## NATIONAL ASSEMBLY

# OFFICIAL REPORT

Wednesday, 9th June, 1999

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

## **PRAYERS**

# ORAL ANSWERS TO QUESTIONS

Question No. 199

UTILIZATION OF CESS MONEY IN NYANDO

Mr. Speaker: Mr. Otita is not here? Next Question!

Question No. 166

REINSTATEMENT OF MR. MACHUKU ERIMA

**Dr. Kulundu** asked the Minister for Agriculture why Mr. Gideon Machuku Erima, P/No.87023194, has not been reinstated to his job at Bukura Institute of Agriculture.

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

Mr. Speaker, Sir, Mr. Gideon Machuku Erima, P/No.87023194, was interdicted and his salary stopped following a report to the effect that he was convicted on a charge of stealing, and sentenced to nine months'job group imprisonment. Subsequently, it was brought to the Ministry's attention that Mr. Erima had successfully appealed to the High Court, and his conviction and sentence quashed. Following this development, Mr. Erima's disciplinary case was forwarded to the District Commissioner's office for deliberation by the District Advisory Committee, which will then recommend to the Ministry what conclusive action is desirable to finalise the case.

**Dr. Kulundu:** Mr. Speaker, Sir, I am not satisfied with that answer from the Assistant Minister. Mr. Erima was promoted way back in 1987; as a matter of fact, on 27th February, 1987, from job "D" to Job Group "K". Now, because the Ministry of Agriculture delayed in effecting his new salary, the principal took him to court on trumped-up charges. Fortunately, Mr. Erima was found innocent by the High Court. So, my

question is this: When will Mr. Erima be given this upgraded salary as recommended by the PSC? Secondly, why has it taken very long - 1987 is a long time ago - for the Ministry to reinstate Mr. Erima? The High Court found him innocent; what is this District Advisory Committee? Is it superior to the High Court?

**Dr. Wamukoya:** Mr. Speaker, Sir, when Mr. Erima's case is considered and completed, I am sure that the question of his upgraded salary will have been considered. And if he is reinstated, his salary will be given to him. As to the second question, according to the Public Service Commission Amendment Regulations of 1991, Notice No.215, whether somebody has been acquitted in court or not, he should still appear before the District Advisory Committee and the Ministerial Advisory Committee for his case to be considered. If it is found that he can be reinstated, he will be reinstated.

**Mr.** Anyona: On a point of order, Mr. Speaker, Sir. The hon. Assistant Minister is misleading the House. Last year, we had a similar Question here, where an officer had been charged, interdicted and had been found not guilty, and had not been reinstated. So, a Question was brought here as a matter of principle, and the hon. Sunkuli, on behalf of the Office of the President, gave an undertaking that from now on, as regards all cases of this kind, those concerned will be reinstated automatically once a court makes that kind of ruling. In fact, what is now happening, really, is seriously in contempt of court. Is he in order to give an answer contrary to an

undertaking we were given here last year by the Government?

- **Dr. Wamukoya:** Mr. Speaker, Sir, I do not know whether an undertaking by a Minister here supersedes the standing regulations. The standing regulations require that an officer, who has gone through the court, whether convicted or not, appears before the DAC and MAC for reconsideration of the case.
  - Mr. Munyasia: Mr. Speaker, Sir, Mr. Erima
- appears to be suffering too much from this Government. First he was promoted in 1987, and for over ten years, he has not been given this appropriate position. Secondly, he has been acquitted by the High Court and he is not immediately being reinstated. Could the Assistant Minister tell us when Mr. Erima is going to be called before the District Advisory Committee for clearance?
- **Dr. Wamukoya:** Mr. Speaker, Sir, Mr. Erima's case is coming up for consideration this month in the Ministerial Advisory Committee. I think the decision pertaining to his case will be known by this month.
- **Mr. Gitonga:** Mr. Speaker, Sir, if Mr. Erima was acquitted by a court of law, why is he being subjected to a kangaroo court?
- **Dr. Wamukoya:** Mr. Speaker, Sir, if I may read for the hon. Members the requirements of the Public Service Commission amended regulations of 1991; Regulation 25 reads:"The whole of Regulation 25 has been repealed, the effect of this---"
- **Mr. Kapten:** On a point of order, Mr. Speaker, Sir. The Assistant Minister is misleading this House. The regulations are subject to the laws of this country. Is it in order for him to tell us about the regulations when the law of this country recognizes the court to be supreme and any person found innocent by the court is innocent? Therefore, the Ministerial Advisory Committee cannot override the laws made by this House. Are you aware of that?
- **Dr. Wamukoya:** Mr. Speaker, Sir, I am aware that all laws and Acts have got guidelines, and these guidelines are operational. According to the Public Service Commission Act, which was amended in 1991, regarding such cases, it states as follows:-

"It is no longer necessary to refer cases of criminal nature to the Attorney-General as has been the practice in the past".

This amendment also means that disciplinary proceedings can now be instituted against a public officer who is facing criminal charges, or who has been acquitted of a criminal offence.

- Mr. Speaker: Very well, the last one, Dr. Kulundu.
- **Dr. Kulundu:** Mr. Speaker, Sir, could the Assistant Minister assure the House that when Mr. Erima is finally reinstated, he will be paid all his dues at the salary scale of his new Job Group "K" and not Job Group "J"?
- **Dr. Wamukoya:** Mr. Speaker, Sir, this is an entitlement, and I would like to assure the hon. Member that if the officer is reinstated, he will get all his dues. There is no reason for him not to get what is due to him.
  - Mr. Speaker: Very well. Mr. David Kombe's Question!

## Question No.182

# FINANCIAL STATUS OF AGRICULTURAL FINANCE CORPORATION

Mr. Kombe asked the Minister for Agriculture:-

- (a) whether he is aware that the Agricultural Finance Corporation (AFC) is in a serious financial crisis;
- (b) what has caused the crisis; and,
- (c) when the AFC will resume lending money to farmers.

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

- (a) The Ministry is aware that the Agricultural Finance Corporation (AFC) has been, and still is, undergoing a very trying period.
- (b) Operations at the AFC have been constrained by the failure by some farmers to service their loans. The reduction of donor funding and Government Budgetary allocations for loanable funds to support the AFC's lending capacity has aggravated the situation.
- (c) Despite this gloomy picture, my Ministry continues to encourage donors to support farmers' activities through the AFC. A good example is the current lending for the development of the pig and horticultural industries through joint funding by the Government and African Development Bank (ADB). The proposed financial restructuring of the AFC is still under consideration by the Government. Once the restructuring is

approved and implemented, it is hoped that the AFC will improve its lending operations to farmers.

- **Mr. Kombe:** Mr. Speaker, Sir, the answer given by the Assistant Minister is good, but not satisfactory. Could the Assistant Minister confirm or deny that farmers have failed to service their loans because the market has been flooded with cheap imports from other countries?
- **Dr. Wamukoya:** Mr. Speaker, Sir, it is not true that the country is flooded with cheap grain imports. We only allowed duty-free importation of grains up to 30th June, 1998. Thereafter, duty was re-imposed. The duty is quite heavy and discouraging for anybody to import grains into the country.
- **Mr. Amin:** Mr. Speaker, Sir, is the Assistant Minister aware that the money of the AFC has been looted by top officials of the Corporation? What action will he take against those people?
- **Dr. Wamukoya:** Mr. Speaker, Sir, in the first place, I am not aware that money of the AFC has been looted by the corporation's top officials. Therefore, the issue of taking action against any of them does not arise.
- **Mr. Kapten:** Mr. Speaker, Sir, the Assistant Minister should be open and tell us that the crisis facing the AFC is due to nepotism and mismanagement. Loans have been given to some people who are untouchable at the State House quarters. Why has the AFC not been able to recover money given to big fish? The AFC is only concerned with small people who were given only a few shillings! Why can the Ministry not follow the big people, who were given large sums of money by the AFC, and thus crippled it?
- **Dr. Wamukoya:** Mr. Speaker, Sir, what I know is that the AFC has given loans to farmers. I do not know the big fish the hon. Member is talking about. I can give examples of loans which were given by the AFC, but which could not be serviced because of the current environmental conditions. For example, because of the tsetse fly menace, ranches in the coastal areas could not keep cattle. Because of stock theft, people who were given loans in Samburu District could not keep cattle.

Some ranches in Narok could not keep cattle because the cattle were dying from drought. These are natural effects on the loans that were given by the AFC. When such a thing happens, the AFC has got to reconsider what to do next. For example, for the cases of ranches in the coastal region, the corporation has considered to re-schedule the loans, because it is aware of the cause of the problems that made it impossible for the loanees to service their loans.

