to signify that when the economy gets better it will sort out this matter. But this should be sufficient to win the hearts of the teachers. It should also make the teachers feel that the Government is doing its best to pay them their salary increments. That is much more better for the State than the brinkmanship that comes after labour has been withdrawn from the market place.

Similarly, there are some districts in this country where the District Education Officers (DEOs) have not known that the war between the teachers and the Ministry of Education and Human Resource Development has been called off. A good example is Bungoma District. One will notice that when teachers elsewhere have gone back to invigilate national examinations, and the Government is happy that people who are best suited for invigilation of examinations are doing so, the DEO for Bungoma District is issuing a directive that no teacher should be involved in the invigilation of national examinations because he has made parallel arrangements. If a DEO is receiving bribes from certain individuals, who are retired teachers or civil servants, so that they can invigilate national examinations and then he shares in what they are paid that is wrong. The Ministry of Education and Human Resource Development should declare that it **[Dr. Kituyi]** is national policy that teachers are invigilating national examinations because they are best suited for the job. This should be done in the whole country. There should be no contradictions like what we are seeing in some places. This just adds insult to attempt to bridge the gap between certain civil servants and certain professionals in the field. This does not help serve the interest of the Government, nor does it help serve the interest of the education system in the country.

Mr. Temporary Deputy Speaker, Sir, I wish to turn a bit to the agricultural sector. I come from an area which solely depends on either sugar cane or maize crop. We have all seen what has happened to these two crops. We also used to produce milk but we were victims of the mismanagement of the dairy industry. This mismanagement also affected farmers in Uasin Gishu and Trans Nzoia Districts. So, it ceased being a factor in our economy. We hear very nice promises from the Government, that it is going to avail money for the purchase of maize. Why is the Government waiting for the horse to bolt before it locks the stable? In my constituency, the cost of producing one bag of maize is Kshs700. Today, maize is being sold at Kshs400 per bag. Why should the Government wait for middlemen, who do not suffer the pain of producing the maize and have accumulated money, some of it by destroying our sugar industry? They import sugar duty-free, punish the sugar cane farmer and accumulate money. Then they wait for the harvesting period of maize and buy it at a throw-away price, because people are desperate for money. The same people wait for the Government to provide money to the National Cereals and Produce Board (NCPB), and then off-load that maize at no cost. Why should the peasant farmer be labouring so hard for the interest of the middle man?

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, in a year when we are foreseeing a serious prospect of an extended drought next year, it is very important that we consider what is critical for retaining food security among the producers in this country. Once the peasant farmers, who have promised schools that they would pay school fees for their children before the examinations come because they would sell their maize--- Once the only available

market price for them is Kshs400 per bag of maize, they will sell 20 bags to pay school fees for their children, which would have normally taken eight bags. Because they have to pay school fees for their kids to sit for their examinations, they will off-load all the maize that would have been used for school fees and food next year. Must we let this go on so that at the end of the day the only people who go home smiling are the middlemen, who stocked money and bought this maize cheaply? It is not good enough for the Government to promise the farmers that it is going to purchase their maize. It should declare at what price it is going to purchase the maize. It should also move quickly to start purchasing the maize before the peasant farmers are impoverished by selling their maize at a throw-away price to middlemen. It is not good enough to tell them to hold onto to their stocks, because they desperately need the money, particularly after the collapse of the dairy and sugar industries. They have no alternative!

At such a time when there is such a severe problem with the marketing of farm produce, it will be helpful if the Government judiciously applies the production credit that it started receiving. We read in the Press last week about the Japanese credit for the purchase of fertilizers. The Government should judiciously use such facilities to keep down the price of inputs for the next agricultural cycle, particularly when the peasant farmers are getting so little out of their immediate investment cycle.

Finally, I wish to talk a bit about the scandals in the petroleum industry. One of the funny things that those of us who come from Western Kenya have been noticing over the recent past is that, even as the rest of the economy has been slowing down, there is a massive expansion in gas stations in Eldoret Town. At one stage you can think that there is good business in Eldoret Town. But those who come from there know that, that is not true. Most people in the Government know that there is massive fraud involved in getting duty-free petroleum from the Eldoret Terminal. Sometimes after executing a bond, people take papers to Malaba border for stamping and pretend to have exported petroleum. Then the culprits bring the papers back to Eldoret Town, but the petrol does not leave Eldoret Town. Sometimes some individuals manage to get petroleum products out of the terminal without executing a bond. What we have is a situation where---

**The Minister for Energy** (Mr. Okemo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to make assertions regarding the dumping and illegal trade in petrol when he does not have any fact to substantiate? He is generalising the issue!

