

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 22nd April, 1997

The House met at 2.30 pm.

[Mr. Speaker in the Chair]

PRAYERS

PAPERS LAID

The following papers were laid on the Table:

Annual Report and Accounts of the Coast Development Authority for the year ended 30th June, 1994, and the Certificate thereon by the Auditor-General (Corporations).

Annual Report and Accounts of the Kerio Valley Development Authority for the year ended 30th June, 1994, and the Certificate thereon by the Auditor-General (Corporations).

Annual Report and Accounts of the Western Kenya Rice Mills Limited for the year ended 30th June, 1994 and the Certificate thereon by the Auditor-General (Corporations).

*(By the Assistant Minister for Land Reclamation,
Regional and Water Development (Mr. Ligale) on
behalf of the Minister for Land Reclamation,
Regional and Water Development)*

Annual Report and Accounts of KENATCO Taxis Limited for the year ended 30th June, 1995, and the Certificate thereon by the Auditor-General (Corporations).

Annual Report and Accounts of the Kenya Industrial Estates for the year ended 30th June, 1995, and the Certificate thereon by the Auditor-General (Corporations).

*(By the Assistant Minister for Land Reclamation,
Regional and Water Development (Mr. Ligale) on
behalf of the Minister for Commerce and Industry)*

NOTICES OF MOTIONS

Mr. Mwaura: Mr. Speaker, Sir, I beg to give notices of the following two Motions:-

ESTABLISHMENT OF INDUSTRIAL LOANS SCHEME

THAT, given the fact that the Kenyan economy continues to be dominated by non-indigenous and multi-national companies 33 years after Independence, this House calls upon the Government to immediately, establish a multi-million industrial loan scheme financed by the Government and the donors' fund, which will enable the indigenous entrepreneur participate effectively in our economy to remove this imbalance.

LOAN SCHEME FOR UNIVERSITY GRADUATES

THAT, given the fact that, at present, Kenya has five Universities with a population of about 40,000 students, out of which about 8,000 to 12,000 graduate every year with various degrees, and considering that employment opportunities for these graduates are decreasing, this House urges the Government to introduce a loan scheme for the University graduates who wish to start small-scale

businesses in the informal sector with a view to reducing unemployment among the graduates.

ORAL ANSWERS TO QUESTIONS

Question No. 025

SHOOTING OF MR. KAMAU AND MRS. KABURA

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

- (a) whether he is aware that Mr. Peter Kamau Mwaura and Mrs. Waithira Kabura were shot dead on the night of 28th February, 1997 near Riruta Shopping Centre in Dagoretti, and;
- (b) if he could submit a comprehensive police report relating to this incident so as to have the families of the deceased up-dated.

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

a) Yes, I am aware.

(b) Corporal Evanson Mwangi was arrested and charged with the murder in respect of the incident and the matter is now pending before the Principal Magistrate in Kibera Court. Therefore, the matter is *sub judice*.

Mr. Kamuyu: Mr. Speaker, Sir, while appreciating that the matter is *sub judice*, could the Assistant Minister, nonetheless, give us the case number? Also, in regard to part (b) of the Question, I do not see the relevance of the *sub judice* rule here because I have asked for a comprehensive Police report, irrespective of what is happening in court.

Mr. Awori: Mr. Speaker, Sir, the Police Case No. is Karen: CR/171/122/97 and the Kibera Court file No. is 1768.

Mr. Kamuyu: On a point of order, Mr. Speaker Sir. I think the Assistant Minister did not hear my reference to part (b) of the Question.

Mr. Speaker: Well, I suppose it ties down to what he says is *sub judice*. It evolves around the investigation and what is likely to come to court; unless, of course, you are disputing the case.

Mr. Kamuyu: Mr. Speaker, Sir, I am not disputing the case at all. The nature of part (b) of the Question really---

Mr. Speaker: Well, maybe, the best thing you can do in the circumstances, if you really want to have it, is to ask for that to be done through a written answer. Then he can give you that.

Mr. Kamuyu: Mr. Speaker, Sir, can I, through the Chair, then ask that he does that?

Mr. Speaker: Well, you have to re-submit your Question for that to be done. Next Question!

Question No. 024

ADMINISTRATION OF COFFEE AND TEA CESS

Mr. Murungi asked the Minister for Agriculture, Livestock Development and Marketing:-

- (a) whether he is aware that the Government directive that coffee and tea cess be administered by farmers' organisations has not been implemented in Meru District; and,
- (b) what urgent steps he is taking to ensure that this directive is implemented.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Kirwa): Mr. Speaker, Sir, I beg to reply.

(a) The Government directive that coffee and tea cess be administered by farmers' organizations has been complied with and arrangements to open cess money bank accounts for the respective factories to allow funds to be remitted directly to those accounts are at an advanced stage. The Coffee Board of Kenya has established District Coffee Roads and Infrastructural Committees throughout the Coffee growing districts, including Meru district, which will be responsible for administering the coffee and tea cess.

(b) My Ministry is working closely with the tea and coffee organisations in order to ensure that this directive is implemented with minimum delay. In this regard, we expect the various committees to start working as soon as all the operational modalities are finalized.

Mr. Murungi: Mr. Speaker, Sir, I am happy that Mr. Kirwa has answered this Question because he understands the problems of farmers in this country. The coffee and tea roads in Meru District are impassable because both coffee and tea cess are held by KTDA and the Coffee Board of Kenya since last year. While we appreciate the

answer given by the Assistant Minister, we know that the answer is not definite. Could he give specific dates by which tea cess will be in the hands of the farmers' organizations? Is the Assistant Minister satisfied that these coffee roads and the infrastructural committees being established through the Coffee Board of Kenya is a farmers' body because as far as we know, Coffee Board is composed of Government appointees? Could the Assistant Minister consider channelling the coffee cess through the primary coffee societies instead of a committee established by the Coffee Board?

Mr. Kirwa: Mr. Speaker, Sir, the answer to the first part of the Question is that I cannot give a definite date. As far as the second question is concerned, if the Member of Parliament has got specific details to which he wants our Ministry to respond, we are ready to assist him.

Mr. Kamuyu: Mr. Speaker, Sir, can the Assistant Minister submit to this House the current total cess from Meru District that has to be deferred for this purpose?

Mr. Kirwa: I do not have a ready answer to that question, but I can liaise with the Member of Parliament and the Questioner for that information to be availed to him.

Dr. Kituyi: Mr. Speaker, Sir, could the Minister explain why there is a contradiction between declaration and practice; where declaration is that the cess money be disbursed through farmers' organization and the practice is that the Coffee Board establishes a mechanism which utilizes the cess money? Why has the Coffee Board been given the authority to establish the roads and the infrastructure committee instead of farmers' organization as the directive implied?

Mr. Kirwa: Mr. Speaker, Sir, it is clear from the distribution of this particular money that we cannot say that it is only farmers who are going to do it. What I said earlier on in hon. Murungi's question is that, if he has specific information and details on which mechanism the farmers can use to easily get that particular money, the Ministry is willing to abide by that.

As to whether there is any contradiction, it is yet to be seen because the implementation has not taken place.

Mr. Murungi: Mr. Speaker, Sir, as a matter of fact, there are some specific recommendations. My recommendation is that tea cess be paid through the farmers' organizations in charge of tea factories.

With regard to the coffee cess, my suggestion is that the coffee cess be paid directly to the primary coffee societies because they know how much cess has been deducted from each farmer within that society. Could the Minister, in view of these two specific requests, now answer whether they are going to consider channelling the cess through those organizations because those are the farmers' organizations?