- **Mr. Osundwa:** Mr. Speaker, Sir, it is common knowledge that farmers in this country have no control over the production, marketing and even processing of their crops. What is the Ministry doing to empower farmers in these areas?
- **Dr. Wamukoya:** Mr. Speaker, Sir, the Ministry is undertaking liberalisation programmes in all its sub-sectors, one of which is currently being discussed in this House. If the process is completed, it will help to ease the marketing systems of the various sub-sectors of the agricultural sector.
- **Mr. Wamae:** Mr. Speaker, Sir, is the Assistant Minister satisfied that the present Managing Director of the AFC, Mr. Toroitich, is qualified to run the corporation? The AFC was a very well-run and efficient organisation until when the new management came in.
- **Dr. Wamukoya:** Mr. Speaker, Sir, there are very many factors which can cause problems in any industry. In the case of the AFC, the current manager is not one of those factors.
- **Mr. Shill:** Mr. Speaker, Sir, we are aware that there are very many financial institutions which are "dead" and others which are about to "die". I would like the Assistant Minister to tell the House whether the AFC is actually "dead", or it is clinically "dead".
- **Dr. Wamukoya:** Mr. Speaker, Sir, the AFC is not "dead". I have just said here that it is already lending money to the pig industry and others.
- **Mr. Mwiraria:** Mr. Speaker, Sir, is the Assistant Minister aware that the AFC openly discriminates against some farmers? For example, in 1985, when there was drought throughout the country, some farmers were coerced and forced to repay loans they had borrowed, while others were allowed to get away with the repayment of loans that year. So, what will the Assistant Minister do to stop this kind of discrimination?
  - **Dr. Wamukoya:** Mr. Speaker, Sir, I will take very stern action.
- **Mr. Mwenje:** Mr. Speaker, Sir, I am aware that some time ago, all banks were required to lend a percentage of their money to the agricultural sector, and some did so through the AFC. Can the Government consider reinstating this and monitor that this money is not misused and is, indeed, used by the AFC in the agricultural sector?
- **Dr. Wamukoya:** Thank you, Mr. Speaker, Sir. The Government is going through restructuring of AFC and when it is complete, exactly what the hon. Member is suggesting will be carried out.

#### RADIO CALL SET FOR BENANE DIVISION

**Mr. Shidie** asked the Minister for Transport and Communications when the Government will provide radio call set to Shanta-Abak and Benane divisions to ease communication.

**Mr. Shidiye:** Mr. Speaker, Sir, nonetheless, I feel that this Question is not directed to the right Ministry. It should be directed to the Office of the President instead of the Ministry of Transport and Communications. For security reasons, radio call sets are normally provided by the Office of the President.

Mr. Speaker: I think you are right, so, the Question is deferred and re-directed to the Office of the President.

**Dr. Ochuodho:** On a point of order, Mr. Speaker, Sir. We need your guidance here. Unless the Government has redefined the roles of the Ministry, as far as we know, radio communication falls under the docket of the Ministry of Transport and Communications.

Mr. Speaker: It does not! Order! Is the

#### [Mr. Speaker]

Minister for Transport and Communications around? Are you ready to answer?

The Assistant Minister for Transport and Communications (Mr. Abdi): Yes. Mr. Speaker, Sir, I beg to reply.

The Kenya Posts and Telecommunications Corporation stopped running radio call services countrywide in 1990 as it was uneconomical to continue running the service---

**Mr. Shidiye:** Mr. Speaker, Sir, as we can see, the Ministry of Transport and Communications apparently does not provide radio call sets facilities. These facilities are provided by the Office of the President for security purposes. We already have some on the ground and some were taken out for repair. I was asking this Question in the light of what we are having on the ground. So, I think it will be wrong for the Ministry of Transport and Communications to answer. Globally, maybe, he can answer on other things, but not this one.

The Assistant Minister for Transport and Communications (Mr. Abdi): Mr. Speaker, Sir, I would like the Question to be directed to the Office of the President.

Mr. Speaker: So, be it! Very well---

**Dr. Ochuodho**: --- (Inaudible)

**Mr. Speaker:** Order, Dr. Ochuodho! I think Dr. Shem Ochuodho, you had better rethink about conducting yourself.

**Dr. Ochuodho:** Mr. Speaker, Sir, even if the equipment is ordered by the Office of the President, it must be checked by the Ministry of Transport and Communications. As far as we know, the approval only comes from the KPTC, which falls under the Ministry of---

**Mr. Speaker:** Order! As far as I am concerned, there was no Question directed to Dr. Ochuodho. So, he has no *locus standi* in this issue! The Question is ordered deferred and redirected!

(Question deferred)

# Question No.201

## NON-PAYMENT OF DEATH GRATUITY

**Mr. Ojode** asked the Minister for Health whether he could explain why the personal file of the late Elizabeth Ojwang', P/No.327924/71045510, who died in 1997 has not been forwarded to the Director of Pensions for payment of death gratuity.

The Assistant Minister for Health (Mr. Criticos): Mr. Speaker, Sir, I beg to reply.

The personal in respect of the late Elizabeth Ojwang,' who was an employee of this Ministry and died on the 30th March, 1997, has not been submitted to the Pensions Department because the original documents in respect of Mrs. Ojwang' have not been forwarded to my Ministry by the deceased's husband.

Mr. Ojode: Mr. Speaker, Sir, the late Elizabeth Ojwang' was married to Mr. Ojwang' from Kanyamwa Location in Ndhiwa Constituency. Mr. Ojwang' has been coming to the Ministry of Health since 1997, and he came with the original identification card of Elizabeth, birth certificate and original payslip. Could the Assistant Minister tell us what other original documents he needs in order for Mr. Ojwang' to be paid the dues of the

deceased? In any case, could the Assistant Minister table the letter which was written to Mr. Ojwang' asking him to bring these other original documents?

**Mr. Criticos:** Mr. Speaker, Sir, we have not seen the certificate or any document that we have requested for from the deceased's husband. To fulfil the hon. Member's request, I table the letter which is here requesting the husband to bring the documents.

# (Mr. Criticos laid the letter on the Table)

**Mr. Ojode:** Mr. Speaker, Sir, it is good that the Assistant Minister has tabled that letter, I am yet to find out what is written in the letter. However, the biggest problem with this file is that whenever Mr. Ojwang' goes to this Ministry, he is asked for "TKK; Toa Kitu Kidogo"!

## (Laughter)

- **Mr.** Criticos: On a point of order, Mr. Speaker, Sir. I will not allow the hon. Member to level such a serious accusation against the Ministry of Health. If he has got any evidence, he should bring it here. Who asked Mr. Ojwang' to give something small and the rest?
- **Mr. Ojode:** Mr. Speaker, Sir, it is true and it is not a laughing matter. It is true that the file has not been moved from the Ministry of Health because they wanted "something small". If he wants me to bring Mr. Ojwang' here next time, Mr. Ojwang' will prove this to the Ministry! I can lay him on the Table!

# (Laughter)

- Mr. Speaker: Order! Mr. Ojode, what do you intend to do? Bring Mr. Ojwang' here?
- **Mr. Ojode:** Mr. Speaker, Sir, I want the Ministry to be serious with this particular case because Mr. Ojwang' has several children and some of them are not going to school because they are waiting for their mother's dues. Could the Assistant Minister confirm to this House that he is going to remove that file or send the file to Pensions Department, in order for Mr. Ojwang' to be paid immediately?
- **Mr. Criticos:** Mr. Speaker, Sir, I have got no objection to that. However, I would like to have the death certificate and the relevant papers we have requested the deceased's husband to present through our letter of 23rd August, 1998.
- **Mr. Ojode:** Mr. Speaker, Sir, could the Assistant Minister tell us what relevant documents he requires in order for the deceased's dues to be paid?
  - Mr. Criticos: Basically, we are requesting for the death certificate.
- Mrs. Ngilu: Mr. Speaker, Sir, this question of pension not being paid to people who have died is not only in the Ministry of Health. All the other Ministries are taking so long to pay those who have retired from their Ministries or have died. Can this particular Assistant Minister and others assure this House that pensioners will be paid as soon as possible?
- **Mr. Criticos:** Mr. Speaker, Sir, I sympathise with hon. Ngilu's sentiments on this issue. I will assure you on this particular case that, I will take it upon myself that the processes will be done as soon as possible, and if the hon. Member can also come and see me in the Ministry with the relevant documents, then we can finalise it in the early part of next week.
  - Mr. Ojode: On a point of order, Mr. Speaker Sir. I am still perusing the letter.
- **Mr. Speaker:** Order! Mr. Ojode, next time, when a document is tabled, take the earliest opportunity to go and peruse it, so that if you have any queries about it, you may do so during that time because you will not have to go back upon it all the time. Number two, once the---

## (Mr. Mokku stood in his place)

- **Mr. Speaker:** Order, Mr. Mokku. I would advise that once the Chair has gone over that issue, please, follow the exodus.
- **Mr. Ojode:** On a point of order, Mr. Speaker, Sir. I do respect the Chair but I could not peruse the letter because I was far away and I am not one of the "shadow" Ministers to sit in the Front-Bench, but I need your guidance, too. This letter which is purported to have been written by Mr. Mwadiru, for the Permanent Secretary, is fake. This letter does not have any official letterhead and the date is handwritten. This letter is fake. Do you accept

fake letters to be tabled here? I need your guidance here!

Mr. Speaker: Is it signed?

**Mr. Ojode:** Mr. Speaker, Sir, it is signed, but any letter can be signed and it is not officially written on the official letterhead.

**Mr. Speaker:** Order! Can I tell you what I will do about that letter? If it is signed for the Permanent Secretary and the only thing that is missing is the letterhead, can you then put the Assistant Minister on top there, as the letterhead, because the Assistant Minister is the one who has tabled it? So, say: "Very official", and it comes from the hand of the Assistant Minister and so, it comes from the Assistant Minister!

**Mr. Ojode:** Mr. Speaker, Sir, I do agree with you that you are really helping the Assistant Minister, but the date is handwritten; so how can you accept something like this?

**Mr. Speaker:** Order! There is no rule, to the best of my knowledge, that dictates that a typed letter must also have a typed date. You can leave that the date and put it by hand.

**Mr. Ngure:** On a point of order, Mr. Speaker, Sir. We are assuming that date has been entered by hand to suit the day this Question reached the Assistant Minister.

