

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Thursday, 4th November, 1999

The House met at 2.30 p.m.

*[Mr. Speaker in Chair]*

PRAYERS

## ORAL ANSWERS TO QUESTIONS

*Question No.414*

SCRAPPING OF SWAHILI/ARAB/  
BAJUNI ELDERS COMMITTEE

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

(a) whether he is aware that the Government appointed a Committee of Swahili, Arab and Bajuni elders to deal with passports, birth certificates, police and education issues and that the same was scrapped without any reason;

(b) why the Committee was scrapped off; and,

(c) what action he is taking to ensure that the same Committee is re-appointed.

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

(a) I am not aware of the appointment of a Committee on passports and birth certificates anywhere, in the Coast Region.

(b) Mr. Speaker, Sir, arising from my answer to part "a" above, parts "b" and "c" does not arise.

**Mr. Maitha:** Mr. Speaker, Sir, I represent people in my constituency who are Swahilis, and the Swahilis are also considered to be Arabs. In 1969, when the His Excellency the President was the then Minister for Home Affairs; under which the migration docket was, he was approached by the late hon. Gideon Ngala to appoint a committee to vet the Bajunis, the Somalis and the Arabs so that they can be given passports and other documents.

When we were in Mombasa recently, the Minister of State---

**Mr. Speaker:** Order! Mr. Maitha, if you want to debate that issue, bring a Motion! It is Question Time!

**Mr. Maitha:** Mr. Speaker, Sir, my question is that, the Committee had been there until 1970 when it was dissolved. Why is the Assistant Minister denying now that the Committee has never been there, when even the Minister of State, Office of the President, Maj. Madoka, was there when we discussed this matter with the President in Mombasa recently?

**Mr. Samoei:** Mr. Speaker, Sir, the Committee that I am aware of and which is in place, is the Committee that vets those to be issued with identity cards. We do not have a committee vetting those that are seeking passports and birth certificates. If that is what the hon. Member is saying, then that is a different story. However, occasionally, before issuing passports, the Government consults elders from different communities for purposes of clarification. These consultations are done on an individual basis and those elders do not constitute anything like a committee.

**Mr. Maitha:** Mr. Speaker, Sir, the question of complexion of skin in Mombasa has become a problem. Could the Assistant Minister assure this House that, while accepting that we have very many tribes known as Swahilis, he is going to appoint a committee which will consist of representatives from all those tribes to make sure that the Government is advised on the proper identification of these people to be given identification documents?

**Mr. Samoei:** Mr. Speaker, Sir, the machinery which we already have in place is satisfactory and it gives that service to our satisfaction. I cannot promise that we are going to appoint any committee because the mechanism that we have already in place serves us well.

*Question No.404*

## PAYMENT OF UNION DUES BY POLICE OFFICERS

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

- (a) whether he is aware that police officers are deducted Kshs50.00 per month from their salaries as union dues;
- (b) which trade union the police officers subscribe to and when it was formed; and,
- (c) whether he could urgently stop these illegal deductions and refund to the officers all the monies previously deducted.

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

(a) I am aware that there are deductions of Kshs50 per month from their salaries and this is indicated as "union dues" on officers payslips. This deduction is not for trade union purposes, but a contribution to the Kenya Police Medical Fund which is a welfare fund for police officers.

(b) The police do not belong to any trade union. Therefore, "c" does not arise.

**Mr. Wanjala:** Mr. Speaker, Sir, according to the International Labour Organisation Convention No.87, it states that: "There shall be freedom of association by individuals as workers or groups of workers in their desire to better their terms and conditions of service." In addition, the Kenya Constitution, Section 80 also emphasizes that Kenyans are also free to join any association for the protection of their interests. Which trade union do the police officers subscribe to?

**Mr. Speaker:** Mr. Wanjala, the Assistant Minister has just told the House that police officers do not belong to any union. Why do you want him to repeat contrary to the Standing Orders?

**Mr. Anyona:** Mr. Speaker, Sir, it is true that under our laws, the members of the Armed Forces are not expected to be members of trade unions. Be that as it may, when this Question came up last time when we were dealing with the Question of the Kenya Civil Servants Union; hon. Sifuna did make an allegation that they were deducting Kshs50 from the police officers as union dues to the Civil Servants Union. I did actually see copies of the payslips which indicate that. How can you call a pension fund, union dues? There is a difference between a fund and a union. What are you talking about?

**Mr. Samoei:** Mr. Speaker, Sir, while I accept that there is a mix-up in the computer codes used in the deductions of this Kshs50; I want to confirm to this House that the money deducted as union dues is just a computer code. I have instructed the Commissioner of Police to use an appropriate code.

**Mr. Wanjala:** Mr. Speaker, Sir, when you look at the payslips, there is an item called "health computer" for which they are deducting Kshs120 from the police officers. Do police officers belong to two medical unions?

**Mr. Samoei:** Mr. Speaker, Sir, the Kshs50 deducted from the dues to police officers is not for medical fund; this is a welfare fund. The Commissioner of Police initiated the Kenya Police Medical Fund in May, 1995, with a view of assisting police officers to offset medical bills, or meet funeral expenses, when the need arises. This is purely for the welfare of the contributors and it has nothing to do with a trade union, or a medical fund. That is the basis on which these deductions are made. These deductions are made for all police officers irrespective of their rank.

**Mr. Speaker:** Very well. Next Question, Ms. Karua?

*Question No.556*EXPENDITURE ON MWEA TRUSTLAND  
PRESIDENTIAL COMMITTEE

**Ms. Karua** asked the Minister of State, Office of the President:-

- (a) how much money was spent by the Presidential Commission enquiring into the Embu/Kirinyaga dispute over the Mwea Trustland;
- (b) if he could itemise the expenditure; and,
- (c) why the said report has not been made public and when the Government intends to publish it.

**The Minister of State, Office of the President** (Mr. Sunkuli): Mr. Speaker, Sir, I beg to reply.

(a) The investigation or inquiry spent Kshs470,000.

(b) I am unable to itemise the expenditure since it was incurred under "Confidential Expenditure" in accordance with Section 525 of the Government Financial Regulations and Procedures.

(c) The report has not been made public because the Kirinyaga/Miiriga-Kenda group filed their claim in court in 1981. The case is still pending before court and making the report public might be prejudicial. The Government intends to publish the report soon after the case is determined.

**Ms. Karua:** Mr. Speaker, Sir, the Minister knows very well that this probe was instituted when the case was still pending. He may wish to give the House the date of this probe. In his answer to "b", he said that he cannot itemise it because it is confidential. Government rules and procedures cannot supersede the law. Parliament is entitled to know. This is not anything that endangers the security of the State. It is not a military operation unless if this money went into individuals' pockets. I challenge the Minister to produce those Government rules and procedures here so that we see whether they actually can bar Parliament from scrutinising public expenditure?

**Mr. Speaker:** Well, I think the better question, perhaps, should be: "What is secret about probing a dispute between Embu and Kirinyaga?"

**Mr. Sunkuli:** Mr. Speaker, Sir, I do not know whether to answer your question or her question; but I can combine them. I just want to give the House the following information that, in fact, this was not a commission. This was an investigation which was done by one person, namely; the late Justice Chesoni. The monies were provided for by Parliament. Actually the Kshs470,000 was taken from the Confidential Fund from here. The only thing I can find on the file is an indication that this was used from the "Confidential Fund". I am sorry that, even if the House pesters me a little more; I see nothing else on the record of this file. I just see that letter showing that, that money was utilised under the "Confidential Fund".

**Mr. Speaker:** You are therefore, saying that you have not been provided with an account as to how that money was spent, so that it makes the work of the House easy. Is that so?

**Mr. Sunkuli:** Yes, that is what I am saying, Mr. Speaker, Sir.

**Mr. Kibicho:** Mr. Speaker, Sir, can the Minister confirm or deny that they are refusing to publish this report because the finding was that the people of Kirinyaga must be settled on that land? Can he also confirm that this Commission was intended to please Mr. Philip Ndegwa and now that he is not there, Government is doing politics on this issue?

*(Laughter)*

**Mr. Sunkuli:** Mr. Speaker, Sir, I do not think anybody wants to do politics on this issue, three years before elections. I can confirm that, that is not what the report says. Unfortunately, the matter is in court. It is also unfortunate that the major finding in the report is that the matter should be settled in court.

**Ms. Karua:** Mr. Speaker, Sir, it is true this matter is in court. What this House should be explained by the hon. Minister is whether the President did not have the requisite advisory in commission that this matter was in court or why did we commit public money to use, knowing very well that the report was not necessary, and when the matter was pending in court? I am still pursuing the issue of the confidentiality. We will like to see those rules so that tomorrow, this House is not told something is not available because of Government rules and procedures.

**Mr. Sunkuli:** Mr. Speaker, Sir, the hon. Member has asked two questions. I have just said that the reason why I explained that this matter was provided for under the Confidential Fund is not because I have the records and that I want to keep them confidential, on the contrary, I actually said that I do not have any other records apart from the fact that the funds were provided under the Confidential Fund. I am sure that, as soon as the case is through, hon. Members will be at liberty to read the report.

**Mr. Anyona:** On a point of order, Mr. Speaker, Sir. The way I understand the question of confidential funds is that, they do not necessary divulge the functions for which the money is used. But being money that has been appropriated by this Parliament and is spent from the Consolidated Fund; clearly that money must be accounted for in the normal manner. In this particular case, we know that the function was to settle this dispute, so there is nothing confidential about it. Is the Minister saying that this money cannot be accounted for?

**Mr. Sunkuli:** Mr. Speaker, Sir, I think that to make hon. Members satisfied with this matter; I will consult with you because the monies used were from an account in Parliament, so that we see how the auditing can be done.

**Mr. Speaker:** I do not think there is really anything to consult me about because this Embu/Kirinyaga issue is not confidential. I think your problem is not your ability to give the information, it is your inability to

access that information. If the person who spent that money did not give you a breakdown on how he spent it, how will I help you?

**Mr. Sunkuli:** Mr. Speaker, Sir, it is because you are the head of Parliament.

**Mr. Speaker:** I suppose we are not getting anywhere here. Last question, Dr. Murungaru.

**Dr. Murungaru:** Mr. Speaker, Sir, now that it has come out clearly that, there appears to have been a breach of regulations by Government and, in the first place, there was nothing secret about this dispute between Kirinyaga and Embu. Secondly, the inquiry was instituted when the matter was already pending in court and the Government was aware of it. Could this Government, through the hon. Minister, apologise for committing a glaring mistake?

**Mr. Sunkuli:** Mr. Speaker, Sir, could the hon. Member kindly tell me which mistake we should apologise for?

**Dr. Murungaru:** Mr. Speaker, Sir, for instituting an inquiry on a matter already in court and coming to the House to tell us that, the Government cannot give us the report because the matter is *sub judice*.

**Mr. Sunkuli:** Mr. Speaker, Sir, we wish to apologise for not being able to provide the report when the case is in court.

**Mr. Speaker:** Next Question, Mr. Kombo.

#### *Question No.341*

#### RECOVERY OF OUTSTANDING VAT CLAIMS

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

(a) in view of the tough economic situation in the country if, he could give the House a breakdown of the estimated outstanding Value Added Tax claims, showing the principal amount, penalties and interest accrued;

(b) how much of this is recoverable; and,

(c) what strategy he has put in place to ensure recovery without precipitating the collapse of various enterprises and the consequential unemployment.

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

(a) The outstanding VAT as at 30th September, 1999 was Kshs8,865,631,895, which comprised the principal of Kshs3,949,227,911; default penalties of Kshs500,000 and additional tax, which is interest of Kshs4,917,903,984.

(b) The whole amount of the VAT outstanding is recoverable. But the amount which is not disputed is Kshs3,015,235,957.

(c) I wish to inform this House that, the Kenya Revenue Authority (KRA) is fully determined to collect these taxes. In this regard, the KRA has appealed to all taxpayers to pay up. However, the KRA is willing to negotiate a programme of payment with those who are in default, so that their burden might be eased. It should be remembered that VAT is collected from the public by the various institutions which are defaulting. There is no excuse whatsoever, for failure to pay. Timely payments will avert accumulation of VAT. This situation would preempt any closures of enterprises which would lead to loss of jobs.

**Mr. Kombo:** Mr. Speaker, Sir, that is, indeed, a very interesting answer. Out of Kshs8.8 billion, total VAT owed, only Kshs3 billion is not disputed. That means Kshs5.8 billion is disputed. Also, you can see that Kshs4.9 billion is interest which has been charged. This obviously distorts the books. When the Assistant Minister says that this amount is recoverable and Kshs5.8 is disputed, it is a contradiction. How is he going to recover the total amount, if already Kshs5.5 billion is in dispute?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, I think that is quite easy. The KRA is claiming over Kshs8.8 billion and it intends to recover this amount in full. There must have been a dispute. I think a dispute only suggests or implies that, the claimant might have called for a reduction or some change. But it does not establish that, the amounts are not payable, until the dispute is resolved. So, until that is resolved, the KRA is entitled and intends to recover the full amount due.

**Dr. Ochuodho:** Mr. Speaker, Sir, such defaulters are just as bad as debt defaulters. Considering the huge amount in question; Kshs8.8 billion, would the Government want to consider transparency as a tool to ensure that, those who have not paid tax pay? In that regard, could the Assistant Minister tell us the two highest defaulters?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, tax matters are extremely confidential and are covered by laws enacted by this House. To that extent, it is between the KRA and the individual. If on the other hand, it should

end up in court---

**Dr. Ochuodho:** On a point of order, Mr. Speaker, Sir. We have had this problem repeatedly in the case of debts. What section of the law prohibits the Minister from telling us that?

**Mr. Speaker:** Order! I thought he said under the VAT Act. Every hon. Member present here, has access to these books in front there. By the way, you are the ones who passed that law. You should not ask the Assistant Minister to read the section to you.

**Mr. Achola:** Mr. Speaker, Sir, could the Assistant Minister explain to the House the fact that, this Kshs3 billion outstanding was actually due to the former KPTC not paying the Corporation Tax? The former KPTC was the culprit.

**Mr. Arap-Kirui:** Mr. Speaker, Sir, with your indulgence, that seems to be a back-door approach, to the same question raised by the previous hon. Member. I do not wish to go into how much or who owes what, for the same reasons that I gave earlier.

**Mr. Speaker:** Final question, Mr. Shill.

**Mr. Shill:** Mr. Speaker, Sir, could the Assistant Minister confirm or deny that, people who default on VAT are highly connected in the Government?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, for the same reasons I gave earlier, I have absolutely no comment.

**Dr. Ochuodho:** Mr. Speaker, Sir, I would like to assure the Government and the Chair that I certainly was not one of those hon. Members who passed the VAT Act. However, could the Government consider bringing an amendment to that particular Act? The Opposition side can assure the Government that we will support that amendment when it is brought to the House.

**Mr. Speaker:** Mr. Arap-Kirui, would you accede to that?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, I did not get him well. What amendment is he talking about?

**Mr. Speaker:** I can explain: The hon. Member and others would like to know the identity of these defaulters. But you know you are barred by law from disclosing that. So, he would like to know whether you would be kind enough to bring an amendment to that Act that bars you, so that we as a House, can give you the authority to disclose fully, all those fellows?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, I think, we first need to be convinced that it would be useful to bring such an amendment.

**Mr. Shill:** On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to evade my question. I would like him to confirm or deny whether the defaulters are people who have high political connections?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, I think, we are dealing with a very amorphous question here. Who exactly do we refer to when we talk of "the highly, politically, connected people?" Could he give me a list? Maybe, from that, I could be able to say, yes or no.

**Mr. Speaker:** Very well! Since Mr. Shill is unable to answer his own question, we will proceed to the next Question.

*Question No.490*

DEVELOPMENT PROJECTS IN MASENO/  
KOMBEWA DIVISIONS

**Mr. Ayoki** asked the Minister for Planning:-

- (a) how much money was allocated for development projects in Maseno/Kombewa divisions, Kisumu District, in the last three years; 1996 to 1998, and;
- (b) if he could list the projects which were funded and completed in the said period, giving the cost of each.