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, if the hon. Member was paying attention, it could be a different matter. But he has pre-judged my inability to substantiate. He is expressing concern about what I said without telling me to substantiate. But there is some information that I can volunteer to the hon. Minister, which I am sure will also satisfy the anxiety of my colleague, hon. Raila Odinga.

**Mr. Raila:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Of late, the Government has told the public that it is concerned about dumping of petroleum products. Dr. Kituyi has made an allegation to the effect that this is actually happening. Would I be in order to ask him to give us documentary evidence?

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, I cannot give documentary evidence just now, but I can amplify what I am saying with specific mentions. The first one I will mention is the following: A Member of Parliament driving from Nairobi to Kisumu should be in a position to ask himself: Why is a litre of petrol at Kobil Petrol Station in the main street of Nakuru cheaper to a similar litre of petrol in Nairobi, Machakos and even closer to Mombasa? That is just one. The second and more important one is that on the basis of my own investigations, I have it that there are two companies, not two oil companies, registered as traders in petroleum at the Eldoret Terminal, have failed to show evidence of exporting petroleum for which they have executed bonds, without being intended from collecting subsequent petroleum? This has been complained to the Ministry of Energy and I would like to give the names of the companies to the Minister. Maybe he has them. I am talking about Kaprotuk Limited of Eldoret and Galane Limited. These are two companies which the Ministry has been consulted of having executed bonds but not shown evidence of transporting the petroleum across the border into Uganda and fail to pay duty. I wish to bring this to the attention of the Minister, because it might be possible for him to help us do something about it. We cannot pretend that the petroleum business is so lucrative in Eldoret that anybody can build along the Uganda Road massive new petrol stations and offer incentives and discounts on petroleum unless the Minister has been allowing them a leeway with a margin that is larger than that given to other petroleum companies.

**The Minister for Energy** (Mr. Okemo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Member in order to mislead this House that those two companies, that is Galane and the other one, whose name I did not get, took fuel for export but did not execute bonds, when, in fact, the procedure is that oil companies do sell to any third party and it is the third parties to execute bonds?

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, if you heard me properly, you will remember that I said

that these are not oil companies. These are the third parties that are supposed to execute bonds. I said that they did not execute the bonds. So, there is no inherent contradiction between what the hon. Minister is saying, and what I am saying. I am saying that I am not holding it against the good Minister. I am saying that some of this information may not have reached his desk. It is in his interest, as the custodian of public interest, to inquire into what potentially might be happening in this matter.

**The Minister for Energy** (Mr. Okemo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Member really in order? Instead of giving us credit for the good work that we have done to curb dumping, since the beginning of this year, he is blaming the Government!

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, I would like to give total credit to the Government for what they have been able to do. But it also took them some time to curb the dumping before the President came out and ordered that it should be curbed. You notice, like the weighbridges on the road, everybody knew what was going on there. Every policeman at the weighbridge bought a new car all of a sudden and nobody was saying anything about that until the President said: "Stop this", and all the Ministers started working. As I said, the hon. Minister is in a position to help us curb the little that is still going on, before we have a presidential decree that it should be cut. I believe that the hon. Minister is able to do it. He is a nice person and he is driven that he would like to do something about it.

Mr. Temporary Deputy Speaker, Sir, I wish to end my contribution by saying a few things. Our country has survived a very tricklous early year. Many of us did not think that this economy will appear having any rays of hope by this time this year. But we have had luck and even the Minister for Finance is aware that he looked like the rope was around his neck much earlier than now. There is a chance and a hope, but it is critical for us - and I will never tire of saying this - to know how collective our responsibility is, to do what is best for this country, without seeking to apportion political benefit for it. It is incumbent upon the entire political class to seek methods of reviving the productive industrial sector. We should seek methods of protecting the domestic creators of jobs from the massive beating they are receiving from foreign imports. Liberalisations is not a panacea for economic problems. Liberalisation must be managed. We cannot afford to just let it run wild. The continued conversion of Kenya into a supermarket of South African tomatoes is not justifiable in any form of development thinking.

It is incumbent upon the Government to lead the way, not because the World Bank and the IMF wants it, but because it is right for this country. We cannot blindly acquiesce to conditions that are hurting the creation of employment in our country. We cannot celebrate new foreign investment at a time when it is also manufacturing an under-class. Those are the grave decoys of democracy. If you want democracy in this country, we have to deal with the problem of the unemployed. We are not going to deal with it by blind liberalisation.

With those few remarks, I beg to support.

**Mr. Sambu:** Ahsante sana, Bw. Naibu Spika wa Muda, kwa kunipatia nafasi hii niseme machache kuhusu ruzuku hizi ambazo tutatoa leo na kesho kwa Serikali hii ili itumie kwa kutoa huduma kwa wananchi.