**Mr. Speaker:** Order! Order! Can we do this; I think it is in the interest of the House to make some progress and the best way forward, as I said This document, in the presence of the House, is tabled by the Assistant Minister, authenticating that it is written on his behalf and if that is the context of that letter, he is ready to stand by it. So, can we take that direction? If he does not keep what he has said to the House, bring it to my attention, Mr. Ojode. I am sure that at the end of the day, what the hon. Ojode is interested in is to have Mr. Ojwang' receive the benefits of his late wife, and I suppose that is all.

**Mr. Ojode:** On a point of order, Mr. Speaker, Sir. You are quite right but the way the Assistant Minister has started behaving in giving fake documents, Mr. Ojwang' is not going to get his dues?

Mr. Speaker: Order, Mr. Ojode! I am not now going to accommodate this.

Mr. Mwiraria: On a point of information, Mr. Speaker, Sir!

**Mr. Speaker:** Who are you informing? Is it me or Ojode?

# (Laughter)

Mr. Ojode, would you like to be informed?

**Mr. Ojode:** Yes, Mr. Speaker, Sir.

**Mr. Mwiraria:** Mr. Speaker, Sir, as a former civil servant, may I also offer what I think is an explanation to the issue being raised by Mr. Ojode. In the Government, when you have many letters to type, you type them without the date because you do not want to appear to be back-dating them and on the date that the letter is issued, you put the date. The other point is that, the letterheads are normally so expensive that, it is only the original letter which has the letterhead. The letter which remains in the file does not have the letterhead. So, that could be the explanation to this point.

Mr. Speaker: Next Question, Mr. Mutua Katuku.

# Question No.235

# ALLOCATION OF MWALA SOCIAL HALL

## Mr. Katuku asked the Minister for Local Authorities:-

- (a) if he is aware that Mwala Market social hall, which was constructed by members of the public through Harambee on a privately acquired land, has been allocated to an individual;
- (b) if he is further aware that the social hall has been brought down by the said individual, who has constructed a commercial house on the plot; and,
- (c) if the answers to "a" and "b" above are in the affirmative, what he is doing to effectively address the problem.

# The Assistant Minister for Local Authorities (Mr. Sasura): Mr. Speaker, Sir, I beg to reply.

- (a) I am not aware that Mwala Market social hall was constructed by the public through Harambee, or whether the land on which the social hall was constructed has been allocated to an individual.
- (b) Yes, I am aware that the social hall was demolished sometime in 1989 and some unauthorised structures constructed on the site.
  - (c) The matter of the legal ownership of the plot where Mwala social hall was built is subject of a court

case, HCC No.100 of 1989, and therefore, I cannot address the issue of the plot ownership as the matter is *sub judice*. The parties involved in the dispute must wait until final determination by the court.

**Mr. Katuku:** Mr. Speaker, Sir, you have heard very clearly that a social hall was brought down. I would assure you that, this is the "Karura" of Mwala, and the Assistant Minister is hiding under the issue of *sub judice*. Can the Assistant Minister tell us who has put up the unauthorised structures and that has nothing to do with the court case, and why has the county council not brought them down?

**Mr. Sasura:** Mr. Speaker, Sir, as I said earlier, the case was filed by a group of people from the local community against the county council and those who demolished the social hall. However, I do not have the names of the people who brought down the structures here now.

**Mr. Wambua:** Mr. Speaker, Sir, I am very pleased to hear that the Assistant Minister is aware that, of course, the case has been filed by a group of people on behalf of the people of Mwala against the county council, and he is also aware that the leaders of Machakos; that is, the councillors and Members of Parliament, have presented their case to the Assistant Minister. Because the clerk of the county council is one of the people who were allocated this plot and a former councillor who is a KANU man, that is the reason why even the Assistant Minister has refused to remove this town clerk. My question is: What is the Ministry going to do to remove this town clerk in Machakos, and my learned friend there is aware of everything?

**Mr. Sasura:** Mr. Speaker, Sir, we do not remove town clerks like this in the House. However, I would like to apologise because I have the name of a Mr. Paul Ngui Mutua who is among those people who demolished the halls and I would like to inform the hon. Member that the case is against the county council of Masaku and not the clerk or any other individual.

Mr. Ndicho: Mr. Speaker, Sir, the issue of grabbing public utility property is coming back in a very amusing way. Yesterday, I did not attend the opening of this session because I was "fighting" with councillors who have grabbed Thika\Madaraka Market, and I am sure the Assistant Minister is aware of this. What is the Ministry's policy today as far as public utility properties are concerned; that is markets, cemeteries and social halls like this one? Can you give us a policy guideline from the Ministry of Local Authorities as far as these public properties are concerned?

**Mr. Sasura:** Mr. Speaker, Sir, the Ministry has indicated very clearly that not only public utilities, but even plot allocations nowadays have to be allocated in such a way that the new Physical Planning Act is abided by liaising with the concerned local authority. However, the Ministry has stated here clearly, and severally, that no public utility land will be allocated to individuals or even institutions.

**Dr. Ochuodho:** Thank you, Mr. Speaker, Sir. The conversion of public property to private use by members of the ruling party is a nationwide concern. This very weekend in Homa Bay Town, we have a Women Centre that was built for purposes of assisting the women of South Nyanza District--- I understand a Harambee will be held there this weekend by the "KANU First Lady" to assist a private person to acquire and grab that women centre. What action is the Assistant Minister going to take to ensure that those policies are followed when public property is being privatised?

**Mr. Sasura:** Mr. Speaker, Sir, every case is dealt with on merit. If anybody is unauthorised and interferes with a public utility, then the law of the land takes its course.

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. You heard the hon. Dr. Ochuodho referring to a "KANU's First Lady". Could he name this "First Lady" in Kenya?

**Mr. Speaker:** Order! Mr. Mwenje, I heard him very well, but you must understand that, that is Dr. Ochuodho. There is no such thing as a "KANU First Lady"; KANU does not marry, neither does FORD(K) nor NDP! Let us be serious.

Mr. Katuku: Thank you, Mr. Speaker, Sir. The problem we have in Machakos is very peculiar. Masaku County Council has a problem with the management of the council affairs by the Town Clerk. The council falls under three constituencies, namely; Mwala, Yatta and Masinga. We had a chance to talk with the Minister at Machakos, with all the councillors and everybody expressed concern at how the council is running its affairs. As we talk now, in the same market, the Town Clerk has collected Kshs3,000 from people there to allocate them plots reserved for public utility where the traders are selling their wares. Can the Assistant Minister save Machakos District from being grabbed by that Town Clerk, Mr. Mondo, by removing him because he is grabbing everything? He can bring his son if that is the case!

**Mr. Sasura:** Mr. Speaker, Sir, I had said earlier here that, that is not the mode of removing clerks. If there is a specific case being implicated against the clerk, that can be brought to our notice.

**Mr. Katuku:** On a point of order, Mr. Speaker, Sir. The Assistant Minister is asking for a specific case, but here is a specific case of the Town Clerk, Mr. Mondo, and a former KANU councillor for the area, Mr. Mbui,

are named because now we have a different councillor who is transparent. What specific case does he want? I am now talking of Kshs3,000. What else does he want? Tutamtoa na ngumi!

- **Mr. Sasura:** Mr. Speaker, Sir, the hon. Member is talking about the Clerk and a former Councillor who acquired a plot, but he is not telling me where the plot is. He is not tabling documents. How can I prove that Kshs3,000 is involved?
- **Mr. Wambua:** Thank you very much, Mr. Speaker, Sir. I think the Assistant Minister is not serious. He is asking us to tell him where the plot is; the plot is in Mwala. It is written here on the Order Paper. He is being told that a former councillor and the Town Clerk are the people who have grabbed that public plot. What else would he like to know? Can he tell us what action he is going to take to remove that Town Clerk?
- **Mr. Sasura:** Mr. Speaker, Sir, it is very unfortunate that the hon. Member is telling me that this market is in Mwala. In any planned town or market, all parcels of land have LR numbers and specific references. That is what I want.
- **Mr. Katuku:** On a point of order, Mr. Speaker, Sir. I think we need your guidance here. The Assistant Minister is denying that there is no such LR number yet he is accepting there is a social hall in Mwala which was brought down by two people; the Masaku County Council Clerk and the former councillor, Mr. Mbui, as he told us. What else does he want? It is shameful. The Minister is here and the people of Machakos will not forgive him, or even the Assistant Minister. I seek your guidance on what we are going to do with this Assistant Minister because he is refusing to answer my question on a specific case of a plot where he says he is not aware, and yet, he is aware. What do we do with this Assistant Minister?
- **Mr. Speaker:** Order! Order, Members! From the very beginning, I do not think there was in doubt what we were talking about. I think the Assistant Minister agreed there was a social hall which was brought down. I think it is the same thing you have been questioning about. I do not know why Mr. Sasura, now you forget that you already know the plot?
- **Mr. Sasura:** Mr. Speaker, Sir, it is true, I know about the social hall. In 1987, the county council of Masaku resolved that no plot will be allotted around the social hall. The fact that I know the social hall does not necessarily mean that it was grabbed by anybody.
- **Mr. Wambua:** On a point of order, Mr. Speaker, Sir. I think this Assistant Minister is trying to mislead this House. He has clearly said that the social hall was brought down and the legalised people had built structures on that plot. What else does he need to know? Can he tell us what steps he is taking to make sure that those allocations are nullified?
- **Mr. Sasura:** Mr. Speaker, Sir, if the hon. Member heard me clearly, there is no legalised people who have been given those plots. The County Council has said very clearly that, that plot is not going to be allocated to anybody and those who brought down the social hall are unauthorised. Mr. Mbui and others, and the county council, have already been taken to court. I would it not like to be dragged into court matters.
  - Mr. Speaker: Next Question, Mr. Mwiraria.