**The Minister for Planning (Mr. Ndambuki):** Mr. Speaker, Sir, I beg to reply.

(a) The Government has since 1996 up to 1998, through various Ministries and agencies, allocated Kisumu District with the following funds for several projects:-

| Financial Year | Amount    |
|----------------|-----------|
| 1996/1997      | K£869,390 |
| 1997/1998      | K£836,700 |

1998/1999

K£681,172

The specific amounts allocated to specifically, Maseno/Kombewa divisions can be sourced from various implementing Ministries.

(b) The projects funded and their costs are in the attached schedule. The formulation and implementation development project lies with various Ministries where further information may be obtained.

Mr. Speaker, Sir, I have quite a number of projects, I do not know whether I should read all of them.

**Mr. Speaker:** Lay them on the Table!

*(Mr. Ndambuki laid the document on the Table)*

**Mr. Ayoki:** Mr. Speaker, Sir, while I thank the Minister for giving an elaborate answer, I would like to say that, first of all, his reply is based on the money allocated to Kisumu District, whereas I asked about money allocated to divisions in Kisumu Rural Constituency.

Mr. Speaker, Sir, his reply is based on budgetary estimates allocated to Kisumu District and maybe, some various divisions in Kisumu. To be specific, could the Minister tell the House when the Kisumu Rural Water Project will be completed, so that it could serve areas which are badly hit by lack of water?

**Mr. Ndambuki:** Mr. Speaker, Sir, I have a list of specific projects, which covers Maseno/Kombewa divisions. They are more than 12, and if you allow me, I could read them out or lay it on the Table.

**Mr. Speaker:** Lay it on the Table!

*(Mr. Ndambuki laid the document on the Table)*

**Mr. Ndambuki:** Mr. Speaker, Sir, the Kisumu Rural Water Project, which he has asked about was started in 1996 and the budget is K£71,120,000. In the 1997/98 financial year, they used K£121,820 and in the 1998/99 financial year, K£102,673 was used. It is an on-going project.

**Prof. Anyang'-Nyong'o:** Mr. Speaker, Sir, could the Minister clarify whether what he is talking about is the Maseno/Kombewa Water Project Phase [Prof. Anyang'-Nyong'o] II or the Kisumu Rural Water Project? If less than K£1 million has been spent, and the amount budgeted for is K£71 million, when is the Ministry intending to exhaust the budget, so as to complete that particular water project?

**Mr. Ndambuki:** Mr. Speaker, Sir, I was talking about the Kisumu District Water Project Phase II. The budget is K£71 million, and every year, there is an allocation. As I said, in 1997/98 financial year, there was K£121,820 which was allocated, and so on for the preceding years. This is an on-going project, but I can check and find out when it is due for completion.

**Mr. Achola:** Mr. Speaker, Sir, is the Minister satisfied that the projects have been successfully completed within the specified time?

*(Loud Consultations)*

**Mr. Ndambuki:** Mr. Speaker, Sir, I could not hear what the hon. Member asked.

**Mr. Speaker:** Order, hon. Members, you are consulting loudly. The Minister could not hear.

**Mr. Achola:** Mr. Speaker, Sir, the Minister was paying attention to Prof. Saitoti!

I would like to know if the Minister is satisfied that the projects he has just listed were successfully completed and those that have not been completed, will be completed within the specified time?

**Mr. Ndambuki:** Mr. Speaker, Sir, I was talking of the Kisumu District Water Project Phase II. As I said, there is an allocation to complete the project every year. But I cannot give the actual date of completion, because it would depend on the amounts allocated to the projects in the Budget. However, I could go and find out when they intend to complete them.

**Mr. Speaker:** Very well! Next Question!

*Question No.576*REHABILITATION OF BURA IRRIGATION  
SETTLEMENT PROJECT

**Mr. M.A. Galgalo** asked the Minister for Rural Development:-

(a) whether he is aware that the tenants of Bura Irrigation Settlement Project are suffering due to lack of water as well as foodstuff;

(b) if he is further aware that, as a result of the delay in rehabilitation of the project for the last ten years, as well as the *El Nino* storms, nearly all the tenants' houses have crumbled and most tenants are exposed with no shelter; and,

(c) what urgent measures he is taking in order to save the situation, particularly the rehabilitation of the project.

**The Minister for Rural Development** (Mr. M. Mohamed): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that farmers at Bura Irrigation Project have been experiencing problems with water and food.

(b) I am also aware that tenants' houses in the scheme have deteriorated over the years.

(c) In an effort to rehabilitate the scheme, the following measures have been taken:-

The Government installed and commissioned a new pump in July 1999 to provide water for irrigation and for domestic use. The Ministry has also rehabilitated the 50 kilometre main canal from Nanyuki pumping station to the head of Bura Irrigation Scheme.

In addition, the Government is providing 350 bags of maize per month, to be supplied as famine relief. The Government is also supporting the farmer's initiative to rehabilitate three distributary canals to supply water to various plots of the scheme, by providing 1,200 of maize per month to be used as "food for work" during the rehabilitation.

In an effort to make the Bura Irrigation Scheme sustainable, the Government undertook a study to assess the required intervention. The study identified pumping as the major constraint towards making the scheme sustainable. The study proposed the construction of a third-gravity intake, 27 kilometres upstream of the current intake. The new intake, once constructed, will provide water to both Hola and Bura.

**Mr. M.A. Galgalo:** Mr. Speaker, Sir, while I appreciate the reply given by the Minister, could he ensure that farmers in that scheme will be assisted to have shelter, school fees for their children and enough food to sustain them until the project is fully rehabilitated?

**Mr. M. Mohamed:** Mr. Speaker, Sir, as I said earlier, the Government is assisting the farmers by providing famine relief and "food for work." The rehabilitation is in progress. Recently, the Government has approached the Kuwait Government to fund a feasibility study on the rehabilitation of Bura Irrigation Scheme. But according to a study undertaken by Gibbs East Africa in 1997, the rehabilitation of Bura Irrigation Scheme is socially, economically and technically viable, through the construction of a gravity supply canal at Kola Kola.

**Dr. Omamo:** Mr. Speaker, Sir, does the Minister agree that the Bura Irrigation Project had all those problems because of the original faulty design which should not be repeated in any other river-fed irrigation scheme?

**Mr. M. Mohamed:** Mr. Speaker, Sir, I agree with the hon. Member that the project had serious design problems at the beginning. That is why we have requested for funds. Once we get the funding from Abadeer Bank and other financiers, we will make sure that, that kind of mistake will not be repeated again. The irrigation system will be gravity-driven.

**Mr. Kihoro:** Mr. Speaker, Sir, on the admission by the Minister that, there was an initial fault that occurred at the time of installing the Bura Irrigation Scheme, which was nearly 30 years ago - and that is why the farmers have become so impoverished - I take it that the Minister will investigate how he could assist the tenants, and put aside sufficient funds to help them? We need many irrigation projects in this country. Bura Irrigation Scheme should not really be an example!

**Mr. M. Mohamed:** Mr. Speaker, Sir, it is not easy to investigate a project which was designed 20 years ago. But what we will do is to make sure that, that kind of mistake is not repeated again.

**Mr. M.A. Galgalo:** Mr. Speaker, Sir, could the Minister consider setting aside funds that will assist the farmers whose houses have deteriorated, because the project cannot assist them now? At the same time, the current famine food supply is not enough for the population there. Could he consider increasing food-stuffs to those people?

**Mr. M. Mohamed:** Mr. Speaker, Sir, the question of housing is a big problem. This is because the houses were supposed to be taken care of by the farmers themselves. But because of the failure of the project, the farmers were unable to maintain their houses. I do not think the Government will maintain the houses. But we will make sure that those farmers are provided with enough food.

**Mr. Angwenyi:** On a point of order, Mr. Speaker, Sir. Could we show our appreciation for hearing an answer from this Minister for the first time this Session?

*(Applause)*

**Mr. Speaker:** Order! Mr. Angwenyi, we do not do it that way. There is no provision in our Standing Orders for you to incite the House to applaud! But you can do that on your own initiative, by foot-thumping there!

*(Applause)*

*Question No.402*

IMPLEMENTATION OF WATER PROJECTS IN RONGO

**Mr. Ochilo-Ayacko** asked the Minister for Water Development:-

(a) whether he could give a list of water projects initiated by the Ministry in Rongo Constituency; and,

(b) how many people have benefitted from the said projects.

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Speaker, Sir, I beg to reply.

(a) I wish to table a list of nine water supply projects that were initiated and completed by the Government through the Ministry of Environment and Natural Resources, in Rongo Constituency. The list also contains an additional 100 water projects which were established by the Government, in collaboration with the NGOs and the local community.

(b) An estimated total number of 50,260 people have benefitted from all the water supply projects in the Constituency.

*(Mr. arap Ng'eny laid the list on the Table)*

**Mr. Ochilo-Ayacko:** Mr. Speaker, Sir, in the list that the Minister has tabled, it is obvious that Awendo Trading Centre, which is the divisional headquarters of Awendo Division, has not benefitted from water supplied by the Government. What is the Ministry doing to quench the thirst of the 30,000 people, who live at Awendo Trading Centre?

**Mr. arap Ng'eny:** Mr. Speaker, Sir, I am aware that Awendo is poorly supplied with water as of now. The Ministry is giving Awendo a high priority in the next development plan, to ensure that water is available.

**Mr. Ochilo-Ayacko:** Mr. Speaker, Sir, out of the list that has been tabled by the Minister, the people who have benefitted from the water are associated with institutions. What is the Ministry doing to ascertain that smaller markets like Dede, Rakwaro and Wiobiero also benefit from the water provided by the Government?

**Mr. arap Ng'eny:** Mr. Speaker, Sir, Rongo Constituency, just like any other constituency in the country, will continue to benefit from any Government development plan as far as water is concerned. Even some small communities in the country are also going to benefit from such development plans. The Ministry is also planning to implement various water projects within Rongo Constituency now and in the future.



*Question No.419*LAND SUBDIVISION BY DIRECTORS OF  
DEFUNCT THOME FARMERS COMPANY

**Mr. Speaker:** Mr. Kiunjuri is not here? That Question will be dropped.

*(Question dropped)*

**QUESTIONS BY PRIVATE NOTICE**TEACHING OF FRENCH IN CARDINAL  
OTUNGA GIRLS SCHOOL

**(Mr. Wamunyinyi)** to ask the Minister for Education:-

(a) Is the Minister aware that students of Cardinal Otunga Girls High School, Kibabii, have not learnt French for the past four weeks?

(b) What steps is the Minister taking to assist these students?

**Mr. Speaker:** Question No.1 by Private Notice will be deferred.

*(Question deferred)*

CLOSURE OF SCHOOLS IN MBALAMBALLA  
AND BURA LOCATIONS

**Mr. M.A. Galgallo:** Mr. Speaker, Sir, I beg to ask the Minister for Education the following Question by Private Notice.

(a) Is the Minister aware that schools in Mbalamballa and Bura Locations have remained closed since 1992 due to insecurity?

(b) Is he further aware that parents and leaders have pleaded for the re-opening of these schools to no avail?

(c) When will the Ministry open these schools, now that peace and tranquillity have returned to the area?

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

(a) I am aware that because of the insecurity problem caused by bandit incursions some 13 primary schools were closed in the most affected areas like Mbalamballa and Bura Locations between 1991 and 1997. However, following improved security, of the 13 closed primary schools, Merti, Bilbil and Olosorea re-opened in January, 1999, while Munajo re-opened in September, 1999. Gonoramaga and Matagatha will re-open in January, 2000.

(b) I am aware that the security situation has to be monitored. However, Mbalamballa, Rugo, Sala, Supo, Korakisaga and Tarimi are in areas which are still under the review of the District Security Committee.

(c) Four of the schools have already been re-opened and two are due to be re-opened in January, 2000. My Ministry will re-open the remaining schools upon the recommendations of the DDC and the DEB; that the security situation has adequately improved.

**Mr. M.A. Galgallo:** Mr. Speaker, Sir, I wish to correct the impression created here that this Question is about Mbalamballa and Bura Locations. It is supposed to be Bura Location. However, arising from the reply by the Assistant Minister, since the security situation has stabilized because of the deployment of the Army in that area, could the Assistant Minister, as a matter of urgency, consider re-opening those two schools in Mbalamballa by January 2000?

**Dr. Wamukhoya:** Mr. Speaker, Sir, the DEB met on 13th September and the DOs from the seven divisions attended the meeting and an appraisal was made and it was agreed that the remaining schools should not re-open because of the existing incursions.

**Mr. M.A. Galgallo:** On a point of order, Mr. Speaker, Sir. We have not had any bandit incursion for the whole of 1999. Is the Assistant Minister not misleading the House by saying that there had been incursions? Is he also aware that children in those areas do not go to school because the nearest school to them is 100 kilometres

away? So, could he, as a matter of urgency, consider re-opening these schools without waiting for the DEB recommendations?

**Dr. Wamukhoya:** Mr. Speaker, Sir, one of the reasons why these children are not able to go to these schools is because parents also moved away to safer places because of security reasons. This morning, I was on telephone twice with the DEO, Hola, and he assured me that after the meeting of 13th September, 1999, they thought that they should review the matter before they can decide to re-open these schools.

**Dr. Ali:** Mr. Speaker, Sir, the hon. Assistant Minister is misleading the House because Hola is 200 miles away from Mbalamballa. Whether you talked with the DEO or not, that is meaningless because he cannot travel there!

**Dr. Wamukhoya:** Mr. Speaker, Sir, I have said that the meeting which was held on 13th September, 1999, was attended by DOs from all over the district. So, the information that was given to the DEB is current because it covered every part of Tana River District.

**Mr. Sambu:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister not misleading the House? He has accepted the fact that there have been no incursions for the whole of 1999. How can the parents of those children be running away from their homes when there are no incursions?

**Dr. Wamukhoya:** Mr. Speaker, Sir, I am not misleading the House. What the hon. Member from the area is saying that there were no incursions is different from the information I have from the ground. I am basing my argument on that information that the schools cannot re-open because there is still insecurity in the remaining parts of the district.

#### REHABILITATION OF MUSINGINI BOREHOLE

**Col. Kiluta:** Mr. Speaker, Sir, I beg to ask the Minister for Water Development the following Question by Private Notice.

- (a) Is the Minister aware that the borehole at Musingini in Kangonde Location is not operational?
- (b) Is he also aware that, as a result, people from this area have to travel long distances in search of water?
- (c) What action is the Minister taking to ensure that this borehole is repaired and put into use?

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Speaker, Sir, I have consulted with hon. Col. Kiluta and we have agreed that the Question should be re-directed to the appropriate Ministry.

**Mr. Speaker:** Which one is the appropriate Ministry?

**The Minister for Water Development** (Mr. arap Ng'eny): The Ministry of Local Government.

**Col. Kiluta:** Mr. Speaker, Sir, this borehole is managed by the County Council of Machakos. I think it is right that it should be re-directed to the Ministry of Local Government.

**Mr. Speaker:** I will defer the Question and you will have to see the Clerk so that the Question is re-drafted to bring out that part of the County Council being involved. From there, we will re-direct it to the Ministry of Local Government so that they do not also send it back and say they have nothing to do with boreholes.

*(Question deferred)*

#### PAYMENT OF ALLOWANCES TO HOMA-BAY/RACHUONYO COUNCILLORS

**Dr. Ochuodho:** Mr. Speaker, Sir, I beg to ask the Minister for Local Government the following Question by Private Notice.

- (a) Is the Minister aware that some councillors in Homa-Bay and Rachuonyo districts have not received their allowances for more than one year?
- (b) When will the affected councillors be paid their allowances to facilitate them execute their duties effectively?

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

(a) Yes, I am aware.

(b) The Ministry has instructed all local authorities including those in Homa-Bay and Rachuonyo districts to ensure that councillors allowances are paid so as to facilitate them execute their duties efficiently and

effectively.

**Dr. Ochuodho:** Mr. Speaker, Sir, you heard the Assistant Minister's very own words that he is, indeed, aware that councillors in Homa-Bay District have not been paid for 15 months and those in Rachuonyo District for 19 months. That is almost ever since we were elected. Did the Assistant Minister have to wait for this Question to come here in order to issue a directive? In any case, what is the point of issuing a directive when he knows very well that those councils do not have money and that is the reason they have not paid their councillors? Where will they now get the money from?