Kabla ya Bunge kutoa ruzuku hizi kwa Wizara ili itekeleze huduma, lazima kodi au mapato ya Serikali kukusanywa. Vile Serikali inakusanya kodi kwa wakati huu inasikitisha. Kuna huzuni na roho zetu zinasononeka sana kwa sababu tutatoa K£5 bilioni zilizotokana na kodi mbali mbali, na watu wengi wamekwepa kulipa kodi hizo. Watu wengi wa Kenya wanakwepa kulipa kodi. Mimi nashindwa ikiwa Serikali yetu haina macho kuona kwamba watu wanakwepa kulipa kodi. Sukari itatokaje Mombasa kuja kuuzwa Nairobi, Nakuru, Eldoret ama Kisumu bila ya kulipiwa kodi yoyote? Pesa zinzohusika sio mamilioni bali ni mabilioni! Wale wanaohusika, kwa sababu wako hapa hapa, wajiulize ni kwa nini hawatekelezi wajibu wao. Ni kwa sababu wanahusika ama hawaoni kwamba mambo haya yanatendeka? Kama tungekusanya kodi zote, huduma ambazo tungetoa kwa watu wa Kenya zingeongezeka maradufu. Watu wetu wangeona kwamba ile kodi ambayo wanalipa inawafanyia kazi. Lakini nyingi za kodi hazilipwi. Tumesema mambo ya sukari. Mambo ya petroli ambayo ndugu yetu amesema hapa ni wazi. Ikiwa Waziri anakana petroli inatolewa Eldoret na kuuzwa humu humu ndani bila kodi angejuliza swali moja: Mbona makampuni ya petroli yanawafukuza wale ambao wanasimamia stesheni zao? Wanafukuzwa kwa sababu hawauzi mafuta ya kampuni.

Wanafukuzwa kwa sababu sasa hawauzi mafuta ya kampuni kama Total, Agip na Shell. Sasa wanauza yle mafuta kupitia njia za panya. Hata sasa hii wamesema wanaweka rangi fulani kwa petroli na hata diseli inayokwenda Uganda. Lakini utakuta petroli katika masoko madogo madogo ikiuzwa ikiwa na rangi ile ile ya mafuta ya kupeleka nje ya Kenya. Kama wanataka kutengeneza jambo la kuokota kodi ya petroli kutoka kile kituo cha Eldoret, pengine magari yanayokwenda Uganda yafungiwe. Yakusanywe yote haya hata yakiwa ni kumi, halafu hasidikizwe polisi. Ikifika Malava pengine mnaweza kuzipata hizo pesa zenyu. La sivyo, inaonekana wazi. Wenye stesheni za petroli hizo sio watu wadogo. Ni majabali wenyewe. Kwa hivyo, hata askari yule mdogo akiona yule mtu anatemeka.

Hizi huduma tunapatiwa kutokana na pesa tunazookota kutoka kwa watu wetu ni mbaya sana. Wale

wanolipa ni wale watu wadogo. Majabali hao hawalipi. Lakini sasa huduma gani zipo? Ukisafiri kutoka hapa Nairobi kwenda Eldoret, gari linatetemeka kutoka hapa. Juzi sehemu ya Limuru ilirekebishwa. Lakini ukitoka Limuru kuelekea Nakuru gari likipita juu ya ile lami inaonekana kama tetemeko la ardhi limetokea kwa sababu ile lami ilikwisha kitambo. Kutoka Nakuru mpaka Eldoret hali ni hiyo hiyo. Kwanza ukifika sehemu moja ya Timboroa ukiyaona yale mashimo utafikiri mtu amechimba kutafuta madini kule ndani. Ile si barabara. Ajabu moja ni hii. Barabara kutoka Eldoret mpaka Timboroa ilitengenezwa na kampuni moja ya Ujerumani. Ile kampuni ya Ujerumani ilifanya kazi madhubuti sana. Barabara hiyo bado ni sawa kabisa. Pengine muda wa miaka minne baadaye, barabara kutoka Timboroa mpaka Makutano ikatengenezwa na kampuni nyingine ya hapa Kenya. Hii ni aibu sana kwa sababu walilipwa kwa kila kilomita. Lakini ile barabara ilitengenezwa na kampuni ya hapa nchini ina craters siyo mashimo. Ajabu ni kwamba kampuni zetu ndizo zinazotunyanya. Sijui kwa nini contractors wetu wanapewa kazi. Kama wao wanonaona kwamba kazi yao ni kuwanyonya watu wetu basi tuwaite wageni watutengenezee. Kwa mfano waichukue hiyo kampuni iliyotengeneza barabara ya kutoka Eldoret mpaka Timboroa. Ile barabara bado iko timamu licha ya kuwekwa ratili nyingi kupita kiasi. Kama tunataka ukweli hizi daraja tuziweke kila mahali. Kampuni zote zenye malori makubwa ni heri zilazimishwe kuendesha magari yao juu ya daraja. Kama mzigo umezidi ule uzani unaotakikana, wateremshe.