## Question No. 192

## SETTLEMENT OF SQUATTERS IN KARURI

- **Mr. Mwiraria:** Mr. Speaker, Sir, although I have got a written answer from the Ministry of Lands and Settlement, it is clear that the Ministry knows very little about the people in Karuri because the answer is just denying that there are any people. Since the matter has been discussed exhaustively with the Minister for Natural Resources, instead of wasting time now, would it be better for the Question to be redirected to the Minister for Natural Resources who knows that the squatters are there and who has already, in fact, degazetted 2,000 acres to settle those people?
- Mr. Speaker: Very well, I will defer the Question. Maybe, you can see me later so that it can be redirected to the relevant Ministry.

Next Question, Mr. Muchiri.

## (Question deferred)

Mr. Muchiri: Mr. Speaker, Sir, before I ask that Question, let me have the written answer.

Question No. 193

#### MEMBERS OF MATHARE REHABILITATION BOARD

#### Mr. Muchiri asked the Minister for Public Works:-

- (a) who the members of Mathare Rehabilitation Board are; and,
- (b) why the Amani Trust Housing Project continued to defy a Government directive given on the
- 7th June, 1994, to the effect that the landless be settled within the scheme free of charge.

## The Minister for Public Works and Housing (Mr. Ngala): Mr. Speaker, Sir, I beg to reply.

- (a) I am not aware of the existence of such a board as the Mathare Rehabilitation Board. However, I am aware of the Mathare 4A Consultative Advisory Board whose members are:
  - (i) The representative of the Ministry of Public Works and Housing;
  - (ii) The representative from the Provincial Commissioner's office;
  - (iii) The representative from the Nairobi City Council;
    - (iv) The area Member of Parliament;
    - (v) The area councillor;
    - (vi) The chairman of the Board of Trustees of Amani Housing Trust;
    - (vii) Two representatives of the area residents; and,
    - (viii) The project consultant from GITEC CONSULT.
    - (b) I am also aware of the Board of Trustees of Amani Housing Trust whose members are:-
    - (i) Fr. Dr. Lawrence Njoroge; Chairman;
    - (ii) Fr. Klaus Bronruta, Member;
    - (iii) Fr. Francis Gachunga, Member;
    - (iv) Fr. Stephen Kungu, Member; and,
    - (v) Mr. Steven Muthua, Secretary.

I am not aware that there was a Presidential directive of the 7th June, 1994, that the landless be settled within the scheme free of charge. The Amani Housing Trust was legally constituted by the Catholic Archdiocese of Nairobi to implement the project on its behalf, in accordance with the agreement entered into between the Government of Kenya, the Catholic Archdiocese of Nairobi and the German Government.

- **Mr. Muchiri:** Mr. Speaker, Sir, the Amani Housing Trust Project is a project between the Kenya Government and the German Government. The money voted by this Parliament went to the project under the rehabilitation of Mathare Valley slums. The land on which the Amani Housing Project stands is under the name of the Archdiocese of Nairobi. Can the Minister explain those ambiguities surrounding this project?
- Mr. Ngala: Mr. Speaker, Sir, I do not see any ambiguity. We are talking of the Mathare 4A as a project which was agreed between the Kenyan Government, the German Government and the Catholic Archdiocese of Nairobi, as the agents who were supposed to manage it. There could be money that was voted in this House, generally covering the Mathare slums, but this is a specific project which is being handled through the agreement between the Government of Kenya and the German Government.
- So, Mr. Speaker, Sir, I do not see any ambiguity here, we are dealing with, probably, two issues. So, it is better for the hon. Member to be specific. If he is referring to the Mathare 4A as a project, then it is good that he sticks there.
- **Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. I am surprised to hear the Minister saying that he is not aware of the Presidential directive that was given as regards those people in Mathare in 1994. I want to table the Presidential directive here, which was contained---
  - Mr. Speaker: What do you mean by "tabling" the Presidential directive?
- **Mr. Mwenje:** Mr. Speaker, Sir, I mean that I want to table the paper that contained that Presidential directive, which was quoted in the newspaper in 1994, on Wednesday, June, 8th, where--- It is here with me, and if the Minister is not aware of it, I will make him aware. In 1994, the President---
- Mr. Speaker: Order, Mr. Mwenje! Are you referring to an official communication from the Government?
- **Mr. Mwenje:** Mr. Speaker, Sir, you know, normally, the President does not write his directives; he gives them in public meetings.
  - **Mr. Speaker:** What are you referring to?
  - **Mr. Mwenje:** Mr. Speaker, Sir, I am referring to the *Daily Nation* newspaper's report----**Mr. Speaker:** Order, Mr. Mwenje! Have you looked at your Standing Orders recently?
  - An hon. Member: He has not!

**Mr. Mwenje:** Mr. Speaker, Sir, I am aware of what our Standing Orders state; that newspapers cannot become an authority.

**Mr. Speaker:** Order, Mr. Mwenje! If you know of the Standing Order that forbids you from referring to newspapers as an authority, and with that knowledge, you nevertheless want to do that; are you not saying that, you are trying to sabotage the rules of the House, and to that extent, you want Mr. Speaker to assist you to aid and abet in your sabotage of the House?

## (Applause)

Mr. Mwenje: Mr. Speaker, Sir, I happen to have been privileged to have been in that meeting where the President gave the directive, and I heard it with my own ears; when he ordered that, that plot be allocated to those squatters. This was just additional information for the Minister. I know that, the directive was given, and the Ministry has been trying to settle those people, but, unfortunately, there has been hullabaloo between the Archdiocese, the squatters and that committee. The Minister is very much aware that, it was he who re-directed that committee not to continue settling those people recently, and that committee has not been operational. That is what the area hon. Member is asking. Can the Minister now have that directive implemented? If he is not aware of the directive, we have now made him aware of it, and it is being flouted. Can he make sure that the directive is no longer flouted and those people are settled on that land as the directive was issued and the regulations and agreement are also there?

**Mr. Ngala:** Mr. Speaker, Sir, let me be permitted by this House to repeat what I have said; I am not aware of the Presidential directive. I think that should suffice, because I am not aware---

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. I have made the Minister aware. Can he now tell us the position of the directive?

**Mr. Speaker:** Order! Can I say the following? Mr. Mwenje, under what rule is the Minister obligated to accept your explanation?

Mr. Mwenje: Mr. Speaker, Sir, there is no rule, but there is an agreement, and he is aware of.

Mr. Speaker: Mr. Minister, will you agree with him that there is an agreement?

**Mr. Ngala:** Mr. Speaker, Sir, you have kindly requested me to say whether I agree with him or not, but I want to tell you that I decline, because I am not aware of that.

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

Mr. Speaker: Order! Order, Mr. Muihia! Yes, Mr. Muchiri.

**Mr. Muchiri:** Mr. Speaker, Sir, we need your guidance here. I was personally in that meeting and here, the Minister is saying that he is not aware of the Presidential directive. We all agree in this country and we do that in principle, that whatever is stated by His Excellency the President publicly, becomes a directive. Is the Minister implying that there are some Presidential directives to be disobeyed and others to be obeyed?

**Mr. Ngala:** Mr. Speaker, Sir, I do not want to say anything different. I will stick to the position that I had stated earlier on; that I am not aware of that Presidential directive.

**Mr. Muihia:** On a point of order, Mr. Speaker, Sir. We are talking about the poor people of Mathare, who are supposed to be given premises free of charge. But they are now being charged Kshs600 per room. I have with me, the photograph of the President of the Republic of Kenya at Mathare, when he directed the Nairobi Provincial Administration and the Nairobi City Council to give those houses free. That is where the Minister is---

(Mr. Muihia waved the newspaper cutting)

Mr. Speaker: Order, Mr. Muihia! Are you a Minister, Mr. Muihia?

**Mr. Muihia:** Mr. Speaker, Sir, I wish to be one! **Mr. Speaker:** Well, are you, as a matter of fact?

(Laughter)

If you are not a Minister, you cannot base the name of the President as an authority for whatever you are saying.

**Mr. Muihia:** Mr. Speaker, Sir, but I am seeing the photograph of the President in this newspaper, and the Social Democratic Party (SDP) will give me the privilege to be a Minister.