**Mr. Affey:** Mr. Speaker, Sir, Homa-Bay District has two local authorities, namely, Homa-Bay County Council and Homa-Bay Municipal Council. Rachuonyo District has Rachuonyo County Council, Kendu-Bay Town Council and Oyugis Town Council. They share among them a total of 97 councillors. The main source of revenue where money can be raised to pay councillor's allowances is drawn from the following: cess derived from landing of fish caught from the lake and revenue raised from the annual trade licences. The revenue raised from this source is insufficient to meet the allowances for councillors and payment of staff salaries. Currently, there are local authorities which are not capable of paying councillors and staff allowances and salaries respectively. One of the main reasons for this kind of situation is that some of these local authorities in the country were created without taking into consideration the factor of revenue base. Therefore, the source of funds to pay the allowances of councillors and staff under them and for other services they were created to provide depends on a policy decision to be taken by the Government soon. Hopefully, this policy decision will be formulated during the current Public Sector Reform Programme.

Thank you.

**Mr. Ndilinge:** Mr. Speaker, Sir, is the Assistant Minister aware that this question of councillors not being paid does not affect Homa-Bay and Rachuonyo districts alone? As we now talk here, Makeni County Council councillors have gone without pay for months. Is he now aware that this problem is affecting all the councillors in this country? This is because of the rules---

**Mr. Speaker:** Order! Mr. Ndilinge, you are becoming too winding. If you see the clock, it is almost time up.

**Mr. Ndilinge:** Mr. Speaker, Sir, if the Assistant Minister knows that most of the councillors are going without pay, can he tell us whether there is a way his Ministry will try to ensure that they are paid?

**Mr. Affey:** Mr. Speaker, Sir, it is not the responsibility of the Central Government to pay the allowances and salaries for councillors. However, we are advising councils all over the country to make sure that they raise enough revenue to pay the councillors' allowances.

**Dr. Ochuodho:** Mr. Speaker, Sir, if I was a lawyer, the first institution that I would take to court is this Government. Things that we have passed in this House remain neglected and ignored. You heard the Assistant Minister say that the Government is in the process of formulating a policy regarding the councillors allowances. Who is the ultimate authority; Government or Parliament? Parliament passed a Motion here that councillors should be paid from the Local Authority Transfer Fund (LATF). Why is this Assistant Minister not effecting that resolution in Homa-Bay, Kendu-Bay and other places?

**Mr. Affey:** Mr. Speaker, Sir, that is according to the Member's views. This House passed a resolution moved by one of the Members. That was a resolution of the House. However, the resolution was based on the funds that might be disbursed in January. There is an Act of Parliament that regulates that particular Fund and I am sorry that we cannot be able to use that particular money to pay the allowances.

**Mr. Speaker:** Time up. Next Order!

## POINTS OF ORDER

### MINISTERIAL STATEMENTS ON REPATRIATION OF KENYAN REFUGEES

**Dr. Ali:** On a point of order, Mr. Speaker, Sir. I stand here to seek a Ministerial Statement from the Office of the President concerning the issue of Kenyan refugees returning from Ethiopia where they have been languishing under very difficult circumstances since 1992. I would like to ask why they were not allowed back to the country and instead left stranded in the "no man's land"? The former Minister for Foreign Affairs, hon. Musyoka, accepted one time that there were Kenyan refugees in Ethiopia and now the Government is refusing to allow them back. So, I would like to get a Ministerial Statement concerning that issue.

Thank you.

**Mr. Speaker:** Mr. Madoka, are you ready with that now?

**The Minister of State, Office of the President** (Maj. Madoka): Mr. Speaker, Sir, I will make a Ministerial Statement on Thursday next week.

**Mr. Speaker:** Very well. Mr. Murungi. Everybody should make their requests very briefly.

#### TRANSFER OF TARDA ASSETS TO KENGEN

**Mr. Murungi:** On a point of order, Mr. Speaker, Sir. I stand to remind the Minister for Rural Development, through the Chair, that he owes this House a Ministerial Statement on the transfer of the assets of TARDA to KenGen. He had promised to give this statement on a Tuesday, I think, two months ago. Can the Minister inform the House when this Ministerial Statement will be ready?

**The Minister for Rural Development** (Mr. M. Mohamed): Mr. Speaker, Sir, I gave the promise just one day before the House went on recess. The statement is ready and I will make it on Tuesday next week.

**Mr. Speaker:** Very well. Mr. Nderitu.

#### MINISTERIAL STATEMENT ON PAYMENT TO MWEA RICE FARMERS

**Mr. Nderitu:** On a point of order, Mr. Speaker, Sir. I would like to request for a Ministerial Statement from the Ministry of Agriculture. The Provincial Administration is interfering with the Ministry of Agriculture personnel. Yesterday, the DO, Mwea, came and asked the drivers who have replaced the Government drivers because of bad hunting and scouting to remove their vehicles from Mwea. Secondly, when is the Minister for Agriculture going to authorise payments to Mwea farmers who delivered their rice to National Irrigation Board (NIB) because all the rest have been paid and these are the ones remaining?

Thank you very much.

**Mr. Speaker:** Very well. Maj. Madoka, I thought there were two Ministers who wanted to make Ministerial Statements? Are you ready?

**The Minister of State, Office of the President** (Maj. Madoka): Yes.

**Mr. Speaker:** Dr. Anangwe, I thought you also promised that you will be ready? Can you stand up?

**The Minister for Medical Services** (Dr. Anangwe): Yes, Sir.

**Mr. Speaker:** Maj. Madoka, you will make your Ministerial Statement after Dr. Anangwe has made his.

#### MINISTERIAL STATEMENTS

##### DEATH OF MARGARET WAMBUI AT MAKUYU HEALTH CENTRE

**The Minister for Medical Services** (Dr. Anangwe): Mr. Speaker, Sir, hon. Kamande requested for a Ministerial Statement during Tuesday's sitting on 2nd November, 1999 on the incident at Makuyu Health Centre in respect of the late Margaret Wambui of Pundamilia Location. To refresh the memory of the hon. Members, Mr. John Wainaina took his late wife who was in labour to Makuyu Health Centre on 1st November at 2.00 a.m. The watchman refused them entry to the health centre ostensibly because she did not bring with her surgical gloves and a disinfectant. Mr. Wainaina and his late wife remained at the centre until 5.00 a.m. when she delivered a live, birth but still the watchman could not allow the bleeding mother and the baby in the health centre for first aid and assistance. Mr. Wainaina was obliged to take his wife to Thika General Hospital, a distance of 12 kilometres. The baby died on the way and the mother also died on arrival at Thika. Kenyans have been outraged rightly by the callousness of the watchman and the Government's equally disappointment at this incident. It has thus investigated the matter thoroughly and established that: (a) There were gloves at the centre and (b) There was no policy to require patients to bring gloves to the centre.

The Government is, therefore, convinced beyond reasonable doubt that the watchman and the nurse are capable professionally, and that they have exhibited severe misconduct. This is regrettable, distressing and indefensible. Consequently, the following measures have been taken. The watchman and the nurse on duty have been suspended as an initial stage in the disciplinary process that may culminate in their dismissal from the public service. Secondly, the nurse on duty that night will appear before the Disciplinary Committee of the Nursing Council with the possibility that the Council may deregister her for professional negligence. Thirdly, the Medical

Officer of Health in Maragwa District and the Clinical Officer at Makuyu Health Centre have been warned to improve on the administration of the centre.

Mr. Deputy Speaker, Sir, to ensure that incidents of this nature do not recur in the country, I have directed the Director of Medical Services to ensure that all health administrators in the provinces and districts make regular and impromptu visits to all health institutions in their areas of jurisdiction to monitor and improve the quality of health care, and to let them know that they will be held personally accountable for any dereliction of duty, if and when similar incidents occur in their areas of jurisdiction. In addition, all health institutions, both public and private, have been directed to ensure that there is free passage of the sick in need of services. Any conduct on the contrary will be viewed seriously and appropriate punitive action taken against those concerned in accordance with the law.

This incident notwithstanding, let me take this opportunity to re-assure the House that the bulk of the personnel in health institutions in the public sector are doing a commendable job. This is highly appreciated, and are encouraged to continue doing so. However, there are a few bad elements whose conduct is unprofessional and deplorable. The Ministry will do its utmost to ensure that these bad elements are weeded out to ensure that they do not mar the good image of the rest of those in the health sector.

**Mr. P.K. Mwangi:** Mr. Speaker, Sir, what the Minister has said is true on what happened yesterday. However, the people of Makuyu are demanding compensation from the Government of Kenya for what happened to the family of the late Margaret Wambui Wainaina.

**Mr. Speaker:** Very well, could Maj. Madoka give his Ministerial Statement?

#### MISSION AND OWNER OF TWO AEROPLANES

**The Minister of State, Office of the President (Maj. Madoka):** Mr. Speaker, Sir, yesterday, hon. Karume requested me to make a Ministerial Statement regarding a claim he made that there were aircraft which were flying around his home, which were threatening his family.

Mr. Speaker, Sir, at that particular time, there were many aircraft in the Kenyan airspace, and none of them had a route passing over his home. So, if the hon. Member can give us the registration numbers of those aircraft, I will be able to respond accordingly.

**Mr. Karume:** Mr. Speaker, Sir, I have always respected and regarded the Minister, who has just given that Statement, as an honest man. However, I will start doubting him from today.

[**Mr. Karume**]

Definitely, the two aircraft were there. They circled my home; my family and employees saw them. I would like to go back and check again with them. I have already made an inquiry into the matter. I was told that probably the aircraft were on a training session. The aircraft never landed on my house. I do not know why the training should be done over my home. If the Minister cannot discover the facts on his own, he should check them with me, because the matter is very serious.

**Maj. Madoka:** Mr. Deputy Speaker, Sir, I am being honest. That is the information that is available. If hon. Karume can give us the registration numbers of the aircraft, we may be able to help. If there were planes which were on a training session and were circling his house, let him tell me; I will be able to establish that. However, at the moment, we know that there were no aircraft on that route. Honestly, if the hon. Member can give us the registration numbers of the aircraft, certainly, we will look into the matter.

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

**Mr. Speaker:** Order! Order! Hon. Members, I think we are getting the wrong impression. When Ministers give Ministerial Statements, we suddenly turn them into Question Time. That is why hon. Members are very reluctant to put in Questions; they prefer seeking Ministerial Statements in lieu of asking Questions. So, may hon. Members understand very clearly that this is not extension of Question Time. If any hon. Member seeks a Ministerial Statement, I may allow him to seek clarification, and not ask questions.

**Mr. Karume:** Mr. Speaker, Sir, I cannot come here to pretend that some aircraft circled my home, because I stand to gain nothing by doing so. I would like the Minister to be kind enough, and check out the facts well. The aircraft were there. He may not know why the aircraft went there. However, it is not fair of him to ask me to give him the registration numbers of those aircraft. I am not talking about *matatus*; I am talking about aircraft. How can I know their registrations numbers?

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

**Mr. Speaker:** Order! Order! This may be very exciting. However, although the Chair does not get involved in all this, the Chair finds it extremely difficult to understand how an aircraft, unlike a car, can surround

a house, unless it is a general area. Anyway, Mr. Minister, you have heard the sentiments of the hon. Member. If he, indeed, he feels threatened, I advise you to get him and seriously consider his fears and address them accordingly. We need every hon. Member to come to this House not in a state of panic and fear; we want hon. Members to come here relaxed and able to participate in the proceedings of this House in a relaxed mood. I am sure that Mr. Karume is not the joking type. He is a very seriously hon. Member.

**Mr. Ojodeh:** On a point of information, Mr. Speaker, Sir.

**Mr. Speaker:** Who are you informing? Proceed, Mr. Minister!

**Maj. Madoka:** Mr. Speaker, Sir, I also have a lot of respect for hon. Karume. I am saying that there is a possibility of aircraft overflying the home of the hon. Member. However, we have no evidence that, indeed, that happened. We have checked and found that no aircraft were sent to circle his house. If that happened, we do not know about it. It is simple to note the registration number of an aircraft that is flying in the air. Such numbers are indicated on the planes as "5Y" and so on; they are not secret.

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

**Mr. Speaker:** I am sorry. Let us hear the last Ministerial Statement from Mr. J.N. Nyagah.

#### BAN ON ALLOCATION OF PUBLIC LAND

**The Minister for Lands and Settlement** (Mr. J.N. Nyagah): Mr. Speaker, Sir, some two weeks ago, hon. Murungi requested for a Ministerial Statement about the possible allocation of public land during the period when the Government ban on land allocation is in place.

The hon. Member will recall that in July this year, the Government imposed a ban on allocation of urban state land and land under local authorities, except to public utilities in the entire country. I would like to confirm to the House that the directive is still in force, and is being observed by my Ministry to the letter. Immediately after the directive was given, my Ministry issued a circular, giving specific instructions to all our officers, to enforce the ban until further notice. I have a copy of that particular circular, which I wish to lay on the Table of this House, for the benefit of the hon. Member.

*(Mr. Minister for Lands and Settlement  
laid the document on the Table)*

The circular suspended the preparation of Part Development Plan (PDP) and issuance of letters of allotment even for cases recommended by the Plot Allocation Committee and the local authority.

Mr. Speaker, Sir, on the issue of parcel No.Nkueni/Taita/297 in Meru Central District which is owned by Nkubu Methodist Church, I wish to inform the House, that this is a Trust land as defined by the Trust Land Act Cap. 288 of the Laws of Kenya. This piece of land is held in trust by the

**[The Minister for Lands and Settlement]**

Meru County Council. The procedure for allocating plots in Trust land areas is that the recommendations for allocation as contained in the minutes of the local authorities concerned have to be channelled to my Ministry through the Ministry of Local Government for vetting before the letters of allotment can be issued to the recommended allottees.

In the case of Nkubu Methodist Church compound, I have not seen the minutes of Meru County Council recommending the sub-division and allocation of part of the church compound to powerful individuals in Meru. Therefore, my Ministry has not issued any letter of allotment to anybody for the church plot which measures approximately 1.5 acres. I wish to reiterate that no approval will be granted by my Ministry for any allocation that is described above during the period of the ban. I would like to urge members of the public to advise us of any attempt to go around the ban. The Methodist Church of Nkubu should be advised to obtain a title deed for the plot if they have not done so in order to protect their interest in the property.

Finally, due to the increasing cases of encroachment into public utility land, it is now my Ministry's policy to register and issue title deeds to public organisations including churches in order to ensure their security of tenure. I once again urge all public institutions to quickly apply for their title deeds in order to protect their assets.

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

**Mr. Speaker:** Very well. That concludes our time now. I thought that you have got a very good answer.

What do you want to clarify?

**Mr. Murungi:** Mr. Speaker, Sir, it is true that the Minister has given a very comprehensive Ministerial Statement, but as a matter of fact, it is factually incorrect. This is because Nkubu Methodist Church has a title deed to this plot which is being sub-divided by the Meru County Council. The title deed number is Nkuene/Taita/297. So, it is not correct to say that this is trust land. This piece of land is not trust land, but it belongs to the church.

**Mr. Speaker:** Order! What are we talking about? We do not want to take unnecessary time. As I said earlier on, it is not debating time or Question Time after a Ministerial Statement has been read out. If indeed, you have evidence to the effect that what the Minister has said is false, it would help the house for purposes of clarification to give him those documents.

**Mr. Murungi:** Mr. Speaker, Sir, I know we are under pressure of time, but I would like to make one point very clear. The circular which the Minister is talking about, unfortunately, has not been copied to local authorities. It will do good to this country if this circular is communicated to all local authorities, county councils and municipal councils in this country. The Nkubu Methodist Church only wanted the Minister to warn the local authority that it cannot sub-divide land for which title deed has already been issued. In fact, the Clerk to the Meru County Council has planted beacons on the church compound. We wanted a clear message directed specifically to these authorities which interfere with land. It is the Minister for Lands and Settlement who should have issued that specific directive.

**Mr. Speaker:** Mr. Murungi, as a lawyer, you know that when somebody has a title to property, he can always enforce what you are asking the Minister to do through courts. However, anyway, Mr. Minister, would you take the valid point that he raised, that you have not communicated the information to local authorities?