Mapendeleo haya yataiangamiza nchi hii. Lakini utaona kwamba Mawaziri ambao wanatakiwa kutekeleza mipango ya maendeleo ndio wanaohusika na ile biashara. Wao wanahusika na biashara ya sukari. Wao ndio wanaohusika na biashara ya kusaga mahindi na unga wa ngano. Ukifika kwetu saa hizi mahindi yamejaa ndani ya ghala za nafaka. Nani atanunua yale mahindi ya mkulima wa Kenya? Nani atanunua ile sukari ambayo imejaa Mumias na Nzoia na kwingineko katika makampuni yetu kule Western Kenya? Wale wanaopewa kandarasi wanastaajabisha. Mmoja kule Manispaa ya Eldoret anayeitwa Kabuito, afadhali yule aliyosema mhe. Raila kwamba akitoka Kericho pengine akifika Kisumu, upande wa Kericho umebomoka kwa hivyo anarudia tena. Ile sehemu ya barabara ni kilomita mbili, ukifika mwisho yake utapata kwamba mwanzo umebomoka. Hii ni ajabu, analipwa Kshs.10 milioni kumi kwa kutengeneza kilomita moja. Kwa kilomita mbili za barabara ameshaweka Kshs20,000,000 ndani ya mfuko. Sijui huyu Kabuito alitoka wapi. Wale wanaohusika, na pole kwao kwa sababu wanakula jasho ya watu wa Kenya na kushirikiana na hao Wahindi walaghai--- Pesa za kurekebisha barabara zilizobomolewa na mvua ya *El Nino* zilikwenda wapi? Tunasikia nchi hii ilipewa msaada wa pesa za kurekebisha maporomoko yaliyoletwa na mvua ya *El Nino* na barabara bado ziko vile zilivyokuwa na tunasikia wadhamini wengi wameleta pesa chungu mzima. Pesa hizi ziko wapi?

Tumeambiwa kuna mpango unaoitwa "Roads 2000". Tunasikia wafadhili wameleta sehemu ya msaada wao. Tunaauliza: Hizi pesa za "Roads 2000" hasa zile zinazotakikana ziende katika Wilaya ya Nandi ziko wapi? Kule kwetu barabara hazipitiki tena kwa sababu tulipata mvua ya *El Nino* kisha mvua ya masika ikaja. Kandarasi zao ni mbovu. Badala ya kutia murrum wamejaza matope na sasa barabara hazipitiki. Tunataka mpango huu wa "Roads 2000" utekelezwe kule kwetu mara moja kwa sababu tunasikia pesa zimekuja kutoka kwa wafadhili. Pesa hizi nyingi zimetolewa kwa huduma za polisi na jeshi. Nikianza na huduma ya polisi, mbona tunataka polisi watekeleze kazi yao na huku, kwa sababu pengine ya manufaa yetu binafsi au nini, tunawanunulia vifaa ambavyo havifai? Juzi tu, katika Bunge la saba tuliona wamenunua gari za Mahindra. Ni aibu kwa sababu polisi wakienda na hilo gari ya Mahindra barabarani, engine yake ni ya 2000cc na inatumia mafuta ya diesel, kama mtambo wa kupiga maji. Gari hilo likipanda mlima linatoa moshi kama gari la moshi la zamani. Lile gari la Mahindra likifika mahali ambapo ajali imetokea barabarani, na wabebe maiti, miguu inaning'inia pale kwa sababu hilo gari ni futi nne na bei yake ni kama ile ya Land Rover. Tungeomba Bunge hili likitoa pesa hizi, wayaache mambo yao ya kibinafsi. Nchi hii inawapita nyinyi binafsi. Nchi hii inampita kila mtu hapa. Nchi hii itadumu siku zote. Wasitufanyie mambo ya aibu kwamba gari la polisi likibeba maiti, miguu inaning'inia nje. Hii ni aibu sana kwa sababu mtu amekula rushwa kidogo na akanunua vitu vya aibu.

Tumeona katika kitabu hiki, ukiona ruzuku zilizo hapa, nyingi zinaenda kwa jeshi. Lakini tunawalipa hawa vijana wengi wa jeshi letu wafanye nini? Wakae kwa kambi raha mstarehe? Watu wanakufa mpakani kule Wajir. Majangili kutoka kule wanawabeba wasichana wa watu na kuwaua wazazi wao. Wanawateka bibi za watu na kuwapeleka msituni. Na jeshi kule Wajir wanakaa kwa kambi huku wakilipwa mishahara minono. Siku hizi ukipita barabara utaona malori ya majeshi na Mercedes Benz zao na miaka-nenda- miaka rudi. Pengine kwa Development Funds ambazo jeshi imepewa wasinunulie magari mapya lakini tunataka wale wanaohusika wapeleke jeshi mipakani ili kuzuia mambo kama yale yaliyotokea kule Wajir.