Mr. Kirwa: Mr. Speaker, Sir, for the first case, the situation obtains, but for the second case that is something the Ministry can look into because as it is now the tea cess goes directly to the district. The procedure they have given for the coffee cess is that the contracts are going to be awarded on the ground, but the money shall be paid by the Coffee Board.

If that is the position in Meru and other districts affected by the same problem, then the Ministry is going to consider it.

Question No. 019

REPAIR OF MAVUENI-MARIAKANI ROAD

Mr. Speaker: Is Mr. Mumba not here? We will leave that Question until the end. Let us move on to the next Question.

Question No.014

TRANSPORTATION OF SUGAR-CANE

Mr. Mak'Onyango asked the Minister for Transport and Communications:-

- (a) whether he is aware that sugar-cane from parts of Kericho District is transported along the Kericho-Kisumu Highway to Muhoroni Sugar Factory in open trailers and trucks in complete contravention of the laid down regulations and to the total inconvenience of the other road users; and
- (b) what steps he has taken to put to an end this dangerous practice and remove the threat to the lives of motorists using the road.

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

- (a) Yes, I am aware of the problem.
- (b) My Ministry is taking the following steps to contain the dangerous practice and remove the threat to the

lives of motorists using the road. One, which is already in place, is that the Traffic Act prohibits operations and use of vehicles and trailers that do not comply with the legal provision on dimensions and loading on the highway. So, anyone not complying with this is taken to court for the offence. Two, the Government has made provisions for the maintenance of sugar roads to ensure that sugar-cane transport operations are as much as possible off the major public roads and take place on their designated roads to avoid congestion on busy highways. Three, the Ministry will be introducing the Traffic Act Amendment Bill soon which will, among other things, recommend stiffer penalties to traffic offenders.

Mr. Mak'Onyango: Mr. Speaker, Sir, while appreciating the Minister's honest answer, as I already said in the Question, this is a very busy road and the use of this road by sugar-cane trailers is a common feature.

Now, the Assistant Minister is speaking of a future action. Could he take some immediate action to rectify the situation rather than wait for a disaster to occur on this road? Could he take some immediate action to get these people off the road pending his other actions intended for the future?

Mr. Morogo: Mr. Speaker, Sir, my Ministry will consult with the relevant sugar factory with a view to solving the problem. I have not had the occasion to visit the area to see whether they have an alternative route. Should they have, I shall direct that they use the road rather the highway.

Mr. Achieng-Oneko: Mr. Speaker, Sir, this practice has been going on for a long time. Can the Assistant Minister tell us how many people have been arrested and taken to court?

Mr. Morogo: Mr. Speaker, Sir, I can undertake to bring the number of cases of offenders that have been taken to court because I will have to consult the Traffic Department.

Dr. Otieno-Kopiyo: Mr. Speaker, Sir, in view of the fact that the usage of trailers on the road, particularly at night causes danger to lives of other motorists, could the Assistant Minister direct that, henceforth, no trailers will be allowed to use the roads at night?

Mr. Morogo: Mr. Speaker, Sir, there are several factors to consider in this particular case and as I said, I am going to make consultations to try to reduce the use of the highway by the trailers. For the time being, I cannot say for sure that I will direct them not to use the road because we have to consider the economic factors affecting the people, employees and many other things.

Mr. Mak'Onyango: Mr. Speaker, Sir, one believes that there are quite a number of what we call sugar-cane trailers lying idle in other factories. Could the Assistant Minister consider making some arrangement to have some of these trailers availed for these particular farmers as a means of immediately saving other users of this highway from the dangers that we are talking about?

Mr. Morogo: I have already said that I am going to take every possible step to take away the use of the highway by the cane transport so as to limit the number of cases of accidents on our roads.

Question No.005

COMPLETION OF KIPIRI WATER PROJECT

Mr. Speaker: If Mr. Githiomi is not there we will move on to the next Question.

Question No.010

SHOOTING OF MR. ONYANGO

Mr. Speaker: Is Dr. Oburu not here? We will move on to the next Question.

Question No. 011

PAYMENT OF DUES TO MR. YUSUF

Mr. Mwavumo, on behalf of **Prof. Mzee,** asked the Attorney-General:-

(a) whether he is aware that Mr. Mohamed Daud Yusuf was awarded a total of Kshs141,000 plus costs on 29th March, 1996 in a case, RMCC No.2979 of 1994, Mr. M.D. Yusuf Vs The Honourable Attorney-General; and

(b) when Mr. Mohamed Daud Yusuf will be paid his dues.

Mr. Speaker: Were you instructed to ask the Question?

Mr. Mwavumo: Yes, Mr. Speaker, Sir.

The Attorney-General (Mr. Wako): Mr. Speaker, Sir, first of all, I beg to apologize for having not given a

written answer to this Question. This is because the case number that was quoted did not indicate which court. So, a lot of time was wasted in looking for this case number in Nairobi. It is only this morning that we realised that it was a Mombasa case. So, I have not had time to give a written reply in advance. Otherwise,

(a) Yes I am aware.

(b) The Ministry of Research, Technical Training and Technology is disputing payment of the decree because they were not the employees of the plaintiff, and consequently, my office in Mombasa is filing an application to set aside the *ex parte* judgement.

Mr. Mwavumo: Why were there all these delays and what were they for? Why did the Attorney-General take a long time to pay this person?

Mr. Wako: Initially, there were some difficulties in getting instructions from the Ministry concerned and we have taken it up with them. But apparently, Mr. Yusuf, was an employee of Mpeketoni Youth Polytechnic Management Committee and not an employee of the Ministry.

Mr. Mak'Onyango: Mr. Speaker, Sir, arising from that answer that the Attorney-General is aware of the delay in this particular case, is he also aware that in majority of cases, there are very many delays of this nature of which are intended to deny the would-be beneficiaries from such court orders getting what is due to them? What step is the Attorney-General taking to ensure that this problem is brought to an end? There are very many Kenyans who fall victim to this kind of problem.

Mr. Wako: Mr. Speaker, Sir, I agree that there are many cases, but I do not agree that it is the intention of the Government to deny people the fruits of the judgements that have been obtained against the Government. Every appropriate step is being taken by the relevant Ministries to ensure that where there is an appropriate judgement entered, it is paid at once and my office has sent the necessary circular to all Ministries to this effect. In fact, we have sent two circulars, one under my hand and the other one under the hand of the new Solicitor-General, Justice Reng'ela.

Mr. Mwavumo: Mr. Speaker, Sir, it is almost three years now when Mr. Yusuf was expecting his cheque. It is over three years when the Attorney-General said that he was going to pay Mr. Yusuf.

Mr. Speaker: You did not follow because he said that he has a feeling--- Anyway, proceed.

Mr. Wako: Mr. Speaker, Sir, you have really answered on my behalf. I had already answered that. The position of the Government is that the suit ought to have been filed against the management committee of the polytechnic.

Mr. Speaker: Very well, for the Second Time, Mr. Mumba's Question.

Mr. Mcharo: Mr. Speaker, Sir, I beg to ask Question No.019 on behalf of hon. Mumba.

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. This is the Second Time you are asking the hon. Member to ask this Question, but he has not apologised.

Mr. Speaker: Order, Mr. Mcharo! That is the sentiment of the House. First Time round, there was nobody to ask the Question, so the House demands an apology. You tender it.

Mr. Mcharo: I apologize, Mr. Speaker, Sir.

Question No.019

REPAIR OF MAVUENI-MARIAKANI ROAD

Mr. Mcharo, on behalf of **Mr. Mumba,** asked the Minister for Public Works and Housing the following Question:-

- (a) whether he is aware that the Mavueni-Mariakani Road in Kilifi District which was under repair last year at a cost of over Kshs30 million has already developed pot-holes and trenches,
- (b) whether he is further aware that the road has become very dangerous to its users; and,
- (c) what steps the Ministry is taking to ensure that this road will be passable when the long rains come.