**The Minister for Lands and Settlement** (Mr. J. Nyagah): Mr. Speaker, Sir, I wish to confirm that my officers sit in all committees that allocate land. Since we have sent circulars to very many people, this would imply that the message has got to them. But in order to facilitate and make it very clear, I will ensure that the local county councils do receive a copy of the circular which was addressed to all my officers.

**Mr. Speaker:** Mr. Murungi, are you happy now?

**Mr. Murungi:** Mr. Speaker, Sir, I do not want to take the time of the House, because I feel there is pressure for that, but I am happy.

**Mr. Speaker:** That one is okay. I will give you one more chance. Do you have anything burning or it is okay?

**Mr. Murungi:** Mr. Speaker, Sir, I think in the interest of peace and tranquillity, I would like to say I am happy.

*(Laughter)*

**Mr. Speaker:** Very well. Let us move on to the next order.

## BILL

### *Second Reading*

#### THE FINANCE BILL

*(The Minister for Finance on 2.11.99)*

*(Resumption of Debate interrupted on 3.11.99)*

**Mr. Speaker:** Mr. Ekirapa, you were on the Floor. You have got 25 minutes to contribute.

**The Assistant Minister for Tourism, Trade and Industry** (Mr. Ekirapa): Thank you, Mr. Speaker, Sir.

As I was saying yesterday, because of the concern the public servants have, those who fear retrenchment, I was suggesting that the exercise on retrenchment should end by the end of this year. Those who will be retrenched should be on leave for a period of six months from January next year. I would like to suggest that during that period, they should be trained on what they should do next. I have made a point that these people should not just be paid some sum of money that they do not know how to use and within a very short period of time misuse it and eventually become a burden to this country. I hope that, that period will be used to educate and

train these people on what they should do. Secondly, on the same point, I hope that the Minister will provide some funding to enable these people to settle after retrenchment.

On facilitating business people, I would like to point out to the Minister about the high interest rates that banks charge to the business community. The Minister might want to ensure now that the time has come when the interest rates charged by banks will be controlled. In some countries, banks have no right to charge an investor or a customer more than 100 per cent of the amount of money borrowed. In other words, if a businessman borrowed Kshs1 million from the bank, the total charges arising from that loan must not exceed another Kshs1 million.

In this country, people pay a lot of money in terms of interest, which actually frustrates many business people and has made a lot of them bankrupt, because they cannot pay the high interest charges. I think we can borrow a leaf from other countries in which a law has been established that no bank can charge interest double the amount of money borrowed.

Mr. Speaker, Sir, the Bill has not addressed the concern of the business community. I appreciate the fact that the Minister for Finance is struggling very hard to balance his Budget. But, perhaps, during the year, the Minister might consider the many issues raised by the business community. These are issues that have crippled most of our industries.

Our industries are finding it difficult to compete, especially now that we have introduced COMESA tariffs, which allow COMESA member countries to sell goods in our country after only paying two per cent interest rate. We should facilitate our industries to compete with other foreign industries by enabling them to import their raw materials at zero rate. At present, these raw materials are charged between five and 15 per cent, and that already makes our industries uncompetitive. It is important that we do not allow our own industries to die so that eventually those manufacturers of today become traders of tomorrow. I hope, therefore, that the Minister will be able to find some way of addressing the concern of the business community, especially, the manufacturing sector, which is at the present time is suffering from those problems. Industries which manufacture specific goods, for example those which manufacture detergents, soaps, edible oil and straws, are competing with the countries which subsidize their goods. And some of them are also COMESA countries and, like I have said, they bring into this country their goods at two per cent tariff rate. Therefore, our industries cannot compete with them. I would like to ask the Minister to consider zero rating those raw materials to enable our industries to compete.

Mr. Speaker, Sir, regarding the issue of second-hand clothes, better known as "mitumba," we have confined our people to wearing second-hand clothes, because they are cheap and because our people, due to the bad state of the economy, are not in a position to buy new clothes. I would like to urge the Minister for Finance to consider looking for some funds which are not included in the Finance Bill to enable farmers, especially cotton farmers in many areas, like in the Western Province, Nyanza Province and parts of Eastern Province to grow cotton. Those are the areas that traditionally produce cotton. Our textile industries used to encourage farmers to go back to cotton production so that our people are able to buy new clothes, and not second-hand clothes.

*[Mr. Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, regarding the question of pricing, it is a major problem in our country, because people seem to charge any price that they like to keep many people out of business. I would like to urge the Minister to consider encouraging farmers to go back to cotton production and, then, revive our textile industries. Those producing clothes should be able to examine their cost-factor, because the prices that they charge are extremely extravagant. Countries like India, China, Hong Kong and Korea produce cheap clothes. Why is it that in this country our people who are manufacturing clothes make them extremely expensive and, therefore, out of reach from the majority of Kenyans? The question of pricing is a very key issue, and in order for our industries to be revived and really for us to convince Kenyans that they can now buy new clothes made in Kenya and not second-hand "mitumbas" made in Korea and many other places, they must be affordable. For them to be affordable, the pricing must be right. People must not charge customers for the inefficiency of their own productive practices. Therefore, I would like to appeal to the Minister that during the Financial Year, maybe, he should find some ways of enabling cotton farmers to be able to buy cotton seeds, plant and produce at a reasonable price and to encourage our textile industries to be revived. Basically, in total, our tariff rates must be made competitive, and we can only make them competitive by ensuring that the raw materials which are not produced in this country are zero rated. I know that, that will have a financial implication and instant implications as far as Treasury is concerned. However, it is very important to ensure that our industries do not collapse, because if they



do, it will be extremely expensive for us to revive them.

Mr. Temporary Deputy Speaker, Sir, there is also the question of dumping of goods. There are people who dump cheap clothes and other products in the country, because we do not have means, or we have not actually decided to take some action against them. Dumping of goods is one of the reasons why our industries are not able to compete, because the dumped materials are either subsidized, or cheaply produced, or in some cases are produced by the Army in their own countries and, therefore, when they are dumped here, our people find them cheap. We should ensure that this kind of dumped materials does not find way into our country. The Kenya Bureau of Standards (KBS), like it was yesterday, is being strengthened and we do hope that the House will support any proposal to strengthen the KBS so that it is able to ensure that sub-standard goods are not allowed into the country. And if that happens, because our people seem to be always very smart in producing them, or facilitating them into the country, and the law enforcement agencies catch up with such people, the punishment should be very severe and the confiscated goods should actually be destroyed.

Mr. Temporary Deputy Speaker, Sir, the dumping of goods is very bad for our own industries. We now have goods coming from Korea and China, which are actually imitations of what our people produce. If you look at the spotlights produced by the Kenya Battery Company in Nakuru, you will find that there is now a similar product in the market. And it has been allowed to be imported into the country because we are not very strict with the manner in which we let them enter into the country. I would like to emphasize the need for us to take very strict measures to protect our own industries from imported goods from other countries. This is because if we allow our industries to collapse, we are encouraging employment opportunities in other countries, because the people who manufacture those goods are not our own people. We are simply spending our own very scarce foreign exchange in buying these goods which are not really necessary for our people, except only to kill our own industries.

Mr. Temporary Deputy Speaker, Sir, there are a number of other issues that I would like to point out in the Bill. Regarding the issue of electrical power generation, we are spending a lot of money in trying to get it. In so doing, even the electrical power we produce is inadequate. Our people throughout the country are yearning for electrical power. We are talking about the Rural Electrification Programme (REP), but because we do not have sufficient funds, we are unable to supply electrical power to all the consumers in the rural areas. We are talking about the possibility of empowering the rural people to produce adequately in agriculture and small-scale business, but it cannot be done without the use of electricity. And because our electricity is very expensive to produce, I would like to ask the Minister when he is considering his Budget in future, that he could consider the issue of us producing electrical power at the regional level.

Mr. Temporary Deputy Speaker, Sir, I believe that the Owen Falls can produce power much more cheaply than we can produce along our rivers. Our rivers are expensive to maintain, they silt and there is, of course, the question that water is running short. In the next millennium, it will not be possible for us to use the rivers to produce power because there will not be enough water. Our additional population will not have adequate water. So, we must look for alternative sources of power. I am suggesting that we should consider a joint project in power generation, for example, with the Government of Uganda, so that we will have a major power generation project at Owen Falls, which should be cheaper power than we are currently producing.

Power is extremely important, and as the Minister is aware, there is a lot of demand for power. I hope that in my constituency in the year 2000 we will have a lot of power because the Minister is my neighbour. I hope he will assist us in this project. But generally throughout the country, we need cheap power. We need to enable our people to have cheap power, and the only way we can do that without subsidy from the Government, is by producing power cheaply.

Mr. Temporary Deputy Speaker, Sir, let me address the issue of agriculture in general. As you know, now in our country the newspapers are reporting everyday and leaders are talking about the impending famine. This is as a result of our agricultural activities not performing well. It is important that in the next millennium we address agricultural production to ensure that the 80 per cent of our people who live in the countryside produce food. First of all, they should produce sufficient food for their consumption and secondly, for our nation, and if possible, for export. My constituency borders Uganda and Uganda produces adequate food for themselves and for export. Our people are buying food even now from Uganda. Food stuffs are cheaper in Uganda than they are here. I understand this situation because the soil in Uganda is different from ours. We have to use a lot of fertilizers to produce the same as Uganda. We must look forward and for us to survive, we must consider irrigation. For our people to produce sufficient food stuffs, we need to consider irrigating parts of our country so that the population can be fed and be happy without expecting the Government year after year, to provide them with relief food. There must come a time when it will not be possible for the Government to supply relief food. Let us make it possible for our people to produce their own food stuffs so that they can feed themselves.

Mr. Temporary Deputy Speaker, Sir, let me also address the issue of health services. In certain areas of

this country, health services problems are abundant. An example is my constituency which borders a river. Rivers are sources of water-borne diseases and every year, we lose so many people through water-borne diseases. This is basically because our water supply system is not adequate; we do not have clean water and people drink dirty water. That dirty water causes these diseases. I would like to appeal to the Minister to look for funds that would enable most of our areas to be provided with good clean water. This would enable our people to improve their health conditions. In addition, there are many places which have no health services. It is important that those services are provided to those people. This is important for these people to work hard in their farms, take their children to school and make money for their daily requirements. They must be healthy, and to be healthy, they must eat well, drink clean water and have access to health services whenever they fall sick. That is an issue that is widespread in the country, and every hon. Member of this Parliament talks about the health issues. We want to have a national programme that will enable many districts to have better health services in the new millennium.

Mr. Temporary Deputy, Sir, lack of funding is making it difficult for the existing services to cope with the demands of the people. We heard today in this House about the poor services that people are receiving that lead to deaths even when facilities are available. This must be due to the fact that we are not able to train our people properly since we lack funds. I think that in these key areas which are so important to the health of our people, we should have a plan and a programme that will enable those facilities to be available so that our people have access to those health services.

Mr. Temporary Deputy Speaker, Sir, I know that the Budget does not have adequate funds that will cover all these things. If we have specific projects to deal with specific areas of our development, it will be possible for the Minister to sell these projects to friends who will be willing to fund them. We should determine what is a priority for us to fund ourselves, and that which we are unable to fund, we should think of ways and means of supplementing our resources to provide services to our people. Above all, it is very important that our resources are managed properly, and for us to realise that, the collection of revenue is very key to all that we intend to do.

Mr. Temporary Deputy Speaker, Sir, we say that we do not have enough money, but there is a lot of money that we should be collecting which is not being collected, or which is being collected, but does not end up in the Exchequer. I want to appeal to the Minister to tighten the loopholes that exist currently to ensure that revenue collected from the ports, individuals and the airports is received by the Exchequer. He should also ensure that that money is properly utilised. I mentioned yesterday about the problems that we have now with the so called "flying vouchers". This is where accountants have got a particular system whereby funds which are supposed to be used for particular districts are received in paper, and activities are alleged to have been performed and completed. Yet, if you went to the ground, if it is a road that was supposed to be constructed, there will be no road. If it is a bridge or a building that was supposed to be constructed, there will be none. I mentioned yesterday the issue of money amounting to Kshs6.5 million that the Treasury gave to my area, which was intended to put up a building in a hospital. According to Treasury books, this money has been spent, but there is no building on the ground.

The Government is being blamed all the time by the people who expect these services for not providing them, yet the money that this Parliament votes to go to the districts does not serve the people as expected. I would like to appeal to the Minister to find a way of ensuring that those culprits who misuse public funds are dealt with ruthlessly. He should also ensure that in the next millennium, after the retrenchment of the Civil Service, he will have professionals only left in the Service to provide the services the public needs. These should be people who are committed, trained and prepared to serve the public without expecting something in return because they are paid to serve the public. They should be satisfied with that. The only way we can do that is by retaining in the Service properly trained professionals.

With those few comments, I beg to support. Thank you.

**Mr. Ndicho:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to join my colleagues in saying that we support the Government initiatives on this Finance Bill. It is only last week that this House gave the Government Ministries and departments billions of money. That is the money that we purport was raised during the 1998/99 Fiscal Year. It is important for the Government to receive and generate more revenue so that by the year 2000 and the subsequent years, we will have money for development and provision of services to this country and for the benefit of Kenyans.

Mr. Temporary Deputy Speaker, Sir, I wish to join my colleagues who say that Kenyans are the best people in the world in so far as generation of revenue and paying taxes are concerned. More often than not, they are let down by the Government officers and the people charged with the responsibility of ensuring that the money received from the Government for provision of services and development in this country goes to the right channels. Kenyans will never take the Government seriously until and unless people who have been found to misappropriate Government money that has been generated from Kenyans for their services and development are taken to court, jailed and punished appropriately. If every year we shall be coming to this House to read Reports

from the PAC and the PIC on how money has been misappropriated and stolen, then those officers go scot free, Kenyans will never take this Government seriously.

Mr. Temporary Deputy Speaker, Sir, that is why many people, who are in the revenue generation bracket, are finding ways and means of evading paying of taxes. They generate that money in form of taxes and revenue, but instead of that money being ploughed back to help them, that money just ends up in the pockets of a few individuals. It is a shame to see that the people who were arrested two weeks ago by the Anti-Corruption Unit are from none other than the Office of the President. This is where an officer issues a cheque and prepares a voucher which is taken to a bank by an individual to withdraw that money for his own use and yet this money belongs to the public.

Mr. Temporary Deputy Speaker, Sir, we know that even after being arrested and taken to court, we might still see the same characters back in the streets. It is high time the Government showed seriousness so that Kenyans can be encouraged to pay more money to their Government in form of taxes. Kenyans are languishing in poverty because of misappropriation of public money. Why do we have so many roads all over the country, including the so called KANU zones? The roads are very bad; they were destroyed two years ago by the *El Nino* rains yet they go unattended. Yet when you go to Government books as hon. Ekirapa has just said, you will find that a certain allocation of money was given for a certain road. That money was allegedly expended on that road. When you go on the ground there is absolutely nothing that has been done on such a project.

We have also water projects where the Government has given money and the books from the Ministry's headquarters show that the money went to a certain district to build a water project and yet there is no such water project in that particular area. This is rife in all sectors of the Government. As we encourage Kenyans to contribute in form of taxes to the Government, it is also the Government's responsibility to ensure that the money so generated by Kenyans is adequately used for the benefit of the people of this country.

The Minister for Lands and Settlements gave an ultimatum which I support, where he said that in three months time everybody who was allocated a plot in this country and has not paid Government money will have their plots repossessed. We support that fully because we know very many people have acquired plots over the last ten years for no reason other than speculation.

**Mr. Wanjala:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member said that some people have not paid for the plots they own. He is misleading the House and yet he owns 80 plots on which there is a dispute that he has not paid for them and that he acquired them illegally.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I wish to forgive him. He is a new Member of Parliament and who likes to raise frivolous points so that he can be heard and be reported. I was saying---

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

**The Temporary Deputy Speaker** (Mr. Musila): If you have a point of order, come straight to it. What is your point of order?

**Mr. Wanjala:** Mr. Temporary Deputy Speaker, Sir, is it in order for the hon. Member to say that the Members, who came earlier to this Parliament should not be told when some of the Members contributing have participated in illegal acquisition of Government property?