## (Laughter)

- Mr. Speaker, Sir, can the Minister deny or agree that those houses were supposed to be given free to the poor people of Mathare?
- **Mr. Ngala:** Mr. Speaker, Sir, I have nothing to deny or confirm. If the whole thing is being related to the Presidential directive that the hon. Members are quoting, I have nothing to say.
- **Mr. Anyona:** On a point of order, Mr. Speaker, Sir. I think this House has the responsibility to uphold the dignity of the Office of the President. Now, if it is being said that the President did make some directive, formal or informal, I think it will be bad for this country for people to feel that, the President can make a directive in his best judgement and it is of no consequence. In order to safeguard that position, could it not be right for this House to request the Minister to make consultations with the President, to find out how he feels about that issue? If the President did, indeed, commit himself, then some action should be taken, which protects the integrity of the name and that of the Office of the President.
- **Mr. Ngala:** Mr. Speaker, Sir, I think I am getting into an area which is out of my jurisdiction because, I think the President has all the possible ways to give directives. As far as I am concerned, the statement that is being referred to, I have said, I am not aware of it. But I do not think that, it is our custom to go and begin to sensitize the President, whether he said that or he did not. I think there is a way, and machinery is there, for the President to have certain things acted upon if he wanted them to be acted on.
- **Mr. Speaker:** Order! Order, hon. Members! May I first guide the House. I think we are all deviating from the Question. The Question does not say "President" honestly! It says "the Government directed" So, can we stick to that?
- **Mr. Muchiri:** On a point of order, Mr. Speaker, Sir. When we say that the "Government directed", we start with the Head of State to the last person in the Government!
- **Mr. Speaker:** Mr. Muchiri, you have really said nothing because "Government" means the Government! Mrs. Ngilu!
- **Mrs. Ngilu:** Mr. Speaker, Sir, the Presidential directive we are talking about here was given during a by-election in Mathare. The President has always been misled by his own Ministers and people around him; to give such directives and pledges and at the end of the day, it becomes a false promise. In this regard, the President gets the beating. This is one of the reasons why many Kenyans are losing faith in our President. I think time has come for the Ministers seated here, to really tell the President the right thing so that, the President can make the right decisions. How is the President, or the Ministers here, make good, the President's promise or pledge?
- **Mr. Ngala:** Mr. Speaker, Sir, I do not think I am going to make any good or bad the pledge because there is nothing that I am aware of, from this particular statement that is being referred to here.
- **Mr. Karume:** Mr. Speaker, Sir, whatever we are trying to say here, is for the sake of our poor people in Mathare. Whether the directive was given or not, the people who are suffering are those poor people down there. The President, Ministers and all the Members of Parliament are here to help those poor people to live under good conditions. I do not see the reason why two Members of Parliament from Nairobi talk about a Government directive if one was not given. I do not know why the Minister is doubting them. The Minister can even talk to the President about the plight of those people. Could the Minister try to check with the Provincial Commissioner, who was there, so that those people can be assisted to live decently?
- **Mr. Ngala:** Mr. Speaker, Sir, the hon. Member is talking about two issues. One is about the poverty of the Mathare people. The Government is fully aware of this situation and the Ministry is fully aware of the poverty situation. That is one aspect about which the hon. Member is trying to create awareness. We know the extent of poverty in the slums but the Question we are tackling here, is whether I am aware of this directive as the Minister and I am saying that, I am not aware of this Presidential directive. Those are issues which are very clear.
- **Mr. Ngure:** Mr. Speaker, Sir, I think the Minister is misleading the House. We are not asking him as a person and as a Minister. We are asking whether the Ministry which he heads, is aware of the President's directive.
- **Mr. Ngala:** Mr. Speaker, Sir, I do not need to answer that. If the Ministry is being asked, I am the one answering on behalf of the Ministry!
- Mr. Kariuki: Mr. Speaker, Sir, at one point in time, the Minister did point out that he was not aware of the involvement of the Government of Germany. But in the 1998/99 Budget a sum of Kshs5.95 million was earmarked for slum rehabilitation in Mathare Valley. So, therefore, the Government is certainly aware of its involvement in Mathare. I think the Minister is trying to sideline the issue of Presidential directive which he is aware of. Are the Ministers not supposed to take the President's statements and pronouncements seriously as

Ministers and implement them, rather than diverting the issue and by-passing the reality?

**Mr. Ngala:** Mr. Speaker, Sir, I am not diverting any issue here. I have already referred to the allocation which the hon. Member has referred to. The allocations are there and I think the slum problem is being addressed by the Provincial Administration. But I said this particular Mathare 4A Project was agreed to between the Governments of Kenya and Germany and there is a specific arrangement for that work. I think the Government is trying to settle put people in slums, in an orderly manner but this one is a different scheme which has been agreed upon for specific approaches and plans.

Mr. Kihara: If I heard properly, this land is owned by the Catholic Archdiocese of Nairobi and that, there has been an agreement between the Kenya Government and the German Government to rehabilitate the poor people in Mathare Valley. The Question was whether the Minister is aware of the Presidential directive, or the Government's directive, that, the people in Mathare are to be settled free of charge. Is the Minister now telling us that the agreement between the Archdiocese, the Kenyan Government and the German Government to settle people and develop the land owned by the Catholic Archdiocese and then sell it? If these people are not going to be settled free of charge, why is the Government putting in money to develop the land belonging to the Archdiocese and then, sell it to the poor people? Could the Minister tell us whether the involvement of the Kenya Government and the German Government was to settle these people at what charge or for free?

Mr. Speaker: Order! What clarification do you want? Is it a project for settlement or for houses?

**Mr. Ngala:** Mr. Speaker, Sir, this project is meant to resettle the squatters in the slums. But it has a housing component in it. So, it is not for housing. It is to settle the people within the area where the slums exist, but with a particular arrangement and improvement of the environment for the slum dwellers.

**Mr. Muchiri:** Mr. Speaker, Sir, now that the land is registered under the Archdiocese of Nairobi, could the Minister tell this house who is the legal owner of the whole project and the land?

**Mr. Ngala:** Mr. Speaker, Sir, the issue of the land was agreed upon between the consultative committee because it was difficult for that land to be owned by individuals. So, it was agreed that the parcel of land would be given under the title to be owned by the Archdiocese of Nairobi. As far as the ownership of the project is concerned, it is for the Government of Kenya, the German Government and the Archdiocese of Nairobi, who are the implementing agencies.

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

Mr. Speaker: Order all of you! I do not think we are getting anywhere out of this. Are we?

Mr. Mwenje: But we are not going to---

**Mr. Speaker:** Order, hon. Mwenje! I do not think we will solve it any further by allocating it more time here, if we are not making progress! Anyhow, what was burning you?

**Mr. Mwenje:** Mr. Speaker, Sir, this is a very important issue. The people are outside and somebody has taken their land and they have no place to live in. As we speak here, the land has been taken and the Ministry is unwilling to co-operate in this matter. As we speak here, those people are living outside! It is a very serious matter!

Mr. Speaker, Sir, I am surprised that, the Minister has continued to deny, when, in fact, even the Minutes of the Nairobi City Council, which I have here and were sent to his office, show that they had agreed that those people should be settled. Part (d) of the Minute reads: "There should be no displacement of the resident population." The people have been displaced and they are outside. Could the Minister assure this House, because that is our major concern; that those squatters will occupy those houses at no cost? This is because the money has been voted by this House and the other funds are donated from the German Government. Our people are suffering! So, could the Minister assure us that, the squatters will be put back in those houses at no cost? The Archdiocese should be informed that, those squatters must live in those houses without being thrown out again!

**Mr. Ngala:** Mr. Speaker, Sir, as far as I know, nobody has been thrown out. I understand the system of the structure owners. They were compensated and, therefore, there is no question of anybody who was left out unfairly. So, I think it is fair for us to address the issue properly. I think there is nobody who is out as it is being alleged by the hon. Member!

#### UTILISATION OF CESS MONEY IN NYANDO

**Mr. Speaker:** Hon. Members, Mr. Otita has requested that, due to his inability to ask his Question at this time, the Question should be deferred until later. Therefore, the Question is accordingly deferred.

(Question deferred)

## **QUESTION BY PRIVATE NOTICE**

#### KENYA GOVERNMENT POSITION ON THE KOSOVO CRISIS

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

What is the position of the Kenya Government on the ongoing military intervention in Kosovo and the related attack on the Chinese Embassy in Belgrade?

The Minister for Foreign Affairs (Dr. Godana): Mr. Speaker, Sir, I beg to reply.

The Government of Kenya has followed the events in Yugoslavia, arising out of the crisis in Kosovo, with great concern and dismay. The Government has called for diplomatic and negotiated settlement of the crisis, as military action has not achieved the desired results. To this end, His Excellency the President appealed in writing to President Clinton, Prime Minister Blair, as well as other NATO allies to cease hostilities and promote diplomacy. It is Kenya's view that the extent of human suffering, the loss of lives and the destruction of property is untenable and brought into sharp focus, the need for a negotiated settlement.

A similar appeal was sent by His Excellency the President to President Yeltsin of Russia and President Milosevic of Yugoslavia. Kenya firmly believes that the maintenance of international peace and security is a primary responsibility of the United Nations, acting principally through its chief executive organ, the Security Council. The United Nations Security Council should have been consulted and given the chance to find a diplomatic settlement, instead of NATO resorting to military option.

Mr. Speaker, Sir, as regards the bombing that damaged the embassy of the Peoples' Republic of China, we are of the view that, it is clearly a violation of international law. Kenya condemns this attack on the sovereignty of a another member State of the United Nations. All States party to the Vienna Convention on diplomatic relations must abide by its provisions, which *inter alia*, enshrines the principle of inviolability of diplomatic missions, even in situations of war and, therefore, reiterate our appeal for respect for the establishment of international law which have played the fundamental role in preservation of world peace, since the Second World War.

**Dr. Ochuodho:** Mr. Speaker, Sir, while I appreciate the comprehensive answer given by the Minister, I must say that the answer I have got is not signed as required. I can only assume it is authentic.

Nevertheless, I understand the predicament the Kenya Government finds itself in. On the one hand, it is a friend of a super power. On the other hand, it is a friend to other countries. In my culture, there is a saying that, when somebody who is stronger than you breaks your mother's pipe, you do not go and quarrel with him! You instead go and quarrel with your mother and tell her to keep the pipe properly. I can see a similar situation in this case. Can the Minister tell this House why the letters he claims the Head of State wrote, were never made public and when were they written?

**Dr. Godana:** Mr. Speaker, Sir, he definitely must have missed on the media, because information on the letters was contained in our dailies quite some weeks ago. In any case, it is not our practice to go and publish the President's letters through the media, in terms of verbatim photocopies of the letters. In fact, the Ministry did issue a statement indicating that the President wrote to those Presidents.

Mr. P.S. Kihara: Mr. Speaker, Sir, the problem in Kosovo, as we all know, is one of ethnic cleansing, where the Serbs want the ethnic Albanians out of Kosovo. There are certain things which are not negotiable. When you want a whole population to be thrown out of a province, there is nothing to negotiate. We do not see why our Government is calling for diplomatic and a negotiated settlement. What do you settle when you want some population out of their area? Could the Minister tell us whether this Government, in calling for negotiations, is condoning ethnic cleansing?