Lakini yafaa wale wanaohusika wapeleke jeshi mipakani. Ni aibu kwa nchi ambayo imejitawala kwa miaka zaidi ya 30, kwamba adui anaweza kutoka nje au ndani na akaua watu zaidi ya 100 na kuteka binadamu. Hayo ni mambo yaliyokuwa mwanzoni mwa karne iliyopita. Wizara ya Mambo ya Nchi ya kigeni inapaswa kuzungumza na ile nchi jirani na yafaa, warejeshe balozi wetu hapa nchini kwa sababu kama wale waliotoka katika nchi ya Ethiopia watajua kwamba walifanya jambo baya sana. Kuua watu wengi kiasi hicho na kuteka

binadamu, na ni aibu sana.

Bw. Naibu Spika wa Muda, nikirejea humu nchini, hata hapa nyumbani hakuna usalama. Katika sehemu za Trans-Nzoia, hasa Kitale Mjini, vituo vya Kwanza, Chalita na Kolongolo, kuna wakati watu wanahisi kuwa na wasiwasi kwa sababu ya ukosefu wa usalama. Hivi majuzi, askari jeshi walitumwa kwenda kuokota zile bunduki haramu ambazo majangili walikuwa nazo. Hukuna hata bunduki moja iliyopatikana. Kwa sababu hakuna mtu atayekupatia bunduki ambayo anajua kazi yake. Tunakata jeshi lichukue hizo helikopta na Land Rover zao wafuate wale wanaokuja kuua watu na kuwanyag'anya silaha kule sehemu za kusini mwa Trans-Nzoia. Ni aibu kusema kwamba jeshi nzima la Kenya limeenda kule Trans-Nzoia na limeshindwa kukomesha ulaghai, unyang'anyi na uuaji unaotekelezwa na watu fulani.

Kila mwaka Wizara ya Kilimo, kama Wizara zingine, inapewa pesa na Serikali. Bunge hili linapitisha pesa na ni ajabu kwamba wale walioajiriwa kutekeleza kazi kule nyanjani hawaonekani. Zamani walikuwa wanavaa khaki ambazo nilisikia kwamba, juzi waliamrisha wazivae tena. Lakini wanavaa hizo khaki zao siku ya maonyesho, wakati wakubwa wanaokwenda kule, anachukua kile kifimbo na kuonyeshana vile wanavyofanya na mambo hayo yanaishia katika maonyesho ya kilimo. Kule nyanjani kwa wakulima, hawaonekani. Wakati wakulima wanataka kupandisha ng'ombe, kupitia njia ya mpira; AI, hakuna watu wanawaonyesha jinsi ya kufanya hayo. Pia wakati wakulima wanataka miche ya chai--- Kule kwangu, sehemu ya mpakani kati ya Mkoa wa Bonde la Ufa na Mkoa wa Magharibi, kuna sehemu kubwa ya kupanda chai, lakini maofisa hawako. Hawaonekani! Afisa wa chai haonekani, DO mwenyewe hayuko, kazi ya kupanda chai na kuonyesha watu jinsi ya kutayarisha nasari, kukata kutoka kwa mti wa chai uliokomaa na kuweka ndani ya tube, hakuna watu wa kuwapatia ujuzi wananchi na pesa wanapatiwa hapa Bungeni. Yafaa wajue kwamba, wakitaka nchi iendelee, lazima wakulima wazalishe mali. Nchi itaendelea kama inazalisha mali. Ikiwa nchi haizalishi mali, basi nchi hiyo itafika kikomo.

Kampuni ya Kenya Seed in kampuni ya umma. Siku hizi, yule mkubwa aliyepewa kazi hiyo, Bw. Tum, ameacha kazi ya umma na anatekeleza kazi ya siasa ya KANU. Sasa yuko nyanjani kama mwana youth wa KANU, akiwapinga Wabunge waliochaguliwa na wananchi na analipwa mshahara kutoka kwa mali ya umma. Yafaa ajue kwamba,

**[Mr. Sambu]**

anapozunguka na mali ya Kenya Seed, anazunguka na mali ya umma, wakati sisi hatupati mbegu ya mahindi wala sunflower na huku yeye anazunguka akisema kwamba mbegu inatolewa nchi za nje. Kama hatupati mbegu ya ngano, mahindi na ya sunflower, tutafanya nini? Kama mbegu itatoka Zimbabwe, tutainunua kwa sababu yeye anahusika na siasa ambazo hazifai. Tunataka mwelekezo na amri kutoka kwa Waziri tukipitisha pesa hizi na yafaa amweleze yule afisa wa kilimo kwamba yeye ni mfanyakazi ambaye ameajiriwa na umma; asijiingize katika siasa. Kama si hivyo, yafaa waachilie wafanyakazi wote walioajiriwa na umma waingilie siasa.