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Wanjala, I did not hear Mr. Ndicho say what you have said. Mr. Ndicho, you may proceed and ignore that point of order.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, because I am a Christian, I will continue to forgive him so that I may also be forgiven of my sins. He should be forgiven for raising frivolous points of order. Very many people have been given plots in this country for speculation purposes. They have not been paying money to the Department of Lands. This is another area where the Government has been deprived of money that is due to it. The speculators get land and then instead of paying the dues to the Ministry, they wait for the people to sell the land. After selling the land, they tell him: "Deduct the money that I am supposed to pay there and then give me the difference." We are supporting the Government and the Ministry---

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it not usual for us when we contribute on anything to declare our interests first? Hon. Ndicho has been accused of being given either 80 or 15 plots by the Mayor of Thika. He is talking about speculation. It is not possible that he is developing all the 80 plots at a go. Could he declare his interest on this matter first?

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I wish to tell the people, who have been allocated land, to pay the Government so that the Government can get revenue from these plots.

Mr. Temporary Deputy Speaker, Sir, there are so many people who have been allocated land. I support the Ministry that, after the expiry of the 90 days, the people who have not completed paying for their plots, their plots should lose them without being alerted. The Ministry should go ahead and repossess the plots from the people who

have received plots without paying for them. They should go ahead and either advertise the same plots again and allocate them to some other people.

There used to be a policy that, when you are given land and you do not make use of it for a year, or a certain period of time, the same land is repossessed and given to another Kenyan, who needs land instead of giving it to a speculator. I am saying this because this is another way through which the Government can generate revenue. I thought my colleagues had followed what was in the Press and what transpired in Thika. I wish to ignore their ignorance.

Mr. Temporary Deputy Speaker, Sir, the other issue I would like to raise is about the production of cash crops like coffee, tea, pyrethrum, cotton and also the production of milk, from which the Government receives revenue. If the Government is not serious about the decline in coffee production, what will eventually happen is that, the Government is going to lose revenue in form of taxes that farmers in coffee, tea and milk producing areas pay to the Government. So, it is important that, there is also collective responsibility in the Ministries so that the Ministry of Agriculture and Rural Development will wake up and make sure that coffee and tea production in this is boosted.

Mr. Temporary Deputy Speaker, Sir, Kenya used to produce 150,000 tonnes of coffee. Currently, we are only producing less than 50,000 tonnes. That decline of 100,000 tonnes, if you calculated it in terms of revenue that the Government would have received from the sale of coffee, you would see why the economy is not improving. This is because, if there is no production, revenues will decline.

Mr. Temporary Deputy Speaker, Sir, the Government must also get concerned about roads in the tea and coffee growing areas. There was a policy from KTDA that, in all areas where tea is produced, all the roads that are in steep areas and which could make the delivery of tea from the farmers to the factory difficult--- Those roads were always tarmacked in the past. Those tarmacked roads are now history in as far as those areas are concerned. That is an area where production of tea in this country has declined.

Mr. Temporary Deputy Speaker, Sir, we read in the media today that, the tea farmers are going to get a bonus of Kshs7 billion, before the end of this year. Out of Kshs7 billion which will be paid to farmers, the Government is going to get about 30 to 40 per cent of the money that the farmers will pay in form of taxes. I am sure that, if tea production was higher than it is today, the farmers would have been paid more than Kshs7 billion and the returns to the Government would have been much higher. So, it is important that the Government gets concerned about the issue of infrastructure in coffee and tea growing areas.

Mr. Temporary Deputy Speaker, Sir, the Government gets a lot of money through taxes from fuel; petrol diesel and all other fuels. I was talking with people who deals with this industry in this country and they told me that a staggering 10 billion litres of fuel is consumed in this country every month. If you take an average of Kshs48.00 per litre, which is what we are paying for petrol, that is about an average of Kshs480 billion. Out the Kshs480 billion that the people who own vehicles in this country spend every month, we are told that 50 per cent of that is in form of Government tax and that is about Kshs240 billion. So, you can see that, it is not that we are not collecting money for the provision efficient services and development projects in this country. It is not that we do not have money and it is not that we are beggars, it is only that, we have very poor managers most of whom are thieves. This is because there is no way you can generate Kshs280 billion from one sector of the economy alone and then we go out of this country to borrow money! It is high time the Government get involved and concerned about what is happening in the oil industry.

Mr. Temporary Deputy Speaker, Sir, as we said during the debate on the Vote of the Ministry of Energy, there is a problem which I would like the Government to get itself involved in because this is an area where the Government is losing its revenue and taxes. The multi-national oil companies in this company are accusing Kenyans of African origin who have ventured into the oil industry. They are accusing the small-timers in the oil industry of adulterating petrol. However, I have been told that the people who started the adulteration of petrol are the multi-national companies themselves. Let them stop playing or adopting a holier-than-thou altitude claiming that their petrol is very clean. Now, they are putting advertisements in the local media advising people that "the engines of your vehicles will be run down". They were the teachers of what they are accusing others of doing. They are the ones who told others that, "if you mix petrol with kerosene, you are going to have a high volume and sell at a high price". How did they know that if you put kerosene in petrol, you are going to add volume and then have more money? Even they themselves were doing that before.

Most of the people who were new in this oil industry were working in these multi-nationals. After resigning, retiring or having been sacked and getting out of the multi-national companies and joining private business, they knew that they were coming to do what they were shown by these people. I challenge Total, Caltex, BP, Kobil and every one them. Let them deny that they are not the ones who came and showed people how to adulterate fuel. It is through this one that, surely, the Government loses money because of the kerosene factor

which has got low tax imposed on it.

**Mr. Wanjala:** On a point of Order, Mr. Temporary Deputy Speaker, Sir.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, there is another frivolous point of order.

**The Temporary Deputy Speaker** (Mr. Musila): Order! Order! Mr. Ndicho, I did not allow that point of order. Proceed!

**Mr. Ndicho:** No, I heard him say "point of order", Mr. Temporary Deputy Speaker, Sir. But he is a play boy!

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Ndicho! That is very unparliamentary language! Could you withdraw and apologize?

**Mr. Ndicho:** I withdraw and apologize. But can you tell him not to---

**The Temporary Deputy Speaker** (Mr. Musila): Order! Mr. Ndicho, you apologize without condition and continue.

**Mr. Ndicho:** There is no condition!

**The Temporary Deputy Speaker** (Mr. Musila): Then, you are not telling me what to tell him!

**Mr. Ndicho:** But, Mr. Temporary Deputy Speaker, Sir, could he wait for his time so that he can say what he wants to say?

**The Temporary Deputy Speaker:** Please, Mr. Ndicho, could you adhere to what I have said? You have withdrawn the remark and apologised. You should then continue with your contribution!

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I have done exactly that and you should protect me from somebody who is disturbing me.

**The Temporary Deputy Speaker** (Mr. Musila): You are very well protected.

**Mr. Ndicho:** I hope he understands that.

#### QUORUM

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. There is no quorum in the House.

**The Temporary Deputy Speaker** (Mr. Musila): Yes, there is no quorum. Ring the Division Bell.

*(The Division Bell was rung)*

**The Temporary Deputy Speaker** (Mr. Musila): Order! Order, hon. Members! We have a quorum now. Continue, Mr. Ndicho.

**Mr. Ndicho:** Thank you, Mr. Temporary Deputy Speaker, Sir. Before I was interrupted, I was talking about the oil industry in this country. I was saying that the Government should encourage as many people as possible to be players in the oil industry in this country so that they can generate more income.

Mr. Temporary Deputy Speaker, Sir, the other area where there is a problem in this industry is the loading facility at Embakasi. The loading facility at Embakasi is the reserve of multinational companies. Kenyans who are venturing into this sector are taking their oil as far as Nakuru when there is a loading facility here in Nairobi. The Government has given only Kshs20 million for the creation of a second loading facility at Embakasi. This is very little money. I am told that it requires between Kshs150 million to Kshs200 million to put up a second loading facility so that our people can be encouraged to venture into this industry. Liberalisation is good, but it has disadvantaged our people. In America, the Government liberalised the economy, but they did not do that at the expense of Americans. In America, you cannot import anything if it can be produced there. However, in Kenya, everything is being imported from milk, butter, oranges to textile; things that can be produced in this country. Why are we improving the economies of other nations like South Africa, Asia and Europe when we can have the same things here? Can you imagine the amount of money spent at the importation of these goods which can be produced locally? We should have a liberalised economy which is also geared to protecting Kenyans themselves.

It is important that in this oil industry, many Kenyans should also be allowed to import crude oil from the Middle East. It is a gigantic process, but if the Government is interested in helping its people, it should make it easier and organise a few people and facilitate them to import crude oil, refine it here and sell it to their people. We should encourage Kenyans of African origin who are in this industry because whatever they are doing like selling petrol at Kshs44 per litre and another one selling at Kshs48---That difference of Kshs4 per litre is a big difference. I want to thank the matatu industry in this country because despite all the uncontrolled increases in

fuel, they have tried to maintain the fares from Nairobi to other destinations. I commend them for doing a good job. We implore upon the Government to make sure that it helps Kenyans by introducing another loading facility in Nairobi so that we can liberalise the oil industry to benefit as many Kenyans as possible.

Mr. Temporary Deputy Speaker, Sir, another area where the Government is losing money is on collection of revenue using Government receipts. It is an open secret that in many Government offices and departments, people have printed duplicate receipt books which they use to collect money for their use and only about 10 per cent is remitted to the Government. This is an area where the Government also loses money. We expect that the Leakey team and the Kenya Anti-Corruption Unit will look into this issue of duplication of Government receipt books which people are using to collect money for their pockets instead of remitting it to the Government. We have practical examples like Nairobi City Council where we hear that people have printed receipt books for the Kshs50 parking fee. Only 10 per cent of the money goes to the Council and 90 per cent goes to the pockets of these people.

**Mr. Gitonga:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member has made a very serious allegation. Is it possible for him to substantiate? Why has this not been brought to the attention of the authorities concerned?

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I hope hon. Gitonga has not been out of the country. He knows that this is what is happening. I have witnessed people using similar receipts in Madaraka Market in Thika and when I raised the matter with the Minister for Local Government, he sent a probe team there. We found some receipts books that were being used to collect money in the market. Before this team went to the market, the money that was being collected from Madaraka Market was Kshs1,500 a day. But when a task force was established, they went there and collected Kshs9,000 with receipts from Thika Municipal Council. It means that Kshs7,500 was being pocketed by people. This is not only happening in Thika, but I can imagine it is also happening in Lari, Nairobi and in every other area in this country because corruption is everywhere.

Mr. Temporary Deputy Speaker, Sir, the Government must also be keen in scrutinising the receipt books. It must have a team in all the areas where Government money is being received, including people paying money in Government offices without obtaining receipts. As the adage goes, both the person who is giving the bribe and the receiver are all guilt. In most cases, Kenyans also are contributing to this vice of corruption because corruption does not involve one party. Corruption involves more than one person. For example, in a case where an individual is supposed to pay Kshs5,000, he colludes with the officers in charge to pay Kshs2,500 only without getting a receipt. So, that money ends up in those officers' pockets. All I am saying is that, this is one of the areas, where Government is losing revenue to individuals.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about officers who provide services to the Government. I have information that regular police and administration police officers, who participated in the last census, have never been paid their money up-to-now. This matter was raised here yesterday. All other people who assisted in that exercise were paid, except police officers. Police officers are supposed to enforce the laws that we pass in this House. What do you expect of a policeman who rendered services to the Government and was not paid? Do you expect him to arrest those individuals who do not pay taxes to the Government? If that person bribes such a police officer with Kshs500 or Kshs1,000, that police officer will take it. We would like the Minister for Finance to tell us why those officers have not been paid their dues, despite the fact that the A.I.E was released a month ago. If we do not encourage our police and other Government officers by paying them what is duly theirs, then they will not provide services or collect revenue for this Government. It is impossible. So, I am calling upon the Government to make sure that those police officers are paid their dues immediately. By so doing, we will encourage them to continue doing a good job for this country.

Finally, Mr. Temporary Deputy Speaker, Sir, it is important for the Government to be serious on matters raised in this House. We do not want to make this House a talking shop. We have passed Motions and Bills in this House, which are of benefit to our people. It is this House that approves all monies to Government Ministries and departments, so that wananchi can get good services. However, after the end of each fiscal year, Kenyans have nothing to show for that money. This is because during that financial year roads, are not tarmacked and no there are drugs bought for our health centres. For example, during 1998/99 Financial Year, this House approved a lot of money for Government Ministries and departments, but it is sad that, no services were rendered to Kenyans during that Financial Year. It is a shame that billions of shillings went to the drain. This is because on the ground, there are no projects, roads are in a sorry state and no drugs in our hospitals. So, I am calling upon this House, particularly hon. Members to make sure that they follow up that money from the Ministry's Headquarters to the district level. If this can be done, we will know where public money is misappropriated. The problem is that, hon. Members do not follow up the money after we have approved it. If officers on the ground would know that hon. Members would scrutinise the money from the Ministries' Headquarters to the district level, they will

have no avenue to misappropriate this money and put it in their personal use.

Mr. Temporary Deputy Speaker, Sir, it is also imperative for this House to help in stamping out corruption and misappropriation of public money. So, I am calling upon my colleagues to make sure that, the money approved by this House is well used so that Kenyans would be encouraged to raise more money for the next financial years.

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

**Mr. Achuka:** Asante sana, Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii, ili nami niseme machache juu ya Hoja hii. Hoja hii ni muhimu sana kwa wananchi wetu, kwa sababu inajishughulisha na mambo ya pesa. Hata hivyo, sina matumaini kuwa Hoja hii ni mwafaka, kwa sababu tutatoa maoni yetu ambayo hayatazingatiwa na Serikali hii.

Bw. Naibu Spika wa Muda, taifa letu lina mali nyingi sana na tukiyatumia vizuri kwa mujibu wa taratibu maalum, basi taifa letu litajitegemea kwa kila njia. Kuna mambo mengi ambayo yanauzoresha uchumi wa nchi hii. Kwa mfano, viwanda vyetu vimefilisika kwa sababu rasilimali ya nchi hii haitumiwi kikamilifu. Ni aibu kwa nchi yetu kuagiza mchele, maziwa, nyama, mitumba na kadhalika, kutoka mataifa ya kigeni na ilhali, tuna rasilimali ya kutosha. Kufilisika kwa viwanda kumesababisha ukosefu wa kazi, kwa vile viwanda vingi hapa nchi vimefilisika na kuanguka, uchumi hauwezi kuimarika na wananchi wetu hawatapata kazi.

Bw. Naibu Spika wa Muda, tuna ardhi ya kutosheleza shughuli zetu zote za kilimo. Iwapo Serikali hii ina mipango maalum ya ukulima tutaimarisha kilimo kwa vile sehemu kubwa ya ardhi yetu ina rutuba nzuri. Tunaweza kukuza mahindi na mchele wa kutosha wananchi wetu na tuepukane na uagizaji wa mazao haya kutoka mataifa ya kigeni. Ni aibu kuona kwamba kuna shirika la KCC limekosa soko ya bidhaa zake, na ilhali, tunaagiza maziwa na bidhaa nyingine kutoka nchi za nje. Wananchi wetu hawana imani na ufugaji wa ng'ombe wa maziwa na nyama. Wamekosa pia imani ya kulima ngano, mahindi, miwa na kadhalika. Tunaona kwamba kuna ufasidi mwingi katika uagizaji wa mbolea kutoka nje ya nchi hii. Wananchi wetu hawawezi kununua mbolea kwa sababu bei ni ghali mno. Wananchi wa Kenya hawana imani na kilimo cha mazao yoyote. Wanadai kuwa shughuli za ukulima ni ghali mno, zikilinganishwa na faida wanapata wakiyauza mazao yao. Ni kwa sababu mahindi, sukari na maziwa kutoka nje ya nchi hii, yanauzwa kwa bei ya chini. Ni aibu sana kuona miwa inaoza mashambani au kutumiwa kama kuni za wananchi.

Bw. Naibu Spika wa Muda, ikiwa tunaweza kutumia rasilimali yetu vizuri, basi hatutakuwa na haja ya kuomba misaada au kuagiza bidhaa fulani kutoka nchi za kigeni. Tutajitegemea kwa kila jambo na wananchi wetu watapata kazi, uchumi utaimarika na sarafu yetu itapata thamani.