**Dr. Godana:** Mr. Speaker, Sir, obviously, the hon. Member has taken the Question from a different angle, contrary to what Dr. Ochuodho had asked. We are not supporting ethnic cleansing. We have always condemned ethnic cleansing. But it is a fact that the NATO bombings which have continued for the better part of

six weeks have, in fact, contributed to much worse situations than what prevailed in the beginning. We will always promote peaceful settlement of disputes. That is the best way forward.

Mr. Anyona: Mr. Speaker, Sir, at least, our foreign policy in the past has suffered from lack of direction and clarity. I was just wondering what the Minister was going to say in answer to this Question. I am very glad to say, that he has come out quite clearly. He did not hesitate; he seems to know what our position is this: The only thing that worries me is: How come that, this position has not been articulated at the United Nations (UN)? When you listen to the BBC, you will hear the Chinese Ambassador or other ambassadors saying this and that. How come we are quiet in the right place at the UN, and yet we have a very clear position at home here which we are also communicating diplomatically through the Head of State?

**Dr. Godana:** Mr. Speaker, Sir, at the UN, we are communicating the same. But what the hon. Member needs to know is that when the General Assembly is not in session, the Security Council; the Chief Executive Organ of the UN is the one which is in permanent session. Had we been members of the Security Council, I am sure he would have heard our position as frequently as those of China and other members of the Security Council that he has referred to. But our position is the same and the mission is taking the right position, in consultation with members of the Security Council.

**Dr. Ochuodho:** Mr. Speaker, Sir, despite the letters that have been written by the Head of State, which we appreciate, the Minister correctly acknowledges that these do not seem to have had an impact. The bombing and meaningless loss of lives still continue. Could the Minister tell us why, apart from writing to the other Heads of State, they have not written to the secretary of the Security Council? If they have written to the Security Council but the war continues, what is their next plan of action?

**Dr. Godana:** Mr. Speaker, Sir, the Security Council has no secretary for me to write to. I take it that, he means the Secretary-General of the UN. I think the hon. Member has missed the point. I said our policy remains that, the UN keeps the primary responsibility when it comes to the maintenance of international peace and security.

Mr. Speaker, Sir, as a poor Third World Country, it is in our interest, as well as the interest of other several weaker members of the international systems, to promote centralised pacific settlement through the UN and to discourage, not to co-operate with any efforts by individual powers or group of powers such as NATO, to cut for themselves a corner for unilateral enforcement measures outside the UN. The Secretary-General of the UN knows our position very well. The member countries within the UN with diplomatic accreditation to Nairobi, very well know our position on this.

Mr. Speaker: Very well. Next Order!

## POINT OF ORDER

#### DISCHARGE OF POLLUTANTS BY KAMITI TANNERY

**Mr. Muchiri:** Mr. Speaker, Sir, I rise to seek a Ministerial Statement from the Ministry of Environmental Conservation. At Kasarani, there is a factory called Kamiti Tannery. It is using chemicals that are destroying the iron sheets of the houses of the residents of that area. It is polluting the air and the Kamiti Maximum Prison. That chemical is also killing livestock around there and it is harmful to the residents of that area. What action does the Minister intend to take on that factory?

## MOTION

Adoption of Sessional Paper No.2 of 1999: Liberalisation and Restructuring of Tea Industry

(The Minister for Agriculture on 4.5.99)

(Resumption of Debate interrupted on 8.6.99)

Mr. Speaker: Who was on the Floor? Mr. Murathe, are you still interested?

Mr. Murathe: Yes, Mr. Speaker, Sir.

Mr. Speaker: If you are, Mr. Murathe, I will tell you how much time you have very shortly. You have

28 minutes!

**Mr. Murathe:** Mr. Speaker, Sir, thank you very much for this opportunity to contribute to the Sessional Paper on the Liberalisation and Restructuring of Tea Industry in this country. There appears to be a deliberate policy on the part of this Government, to destroy the agricultural sector of this country. For example they have destroyed the maize, the sugar and the coffee sectors and now, they want to destroy tea sector through this Sessional Paper.

Tea is the largest foreign exchange earner in this country. I am very surprised that we have a farmer-friendly Minister who is bringing such a farmer-hostile Sessional Paper, in the name of a policy statement of this Government. The issue in the tea sector is about the ownership of the tea. Who owns the tea? The tendency in the past has been to treat tea farmers as serfs of a monolith known as the KTDA. The practice in the past has been looting of the tea farmers' money by the KTDA.

What this Paper seeks to do, Mr. Speaker, Sir, is to convert the KTDA into a Kenya Tea Development Agency (KTDA); just like a snake shedding its skin. There is no restructuring of the KTDA in this policy paper. The aim of this Paper is to further perpetuate poverty of the tea farmers by creating independent factory\companies and yet, creating a company known as the KTDA. I have never seen a company which has been created to supervise other companies. This will be the first of its kind.

Mr. Speaker, Sir, the farmers want to be freed from the yoke of the KTDA. What this Paper does is to further perpetuate the control of the farmers and their money by the KTDA. Our experience with the KTDA, in terms of procurement of farm inputs, chemicals and fertilisers, has been one of sheer looting and total mismanagement of the tea profits. What has happened now is that, we have [Mr. Murathe] a set of companies which are supposed to be independent, but which are now being controlled again by the KTDA.

This House recently urged that a tender awarded for the supply of gunny bags be cancelled. The tea farmers have gone to court and obtained a court order, ordering the KTDA not to purchase gunny bags at inflated prices. But this same KTDA has gone behind the farmers' backs and purchased the same, in total contravention of a court order and the wishes of this House.

Mr. Speaker, Sir, I wish to request the hon. Members of the House to be here when the Question is put and throw out this Sessional Paper, so that the Minister can go back and take into account the sentiments of the various hon. Members of Parliament who have spoken on the issues raised in this Paper. If we do not reject this Paper, we will have the tea sector destroyed in the same manner that, this Government has destroyed the tourism industry, the maize, sugar and coffee sectors.

Mr. Speaker, Sir, the KTDA has outlived its usefulness. It was established to help to develop the tea sector. According to this Policy Paper, we do not need the KTDA any more. We need a regulatory body. We have a body here which is being referred to as the Tea Board of Kenya (TBK). Therefore, in brief, we need to remove the KTDA from the backs of the tea farmers. If these are independent factory\companies, we do not need the KTDA any more on the back of the farmers.

Mr. Speaker, Sir, this Sessional Paper does not define what the Kenya Tea Development Authority (KTDA) will be in the new structure. The KTDA has purportedly been owned by individual tea factories and farmers. Now that they will be independent factory companies, we do not know what purpose the new agency, known as the KTDA, will serve.

This Government has been having a hangover about our competitive disadvantage against commodities from other countries. Those countries can sell sugar and other products to this country, at a cheaper price than we can produce in Kenya. One of the ways they do that, is by subsiding their tea farmers. But this policy Paper is meant to enhance taxation of the tea farmer. Previously, the KTDA was exempted from paying tax. In this Paper, there is 45 per cent tax to be levied on the tea farmer. This is quite the opposite of what we would expect the Ministry of Agriculture to do, to relieve the tea farmer of the burden of taxation. We also expect it to subsidise a crucial sector which generates the highest foreign exchange earnings for this country.

In order for the KTDA to survive, we should eliminate a lot of blackmail which is in this policy Paper. The Authority was supposed to have guaranteed money which was borrowed to construct tea factories. The Authority is defined as "the managing agent" to compete with other potential managing agents, for example George Williamson and the rest. But it is blackmailing the independent factory companies; that, if they get a different managing agent, they will be required to pay an upfront and, in full, all the money guaranteed by the KTDA. Who is the KTDA? The Authority is owned by tea farmers. We need to have a system where individual factory companies are free to select for themselves, their own managing agents. The inefficiency that has been at the KTDA, which has been deliberate, as a result of which a lot of farmers' money has been looted, must be brought to an end, if we are going to save this sector.

Mr. Speaker, Sir, going through the various sections of this policy Paper, there is a lot of contradiction in what the Minister is trying to create, by pretending to be liberalising the sector. This is because it appears that, this Government wants to get out of the tea sector, and yet still, remain in it. There is no seriousness in privatising this industry. There is also no seriousness in restructuring the operations of the KTDA properly. What has been happening is that, you have tea farmers who have been toiling over the years taking their tea to the tea buying centres and then, to the factories for processing. After that, the KTDA takes over their processed tea to the tea auction and holds onto the money it has sold the tea for. There are instances where the KTDA has banked that money, sold the dollars fetched from the market for purposes of circulation, kept and retained that money for nine months or up to one year. There is nobody who has the details of what the KTDA has been doing with the profits from the money used to purchase things like Treasury Bills. Lack of accountability and transparency in the KTDA will continue if we will allow this Sessional Paper to go through this House, and leave the KTDA as it is at the moment, only with a new name. The Minister said that, the aim of this strategy is to restructure and eventually privatise the entire tea sector.

Mr. Speaker, Sir, if you have an individual private company, it must be totally free from the KTDA. These companies should be allowed to even add value to their own processed tea. They should also be allowed to market their tea anywhere in the world. We are running a big risk of only concentrating in a few areas of marketing our tea. Currently, about three countries take about 45 per cent of the tea from Kenya. These countries are Pakistan, Egypt and Great Britain. The KTDA has done nothing to explore opportunities for new markets and to diversify their marketing trust.