The Assistant Minister for Public Works and Housing (Col. Kiluta): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) I am not aware.

(c) The contractor is on site repairing and re-gravelling Mavueni-Kilifi road to ensure that it is passable.

Mr. Mcharo: Mr. Speaker, Sir, the Questioner says that the road was under repair last year and it has developed pot holes. This means that the road was completed last year, but it has developed pot holes. Can the Assistant Minister ensure that the contractor has gone back to the road to reseal the potholes?

Col. Kiluta: Mr. Speaker, Sir, I have just said that the contractor is still on site. He has only done 80 per

cent of the work that was supposed to be done and he is still there.

Mr. Muite: Mr. Speaker, Sir, is the Assistant Minister aware that colossal money is being spent in re-carpeting this roads, in Nairobi, across the country and yet no attention is given to drainage. So, as soon as the rains fall, the clogged water start eating into the tarmac. We spend a lot of money re-carpeting these roads and instead of attending to the drainage so that the re-carpeted road can remain in good condition, but that is never attended to by this Government. That is the situation on this particular road, and if the Assistant Minister is aware, what action is he going to take to ensure that drainage on all the roads that are repaired is also maintained?

Col. Kiluta: Mr. Speaker, Sir, what the hon. Member is asking is not the case with the Question we are answering today because I am not aware that roads are re-carpeted without considering the drainage because for every contract given, the contract covers drainage and re-carpeting.

Mr. Moiben: Mr. Speaker, Sir, according to the first Question, the Questioner stated that the road was re-carpeted last year at a cost of Kshs30 million, but this year the road has developed potholes. Is the Assistant Minister satisfied with the quality of the work taking place?

Col. Kiluta: Mr. Speaker, Sir, here, it is a question of language because we were not re-carpeting this road, we were reforming and re-gravelling the road.

Mr. Speaker: Next Question. Mr. Mwangi Githiomi's Question for the Second Time.

Mr. Githiomi: Mr. Speaker, Sir, I apologize for coming late.

Question No.005

COMPLETION OF KIPIRIPIRI WATER PROJECT

Mr. Githiomi asked the Minister for Land Reclamation, Regional and Water Development the following Question:-

- (a) when the stalled Kipiripiri Water Project which has been under construction for the last six years will be completed and;
- (b) why has the project taken so long to be completed.

The Assistant Minister for Land Reclamation, Regional and Water Development (Mr. Ligale): Mr. Speaker, Sir, I beg to reply.

(a) I believe that the hon. Member wants to know when the Second Phase of Kipiripiri, formerly known as Mugitiri Water Project, will be completed. Should that be the case, then I wish to inform him that, the First Phase of the project was completed in 1984 and my Ministry intends to embark on the final remaining work when adequate funds are available.

(b) The construction work of the Second Phase of Kipiripiri Water project has taken a long time due to inadequate funding. The appraised figures indicate that the project requires approximately Kshs20,196,687.00 against the current allocation of just over Kshs285,000.00

Mr. Githiomi: Mr. Speaker, Sir, can the Assistant Minister ensure that the project gets adequate funding in the 1997/98 Financial Year because, as it is today, it is the only Government funded water project in Kipiripiri Location?

Mr. Ligale: Mr. Speaker, Sir, subject to the overall requirements of the Ministry and pressure from other water projects, we will try our best to see that the funds are available, but I cannot give any guarantee.

Mr. Gatabaki: Mr. Speaker, Sir, is the Assistant Minister aware of the Government's water policy ten years ago? Can this Assistant Minister tell us whether the KANU Government has revised its programme of providing every Kenyan with piped water by the year 2000 or, was the KANU Government lying to Kenyans? If so, what can the people of Kenya expect from this Government during the election time?

Mr. Ligale: Mr. Speaker, Sir, the Government had to have a target with regard to water supply. Clearly, that target may not be met, but that does not mean that we shall not continue to strive to provide adequate piped water to every Kenyan in due course.

Dr. Lwali-Oyondi: Mr. Speaker, Sir, I would Like the Assistant Minister to state whether there was a proper estimation of this particular project before it started. If there was an estimation, there must have been money provided for. Why did the Government stop half way?

Mr. Ligale: Mr. Speaker, Sir, we did not stop half way. In fact, phase I of the project was completed, but what became quite certain was that, the problem was due to population increase. We must know that we are dealing with a settlement area where population increase almost quadrupled within a very short time and that is the reason why we had to design phase II but found that we did not have adequate funds to complete it.

Mr. Speaker: Next Question! Dr. Oburu Odinga, for the Second time!

Mr. Ojode: Mr. Speaker, Sir, let me apologise for not asking this Question during the first round.

Mr. Speaker: Do you have instructions?

Mr. Ojode: I have instructions, Mr. Speaker, Sir.

Question No. 010

SHOOTING OF MR. ONYANGO

Mr. Ojode, on behalf of **Dr. Oburu** asked the Minister for Labour and Manpower Development:-

(a) If the Minister is aware that Mr. George Onyango who was an employee of Nakumatt Shop, Mombasa Branch, Payroll No.290 was shot dead by robbers on Tuesday, 13th December, 1994, while on duty and that Nakumatt Limited agreed to pay compensation to the deceased's dependant (mother), but has not done so to date;

(b) if the answer to "a" above is in the affirmative, what steps the Minister is taking to ensure that the dependant is compensated; and

(c) how much the compensation is, and when it will be settled.

The Assistant Minister for Labour and Manpower Development (Mr. Ali): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) Nakumatt Limited have already taken appropriate steps to compensate the dependant under the Group Personal Accident Policy Scheme.

(c) The insurance benefit amounting to Kshs500,000 was collected by the dependant, Mrs. Helida Akinyi Musumi on 20th February, 1997, vide cheque No.000734 dated 4th February, 1997.

Mr. Ojode: Mr. Speaker, Sir, could the Assistant Minister explain to this House why it took so long before the payment was effected to the mother of Mr. Onyango? Could he also undertake to pay this poor lady the same amount with the accrued interest?

Mr. Ali: Mr. Speaker, Sir, all death cases with insurance companies do take long and the question of interest does not arise, since the deceased's family has already been paid.

Mr. Ojode: Mr. Speaker, Sir, the management of Nakumatt was taking advantage of the old age of the late Mr. Onyango's mother. It was not until this Question was put, when they hurriedly made a cheque of Kshs500,000 and that is why I am requesting the Assistant Minister to pay this lady with the accrued interest. Could he direct that the mother of the late Mr. Onyango be paid the total sum with the interest?

Mr. Ali: Mr. Speaker, Sir, matters being dealt with by insurance companies have a long process and I defend Nakumatt to have taken any advantage of the old lady. The question of interest does not arise at all.

QUESTIONS BY PRIVATE NOTICE

PAYMENT OF SALARIES TO COUNCIL WORKERS

Mr. R.K. Mungai: Mr. Speaker, Sir, I beg to ask the Minister for Local Government the following Question by Private Notice.

(a) Is he aware that the Murang'a County Council is at the brink of total collapse and has not paid salaries to most of its workers for the last eight months?

(b) If the answer to "a" is in the affirmative, what measures is the Government taking to avert and remedy the inevitable calamity?

Mr. Speaker: Anybody from the Ministry of Local Government! We will defer the Question to Thursday. Next Question, Mr. Leshore!

(Question deferred)

TELEPHONE SERVICES TO SAMBURU EAST

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

(a) Is he aware that Samburu East is a security operation area and as a result, provisions of telephone services

is very important?