Bw. Naibu Spika wa Muda, Mswada huu ni muhimu, lakini ni katika maandishi tu, bila kutekeleza jambo lolote. Kwa hivyo, mimi sitasema ninaunga mkono au kutounga mkono Mswada huu.

Ningependa kuzungunza juu hali ya usalama na amani ambayo imezoroteka kati ya kabila la Pokot na Turkana. Wapokot wanaotoka Baringo ya Magharibi na Mashariki wanawauwa watu wa Turkana Kusini. Shida hii imekuweco kwa muda mrefu sana. Watu wengi wa Turkana Kusini wameuwawa na mifugo yao kuibiwa ilhali Serikali haitusaidii. Hali hii imesababisha umaskini kwa Waturkana wa Kusini. Waturkana wa Kusini wamebaki nyuma kimaendeleo na hata hakuna elimu inayoendelea upande huo. Yale mashamba madogo ya kunyunyizia maji ambayo ilikuwa tegemeo la watu wa Turkana Kusini, yamehamwa kwa sababu hakuna usalama. Haya yote yanafanyika, ilhali Serikali yetu inafahamu na hakuna hatua inachukuliwa. Ninashangaa Serikali ina mpango gani wa kumaliza shida hii. Wiki lililopita, tarehe 26 hadi 28, Wapokot wa Kenya na wale wa Uganda walivamia watu, mahali panapoitwa Julup, katika tarafa ya Kaino. Waliwauwa watu wanne, kuwajeruhi wengine sita na wakawachukua ng'ombe 2,340. Hadi leo, wale watu walionyanywa mifugo hiyo, wako kwa hali mbaya kwa sababu hao ng'ombe ndiyo tegemeo lao pekee yake. Hawana shamba wala kazi, isipokuwa hao ng'ombe 2,340. Hawa watu wako kule Julup, Katiro na Kaptir, na wanakufa kwa njaa. Serikali inafahamu mambo haya yote, ilhali haina mpango wa kutoa suluhisho. Je, hii shida itaendelea mpaka lini? Dawa yake ni nini? Ningependa Serikali itueleze. Hii ni shida ambayo watu hawawezi kuvumilia tena. Wiki lililopita, nilikaa katika msituni karibu wiki mzima nikilia pamoja na watu, hata nikakosa jambo la kufanya. Nilikimbia kwa kituo cha polisi na hata kwa ofisi ya Mkuu wa Wilaya ili kutafuta gari la kuwabeba maafisa wa usalama. Lakini, nilipofika huko, nilipata kwamba, lile gari ambalo lingepeleka hao askari, halikuwa na magurudumu wala mafuta. Kama hali ni hiyo, usalama utapatikana vipi? Hata gari lenyewe haliwezi kupenya katika vichaka na mchanga kwa sababu si gari aina ya 4-wheel drive. Hii ni shida kubwa kabisa.

Bw. Naibu Spika wa Muda, inaonekana kwamba, Wapokot wamepewa uhuru wa kuwauwa watu kutoka makabila mengine. Kwa sababu, wanawapokonya watu mali yao, na hakuna hatua inayochukuliwa dhidi yao. Wao hutembea katika makundi makubwa ambayo yana silaha kali, wakati wanawavamia watu. Mimi ninaamini kwamba, wale wanaohusika na usalama wa nchi wanajua uvamizi huu, na wakati mwingine wanashirikiana na wao. Sijui ni kwa nini wanashirikiana na Wapokot kumaliza makabila mengine au ni biashara yao? Kama kabila

ambalo halina uwezo litanyang'anywa mifugo yao na Serikali inafahamu, tutapata suluhisho wapi? Mimi ninaomba Serikali ipate suluhisho ambalo litamaliza hii shida ya Wapokot kuwamaliza Waturkana. Pia ningependa kuomba Bunge hili litoe suluhisho kwa shida hii. Wakati ninaongea hapa, Serikali itanipuuza. Ikiwa Serikali haitachukua hatua, tutaenda wapi? Mimi ninaongea kwa uchungu, kwa sababu, hii ni hali ambayo hatuwezi kuvumilia tena. Hatuwezi kuvumilia, huku watu wakubwa kwa wadogo wanauliwa na mifugo yao kuchukuliwa.

Bw. Naibu Spika wa Muda, inaonekana kwamba, watu wa Turkana Kusini walifanyia Serikali makosa na Wapokot wametumwa kuwauwa. Hii ndio sababu, wakati Waturkana wanavamiwa na kuuliwa na kuporwa mali na Wapokot, hakuna hatua Serikali inawachukulia. Haturudishiwi mali yetu, wala Wapokot hawakamatwi.

Na wakati huu ninapongea, wanasema: "Wacha aongee. Atapeleka hayo maongezi yake wapi?" Ikiwa mambo yatakuwa namna hiyo, tutaenda wapi? Eh?! Mimi nimeudhika sana! Ikiwa Serikali haiwasaidii Wapokot kuwamaliza Waturkana, iwakamate wale Wapokot waliochukua ng'ombe za Waturkana tarehe 26 huko Jorop. Ng'ombe hao walipeleka sehemu za Kesei, Alalei, Kanyau, na hata Amutet upande wa Uganda. Wapokot wa Kenya walishirikiana na Wapokot wa Uganda kuwamaliza Waturkana. Ni shida kubwa kabisa! Nataka Serikali ieleze ikiwa shida hii itasuluhishwa, ama itawachwa ilivyo. Hata Waturkana waliumbwa na Mungu. Mungu anajua ni kwa nini Waturkana wako pale. Kama Wapokot wako na "Godfather" wao, Waturkana hawana. Lakini "Godfather" wa Waturkana ni Mungu! Ikiwa mambo kama haya yataendelea, nitakuwa na hofu! Huenda siku moja Mungu akawatetea Waturkana. Ikiwa Serikali haitachukua hatua dhabiti ya kumaliza wizi wa mifugo, mambo yataharibika. Serikali iko na uwezo wa kumaliza wizi wa mifugo. Kwani Wapokot wanaweza kushinda Serikali? Kwa nini Serikali inawaachia Wapokot kufanya maneno kama haya, na kupiga watu wengine? Saa zingine, hata Waturkana wanaweza kupata moyo. Wakati watapata moyo, kutakuwa na mapigano ya kikabila. Utaona Serikali itawalaumu Waturkana. Mambo yanakuwa namna hiyo. Hii ni kwa sababu Wapokot wako na "Godfather" katika Serikali!

Ikiwa Serikali ni ya taifa nzima, itunze wananchi wote bila mapendeleo. Wakati Waturkana wanapotaka kulipiza kisasi, Serikali inakuja kikamilifu! Inakuja na ndege juu, magari chini na kurudisha ng'ombe wa Wapokot. Lakini ng'ombe ya Waturkana wakichukuliwa, inaenda namna hiyo. Huo ni ubagusi wa aina gani? Nasema maneno haya nikiudhika sana! Waturkana wengi sana wameuliwa. Wengine wameyang'anywa mifugo yao na kubaki maskini. Hakuna mtu anapanga kuwasaidia. Nitawachia hayo Mungu na Serikali.

Kwa hayo machache, nimemaliza!

**Mr. Wamae:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity, to make my contribution to this Motion. As has been said by many people, there is nothing to celebrate in this Bill. The Kenyan economy is in a very bad shape. It is in that bad shape that, we should be almost in an emergency exercise, to put the economy in proper perspective. However, instead of doing this, corruption still continues to be rise. We are now the number ten most corrupt nation on earth, and number four in Africa. At this rate---

**An hon. Member:** Where did you get that information?

**Mr. Wamae:** It is from Transparency International, if you read newspapers and the world Press. It is a very serious indication of where Kenya is. We are still hoping that the Kenya Anti-Corruption Authority (KACA) "bees" will start doing their work. I think they have taken too long to prepare themselves, while Kenyans continue to suffer. Until we stop corruption, particularly in high places, this economy cannot recover. We have got to stop corruption on the building of roads, stealing money from the Government coffers, illegal importation of goods like petroleum products, second-hand clothing and sugar, without payment of duty.

We wonder why a new import route has been discovered in Somali, through North-Eastern Province, Meru to Nairobi. In that route, they do not pay custom duty. I think this is something that we need to tell to the people in Meru and other places. They will tell you the number of trucks they see coming from the North-Eastern Province, bringing goods to Nairobi. This must be smuggling, if they do not use the proper routes. How do they move from Kismayu, and we are told the boundary is closed and manage to cross the boundary and come to Kenya? Just talk to anybody along this route, from Embu, Meru and Kirinyaga, and he will tell you the number of trucks he sees on the route. I am sure that my good friend from that area knows it is true. It is a very serious and worrying matter. The Government must take appropriate action.

**Mr. Shaban:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that, it is only the Somalis who smuggle goods to Kenya when we know that uncustomed goods are smuggled through Mombasa and end up in Nairobi? Is it in order for the hon. Member to imply that only Somalis in this country smuggle goods?

**An hon. Member:** Yes!

**Mr. Wamae:** Mr. Temporary Deputy Speaker, Sir, that is a frivolous point of order! I did not say that



only Somalis smuggle. I said those things come from Somalia; I did not mention the Somalis. In any case, if the goods are smuggled through Mombasa, it is the official route. However, there is this other route from the North, which is not in our books! This is most worrying! Why should they not use the known routes, through Kilindini, instead of using Kismayu? They travel through difficult terrain and insecure areas to get the goods and then, they pass through the Kenyan border up to Nairobi? This shows that, when we say we are solving corruption in this country, we are not sincere. Those things are not done by small fellows. They are done by big people, or the sons of big people with very good connections.

Mr. Temporary Deputy Speaker, Sir, the other point that has been made, and I would like to stress, is duty on kerosene. When you say that, you want to reduce poverty, you do not do so and tax the poor people. The poor people use kerosene for lighting and cooking. Firewood and charcoal has become very difficult to get. The question of tax on Kerosene should be looked into. We should not be afraid that, because the people are going to use kerosene to mix with Petro, we should worry. We should not worry because if people are going to be corrupt, and mix petro with kerosene, we should have another mechanism of checking that. We should not be saying that, we do not want to reduce the price of kerosene to the poor people, to prevent them from making profit out of mixing petro and kerosene. I do not think anybody can give justification, when we are trying to reduce poverty, when we increase the duty on kerosene. I hope that when the Minister comes to reply, this is one point he will say he has considered, and revert it to the old position. He should reduce the duty which had been imposed.

Mr. Temporary Deputy Speaker, Sir, on the question of Presumptive Tax, that you presume that, tax should be taxed because the people have made a sale of coffee or tea, without considering their cost of production, and whether they have made profit or not, is not fair. This is another tax which should be removed. The people should pay tax on what is ascertained as income. It is part of double-taxation and it should be removed. There are many other ways of doing adjacent taxation packages, rather than Presumptive Tax. You presume that somebody will make money and profit. You do not know whether anybody will make money and profit by selling tea, milk and coffee, until he has done it, and done his accounts. So, the Presumptive Tax does not help.

Mr. Temporary Deputy Speaker, Sir, the East African Community is very important to us. Although we continue saying that we should move ahead, we have fears that some of our partners have developed cold feet, on the question of the East African Community.

We must find a way of bringing Uganda and Tanzania closer to Kenya. We have got very good trading relations with Uganda, which is our best trading partner, and yet we take that for granted. We have not done enough to increase the volume of trade between Uganda and Kenya. We always take it for granted that there is a market which is ready for us in that country. We should go to Uganda and find out what we can buy from there. We can buy maize from Uganda and other foodstuffs which are not available in Kenya and make Uganda feel that Kenya needs her. The same should apply to Tanzania which is our second biggest trading partner; bigger than Britain or Germany. We hear of State visits to Europe or Luxembourg, but not to Uganda or Tanzania. These are our important trading partners! We should go to Tanzania and find out what we can import from there. As we all know, South Africa is trying to dissuade Tanzania to leave the East African Community. It is telling Tanzania that South Africa can assist her to start industries similar to those in Kenya. It is for our own interest to move and be friendly with Tanzania and show her that she can benefit by remaining in the East African Community. These are not simple matters; they are big matters which this country should look into.

Mr. Temporary Deputy Speaker, Sir, one of the most discouraging areas in the management of our resources is that of award of tenders for the construction of roads which were damaged by the *El Nino* rains. How can we build a four-kilometre road in Nairobi at a cost of Kshs74 million per kilometre? We would like to be told what kind of road this one is, which costs Kshs74 million per kilometre. The road is already there and it is only a question of re-building it. How then can it cost Kshs74 million per kilometre? A Chinese company was given such a contract in this City. That is a prohibitive level of cost. Unless there are some corrupt deals involved, then these roads are built on suspicious specifications. That amount of money can build five kilometres of road elsewhere! We need an explanation as to why it can cost Kshs74 million per kilometre to construct a road in Nairobi. When the Minister comes to reply, he should tell us what type of road is being built at that cost. It is very difficult for some of us to comprehend such a cost. We suspect that there must be corrupt deals in this project.

Mr. Temporary Deputy Speaker, Sir, agriculture is very important in this country and we must see what we can do to increase food production and more particularly foodstuffs. We should pay good prices to the farmers in the food producing areas of this country. By so doing, we will encourage them to continue growing maize. When we hear that farmers have refused to sell maize to the private sector or to the millers and the Government has not moved in to bring them together to decide on the price, then we wonder what we are doing. Some of that maize will be lost in the maize growing areas because the farmers do not have proper storage facilities, but they are holding that in anticipation of better prices. It is better to buy maize at a higher price from our farmers than to

buy imported maize at reduced prices. The maize we buy from our farmers is going to earn some income to our people and they will in turn pay taxes and school fees for their children. So, we should move quickly and encourage our people to grow maize. We should be self-sufficient in this one major area of foodstuff which is the staple food for Kenyans. We should, in fact, find a way of subsidising fertiliser which goes to the production of maize and wheat. We should also reduce the prices of fertiliser by subsidising its sale to the coffee and wheat growing farmers. It is very embarrassing for Kenyans to go on saying that we are an agricultural country and that 80 per cent of our people are engaged in agriculture and yet we cannot feed ourselves. This is not acceptable! So, we should look at this matter carefully.

Mr. Temporary Deputy Speaker, Sir, the producers of coffee and tea in this country have been taken for granted for too long. When the Government received the STABEX money from EEC in 1992, 1993, 1994 and 1995, it was kept in commercial banks here; and was not made available to the coffee and tea farmers to improve their production and build roads. It was only released last month when the EEC signed an agreement with the new Permanent Secretary in the Treasury, that part of that money will be used for tourism promotion and for the construction of coffee and tea roads. However, the Kshs6 billion has been lying idle for a very long time! From what we understand, that money was not released because it was meant for Opposition areas, that is the Central Province and parts of Embu and Meru districts. This is very worrying! The money from EEC was not utilised and it was kept in commercial banks. That is a fact and I would like the Minister to come and deny it when he comes to reply because the truth is that Kshs6 billion was held in commercial banks for so long. Coffee production has gone down from 150,000 tonnes to 50,000 tonnes. If this money had been used to encourage the coffee farmers and to help them in building infrastructure, our coffee production would not have come down and we would have earned the same foreign exchange which we have been earning before. This is not acceptable! In that case, the KANU Government will not be forgiven even in Heaven for what it has done to the citizens of this country.

Mr. Temporary Deputy Speaker, Sir, our industries are collapsing due to lack of minimum protection. When we went to sign an agreement with the World Trade Organisation (WTO), we left our doors wide open without thinking how we were going to help our industries. South Africa did not sign an open-ended agreement. We cannot sell our commodities to South Africa easily. Even to sell textiles to the American market, we need to have an agreement to be allowed to export a certain quota to that country. However, in Kenya we have left our doors wide open without any control and as a result, our textiles and jewel industries have collapsed and unemployment has increased. For whom were we working for when we signed those agreements? All our textile industries have collapsed and the American Senate yesterday agreed that they were going to open up their market to textiles and garments from African countries. If our industries have collapsed, are we going to be part of that trade? How are we going to trade with the Americans if we do not have textile and garment industries? How shall we benefit from this opening of the American market? It is a very worrying measure. This should have now opened Kenya to really building our textile mills and Government industries. We would have created employment for thousands of school leavers. However, we are now going to start from square one because we have been careless in trying to protect our own industries. We cannot even sell our beer to South Africa since they are protecting their beer industry, and yet our own market is open. We are getting juices, eggs, chicken, and wine from South Africa, and mutton from New Zealand. What sort of country are we trying to develop here?