Bw. Naibu Spika wa Muda, kampuni ya Nyayo Tea Zone Corporation inafanya nini? Kila mwaka Bunge hili linawapatia pesa za Serikali na ukienda Mkoa wa Kati, shirika la Nyayo Tea Zone imeachiliwa ili itunze misitu. Sasa miti inakatwa na bangi kupandwa ndani yake. Na ni vivyo hivyo katika sehemu ya Nandi. Kwa miaka mitatu sasa, Nyayo Tea Zone Corporation inavuna chai katika eneo la Nandi, wamepata pesa kiasi Kshs122 milioni. Ardhi ile ni ya watu wa Nandi na ni Trust Land. Ninapendekeza ya kwamba Nyayo Tea Zone Corporation ivunjwe na mashamba yarejeshwa kwa wenyewe kwa sababu inatumiwa na wezi. Kama wanavuna chai, kwa nini pesa hazipelekewi kwa Serikali? Pesa kiasi cha Kshs122 milioni zilienda wapi? Yafaa hilo shirika livunjwe na mashamba yapewe county council ama kwa watu wa sehemu hizo.

Katika upande wa afya, zile kamati zilichaguliwa kusimamia pesa za hosipitali, yafaa zichaguliwe na raia kupitia sub-DDC na DDC, kwa sababu wanatumia mali ya umma kama ni yao.

Kuhusu elimu, makubaliano yaliyofanywa kati ya walimu na Serikali ni ya maana. Tunashukuru walimu kwa kurudi shuleni kwa sababu ya huruma kwa watoto. Lakini tunataka wakutane tena na kutengeneza mambo. Hatutaki kurejea kwa hali ya mgomo tena. Walio hapa ndio waliweka sahihi kwamba wameafikiana. Yafaa wafanye bajeti yao na kuelewana na walimu. Hatutaki kusikia tena mwaka ujao kwamba walimu wanagoma.

Bw. Naibu Spika wa Muda, kuhusu mambo yetu, kuna matatizo yanayohusiana na Wabunge. Yale marupurupu yanayolipwa Wabunge ya kusafiria, Kshs60,000, lazima tulipwe. Marupurupu ya mileage sharti yawe katika AA rates. Hakuna hata mmoja wa wakuu wa mashirika ya Serikali, asiyelipwa kwa AA rates. Wakubwa ni wale wa mashirika ya Serikali au ni Bunge hili? Mbona kila mara tukiuliza jambo yanayohusu Wabunge, tunanyanyaswa hapa? Tulichaguliwa na watu wetu kuwawakilisha hapa, sio kupatiwa amri na mtu yeyote. Amri tutakayoifuata ni ya Katiba na ya wale waliotuchagua.

Kwa hayo machache, nashukuru.

**Mr. Ndwigwa:** Thank you Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Bill. In supporting the Bill, I have confidence that the current Minister for Finance is taking note of what we



are saying. Because, some of the things we are saying are so serious that next year, he will have problems convincing us to pass this Bill.

Mr. Temporary Deputy Speaker, Sir, I wish to revisit the issue of the Nyayo Tea Zones raised by my colleague on the other side. The Minister himself comes from a tea growing area. Farmers who planted tea 10 years ago, are now earning their own bonuses and are alright. How can you justify to a Kenyan taxpayer, that the Nyayo Tea Zone Development Corporation which got money from the taxpayer 10 years ago, is to be subsidised by the same taxpayer 10 years later? This is stealing directly from the pockets of the taxpayer. I hope the Minister does not bring that thing into this House for as long as some of us are alive because, we will fight him tooth and nail. Right now, we will let that Vote pass, because we would like to give the Minister an opportunity to review some of these things.

Mr. Temporary Deputy Speaker, Sir, this Government would get more money and more mileage from the Nyayo Tea Zone Corporation, if they had been following what we have been saying in this House, that, they should give these farms to the locals of those areas. In fact, Treasury would get money directly if they listened to some of the proposals that we give. They would not have to dig deeper into the Exchequer funds to finance the Nyayo Tea Zones Corporation.