(b) Is he further aware that Wamba Town and the surrounding areas have been without telephone services for the last three months?

(c) What urgent steps is he taking to provide the same to Wamba and Archer's Post centres?

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

(a) Yes, I am aware.

(b) The equipment at Wamba Town was repaired and service was restored on 2nd April, this year.

(c) Provision of telecommunication services is arranged for completion this year, at Archer's Post.

Mr. Leshore: Mr. Speaker, Sir, I would like to thank the Managing Director of Kenya Posts and Telecommunications Corporation for the speed he has taken to rectify this problem. When is the Assistant Minister going to put up a new STD system in Wamba? I remember, in 1995/96, he had promised to fix the STD system in Wamba.

Mr. Morogo: Mr. Speaker, Sir, there is an intention to install the STD system to Wamba by the end of this year, and the other telephone exchange centres will have the manual system.

Mr. Leshore: Mr. Speaker, Sir, my third question is, whether the Assistant Minister can assure this House that he is going to fix the telephone services at Archer's Post? Because, the same Assistant Minister in 1995, promised that he was going to install the services at Archer's Post during the 1995/96 Financial Year. Could he give this House the precise date when he is going to do it?

Mr. Morogo: Mr. Speaker, Sir, it is true, I did answer that question last year and I had told the hon. Member that this service would be provide at Archer's Post last year. But owing to the restructuring that Post Office is undertaking at the moment, that was not possible. But I can assure him that this service will be in place by June this year.

Mr. Speaker: Very well! Mr. Mwiraria's Question!

SUB-DIVISION OF WATER CATCHMENT LAND

Mr. Mwiraria: Mr. Speaker, Sir, I beg to ask the Minister for Lands and Settlement the following Question by Private Notice.

(a) Is he aware that Plot No.711 Ex-Lewa in Timau Division of Meru District which has two springs was set aside for water catchment?

(b) Is he further aware that the plot has recently been sub-divided into five acre plots, four of which have been allocated to private developers and a church?

(c) Since Timau suffers from acute water shortage, could the Minister immediately stop the proposed sub-division and allocation of the plots to save this vital water source?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that Plot No.711 Ex-Lewa in Timau Division of Meru District has two springs set aside for water catchment.

(b) I am not aware that the plot has recently been sub-divided into five plots, four of which have been allocated to private developers and one to a church. There was a proposal to sub-divide the plot, but the Ministry rejected.

(c) The Ministry has arranged for the land to be set aside for water catchment and transferred to the relevant Ministry in charge of water.

Mr. Mwiraria: Mr. Speaker, Sir, I wish to thank the Assistant Minister for the reply which is a year old. I would like to draw his attention to the fact that, at the beginning of March, somebody went and put up a building in one part of the plot but he has since pulled it down. I would like to point out to the Assistant Minister the fact that the land has been sub-divided into plot Numbers: 892, 893, 894, 895 and 896. So, could the Minister assure this House that since his Ministry decided in May last year, that the plot should be handed over to the Ministry of Environment and Natural Resources, that action has been taken and the title for the land has been given to the Ministry of Environment and Natural Resources?

Mr. Sumbeiywo: Mr. Speaker, Sir, I would like to thank the hon. Member for bringing those documents into the House. I hope he is going to hand them over to us for further investigations. Otherwise, the Ministry was alerted of the proposal to allocate plot No. 711 following a letter of complaint from a Mr. Cosmas Githinji on behalf of the Timau Community opposing the proposal. As a result of this complaint, the Ministry has taken up the matter and arrangements are at an advanced stage to transfer the land to the Ministry of Land Reclamation, Regional and Water

Development, to have it gazetted as a protected area. I have the correspondence here between the two Ministries regarding this matter and I hereby, table them.

(Mr. Sumbeiywo laid the document on the Table)

Mr. Speaker, Sir, if the Ministry of Land Reclamation, Regional and Water Development has not, upto now, taken over the land, it should do so as soon as possible.

Mr. Wamae: Mr. Speaker, Sir, there seems to be some confusion between the answers given by the Assistant Minister and the information given by the Questioner. According to the hon. Assistant Minister, instructions were given that this land should not be sub-divided but the hon. Member of Parliament from the affected area says the land has been sub-divided and a building has been erected on the land.

Is it not in order, that the hon. Assistant Minister is asked to go back, do further investigations and bring a complete answer to this House next week?

Mr. Sumbeiywo: Mr. Speaker, Sir, with the Assistance of the hon. Member - if he provides the documents which he has just mentioned - I undertake to bring a different answer if there will be any, as a result of the documents that the hon. Member has.

Mr. Maore: Mr. Speaker, Sir, I thought the Assistant Minister had the documents he is talking about; the correspondence between the Ministry of Lands and Settlement and the Ministry of Land Reclamation, Regional and Water Development. The only issue which the Assistant Minister needs to satisfy the House on, is the question of the 47 acres of land taken away before they instructed the Ministry of Land Reclamation, Regional and Water Development to take charge. Are you going to nullify the allocations of the 47 acres of land and charge those who have encroached on it, especially the officers of the Ministry of Lands and Settlement based in Meru Town?

Mr. Sumbeiywo: Mr. Speaker, Sir, I would like to assure this House that if it was done by the Ministry's officers, it will be nullified and the officers will be disciplined accordingly. For the information of the hon. Member, the acreage is not 47 acres but 48 acres.

Mr. Mwiraria: Mr. Speaker, Sir, is the Assistant Minister aware that as we sit here, a group of citizens from Timau area have gone to court seeking an injunction to stop the sub-division of the land on the plots I have mentioned?

Mr. Sumbeiywo: Mr. Speaker, Sir, I am not aware that there is a group of residents from that area who have gone to court. But that was not going to be necessary if the Ministry was approached earlier on, so that we could take action.

POINT OF ORDER

EVICION OF HAWKERS FROM STREETS

Mr. Kamuyu: Mr. Speaker, Sir, I am rising on a point of order, in reference to an article appearing in the *Daily Nation* of Friday, 18th April, 1997 captioned - Traders and Askaris Fight in Streets.

In that article it is written - and I believe that it is true - as follows:

"We will not just sit back and be whipped and starved for no crime. We shall arm ourselves, ready to face them next time they strike."

Today, they armed themselves. I was there, and I am seeking a Ministerial Statement because I have reason to believe that tension is growing in the streets of Nairobi, especially between the hawkers and the Asian Community who are running shops there. They believe that Asians are colluding with the City Council Askaris by bribing them, so that they can be able to flush out the hawkers.

Mr. Speaker, Sir, in order to have an orderly trading policy between the hawkers and the shopkeepers, it is important that the Minister tells us what he intends to do. But, I do suggest that, like in many other cities of the world, certain sections of the streets, such as Biashara street and others can be closed during certain times of the week like Saturday mornings or Wednesday afternoons, so that these hawkers are also given the opportunity to carry out their businesses. This is just but one suggestion. There are also other open spaces in the city and its periphery which can be allocated to these hawkers. Failure to do this, there will be a lot of tension between the hawkers and the Asian shopkeepers. This morning, about 300 hawkers had gathered down River Road and they were ready to strike. Unless this matter is given the urgent attention it deserves, there is going to be bloodshed in the streets of Nairobi.

PERSONAL STATEMENT

CLAIMS BY WEST POKOT DC

Mr. Rotino: On a point of order, Mr. Speaker, Sir. I rise to make a personal statement under Standing Order No.69.