Mr. Gatabaki: On a point of information, Mr. Speaker, Sir. Mr. Murathe has mentioned that the KTDA has deposited farmers' money in certain financial institutions. The KTDA has specifically invested money in collapsed financial institutions. We took the KTDA to court over that. We have got papers to show that, the KTDA put millions of farmers' money in collapsed financial institutions.

Mr. Murathe: Thank you, Mr. Gatabaki, for that point of information. Mr. Speaker, Sir, the KTDA was established to make sure that the surplus realised from its operations was ploughed back to improve the small-holder tea sub-sector. We have never been told how much money has been generated and how much of it has been ploughed back to improve the small-holder tea sub-sector.

The real problem in the tea sub-sector is the fact of the KTDA being under the management of one Mr. Eustace Karanja. The operations of the KTDA are such that the Authority manipulates even the election of its directors. The Authority spends farmers' money to elect its own choice of Directors. These directors join the Board of Directors of the KTDA to be manipulated by the Managing Director (MD). As there are independent factory companies, it is necessary that they elect directors from the shareholders, who will be people-elected directors to represent the companies on the Board of the KTDA.

[Mr. Speaker left the Chair]

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

Without fresh elections by the owners of those factory companies, we are not doing anything about the tea sector. We are also not doing anything about how our tea farmers can maximise their produce. What is happening at the moment is that, a lot of money is being spent by the management of the KTDA in ensuring that, it defeats the aspirations of the tea farmer. The farmers have declared that tea belongs to them. They have even formed a union which is known as the 'Kenya Union of Small Scale Tea Owners'. The KTDA has ensured that, this union is not registered. In the interim, it has registered a tea association called 'Kenya Small-Scale Tea Growers Association'. This association is composed of compromised directors of the factory companies, as they are at the

Mr. Temporary Deputy Speaker, Sir, liberalisation does not the absence of regulation. We do not want to destroy the tea sub-sector. But as it is in every other area, where this Government has been unable to be in charge of the liberalisation, it is sitting back and letting everything go down the drain.

This is one sector we are determined to ensure that it will not go down the drain. We see this as a deliberate Government policy to destroy the economy of Central Kenya. This Government started with the coffee sector; from 130,000 metric tonnes to 40,000 metric tonnes. Why? We have seen this Government destroying the sugar sector, so that they can come in and import sugar. We have seen this Government almost destroying the maize sector. For how long are we going to allow this Government to destroy agriculture; yet, this is an

agricultural country? This is a very serious matter, particularly for the Members from the tea-growing areas. We need to sit and think seriously. The Minister for Agriculture is sitting here. We need to have the input of the Members of Parliament and the Agricultural Committee on what needs to be done in this tea sector. We need the Minister to come back with a new document; not this one. We must throw out this document, because there has not been any consultation with the stakeholders in the tea industry before the Minister brought this document here. This document was authored by KTDA to perpetuate itself in the milking of the tea farmers.

Mr. Temporary Deputy Speaker, Sir, one of the things this Government needs to do is to strengthen the Tea Board of Kenya as a regulatory body similar to the Coffee Board of Kenya. If we have a regulatory board as the Tea Board of Kenya, then, surely, we do not need another middleman between the Government regulator and the tea factory companies. We do not see why we will need to retain KTDA.

Mr. Temporary Deputy Speaker, Sir, in this Paper, the farmer is being asked to pay cess twice. The farmer is being levied on the farm produce. The farmer is also being asked to pay cess on manufactured tea. He is also being asked to pay corporate tax, that is 45 per cent. What incentive does this Paper have to encourage the tea farmers whose contribution is the highest foreign exchange earner for this country? I can only assume that the intention of this Paper is to kill that sector. In my Gatanga area, we have already scrapped the Nyayo Tea Zones Corporation. We have ordered our small-scale tea farmers to go and pluck tea from those zones and take it to the factory and have it weighed as their own individual tea. The reason is that the intention for which these Nyayo Tea Zones were set up to serve as a buffer between the farming communities and the forests has already been overtaken by events. Nyayo Tea Zones Corporation has only been a guzzler of budgetary provisions of this House and this Government can never tell us for one moment in which year the Nyayo Tea Zones Corporation ever turned a profit to contribute to the Exchequer.

Mr. Temporary Deputy Speaker, Sir, we need to carry out thorough investigations and take to court cases of embezzlement of farmers' money and surcharge the embezzlers personally. The scandals involving the purchase of fertilisers, drugs, tea bags *et cetera* are well documented. Unless these people are made to pay, the new agency is going to continue exploiting the tea farmers to the detriment of the sector and naturally, what will happen is that, there will be no more tea to talk about.

Mr. Temporary Deputy Speaker, Sir, KTDA has no equity in public companies. The KTDA was meant to be owned by independent factory companies. But what happened is that KTDA instead, turned itself into the owner of those companies. What we do not understand is what KTDA is going to be after the liberalisation process. This is because factory companies in Gatanga, Ngere and Njunu which contribute about 10 per cent of the total output, are going to be totally independent. We are going to get a new managing agent and we do not owe KTDA any money. If anything, we want KTDA to pay us our fair share of the assets which have been built by the sweat and money of the farmers.

Mr. Temporary Deputy Speaker, Sir, I do not know why we want to dwell on the format of the new restructured KTDA, because at the end of the day, we are going to throw out KTDA, anyway. Those zonal offices every Member has spoken about here as irrelevant, we are also going throw them out. We do not need them and we do not need KTDA. We are going to be totally free and independent of the Kenya Tea Development Agency. Whatever form it will take, KTDA will have no business in Gatanga.

Mr. Temporary Deputy Speaker, Sir, the fact that this Policy Paper seems to empower KTDA to work out modalities on election of directors, while the Minister is fully aware that the real problems in the tea sector have been caused by these same KTDA hand-picking its own directors, is totally unacceptable. The cancer in the tea sector has been the manipulation by the Kenya Tea Development Authority on who sits on the Board depending on who they can manipulate.

Mr. Temporary Deputy Speaker, Sir, there is a very interesting company which has been set up here, called the KTDA Farmers Company Limited and we have a Kenya Tea Development Agency. We would like the Minister to clarify what is the difference between the KTDA Farmers Company Limited and the KTDA itself. This is in section 10(3)(v).

Mr. Temporary Deputy Speaker, Sir, we need a total overhaul of KTDA. We need a clear definition of who owns tea; that tea belongs to the farmer and the farmer is free to do with his tea, what he deems is best as a return on investment. We are having some consultations with a view to strengthening the structures of the production, processing and marketing of tea. This Government needs to put in place incentives that will make it attractive for farmers to invest in tea farming. The special status which has been previously granted to KTDA, we note, has been scrapped. We are saying no to double cess. We are saying the tea sector is the only sector whose research funding has been coming out of the farmers' proceeds unlike all the other agricultural sectors whose research are funded by this Government through the Kenya Agricultural Research Institute. We are, therefore, saying that the amount of cess collected must clearly now be utilised in ensuring accessibility to the tea factories by

improving the tea roads. That cess clearly belongs to the farmers. We have seen this Government issuing contradictory statements about who is going to control the cess money. When a delegation of councillors goes to see His Excellency the President, he issues directives for the cess to be controlled by the councils. When the farmers go to the President, he issues another directive for the cess to be controlled by the farmers. They then say they need a joint committee to manage this cess. There is lack of clarity on this matter and the Minister must very clearly state who is going to manage the cess funds. In the alternative, we are going to demand that cess be abolished altogether, so that individual tea farmers who feel they need cess for road maintenance or any other services, can decide on that at the factory level.

Mr. Temporary Deputy Speaker, Sir, we are supporting the views expressed by the Leader of the Official Opposition that we adjourn this debate to allow the stakeholders to consult and come up with recommendations of restructuring the tea industry. We had proposed to have seminars which were overtaken by the fact that the matter was already before the House. We have a Bill coming which, for all intents and purposes, may not be consistent with this Policy Paper. This is because if the Minister takes seriously the sentiments and comments of the Members of this House, the best thing for the tea sector is to take this Paper back, build into it all that has been said by the various hon. Members and stakeholders, talk to the stakeholders in the tea sector and the small-scale tea farmers and their representatives and come up with a farmer-friendly Paper. I am very surprised that a farmer-friendly Minister is being used to bring here a very farmer-unfriendly policy Paper. He should really take it back for further consultations.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Wamae: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this very important Policy Paper on tea. First, I would like to congratulate the Minister for Agriculture for coming up with this Paper because the whole country was in turmoil in as far as tea is concerned. Groups like KUSTO had risen up and agitated the farmers against the KTDA. The KTDA was being accused of corruption and misuse of resources of the farmers. At the same time the tea sector has become so important to Kenyans that it is now almost number one in terms of foreign exchange earnings. It has overtaken the coffee and tourism because tourism sectors have been having a lot of problems since 1997. The tea sector is one sector which has kept Kenya afloat in the last five years. It is the one which has consistently provided foreign exchange earnings for this nation. It is, therefore, very important that every thing be done to ensure that this sector continues to grow and prosper. As far as the large-scale farmers are concerned, I do not think there is much scope for growth. The growth is found at the level of the small-scale tea farmers who are already producing more tea percentage-wise than the large- scale farmers.

This is an area which can still grow because where small-scale tea growers exist poverty has been eradicated. Even the old women are able to operate their own bank accounts and sometimes they have as much as Kshs20,000 or Kshs50,000, and sometimes even Kshs100,000 in their bank accounts because of tea proceeds. It is, therefore, very important that wherever tea can be grown in this country, the farmers are allowed to grow it because it has proved that it is very suitable for small-scale growing.