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. I hate to disturb the hon. Member on the Floor, but is he in order to mislead this House on the issue of liberalisation? It is the Opposition side who have been pushing for liberalisation. Are they now waking up to realise that it was not a good idea?

**Mr. Wamae:** Mr. Temporary Deputy Speaker, Sir, I think you will know that is not a point of order. However, in any case, when we told you to liberalise, we never told you to open the whole door. You did not leave anything for Kenyans. You did not even leave a watchman at the gate! We wanted some bit of liberalisation, that is true, but not to the extent which you have now done it. You should have left some watchman, even if it is a Maasai watchman with his *rungu*, to, at least, protect the gate. We have gone too far and now it is going to be very expensive for us to go back. I am sure the hon. Minister will now realise we made a mistake and let us correct the situation as quickly as possible for the sake of our own people. Any government first looks after the interests of its own people, but not those of other people. When you import any item, you are creating employment there and destroying employment here. Let us do the opposite and put even duties to ensure that our employment opportunities remain here.

If we do not get re-elected next time, one of the reasons for that is because of unemployment in this country. We have 10,000 university graduates; 50,000 secondary school graduates, and 500,000 primary school graduates and they have nowhere to go. That is why they are beating us every night in Nairobi and the whole country. There is a lot of insecurity because these people have no hope. It is also because we are not giving them

hope as leaders, by telling them new industries are being built. When did we have an agreement for a new industry in this country? Tell me, for the last 10 years, which new industry have we built except Castle Breweries which has come to this country, and the bullets factory? Let us forget about the latter. Which new industry have we really started here?

**An hon. Member:** Corruption!

**Mr. Wamae:** Some people, like the Minister for Water Resources, hon. arap Ng'eny, will know that there was a time we were building one factory per month in Kenya, and we could do it, but now we are not even building one per year. Where are we going? You can go and sing: "Nyayo, Nyayo, Nyayo", but where are you going? Where is the "Nyayo Bus" taking you? Where is the "Nyayo Bus" taking us?

**An hon. Member:** The Nyayo Bus is gone! It has stalled!

**The Minister for Water Development** (Mr. Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to talk about another Member who is not here?

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Ng'eny, I did not hear hon. Wamae speak about any other Member. Continue, Mr. Wamae!

**Mr. Wamae:** Mr. Temporary Deputy Speaker, Sir, I just said "Nyayo", which is not a person. Nyayo is a philosophy which is taking us nowhere because we do not see where this "Nyayo Bus" is taking us. We do not see it taking us where there is prosperity, employment or anywhere, except more problems which we are now facing.

Mr. Temporary Deputy Speaker, Sir, we have talked about tourism which is one industry which can create employment and bring foreign exchange with very little investment, since investment has already been done. We need to do more for tourism than what we are doing now. The VAT on tourism should be reduced from 15 per cent to 10 per cent if we want these hotels to survive. They are now paying 35 per cent interest and most of them are so highly mortgaged to the commercial banks that they may not survive with the number of tourists coming to this country. So, I hope the Government will look at this case very seriously.

Mr. Temporary Deputy Speaker, Sir, the other point I would like to raise is the question of domestic borrowing. Until you resolve the issue of domestic borrowing through Treasury Bills satisfactorily, we will never have enough revenue to finance our development activities. Annually, the Government borrows from the domestic market Kshs60 billion even at 20 per cent interest. We are paying Kshs32 billion in interest on local borrowing. That is nearly more than 20 per cent of our total revenue. That is too much! If you add that to Kshs68 billion or Kshs70 billion that we are paying for salaries and wages, that amounts to about Kshs100 billion of our total revenue, out of Kshs160 billion. We are left with very little for development, maintenance and other activities. This is not possible. We had been talking about externalising some of these domestic debts on long-term loans from IDA or the World Bank, or a 30 to 50-years loan, maybe, at less than 4.75 per cent. That is the only way you can deal with this domestic debt because Kenya will not have enough revenue to re-pay the domestic debt at the level it is.

This domestic debt was brought about by the Goldenberg rip-off in 1992. It is still the problem of the Goldenberg rip-off that we are suffering from in this domestic debt. It has become like a millstone around our necks. We cannot move forward. We are just moving backwards every year because, if interest alone on this domestic debt is Kshs32 billion, then even to repay the interest is a problem. Are we going to be taxing our people just to pay interest rates? I am also told that a good part of this Kshs150 billion is the money which was stolen through the Goldenberg rip-off, taken outside to Europe and then brought here as foreign investment in Treasury Bills. So they are earning money twice. They stole it, took it to Europe and brought it back to earn interest on Treasury Bills because the interest rate in Europe is about 6 per cent in dollar rates. So, here they earn 20 per cent. It is very attractive.

**An hon. Member:** Who took the money?

**Mr. Wamae:** *Si unawajua!* You know them!

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Wamae! Address the Chair and not somebody else.

**Mr. Wamae:** Okay, Mr. Temporary Deputy Speaker, Sir. They know who took the money, and they have shared part of it and that is why he is very keen to ask who is benefiting from it.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about water, and I am glad the Minister for Water Resources is here. He is one of the Ministers who sits in this House considerably, together with hon. Mudavadi, the Minister for Information, Transport and Communications. We thank you very much for taking this House seriously, not forgetting hon. Kiptoon who is always in that corner. Those three Ministers have really shown they have interest in this House, and they listen a bit to what we say. For the rest, I saw them almost crushing each other while running out after Question Time. You can never know where they were going because

they never do anything in their Ministries. So, these Ministers need to be congratulated for taking interest in this House, and I am sure what we talk here helps a number of Ministers in this House. I would now like to comment on water availability. Water is not as plenty as people think in this country. It is going to be a scarce resource. We, in Nyeri, now know that water is going to be scarcer than ever before. Most of the rivers we get our water from for domestic and irrigation purposes are drying up due to the drought being experienced. This is partly because we have interfered with Mount Kenya and Aberdares Forests. Secondly, we have no water storage facilities. The Ministry of Water Resources must come up with a muster plan on how it can build dams on the slopes of Mount Kenya and the Aberdares Ranges, to hold water, so that we can use it gradually during the dry season. The water will also help in the production of electricity in Tana River.

Therefore, unless the Government puts up water reservoirs upstream, there will never be adequate water for the production of electricity during the dry season. So, the Ministries of Water Resources and Energy should think of concentrating on building dams on mountain slopes to store water, which can be released gradually during the dry season. This is not a new phenomena; it is in place in some European countries. Everyone has looked into this possibility. However, no survey has ever been done, but the Government says that we can continue producing electricity from our rivers.

With those few words, I oppose.

**The Minister for Water Development** (Mr. arap Ng'eny): Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to support this Bill. This Bill is very important as far as the implementation of various development programmes in this county is concerned. In fact, it will enable the Government to raise funds through taxation, to finance its projects and operations.

I listened keenly to previous hon. Members who contributed to the Bill and appreciated their arguments on various issues regarding the development of this country. Of particular interest to me are issues touching on water. I would like to emphasise what hon. Wamae and other hon. Members, commented upon. For a long time, this country has embraced certain philosophies without caution. Political leaders, both in the Government and in the Opposition, religious leaders and others have not taken some of their responsibilities and the people's aspirations seriously.

When the storm of liberalisation struck, it was perceived to be fashionable in Kenya and in most African countries. Liberalisation was regarded as fashionable as the mini-skirt, which every young lady wanted to put on when it was introduced in the developing world market for the first time. Similarly, new terminologies, such as "liberalisation", "privatisation", "transparency", and so on, came in, and everyone accepted them as the gospel truth. What surprises me is that Kenya has highly educated people who go to Japan, the United Kingdom (UK), the United States of America (USA), and other places, but they do not realise that such policies are non-existent in those countries.

Mr. Temporary Deputy Speaker, Sir, I do not think the banking sectors in the UK, the USA, and other European countries are liberalised. We all know that European countries produce surplus food. In fact, those countries store foodstuffs for up to 10 years and dispose of them in the 11th year by giving them to countries in the developing world, allegedly, for free. However, the foodstuffs are not given out for free as such. It is a known fact that food prices in most countries of the developed world are subsidised up to 50 per cent or more. Farmers there not only get soft credits, but also enjoy other incentives, such as export subsidies.

However, in Kenya, no such incentives are enjoyed by farmers. I do not know why we should liberalise our stomachs. I do not think that a stomach can be liberalised. Stomachs always want breakfast, lunch and dinner, including 10 o'clock tea. I have never heard a stomach say: "I want to liberalise my 10 o'clock tea, lunch and supper". So, I do not understand why we have liberalised the food sub-sector. Therefore, I entirely support my hon. colleagues who are for the protection of this country's manufacturing sector. That is the only way through which we can create employment for our people.

Mr. Temporary Deputy Speaker, Sir, day in, day out, we are being approached by jobless university graduates, secondary school and college leavers, requesting us to help them get jobs. It is unlikely that those jobseekers will get employed unless the industrial, tourism, and other sectors realise some growth. I am happy to say that the Government is doing extremely well in reviving the tourism industry. There are many tourism-related activities taking place in the country nowadays. People should not always blame the Government for the economic problems being experienced in this country. It was the country's leaders, irrespective of their political affiliation, who prevailed upon the Government to liberalise and open up the private sector for everybody.

Mr. Temporary Deputy Speaker, Sir, irrespective of our political affiliation, we should think as Kenyans and ask ourselves: Where have we gone wrong? This is because we have a problem; and the problem is that the economy is not growing at the moment. The economy does not grow because of global effects. We have failed to point out the root cause of the problems that affect the growth of our economy. Why is our economy not growing?

Who made the interest rates escalate?

**Mr. Ngure:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to ask us the root cause of the problems in our economy when he knows very well that he presided over parastatals that did not even pay billions of shillings to the Exchequer?

*(Applause)*

**The Temporary Deputy Speaker** (Mr. Musila): Order! Continue, Mr. Ng'eny.

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, I will have an appropriate time to answer him. The root cause of our problems is the global economic environment which was imposed externally, by external forces beyond our control. A few years ago, the rate of interest anywhere was not 30 per cent. When we borrowed this money from donor countries, we paid it with a maximum of 20 per cent. What happened later on? I think we should find out the root cause of all these problems. This is because if we do not do that, we shall blame each other, and we shall not have an answer to the problems of this country. The best thing we should do is to point out the problems and find ways and means of solving them.

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to continue asking the root cause of our problems when he has been told here by hon. Ngure that the root cause of our problems was his evasion to pay the VAT when he was heading the Kenya Posts and Telecommunication Corporation (KPTC)? Could the Minister address himself to that issue? The evasion of taxes is the root cause of our problems, and he knows that!

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, I never evaded paying any tax, and I think I will have an appropriate time to answer that.

*(Laughter)*

For your information, the institution which I headed was one of the most important, well known and efficient not only in Kenya, but worldwide.

**Mr. Mwenje:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to continue to speak the way he is doing, knowing very well that he is mentioned so derogatorily in the Public Investments Committee Report as the man who stole the highest amount of money from the KPTC, almost to an extent of making it collapse?

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, I do not want to personalise the issue. I am happy to say that the hon. Member is one of the people who benefited from doing business with the KPTC.

*(Laughter)*

**Mr. Mwenje:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I never worked or had any connection with the KPTC, unless he substantiates. But in his case, I can substantiate that he is the man who has been mentioned in the PIC Report as having stolen the highest amount of money from the KPTC. Can he substantiate or clarify that point?

**The Temporary Deputy Speaker** (Mr. Musila): Order! Hon. Members, I think we are trivialising this very important debate. Please, can we now continue with this debate and contributions without so much interruption? Mr. Minister, you should address the Chair. I think you are getting yourself into problems by addressing other people for whatever they talk off the record. So, would you, please, stick to the debate and avoid diverting?

**The Minister for Water Development** (Mr. arap Ng'eny): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for your piece of advice. I will not listen to anybody now.

**Mr. Angwenyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. As you realise, the hon. Minister has stated that hon. Mwenje was party in the plunder of our resources. Could he substantiate that before he continues?

**Mr. Mwenje:** Or withdraw and apologise to this House!

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, I simply said that the hon. Member would be one of those people who benefited from doing business with the KPTC.

*(Laughter)*

I was saying that the question of blaming each other does not come to an end. In fact, you can see that we have already started something which will not come to an end. So, let us start serious discussions. In this world, nobody is 100 per cent---

**Mr. Gatabaki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister not misleading this House by continuing to talk about problems when we know very well that during his tenure at the KPTC, he failed to pay the Exchequer Kshs45 billion, which is equivalent to a quarter of the entire Budget for the Republic of Kenya? Therefore, this single gentleman is responsible for destroying the Kenyan economy, and he is not qualified to speak here!

*(Applause)*

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, however much I am being provoked to answer that question, I will not answer it.

**An hon. Member:** Mr. Temporary Deputy Speaker, Sir, can you protect the hon. Member?

**The Minister for Water Development** (Mr. arap Ng'eny): Mr. Temporary Deputy Speaker, Sir, I need your protection.

**Mr. Kathangu:** Hoja ya nidhamu, Bw. Naibu Spika wa Muda. Wale Mawaziri kama Bw. Ng'eny, ambao wameshtakiwa katika Bunge hili kwa wizi, ni nidhamu wao kuja hapa na kutuambia kwamba tuketi chini tuzungumze ili siku moja tusahau kwamba waliiba katika nchi hii?

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

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Angwenyi! Let us be serious. You have already raised a point of order when the Minister was speaking. Now, you are raising another point of order saying that the Minister should be protected, yet you are one of those who are not protecting him. So, could you be serious and allow the Minister to continue with his contribution?

**Mr. Mwenje:** But the Chair cannot protect thieves!

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Mwenje!

**The Assistant Minister for Local Government** (Mr. Affey): On a point of order, Mr. Temporary Deputy Speaker, Sir. I am not sure whether you heard what hon. Mwenje has just said. Do we have thieves in the House? We need a clarification on that, and he should withdraw that statement.

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Mwenje, the word "thieves" is completely unparliamentary.

**Mr. Mwenje:** Mr. Temporary Deputy Speaker, Sir, for somebody who has stolen, whatever language you use, his or her real name is "thief," according to the Oxford English Dictionary.

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Mwenje! I want to repeat what I have told you: That calling an hon. Member "thief" is unparliamentary. It has nothing to do with the Oxford English Dictionary. Therefore, you should withdraw that remark.

**Mr. Mwenje:** Mr. Temporary Deputy Speaker, Sir, then I withdraw the word "thief" and call him a "defrauder". The Minister defrauded Kenyans millions of money.

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Mwenje! You have withdrawn and, therefore, we should continue.

**The Minister for Water Development** (Mr. arap Nge'ny): Mr. Temporary Deputy Speaker, Sir, I know that my good friends have really tried the best they can to derail me, but I can assure you that I am as strong as ever. I still insist that irrespective of our persuasion, or whatever philosophy we hold, at the end of it all, we are all Kenyans, and the best course for us is to listen to each other in every way possible and develop a common goal for the benefit of our people. I have been accused of so many things, but I would like to say that Parliament is not a court of law.

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

**Mr. Orenge:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Bill. The Finance Bill is rather like a routine every year. Every year, we have a Financial Statement, the Government Estimates, and end up by having the Finance Bill. All said and done, the Finance Bill

is supposed to, in fiscal and monetary terms, envelop the Government policy and strategy towards making Kenya a better country. That is the bottom line. If you look at the Finance Bill, does it portray an aspiration by the Government to bring about positive change to the country?

Mr. Temporary Deputy Speaker, Sir, very often, when people are at funerals, they like saying, "so-and-so who is deceased has left a huge gap that cannot be filled." I want to put across to the House that the Government has left a huge gap in the economy of the country that nobody except the ruling party KANU can fill.

*(Applause)*

I want to put it to you that even if the discussions with the World Bank and IMF succeed and you get the US\$200 million, which is not little money; in terms of the problems we have today, that money would not be enough to fill that gap that has been created by bad governance.