Mr. Speaker, Sir, the *Kenya Times* issue of 16th April, 1997 purported that I was in hiding. I want to state categorically that on 7th April, 1997, I went for an official visit to South Korea to attend an IPU meeting. There are several claims made by the District Commissioner, West Pokot against me. I want to single out a few of them. He claimed that I was being sought for in order to be arrested. He also claimed that hon. Rotino had formed his own army to hit back on the security personnel. He further went on to say that the rest of the family of---

Mr. Speaker: Mr. Rotino, as a matter of curiosity, I think you have heard my ruling before, that under Standing Order, No.69 you can make a personal statement, either about what you said in this House or what has been said about you in this House and not what has been said about you elsewhere! So, can we stick to that?

Mr. Rotino: Mr. Speaker, Sir, what has been said by the District Commissioner, is all about me and I stand here to refute those claims!

Mr. Speaker: Order! Order, hon. Rotino. There are two ways in which you can approach that issue. If you have an opportunity on a relevant Motion in this House, you can talk about those things or you can reply to him using the same forum outside the House. As far as the House is concerned, I think the matters you are attempting to raise do not fall squarely under Standing Order No.69. You are actually bringing a non-business of this House, to make it a business of the House.

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. On this Standing Order No. 69, I see no restriction about what one has to say. There is no restriction at all, Mr. Speaker, Sir.

Mr. Speaker: Well, that is your opinion. The ruling from the Chair going as far back as 1960 is that Standing Order No. 69 is for matters said about you in the House, or what you have said in the House. That is the rule. Next Order!

Mr. Achieng' Oneko: On a point of order, Mr. Speaker, Sir. Hon. Kamuyu stood on a very sensitive issue concerning the hawkers. To my surprise, there was no reaction from the Government. Can the House be told whether the Government side heard what hon. Kamuyu rose to request?

Mr. Speaker: Well, I am afraid they have heard! Next Order!

Mr. Nthenge: On a point of order, Mr. Speaker, Sir. It is true that the Government has heard. If we, as hon. Members for Nairobi, keep quiet when there is fracas, the whole House will blame us. They will ask why we have constituencies and we do not care. Can the Ministers in charge of the Ministry of Commerce and Industry, Ministry of Local Government and the Office of the President get together and tell us something about that issue tomorrow? This is because we do not want fracas in our country.

Mr. Kamuyu: On a point of order, Mr. Speaker, Sir. I am seeking guidance from the Chair on this matter, so that the Chair, maybe, can rule, that we can get an answer by Thursday from the Ministry of Local Government, and this should be recorded in the HANSARD. This is because, as we are sitting here now, the tension is growing in the streets of Nairobi. To avert a major catastrophe, we need to attend to this matter now.

Mr. Speaker: I am asking you, hon. Kamuyu, does the Chair speak on behalf of Members or even the Government?

An hon. Member: But they are in this House!

Mr. Speaker: They are listening! That is what I said! Is there anybody from the Government who wants to say anything?

The Minister of State, Office of the President (Mr. Kalweo): Mr. Speaker, Sir, on behalf of this Bench, when an hon. Member requires a Ministerial Statement, it is a known fact that it will be responded to. Therefore, when they say that this issue is being addressed to the Ministry of Local Government and Ministry of Commerce and Industry, they will respond. I will also have a chance to respond. Therefore, they should wait; they will get the response.

Mr. Kamuyu: On a point of order, Mr. Speaker, Sir. I appreciate very much what hon. Kalweo was trying to do in a positive mind. I still do request, in view of the fact that there is no real commitment of the date when this matter will come to the House, can the Chair rule on this matter?

Mr. Speaker: Well, I am afraid that the Chair does not rule when a Minister will give a Statement. What I will do is to facilitate the making of such statements. I am prepared to facilitate when they are ready. Next Order!

COMMITTEE OF SUPPLY

(Order for Committee read)

MOTIONSUPPLEMENTARY ESTIMATES (RECURRENT AND
DEVELOPMENT) FOR 1996/97

The Minister for Finance (Mr. Mudavadi): Mr. Speaker, Sir, I beg to move the following Motion:-

(a) THAT, a sum not exceeding K£304,714,744 be granted from the Consolidated Fund to meet the expenditure during the year ending 30th June, 1997, in respect of Supplementary Estimates of 1996/97 (Recurrent) having regard to the reduction of K£62,931,202 therein appearing.

(b) THAT, a sum not exceeding K£212,099,073 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 1997, in respect of Supplementary Estimates for 1996/97 (Development) having regard to the reduction of K£66,397,109 appearing therein.

*(His Excellency the President has signified
his consent to these Motions)*

Mr. Speaker, Sir, I will need some time to just elaborate on some of the key areas in support of this Motion.

First, as hon. Members might have noticed from the 1996/97 Supplementary Estimates, there are, indeed, significant reductions as well as increases in the earlier approved expenditures for this year. The main cause of this is the prolonged drought situation that had affected most parts of the country, resulting in severe famine. The Government had to import maize to distribute in the affected areas. Coupled with the drought was the worsening security situation in some parts of Eastern and North Eastern provinces, which also called for an increase in the operational expenses of the Police Force.

More specifically, Mr. Speaker, Sir, the major increase under Recurrent Vote 01, Office of the President is, apart from what I have mentioned, mainly due to procurement of vehicles for transportation of relief food, procurement and issuance of second-generation identity cards, expenses related to the establishment of the regional co-operation office and the purchase of equipment for the Police Department. Additional funds were also required for the State House, mainly for the replacement of motor vehicles, and for settling pending bills.

Mr. Speaker, Sir, additional funds were also sought for the Ministry of Foreign Affairs and International Co-operation for payment of Foreign Service Allowances, procurement of vital equipments and for meeting increases in rent for both residential and non-residential accommodation in the diplomatic missions abroad.

Equally, Mr. Speaker, Sir, since setting up the Kenya Revenue Authority, there has also been a marked improvement in the collection of revenues due to the Government. Additional funds sought by the Ministry of Finance are for meeting some operational expenses for the Authority.

Again, Mr. Speaker, Sir, hon. Members will recall the Government's decision to wind up the Kenya National Assurance Company. Funds are requested on the same Vote to compensate the staff of the company for loss of employment and to meet the winding up fees for the consultants.

Also, additional funds are being sought under Vote R8, Department of Defence, for the revised salaries and allowances for the Armed Forces. The funds sought under Vote R14, Ministry of Transport and Communications are for compensating the Kenya Ports Authority for the non-paying passengers who enjoy the services of the Kenya Ferry Services, a subsidiary of the Authority. The increase sought under Vote R25, Office of the Attorney-General, is for catering for the expenses of the Standing Committee on Human Rights. The other major increase in the Recurrent Expenditure appears under Vote R29, the National Assembly. The hon. Members are aware that the voter registration exercise is about to kick off, and additional funds are, therefore, being sought to commence this exercise.

Mr. Speaker, Sir, in the Development Vote, additional funds under Vote D01, Office of the President, are for the production and purchase of maize seeds, purchase of lorries for transporting famine relief food and settling pending bills. The rest is for facilitating the accounting entries to be made to clear an existing debt in the Paymaster-General's Account, Vote D07, Ministry of Finance, in respect of equipment supplied to the Government Press. I would like to assure hon. Members that in the latter case, no cash movement shall take place.

Mr. Speaker, Sir, the other major increase appears under Vote D07, Ministry of Finance. Again, this is mainly to facilitate accounting entries to clear debits that exist in the Paymaster-General's Account in the same vote with a balance being sought again under the Parastatals Reform Programme currently being undertaken by the Government with the assistance of the World Bank.

Mr. Speaker, Sir, also additional funds are sought for the Ministry of Agriculture, Livestock Development and Marketing to facilitate entries to clear a debit that appears in the Paymaster General's Account, Vote D07, Ministry

of Finance, in respect of funds advanced to Muhoroni and Nzoia Sugar companies.