Mr. Temporary Deputy Speaker, Sir, most hon. Members have touched on the issue of security. There is no way you can improve an economy unless you have got the confidence of Kenyans. In the constituencies where we come from, particularly where I come from, farmers are now enjoying their tea bonuses. But I can assure you, they have no peace. At night, thugs are busy breaking their doors. They are doing this because they are confident that the Manyatta Police Station has no transport; not even one Land Rover. The other day I saw the OCS riding on the back of a bicycle going to the market. This is serious. We are passing this Bill because we are hoping that the people who are in charge of equipping our Police Force will use this money the way it is supposed to be used. I do not want to repeat what has been said, but if we do not have adequate transportation or equipment for the Police Force, we cannot pretend that all is well. You cannot ask those tea or sugar-cane farmers to go about their business when they are insecure.

Mr. Temporary Deputy Speaker, Sir, last year, the Minister for Finance promised us that he was going to remove the Presumptive Tax. How many times are you going to tax the same farmer? Now we are asking the Minister---

**The Assistant Minister for Finance** (Mr. Keah): On a point of information, Mr. Temporary Deputy Speaker, Sir.

**Mr. Ndwiwa:** Do not interrupt me. I want to finish. I have only a few minutes left. I am giving you ideas. This Presumptive Tax, really, must go. The farmer must be given an incentive to produce more. The problem with this Government is that, sometimes---

**The Assistant Minister for Finance** (Mr. Keah): On a point of information, Mr. Temporary Deputy Speaker, Sir.

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

**The Assistant Minister for Finance** (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Ndwiwa in order to mislead this House about the removal of Presumptive Tax, when in fact, the Minister removed it in his Budget Speech? There is no more Presumptive Tax.

**Mr. Ndwiwa:** Mr. Temporary Deputy Speaker, Sir, I am saying this because, I have my own slip of the current second payment of tea bonus and that tax is there. I wish the Minister would take note that, after that has been removed from the Budget, it does not appear in the farmers' next payment. I hope the Minister will undertake to do that, because it is happening. If that was not happening, I would not have made that allegation. If we give the farmers incentive, we are going to have a happy nation and the Minister will have enough money to give to more deserving areas.

Mr. Temporary Deputy Speaker, Sir, we have heard maize farmers complaining about the high cost of producing one bag of maize. Coffee farmers are getting between Kshs18 to Kshs25 per kilogramme. To produce that one kilogramme, it costs the farmer Kshs28, basically because the inputs are too expensive. That accounts for the drop in coffee production in the last three years. If the trend continues, there will not be enough foreign exchange for our financial requirements. I have noticed in this Bill that the Ministry of Agriculture has some money to assist it to regulate inputs. So, I really hope that something is going to be done. I also hope that the Minister for Agriculture will make a public announcement on the cost of these inputs. We want to know how much fertilizer is costing, so that we do not fall prey to the middlemen.

Mr. Temporary Deputy Speaker, Sir, as we pass this Bill and give the Minister money to spend, we would like him to justify why we are financing another animal called, the Water Pipeline Corporation. This Corporation

is of no use to this country. It is a money guzzler. The Corporation ought to give way to community-based water projects which attract donor support. Most of our municipalities cannot get donor financing because they are not water undertakers. This area must be addressed by the Ministry of Finance. We must stop financing the Water Pipeline Corporation. The Minister of Finance is aware that, when you are negotiating with donors, especially in the area of sewage development, no donor is going to give money for the development of the sewage system if you are not in charge of the entire water system. In other words, if you are not a water undertaker, you cannot get sewage financing from any donor. So, we are merely asking the Minister for Finance to put pressure on the Ministry of Water Resources to let go of this money guzzler called Water Pipeline Corporation. It is of no use to anybody. The municipalities can perform on their own. Let us liberalize---

**The Minister for Water Resources** (Mr. Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that a very important corporation which is serving this country faithfully and effectively, is of no use?

**Mr. Ndwiga:** Mr. Temporary Deputy Speaker, Sir, I sympathise with my friend, the Minister. He will learn politics in due course. While the Corporation was being set up, this is the only money that was available in his Ministry. So, what happened with the KPTC is not likely to happen, because we are in charge in this House.

**The Minister for Water Resources** (Mr. Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. I thought that a young man like this--- Nobody admires me, but I have discovered that my friend here admires me, because he likes mentioning my name all the time. Is he in order?

**Mr. Ndwiga:** Mr. Temporary Deputy Speaker, Sir, if my wife saw what I am supposed to be admiring, I think, she would divorce me tonight.