Whereas we must give credit to KTDA to some extent for having developed the small-scale sector to its current status, I think KTDA has outlived its usefulness. It has reached a point whereby it should now let the individual farmers manage their own affairs and take responsibility for initiating their own programmes. This central management is not possible. To manage 45 factories centrally is not an easy thing. It is very complicated. Managing one factory is difficult enough but managing 45 factories centrally is impossible. That is why farmers want to have the responsibility of managing their own factories. That is what has been brought up in this Paper. The farmers will be able to appoint their own directors and so forth.

We would like the directors to be able to perform all those functions which are normally performed by directors in private companies. They should have powers to procure and powers to hire and fire. They should, therefore, only delegate some of those functions to anybody else if they so decide. We do not want KTDA to reserve for itself certain responsibilities in a liberalised tea sector.

We want to caution the Minister for Agriculture that whereas we are liberalising the tea sector and saying that KTDA as an Authority should be removed, we are not saying that the Ministry of Agriculture must wash its hands from the tea sector. The Minister for Agriculture must continue having a department or a section in the Ministry overseeing the work of all these companies and the tea industry as a whole. Eventually, if anything goes wrong and the country suffers, we will blame the Ministry of Agriculture.

It should have a department, either under an Under Secretary dealing with this sector and he should be able to deal with issues when they arise or give signals when problems arise. We do not want to reach a situation like we have now; where coffee production has now dropped from 150,000 tonnes to 40,000 tonnes. Now it is going back to about 60,000 or 70,000 tonnes. We do not want to reach a situation like that without the warnings

being given and appropriate remedial action being taken. We do not want the Ministry of Agriculture to wash their hands off the matter because we have liberalised the tea industry. We want the Minister responsible to this House to continue being fully aware of what is happening in this sector. As soon as any sign is seen where there is a reduction in production or the factories are unable to manage themselves or any crisis which if it arises, immediate remedial action should be taken before things go too far. Liberalisation does not mean a licence to do everything everybody wants, including that which may be to the detriment of the farmers or the country as a whole.

The question has arisen as to what will be the role of the KTDA as an agency. One of the roles which have been given in this Paper is that it should continue managing those factories which have not paid their loans. Most of the 45 company factories have got loans. They have one form of a loan or another. Even those which are old like Ragati Tea Factory, which was the first one to be built and which is in my constituency, borrowed some money lately to put up a new leaf base and to expand the factory. A year ago it borrowed Kshs65 million. Therefore, it will be considered to be a factory with loans and, therefore, continue to be managed by the KTDA as an Agency. This is not acceptable. If we are to do this we are going to have this agency performing the same role as KTDA as an Authority is performing with the argument that it is doing so to protect the funds which have been borrowed to expand or build factories.

Mr. Temporary Deputy Speaker, Sir, I believe that the money which has been borrowed is secured by the assets of those factories because these assets are enough to secure any loan. Nearly 30 per cent of any construction costs of any new factory is met by the farmers. When it comes to the question of expansion, the percentage of that expansion is always much smaller than the value of those factories. So, if the lenders are fully secured by the factory companies, then what is the fear? They are secured like any other company which secures its borrowing from its own bankers. Therefore, I do not accept the argument that KTDA as an agency should continue managing those companies.

Mr. Temporary Deputy Speaker, Sir, iIf in future there will have to be new companies, and one of the conditions of starting any company or raising money to build those factories is that the KTDA should manage them, then that has to be considered on its own merit. But we should not have a blanket policy that factories which have any outstanding loans must be managed by KTDA as an agency, because we will end up going back to the same situation where we are and agitation will continue. We would like to avoid this completely because it is another way of the KTDA bringing itself back to the management of these companies, which have outstanding loans. In any case, these companies will continue borrowing even when they are liberalised. They will borrow to buy new trucks and to import fertilizer before they get the money from the farmer. Therefore, the question of borrowing should not be criteria for them to be interfered with by agencies.

Mr. Temporary Deputy Speaker, Sir, there is a company called the KTDA Farmers Company Limited. This in fact, should not have been mentioned by the Minister in this policy paper. What sort of organisation will the farmers like to develop or associate with? Whether they will call it KUSTO or Farmers Company Limited, it is the responsibility of the farmers themselves and the Government should not intervene. There is even talk of having two companies, one on the eastern part of the Rift Valley and another one on the western side of the Rift Valley so that farmers can be closer to them. If they want to do it, let them do it. They can even have two types of associations and whoever wants to join whatever association should be free to do so. The Minister should not, therefore, get himself involved in whatever association the farmers want to form because that is not really his responsibility. It is for the farmers to decide. If you try to interfere with it, naturally, it will be unwise and inappropriate.

Farmers are the best judges of which association they want to create in order to safeguard their own interests. Let them have seminars, meet and consider whether they want to have KUSTO or the Farmers Company Limited. Let it be the decision of the farmers themselves. They can even form a SACCO through which they can save money and get assistance in form of loans. All this should be left free. The tea farmers should be free like any other farmers to join whatever association they think is going to benefit them. Therefore, it is not necessary for the Minister to refer to it in his Paper.

Mr. Temporary Deputy Speaker, Sir, as regards the tea cess money, this is money which belongs to farmers and it is meant to improve roads and communication network in their areas. It is not money which should be given to the county councils. This is because whenever the county councils run short of money, they always use the cess money to pay wages and the roads have continued to deteriorate. For the last three to four years that the cess money has been used by the farmers, we have seen the improvement of roads in those areas. We have seen murram being put on roads and certain areas have been improved. We have seen more concrete improvement in road services than before. Therefore, the farmers themselves or the factory companies should be able to decide where they want to use that cess money. This is because they are the ones who purchase tea leaves; they are in

charge of the leaf bases and they are the ones who move around with the vehicles. Therefore, they know where a problem of communication exists. Because they know where there is a problem of communication, they could repair that area in order to have accessibility in their areas of operation. I do not understand how the county councils come in. If the county councils have got the equipment, graders and so forth, like the Nyeri County Council, they should tender for those jobs from the tea companies. They should be given the tenders, purely on merit, to construct certain kilometres of roads because they have the equipment and they will be paid from the cess money. But they should not control the cess money themselves. It should instead be controlled by the factory companies. Concerning giving contracts, if the county councils have the equipment for doing the murraming and construction of roads, they should be given preference in the award of contracts for the tea access roads.

Mr. Temporary Deputy Speaker, Sir, one other area which needs to be looked into is the question of Nyayo Tea Zones. Nyayo Tea Zones have become an embarrassment to everybody. This tea is not properly looked after and it crowds up the factories owned by the small-scale farmers. In my own view, the Nyayo Tea Zones have outlived their usefulness. They should also be used for settlement of the wananchi who are landless. By that I mean, you give them two acres, give them a loan for 20 years whereby a certain percentage of the tea they take to the factory, is deducted to pay the Government for having established the Nyayo Tea Zones. That way, those poor farmers would be able to look after the tea better than it is looked after now by the Nyayo Tea Zones Corporation. If that is done, we will have farmers who were landless having land; we will have better production of tea, better foreign exchange earnings, and generally, all Kenyans will stand to benefit by settling landless people on the Nyayo Tea Zones. But as it is now, the tea in those zones is not properly looked after; it is an embarrassment and I do not think that it is really serving the purpose that it was intended for. So, I think that is an area where we need to act quickly.

Mr. Temporary Deputy Speaker, Sir, all other Nyayo projects have collapsed; the Nyayo Bus Services, the Nyayo Pioneer Car and even the Nyayo Tea Zones. We have to admit that fact. It is time we accepted that fact, because we do not want that land to become bush or to lose the benefits of that investment. It should be allocated to landless people. These people should be given long-term loans to be repaid to the Government from their tea produce. Eventually, the Government will recover the money it used to develop those Nyayo Tea Zones.

Therefore, there will be no question of saying that those people have been favoured and they are not paying the Government. The Government will be paid fully, but over a long period of time by deductions from the proceeds of the sale of tea and, therefore, everybody will be happy. We do not want big companies or rich people like my friend, Mr. Mark Too, to go and take a few hundreds of acres of the Nyayo Tea Zones and own it because they are able to pay for it. We want the small people who are unemployed to benefit because by doing so, we will be helping the country rather than allowing one big person to own 200 or 300 acres of the Nyayo Tea Zones. These people will pay the Government over a long period of time. The factory companies will deduct the money and remit it to the Government. People

should not be given the land free of charge because free things do not last; neither is that the best way to manage a country.

Mr. Temporary Deputy Speaker, Sir, since most hon. Members have contributed to this subject, I do not want to repeat really what has been said. Therefore, I am going to make my comments very brief, and I think I am going to stop there and say that when the Minister comes to reply, he should consider all the views which the hon. Members have given. They have given very useful views which can help him to improve on this Paper. I am sure, if those views are taken into account, we are going to have a better tea sector which will be useful to the people of this country.

Thank you, very much.

**The Temporary Deputy Speaker** (Mr. Musila): Hon. Members, I note that there are no other hon. Members wishing to contribute to this Motion, and I am also informed that the Minister for Agriculture wishes to respond next week. I will, therefore, defer the debate on this Motion till that time.

 $(Debate\ deferred)$ 

Hon. Members, you also note that the next Motion is on the Adoption of the PAC Report which was only tabled yesterday. I do not, therefore, think that it is in order for us to go into it now.

**An hon. Member:** Is that the procedure?

**The Temporary Deputy Speaker** (Mr. Musila): Hon. Members, for the convenience of the House, that concludes the Business on the Order Paper. The House is, therefore, adjourned until tomorrow, 10th June, at 2.30 p.m.

The House rose at 4.45 p.m