Funds sought for the Ministry of Local Government are mainly for clearing pending bills.

Mr. Speaker, Sir, I am also seeking additional funds for the Office of the Attorney-General for the capacity building in that office to finance the activities of the Standing Committee on the Human Rights.

Finally, Mr. Speaker, Sir, additional funds sought for the Ministry of Research, Technical Training and Technology are meant to facilitate accounting entries to clear debits that exist in the Paymaster General's Account of Vote D07, Ministry of Finance, in respect of expenditure incurred on their behalf to settle a court award.

Mr. Speaker, Sir, the reductions appearing under the various items in the Recurrent and Development Votes are mainly for realising funds for the Supplementary Expenditure that I have mentioned with the rest being re-allocation of funds within the Votes to cater for high priority services which cannot be postponed to the next financial year for settling pending bills that do not have adequate provisions in the Estimates.

Mr. Speaker, Sir, having briefly appraised the hon. Members of the services, I, therefore, wish to seek Parliamentary sanction to spend the funds before 30th June, 1997, and I formally urge them to deliberate and support the Motion.

Thank you, Mr. Speaker, Sir, I beg to move.

(Applause)

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, thank you for giving me the chance to second the Motion.

Mr. Speaker, Sir, I want to commend the Minister for Finance for the speed in which he took steps to handle the food situation in this country. It has been said, and I think it is supported by Government, that we need to take measures to make sure that in areas which are prone to severe droughts, especially droughts that will affect livestock, food production and so on, perhaps, we need to develop programmes upfronts to make sure that we have dams, water storage and other measures for irrigation in place to make sure that when droughts occur like the one of this year, farming activities are cushioned against these severe effects that we noticed this year.

Mr. Speaker, Sir, we have been told that in this country drought of this magnitude of severity comes sometimes every five years or every ten years. I hope that the drought that has been here this year will give Government time to make arrangements, to have as many dams as we can construct. We should make arrangements to irrigate those areas that we can manage and store enough water in areas where livestock is kept.

Mr. Speaker, Sir, we require larger sums of money than the Government can mobilise today to construct dams and water storage facilities, and also to initiate irrigation programmes which could take care of our needs in a year when the drought is as severe as it has been. If we can start to prepare now, next time there is a severe drought, we shall be better prepared to cushion ourselves against the bad effects of it.

Mr. Speaker, Sir, the Minister has also talked about security. It is true that our security personnel need re-training, re-orientation and motivation so that their morale is boosted. At the same time, they also need equipment that will facilitate them to respond quickly to calls for security interventions.

Mr. Speaker, Sir, it is also true that some of the bad incidences we have had recently are sometimes instigated by our own people. Of late, there appears to be statements calling for the breakdown of law and order in this country. It would be a very worrying situation if hon. Members of this House or leaders of this country would come out and call for the breakdown of law and order and specifically under the pretext---

Mr. Muite: On a point of order, Mr. Speaker, Sir. The hon. Minister has stated that there are hon. Members of this House who are calling for the breakdown of law and order. That is a categorical substantive statement. Can he substantiate to this House by saying which hon. Member or Members, when and where, they have called for breakdown of law and order?

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I did say that it would be unfortunate if hon. Members of this House were to be among the people calling for breakdown of law and order.

Mr. Muite: On a point of order, Mr. Speaker, Sir. The hon. Minister made an affirmative statement that it would be unfortunate--- He said there are hon. Members of this House who have been calling for a breakdown of law and order. Can he substantiate that by telling this House which hon. Member or Members where and when?

Mr. Speaker: Order, hon. Members! I was somehow consulting at that time. I did not follow the debate until my attention was--- Did you make an affirmative statement, Mr. Angatia?

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I did not say it, but I can say it now. When hon. Nyanja was speaking here the other day, he compared our state of affairs with what the Opposition is preparing for Kabila. Hon. Members have been known to praise Kabila saying that he is doing a good thing.

Hon. Members: Yes!

The Minister for Commerce and Industry (Mr. Angatia): You can hear, Mr. Speaker, Sir. So, there is nothing that I am saying which they have not said! If people, as leaders of this country, can call for the breakdown of law and order in this country in the name of being politicians or in the name of being hon. Members of Parliament or being Opposition leaders, this is a crime against this nation and they should not be leaders the way they want to pretend. We have come here to defend the security of this country and wananchi of this country instead of calling for the breakdown of law and order.

Dr. Kituyi: On a point of order, Mr. Speaker, Sir. Could I seek guidance from the chair? It has been my understanding that a Seconder of a critical Motion seeking approval for appropriation of fund money should confine himself to persuading us to vote for that money instead of "gliding" over things he does not even understand.

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, he may not know what we are talking about. We are talking about security. Some of the money that we are voting is going towards security and the Mover of the Motion did say so. And, therefore, if he did not listen to him, then he had better listen to me now. People should not interrupt our debates when we are calling upon them to be respectful because if there is trouble in this country, trouble will not only target KANU Members; the President; Ministers, but it will hit everybody and these are some of the people who will be the first ones to run away and leave our children, their wives and our mothers to suffer in this country.

Mr. Speaker, Sir, it is wrong for anybody, irrespective of which side of this House he is sitting, to call for the breakdown for law and order. And, I think, they should come out in the open and tell us what is it that they are after. Is it an amendment to the Constitution? An amendment of any law cannot be compared with the lives of people; the way we have seen lives being lost in Rwanda, Congo, Zaire and everywhere. Leaders should be taken seriously. It is not a laughing matter when actual leaders pretending to be "leaders" can call for the breakdown of law and order.

Mr. Muite: On a point of order, Mr. Speaker, Sir. I think the Minister is most irrelevant. He is completely out of order as far this particular Motion is concerned. He is talking about things which are not at all in these Supplementary Estimates.

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I want to tell them that security will be tightened and I can assure my colleagues that nobody will be left to play around with the security of this country. People cannot be allowed to just shout around about whether they will lynch anybody or whether they will cause a breakdown of law and order or whether they will indulge in peaceful resistance. Those kind of things are things that we are going to prepare for properly and make sure that they are handled properly and that is why money must be voted for security to be tightened because the first duty of any leader of any country is to guarantee the security of the citizens. We could have famine, differences of opinion on political matters and all other problems, but the security of the citizens of this country is paramount and nobody should be left to play around with it.

Mr. Speaker, Sir, my next point is on parastatals. I think, the reform programmes that we have had---

Mr. Nyanja: On a point of order, Mr. Speaker, Sir. My name has been mentioned and I do not know whether the Minister was here when the Deputy Speaker of this august House spoke very, very vehemently against the Government; when the Marsabit Massacre occurred. He pointed an accusing finger at the Government and blamed it for being behind the massacre. Is the Minister now in order to try and portray a different picture; that it is the Opposition that is trying to fuel chaos the way Kabila is doing in Zaire when it is the Government which is responsible? We are warning the Government and this is the time for the Government to listen---

Mr. Speaker: Order now! Order, Nyanja! It is also about time that you listened to me. When you rise on a point of order, go straight to the point of order. Do not take advantage of your point of order to argue. What was your point of order?

Mr. Nyanja: Mr. Speaker, Sir, my point of order is whether the Minister is in order to mention my name and that of the Opposition and say that it is the Opposition that is trying to cause chaos in this country when it is the Government and we are warning them very loudly? Is he in order? In fact, the Deputy Speaker nearly cried---

Mr. Speaker: Order! Could you keep the Deputy Speaker out of this talk?