*(Laughter)*

Mr. Temporary Deputy Speaker, Sir, I was merely telling hon. Ng'eny that the Water Corporation is not the same as the KPTC. The Water Corporation has been a money guzzler. It has offered no services to the common people. This House has been rocked by Questions about this Corporation; how they do not treat their water, for example, in Embu and how they do not even service their pipelines, because the district offices have no money. All the money comes to Nairobi. Now, you can understand why it is being defended in that area. But we are saying that we want water systems in our municipalities to be privatised. But we are saying that we want the water systems in our municipalities to be privatised, so that they can run their water systems. This way, they will relieve the burden from the Exchequer, and let the people take that burden. But in doing so, we pay our water bills to the municipal councils. What sense does it make for the municipal councils to get water from somebody else? So, I do hope that the Minister for Finance will put pressure on my friends. You may have noticed that it is going to be defended vigorously from this House, but we are saying, when you come here next year telling us to fund a corporation that gets its money everyday and whose benefits the mwananchi does not see, you are going to be in trouble with this House. We really do hope that this will not happen.

Mr. Temporary Deputy Speaker, Sir, we have the area of Hotels Training Levy. Can the Minister justify this? Why are we financing some of these things? Today, to take a student to Kenya Utalii College, we are paying school fees. It is not like when this levy was introduced. At that time, we were sourcing students from the tourism industry to train them in tourism at the Kenya Utalii College and there was no expense. But today, we are paying fees at the Utalii College. How can you justify this now? We are paying fees to the college and you still want to tax us! This must stop. Kenya Utalii College must run on its own and this training levy must be abolished. It is not helping anybody; it is increasing costs to businesses and, therefore, you are not getting enough from areas where you should be generating funds. You look into it and you will find that if this levy business is scrapped, there will be more business, you will collect more taxes because then, people will consume more. The products will be less expensive and you will collect more money directly. I am saying that this tax must be scrapped because even where it is collected by some establishments, the money does not end up with the Exchequer. So, really, if you want to benefit more from this, remove it so that what you get directly from VAT will be increased.

Mr. Temporary Deputy Speaker, Sir, having said that, I wish to touch very briefly on what is happening in my constituency. The Minister will realise that from next year, we will be getting much less from Embu and its environs, because most of the young people there are not productive at the moment because of illegal brews like *Cantata, Medusa, et cetera*.

Mr. Temporary Deputy Speaker, Sir, this House passed a Motion to ban these brews but they are so rampant and it is because of the corruption in the provincial administration. Even by the time that this House was passing the Motion on the banning of these brews, District Commissioners in certain areas were already saying: "No, this one is exempt and the other one is exempt". Unless this happens, you are not going to turn around the

economy of this country. That is, unless you use the human resource and if the human resources are not productive, nothing will happen. We wish to ask the Minister for Finance to--- I do not know whether he is going to put pressure on the Office of the President which is perhaps the most inefficient Ministry that we have got in this Government. I do not know how you are going to put pressure upstairs my friends but if this does not happen, you will find that Kenyans are not as productive as they should be, so that next year you will have fewer Kenyans to tax. Population will still have gone up but Kenyans will be drunk out there. They will not be productive.

Mr. Temporary Deputy Speaker, Sir, we have seen instances where young men in the last three weeks burnt down a whole school; a school which has produced prominent leaders in this country called Kevote High School. Why? Because the Ministry of Education and Human Resource Development is so politicised and corrupt, that you wonder why we do not get an expatriate as a Minister for this Ministry. This is because whoever gets there does not quite seem to understand what is ailing this Ministry. We have Provincial Directors of Education who do not understand what they are doing. Our schools are collapsing. The cost of education is going up but what do these fellows do? Their business is to transfer the headmaster who has made one school collapse to another. He causes chaos there and then what happens? Parents go up in arms and what happens? He is then transferred from that school to another one. He is moved from this province to the other one. For how long are we going to recycle these types of fellows? And it is happening and affecting each one of us in this House, regardless of where you come from because the Ministry of Education and Human Resource Development has not addressed itself to some of these things. And the most corrupt of those headmasters are not called headmasters anymore. They are called senior principals. How these fellows are promoted, you can only guess. How they get promoted, I will leave that to the House to guess.

With those few remarks, I beg to support.

**The Assistant Minister for Finance** (Mr. Keah): Thank you, Mr. Temporary Deputy Speaker, Sir. I know I have only a minute but I can continue tomorrow. I stand to support this Appropriation Bill and in supporting it, I know it does give legal effect to the monies that we have been approving since Budget Day; that is, the funds that we have been debating here through the Vote On Account, the Committee of Supply *et cetera*. So, this Appropriation Bill gives legal effect for us to withdraw funds from the Consolidated Fund for spending by the Ministries and Departments. Because we have therefore deliberated at length, I want to make a few observations of a general nature but before we spend, we obviously have to raise the revenues. Now, we must, therefore, endeavour to raise as much revenue as we can.

Mr. Temporary Deputy Speaker, Sir, my point here is that, time has come for the developing countries and our country Kenya in particular, to strive to be self-sufficient and get away from donor dependence.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Imanyara): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow Wednesday, 11th November, at 9.00 a.m.

The House rose at 6.30 p.m.