At the start, I was very interested in what hon. Achuka was addressing himself today to. Hon. Achuka was speaking from his heart. I have been with hon. Achuka in the House for many years, and for the first time, I was convinced that he was speaking from the bottom of his heart. And he is speaking as an elected Member in the House, sponsored by the ruling party KANU, and yet he was able to put his points across without any trivialities. He was not frivolous in his presentation about the problems that are facing the country, and particularly in Turkana District. There is somebody who told me that by 10.00 p.m., the Government of His Excellency the President of Kenya ceases to operate; it goes to bed. At 10.00 p.m. if you go to Eastlands, Mathare Valley, or other places, there is no longer any Government in place; it is the gangsters who take over.

*(Applause)*

And if you are part of that Government and you want to operate from there, you can only operate if you are part of the thugs; otherwise, there is no Government that is in place in Eastlands. And the figures---

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Orenge has made a serious statement, that someone told him that there is no Government that operates from 10.00 p.m. every night in Eastlands and its environs. We are interested in that person who gave him that information. Would it be in order to ask hon. Orenge just to mention to the House who that person is, because that is new information, and we know that from 10.00 p.m., we will not be having any Government in place and we will not be protected?

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I do not want to trivialise what I am trying to say. And if it is a question of mentioning names, and if that will satisfy the hon. Member, I will come to it. But there are some of these things which have been said in the House for a long time, and I was trying to develop the situation that we are in today. Some years ago---

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I am coming to that; I will mention the name if it is---

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Orenge, in any case, you are not obliged to divulge the name of that person.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I am not. I know that I am not obliged to name the person.

**The Temporary Deputy Speaker** (Mr. Musila): So, ignore that point of order and proceed.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of Order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Musila): Yes, Mr. Arap-Kirui!

**The Assistant Minister for Finance and Planning** (Mr. Arap Kirui): Mr. Temporary Deputy Speaker, Sir, I have much sympathy for hon. Munyasia who earlier raised a point of order, because, indeed, hon. Orenge made a very serious allegation. If there is any basis at all for the hon. Member to allege that after 10.00 p.m. there is no Government in this country, he should substantiate [**The Assistant Minister for Finance and Planning**] on who gave him that information and what he exactly means by that. A Government, as far as we know, is alert 24 hours a day.

**Mr. Kathangu:** On a point of information, Mr. Temporary Deputy Speaker, Sir. I want to inform the hon. Member that at 10.00 p.m., generally in this country, the Government is asleep and bandits and criminals take over. I have told hon. Orenge many times that in my estate, it is the criminals who rule at 10.00 p.m.

*(Mr. Arap-Kirui stood up in his place)*

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Arap-Kirui, the hon. Member is on a point of information and you cannot interrupt him.

**Mr. Kathangu:** Mr. Temporary Deputy Speaker, Sir, it was last week that I discussed with hon. James Orengo that between the Marakwets and the Pokots, we had 1,500 men with guns. That is about two army battalions and yet there was a Government. Where did the invaders pass through? Who were these fellows, and which Government is governing, if at all there is one? That is what I told hon. James Orengo.

**Mr. Orengo:** Mr. Temporary Deputy Speaker, Sir, I do not want to trivialise this---

*(Mr. Arap-Kirui stood up in his place)*

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Arap-Kirui, you stood on a point of order, and before hon. Orengo responds to hon. Kathangu, you are on another one!

**Mr. Orengo:** I have not even responded!

**The Assistant Minister for Finance** (Mr. Arap-Kirui): But you cannot interrupt a point of order!

**The Temporary Deputy Speaker** (Mr. Arap-Kirui): Order! Order, hon. Arap-Kirui! You stood on a point of order and before hon. Orengo had even responded to what you said, there was a point of information. So, would you allow him to respond? Now you are standing again. Would you, please, refrain from arguing with the Chair, hon. Arap-Kirui? Hon. Orengo, continue!

**Mr. Orengo:** Mr. Temporary Deputy Speaker, Sir, I do not want to trivialise this debate. I was going to develop my point. What is the primary function of the State? Historically, it has been to provide security to the people against internal and external enemies. This is so much so that, at the beginning, historically, we can deduce it to that, if a Government cannot protect its own people, then it is failing in its primary duty. This need not be even particularised to what I have said. It is known that in Ethiopia, at the moment, there are more than 4,000 Kenyan refugees who left the country to seek security and refuge because this Government was not able to provide security. Where was the Kenyan Government when Kenyans were going to Ethiopia to seek refuge?

**An hon. Member:** They were looting!

**Mr. Orengo:** Mr. Temporary Deputy Speaker, Sir, in fact, if only you talked to the hon. Members from North Eastern Province, you would learn that they know nothing else but insecurity, when there is a Government in place. In fact, hon. Shabaan and I have got a mutual friend in Mandera. Whenever our friend rings hon. Shabaan, he always says he wants to talk to me. The first thing he asks me is: "Habari ya huko Kenya? Hapa Mandera ni taabu tu; tunauliwa!" This is because the North Eastern Province persistently has never known any peace. It has just been banditry and insecurity. This is going on basically because the Government has not decided to deal with that issue. You can talk about the Coast Province and the clashes that we have experienced year in, year out.

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

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Orengo, do you want it or you do not?

**Mr. Orengo:** Mr. Temporary Deputy Speaker, Sir, I can have it.

**Mr. Waithaka:** On a point of information, Mr. Temporary Deputy Speaker, Sir. I want to inform the hon. Member for Ugenya and the House that actually, what happens after 10.00 p.m. is not that bandits or thugs take over. It is the Kenya Police who turn themselves into thugs and turn against the citizens. Our people are informing us that they are being robbed by police in uniform. That is the problem. It is the same Government which turns itself from a Government to thugs and attacks the public.

*(Applause)*

**Mr. Orengo:** Mr. Temporary Deputy Speaker, Sir, you can see how the point is being criticised and made clear. This really was not my main point. There is a time when the hon. Ng'eny was the Managing Director of the former Kenya Posts and Telecommunications Corporation (KPTC). There was a time when he wanted to go to Nyayo and had to attend a Harambee meeting. You cannot have two characters or a split personality.

Be that as it may, there is an issue which has been talked about here and it is about liberalisation; that we open up our doors. This issue was addressed fully by the hon. Wamae. Liberalisation did not come about because people wanted open liberalisation where there were no controls. In fact, there is no country in this world where the state does not play a critical role even in the most capitalistic country. President Clinton in the United States has



been successful by having state intervention in matters of social security. The state must be involved. Why did the position in Kenya change? In the first ten years of Independence, the parastatals were doing a good job. They were giving cash to the Exchequer every year. If you look at the figures from the archives, you will find that most parastatals, including state owned banks, were giving cheques annually to the Exchequer. In the last two decades, the story has been different.

Mr. Temporary Deputy Speaker, Sir, at the time when I was at the university, to be recruited by the KPTC was a matter of pride. One had a good employer and would get his salary regularly. Working at the Nairobi City Council then was a matter of pride because one was assured of his regular salary. One would also have wanted to be recruited to the Kenya Railways Corporation. But when the invaders came, they destroyed every little thing that they found on the way. In fact, wolves are better, because when they eat flesh, they leave some bones. But these "wolves" never left even bones. They cleared everything. The Coca-Cola Company is a multi-national company, but it wants our economy to grow. If 20 more people can drink Coca-Cola soda, rather than one person, they will make money.

So, the World Bank and the IMF, organisations which have an interest in us, put this conditionality; that, so long as we had somebody like hon. Ng'eny in the KPTC, they would not give you money. They said that as long as we had some characters who have been mentioned in the Public Investments Committee Reports and the Public Accounts Committee Reports, they would not give us money. They even told the Government to form the Anti-Corruption Authority. This was not the Government's idea. When you appoint the characters that they do not trust, they will tell you to go back because they know what you are doing.

Mr. Temporary Deputy Speaker, Sir, in fact, the other day I was saying that there is no Government in place, leave alone security. In fact, people in the Government have destroyed the pride of this country. I am ashamed that the Head of State can go to Germany and be met by councillors instead of the Head of State. We have destroyed the image and the reputation of this country. Retired Presidents, like Mandela, meet Heads of States. They do not talk to Assistant Ministers when they go there. Unfortunately, we have said these things so many times and the Government never hears. One day, it will hear, probably from the veils or behind bars. That day is coming; be it after five or 30 years from now, that day is coming.

**The Minister for water Development** (Mr. arap Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Orenge to threaten about "one day"? What is this "one day"?

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I do not need even to talk about one day. The world is becoming so small. There is something the world has established known as the "International Criminal Court". In fact, the Kenya Government has already signed some documents relating to the establishment of the International Criminal Court, which will give universality to that court in certain matters. For example, if you violate any humanitarian law, you will be subject to account for that offence. You know what has happened to Mr. Pinochet. It is getting worse! Some people tried to effect a citizen arrest of President Mugabe in London. So, please, some of you should be very careful when going outside the country. If the arm of the law cannot reach you here, it will reach you out there.

Let nobody say that liberalisation was an idea that came from the Opposition. It was a solution because the State has failed. This failure of the State has taken three dimensions. The first part of that dimension was for KANU to die. It has been said that KANU is dead, and it is dead. The second stage---

**The Assistant Minister for Foreign Affairs and International Co-operation** (Mr. Sudi): On a point of order, Mr. Temporary Deputy Speaker, Sir. I differ with the hon. Orenge's opinion that KANU is dead. KANU is very much alive.

**The Temporary Deputy Speaker** (Mr. Musila): Order! Mr. Sudi, you stood on a point of order. That was not a point of order. Mr. Orenge is entitled to his own opinion.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. My point of order relates to what the Member has just said. We are entitled to a substantiation. KANU is very much alive. Is the Member in order to allege it is dead when he can see representatives of KANU sitting here in this House? He has to substantiate that.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I am very proud to say that I have colleagues who are Members of the National Assembly sitting on the other side whom I respect. I can see hon. Kiluta smiling. He is my friend, but I know, first and foremost, that he is a Member of the National Assembly and there is nothing that KANU can do about it. You can make a lot of noise, but until his constituents---

**The Assistant Minister for Finance and Planning** (Mr Arap-Kirui): He is not substantiating.

**Mr. Orenge:** I am responding to the point of order. It has been said in this House before by some people who went to detention that it was deliberate for KANU to die. The second stage was to kill the State. The State, as

an instrument of governance in Kenya, is dead. There is no Government as understood in democratic governance.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir.

**Mr. Orenge:** I am responding to a point of order. Sit down! I would advise him to sit and listen to senior Members like us. He will learn a lot in good time. He will even know the tricks of how he can get elected back. If unakaa kimbelebele, you may face the music next time.

The second stage was to kill the State as understood in any democratic country. There is no Government that functions today in Kenya in accordance with the requirements of any democratic governance. The Judiciary and the Executive are dead. I am proud to say that as Parliament, now, we are trying to establish the Parliamentary Service Commission. We are trying to do something about that. What are the Ministers trying to do to ensure that there is a Government in place in this country?

**The Minister for Water Development** (Mr. Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that the Government is dead when it is very much alive?

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, that was the voice of a dead man and I do not need to respond to that. The second stage was to kill the State. The third stage---

**Col. Kiluta:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Orenge, whom I respect, to say that the voice of the hon. Minister here is that of a dead man?

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Orenge, let us be serious. That particular remark, "the voice of a dead man", is unacceptable and it should be withdrawn.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I was speaking figuratively. I did not talk about hon. Ng'eny being dead. I said that the way I heard it, it is like the voice of a dead man. That is what I said, and you can check with the HANSARD.

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Orenge, a dead man has no voice. Therefore, please, go ahead and withdraw that remark.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, from the community I come from, dead people have a lot of voices and they speak. My grandfather and my ancestors talk to me and I hear their voices.

**The Temporary Deputy Speaker** (Mr. Musila): Order! Mr. Orenge, there is no way you can convince the Chair, regardless of what happens in your community, that we can accept that kind of remark in this House. Therefore, please, withdraw that remark.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I withdraw that the voice I heard was not the voice of a dead man.

**The Minister for Water Development** (Mr. Ng'eny): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Member in order to insist that my voice is that of a dead person?

**The Temporary Deputy Speaker** (Mr. Musila): I thought that remark was withdrawn.

**The Minister for Water Development** (Mr. Ng'eny): I also keep our youth on the Kericho way. So, do not pass through that way.

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Orenge, let us be serious now.

**Mr. Orenge:** Mr. Temporary Deputy Speaker, Sir, I withdrew the remark in a very serious manner. I repeated the words that I had said. If you want me to repeat what I said, I can do so. You can check that specifically in the HANSARD.

I want to talk about liberalisation because this State has failed. The State has been killed because it does not function as a State. Thirdly, they have decided to run the Government as personal property. The Government of Kenya is being run as a personal enterprise.

**Mr. Nooru:** Mr. Temporary Deputy Speaker, Sir, I have been listening to hon. Orenge for the last 15 minutes that he has been on the Floor. Is he really being relevant to the Bill when he talks about a dead KANU and dead Government? Could we hear from hon. Orenge, about the proposal that has been made in the Bill on how to collect revenue and---

**The Temporary Deputy Speaker** (Mr. Musila): Order, Mr. Nooru! Sit down.

**Mr. Orenge:** Obviously, he has not read the Bill, and I do not excuse him. I am saying that the third stage that we have reached, which is a very serious one, is that this State is being managed as personal property. That is why hon. Wamae was asking a very important question: How do you explain that in Nairobi, a one-kilometre road can be built at the cost of Kshs74 million? Which Government can allow public money to be used at that rate?

Mr. Temporary Deputy Speaker, Sir, all contractors who operate in this country, Tanzania and other places are saying that, in Kenya, the money they are getting per kilometre is about 30, 50, 100 per cent, depending

on the country.

**The Minister for Roads and Public Works** (Eng. Kiptoon): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is aware that the Government is currently purging those contractors who have sort of inflated the rates. Is he in order to allege that the Government has allowed them to inflate the rates? The Government has not allowed them, and we are in the process of looking into those issues.

**The Temporary Deputy Speaker** (Mr. Musila): Eng. Kiptoon, that would be a point of information rather than a point of order!

**Mr. Orengo**: Mr. Temporary Deputy Speaker, Sir, did you hear what the Minister said? He said that they are carrying out a postmortem. Do they do a postmortem on living things or dead things? That, they are in the process, after the facts, of purging those contractors!

*(Laughter)*

Mr. Temporary Deputy Speaker, Sir, when I was talking about killing of the State--- The State is dead! When Mobutu went, he went on the basis that the State was dead and he was dying. We are reaching those frontiers in Kenya, if we are not very careful.

**The Temporary Deputy Speaker** (Mr. Musila): Order! Mr. Orengo, your time is up! You had five minutes only.

**Mr. Orengo**: Mr. Temporary Speaker, Sir, I have got ten minutes!

**The Temporary Deputy Speaker** (Mr. Musila): Order! I beg your pardon! Your time is not up, but time for contribution is over. You will continue next week.

#### MEMBERS' HALF-HOUR STATEMENTS

**The Temporary Deputy Speaker** (Mr. Musila): Order! Order, Mr. Orengo! Hon. Members, it is now time for Zero-Hour. I have only one item from hon. Muchiri.

#### CONTRAVENTION OF PRISONS' ACT

**Mr. Muchiri**: Thank you, Mr. Temporary Deputy Speaker, Sir. I stand to seek a Ministerial Statement from the Office of the Vice-President and Ministry of Home Affairs, Heritage and Sports, as to why the officer in charge of Kamiti Prison is permitting prisoners to work on Sunday and Saturdays on small holdings belonging to officers of Kamiti Prison, contrary to the Prisons Act, while wearing torn clothes in full view of members of the public in Kahawa West, who own small holdings in that area. Thank you.

**The Assistant Minister for Home Affairs, Heritage and Sports** (Mr. Sumbeiywo): Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to request the House to allow the Ministry to give a Ministerial Statement on Thursday next week.

**The Temporary Deputy Speaker** (Mr. Musila): Very well.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Musila): Hon. Members, it is now time to interrupt the business of the House. The House, therefore, stands adjourned until Tuesday, 9th, November, 1999, at 2.30 p.m.

The House rose at

6.35 p.m.