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I will do that. We are also warning them and we will take appropriate measures. I wanted to comment about parastatals. The reform programme that we have been pursuing in the last five years has yielded very good results which is an improvement. The small point that I want to make on this one is that, I think, parastatal managers particularly Chief Executives and the Board Members, need to take heed that in future any parastatal that does not perform; make money, pursue the mandate that it was given, will have its managers themselves to suffer some of the consequences; for example, by their salaries being reduced. If a parastatal is making losses, then it does not make sense to keep salaries high when this very same parastatal is making losses. The best thing is that if they do not perform, then they do not earn money or the money is reduced appropriately. This is because, I think, there has been a tendency for people to mismanage parastatals because

they know that they are cushioned by the Treasury. And it is very encouraging to see that the Treasury has now stopped supporting parastatals which cannot perform. Non-performing parastatals will have themselves to blame.

Mr. Speaker, Sir, I want to thank the Minister for Labour and Manpower Development for the timely step that he has taken on the mismanagement of the Nzoia Sugar Company. The scenario at Nzoia Sugar Factory is beginning to worry some of us. It looks like there is a tendency at Nzoia Sugar Factory and, I would want the Minister for Labour and Manpower Development to confirm this later on, for people to be so sectional that a whole factory can be brought to a standstill because people are protesting against an individual not because he has done anything wrong, but because he belongs to a particular ethnic group. If this is so, then the Minister for Labour and Manpower Development should carry out some investigations and find out whether this is the actual position. After this, then we will begin to find out what is happening at Nzoia Sugar Factory. This is because last year manouvers were made at Nzoia Sugar Factory and somebody was relieved of his duties because he did not originate from that district. We are witnessing the same situation this year and we are just saying that when the investigations are carried out and it is proved that these people are rising against a manager just because he does not come from that area, this will be a wrong precedent. And, I think, it will be time for the Minister for Labour and Manpower Development to take appropriate steps to make sure---

Dr. Kituyi: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: I hope it has nothing to do with sectionalism in the House.

Dr. Kituyi: Mr. Speaker, Sir, my point of order is not about sectionalism in the House. But is the hon. Government Minister in order to so grievously mislead this House that there is sectionalism in Nzoia Sugar Factory when everybody knows that the single person who made all the people to go on strike is a cousin who has been imposed by the same Member who is now speaking on the Floor of the House and he was rejected because he totally does not perform and not because he is a Kabras?

Mr. Speaker: Order! Order! Order, Dr. Kituyi! This is exactly what I feared. I feared that you would stand because you were aggrieved that he is referring maybe to your community and maybe he is complaining about your community. I do not want to get that here now. So, can we make this a National Assembly. If you have anything about cousins and uncles, please get out of this House and discuss them there.

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I only called upon the Minister for Labour and Manpower Development to carry out investigations and confirm or say that it is not true; that simply people are inciting others to rise against the workers who come from other communities. If this is the precedent being set---

Mr. Muite: On a point of order, Mr. Speaker, Sir. There is a Standing Order that requires Member to declare his interest in an issue. Is this particular person a cousin or not and is the Minister in order to continue contributing on that issue without declaring that personal interest?

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, there is nothing that compels me to declare anything. But I can say that this person is not my cousin, but he comes from Kakamega District. He is being discriminated against just because he is not a Bukusu. If that is true, and I am not saying that it is happening. I am saying that if the discrimination is simply because he is not a Bukusu, then, I think, we will have to take some steps.

It would be wrong for hon. Kituyi to be behind that kind of instigation. I hope it is not true. But if it is true, Dr. Kituyi, we shall have to--- If I had a cousin who goes to work at Nzoia Sugar Factory, then what crime will he be committing? He is entitled to work there. Has Mr. Kituyi outlawed my cousins from working in Bungoma District? He cannot do that. So, I want to call upon the Minister for---

Mr. Shikuku: Jambo la nidhamu Bw. Spika. Bw. Spika, ni mimi nafuata sheria wala sifuati ukabila--- Mhe. Dr. Kituyi alisema kwamba yule anayetajwa ni cousin wa mhe. Waziri. Mhe. Waziri naye anasema yule mtu si cousin wake. Sasa tutamsadiki nani? Dr. Kituyi anaweza kuthibitisha kwamba huyo mtu ni jamaa wa mhe. Angatia au mhe. Angatia athibithishe kwamba mambo anayosema katika Bunge hili ni ya kweli na tukipata ni uongo basi tutamuandama?

Mr. Speaker: Well, I suppose that the best thing that the Chair can do is to avoid tribal politics in the House. We have already got a mild dose of it and I think that is sufficient for today. Can we proceed!

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I would like to call upon the Minister for Agriculture, Livestock Development and Marketing to consider placing Nzoia Sugar Company under an independent management. I think we have had considerable peace at Mumias which is being managed by Booker Tate, and Nzoia Sugar Company should also be subjected to the same. After all they were recently given money by the Government to bail them out of the financial problems which they were in when they failed to pay farmers. They have also failed to perform by not producing the amount of sugar required. Maybe it is time they were placed under a proper management---

Mr. Speaker: Order! Order, Mr. Angatia! Can I just give a little guidance to the House? The issue

before us today is under Standing Order No.143 and it is a one day-business. We must complete it before the rise of the House today, unless the House by resolution, otherwise orders, but as of now, there is no such order from the House. Therefore, I urge hon. Members contributing to take into account the interest of other hon. Members to contribute. I was going to say because we do not have the usual resolution which is passed just before the Budget limiting the time Members contribute during the Committee of Supply and the Committee of Ways and Means and Allotted Days, if I may get a general consensus from this House, that every Member contributing gets a maximum of 10 minutes so that we can have a fair distribution of Members contributing to this Bill. If that be, I, therefore, take it that, that is what the House agrees and there being no objection, so I order.

I think now Mr. Angatia has finished.

The Minister for Commerce and Industry (Mr. Angatia): Mr. Speaker, Sir, I was making my last point, if I was not interrupted so much by Members from the Opposition. I think while we are reforming and increasing the efficiency of our parastatals and companies, it is time Nzoia Sugar Company was placed under an efficient manager so that it can produce the results that it is expected to produce.

Mr. Speaker, Sir, with those few remarks, I beg to second.

(Question proposed)

Mr. Anyona: On a point of order, Mr. Speaker, Sir. I would like to seek the guidance of the Chair on the procedure that we will follow. Normally, when we are dealing with the Annual Estimates, we go into the Committee Stage and then go through the Estimates clause by clause. It is not very clear to me and I do not know whether it is clear to the House whether the same procedure is going to apply. Under Standing Order No.143(2), the same procedure that applies to the Annual Estimates is supposed to apply to the Supplementary Estimates.

Mr. Speaker, Sir, I thought that may be the Chair should clarify that point. The main reason why I am raising that is because I wish to propose an amendment to one of the Votes in the Estimates and I have given due notice to the Clerk's Office to that effect. I can only do that under the Standing Order No.143(2) in the Committee Stage. So, I just wanted to be quite sure how we are going to go about that.

Mr. Speaker: First of all, I am afraid I have not seen your intended amendment. I am sorry.

Mr. Anyona: Mr. Speaker, Sir, I gave it to the Clerk's Office, but I can give you a copy right now.

Mr. Speaker: Sure, I can look at it. But I would like just to comment about the issue raised by Mr. Anyona. Under normal Committee of Supply and Committee of Ways and Means, hon. Members will notice that the Motion normally is:- "Mr. Speaker do now leave the Chair" and once that question, of course, is carried, the House immediately dissolves itself into a Committee and once the issues in the Committee Stage are resolved, the Committee then reports to the House. The report made by the Committee to the House, which is ultimately agreed to by the House, is exactly in terms of the Motion now before the House, which is that a certain amount be taken out of the Consolidated Fund to meet expenditure for X, Y, Z. That is normally what we will end up with. After the Committee has reported to the House, we get a Motion similar to this.

If hon. Members would also recall, in the usual Committee of Supply or Committee of Ways and Means, a Vote is normally given two days. The first day is for debating policy and during most of the next day we go into Committee State to look at the details of the provisions of every relevant Ministry. If you now look at the position as it is, to the best of my recollection, with regard to Supplementary Estimates, we normally come by this form of Motion:- "THAT, a certain amount be taken out of the Consolidated Fund to meet the expenditure of a specified period". For a global purpose, the whole Government is covered under Supplementary Estimates by the Minister for Finance. During the Committee of Supply, every Minister is in charge of his individual Vote which is then brought before this House for debate.

I suppose the logic of the framers of the Standing Orders, by reducing discussions on Supplementary Estimates to one day, must have been that you do not get into the Committee State. Therefore, the kind of Motion that comes before the House for all Supplementary Estimates requires a resolution of the House to give a global sum to the Government as specified in the documents previously tabled by the Minister for Finance to meet what the Minister says the Government requires. I suppose that is what the logic of the making of that Standing Order.

As to what the Motion the hon. Member intends to move, I am afraid since I have not seen it, I am totally in the dark and, therefore, I am unable to advise him one way or another. But if he brings it to me, maybe, we will discuss with him and find out a way.

Dr. Kituyi: Thank you, Mr. Speaker, Sir. Just like it did last year, this Government has kind of "ambushed" this National Assembly by bringing in copies of the Printed Estimates much too late for us to give them adequate scrutiny. But be that as it may, it was interesting to listen to the Minister for Finance giving us what he purports to be the reasons for seeking substantial increases on monies to be drawn from the Exchequer. If you look at

what is actually the purpose for which this money is being used, you will note that at one level, we are dealing with a new budget. We are dealing with a Government which is asking for funding for its contributions to East African Regional Co-operation as if Kenya started entering into negotiations for the East African Co-operation last week. At the time of the Budget last year, Kenya had already committed itself and made certain substantial development at steps in the implementation of the Treaty of East African Co-operation. One wonders why it is only today in the supplementary estimates, two months before the next Budget, that the Government is asking this House to avail money for that.

Secondly, Mr. Speaker, Sir, we have been told of the need to think about security and drought as the reasons for this Budget. There are a number of problems to that. The first one is about drought. If the purpose for cutting down on development and other normal activities of the Government is to deal with drought, the Government must show seriousness in measures to avoid famine, and not drought. Avoiding famine in this country is not about buying lorries to distribute maize. Avoiding famine is about positive intervention to boost investor confidence in the primary sectors. It is about availing quality inputs at affordable prices to the primary producers; the maize and rice producers. It is not about coming here and asking the House to vote money to the Office of the President (OP) to buy lorries to distribute famine relief.

At a time of a national emergency it beats all reason why the Government, instead of putting the modest resources available, when it has incurred a large Budget deficit, into mobilising available transport--- There are trucks of the Army, the National Youth Service, the General Service Unit and the Police Force which are otherwise now transporting sand to private developers instead of mobilising these vehicles to transport maize. How can the Government seriously ask this House to vote money to the OP to buy new trucks? Are you institutionalising famine relief distribution? Is it a future Government activity, so that every year the OP will be distributing famine relief? Why has it been possible in the past for available transport to be utilised in distributing famine relief? Now we are being asked to buy the OP new trucks! While I am on the OP, there are two interesting developments here. The first is that in the Recurrent Expenditure, Item 132, there is a request under "Visits by the President to the Provinces", which was allocated K£1 million last year. Now, it has been allocated an additional K£696,337. The Minister should tell the House

what relationship exists between drought and increased presidential visits to the provinces. This is one example where, under the guise of drought problems, this House is being asked to avail money for the President of KANU to continue going around the country campaigning for KANU. Similarly, in the mother Budget last year, there was no item called "President's Special Fund". But now under Item 133, in the Recurrent Expenditure, the Minister is introducing a new thing called "President's Special Fund", under which he is asking us to give the President K£414,000. What relationship exists between the desire of the President to have a special fund and the crisis of drought in this country?

If we are going to deal with the root cause of drought we must deal with the problems of investment and training in pastoral areas, and input and investment in research for agriculture. Can this Government explain to this House why, out of K£175,000 voted for the Narok Pastoral Training Centre, Kshs170,000 has been removed? The entire amount of K£125,000 voted for Griftu Pastoral Training Centre in Wajir is also removed! If we are totally "killing" off training for pastoral development and yet we are increasing allocation to Baringo District Development Institute, how can we tell ourselves that we are rationalising requisition of extra money on the basis of priorities of food security in this country? What direct contribution to food security does funding of construction of buildings at Baringo District Development Training Institute make? This is on page 14, Item 018, of the Development Estimates. How does a priority now arise, so that we want to give more money to the construction of buildings in Baringo District and cut off the entire funding of pastoral training programmes in Wajir and Narok Districts, and development work in the critical Ministry of Agriculture, Livestock Development and Marketing?

Mr. Speaker, Sir, there is something very strange about the way this country rationalises its activities. At a time when we are fearing the growing insecurity, we are being asked to vote for more money to the Police Force in order to beef up security. If we are keen on the most optimal ways of investing in enhancing security in this country, we should avoid dubious and irresponsible utterances, which have the net effect of inciting ethnic chauvinism or disfavour between peoples of different communities in this country. The leader of this Government was saying the other day that hon. Wamalwa's visit to Marakwet District caused the Marakwet to attack the Pokots. If hon. Wamalwa has caused such a problem, why has this Government failed to arrest him and charge him with incitement? If people are just playing games, why do they not find a more humane and less serious game than this one? The very utterances which suggest that hon. Wamalwa is working with the people who are enemies of the Pokots can translate into inflaming already existing, but slowing reducing, tensions between the Pokots and their neighbours to the west in Trans Nzoia District. Those who make utterances that cause people to think that other communities are their enemies are the worst enemies of security. If they just shut up, we will not need to vote for increases of money for police

transport. But if they happen to lead the Government that is looking for money to buy vehicles for security, we wonder how we can access the thinking of the people of this country.

The immediate former Minister for Agriculture, Livestock Development and Marketing was, to my judgement, one of the few Ministers for Agriculture who ever knew what agriculture was all about. As his shadow Minister, I salute him because I could see sense in what he was saying. He told this Government that if it spent KShs2 billion in creating an enabling environment and confidence in the primary producers, it would avoid the expenses we are incurring in importing food. What are we seeing today? Many months after he told the Government that we were going to have a food deficit, other people were flying around and cheating us that there was not going to be a food deficit. We are seeing it now and dealing with the consequences and not the causes of food deficit. And how does it deal with the consequences? It reduces investments in agriculture, increases investments in Nyayo Tea Zones Conservation and transfers investments from seed Production by the Kenya Agriculture Research Institute (KARI) to the Agricultural Development Corporation (ADC) in the OP. The only thing the ADC management knows is how to dispose of public land to the politically correct. The main activity of the ADC over the past two years has been the sub-division of its farms and importation of non-citizens of this country to be given such land. We have the best infrastructure for research and investment in seed production under KARI. We are removing money from there and transferring it to the ADC to be invested in seed production. Why are we taking money from the Treasury today to invest in seed production at the end of the critical investment season for seeds? Right now we are weeding and top-dressing. There is no emergency for seed production after Easter!

Mr. Speaker, Sir, it is true that this country has problems. But the rationale of requests to this House confound those who understand that we have problems. This budget is rationalising limited resources when the Government public deficit is expanding. This Government is asking us to vote another K£1 million to use in Development programmes. We have various grievances, but the worst of all is this: It is totally irresponsible and morally unjustifiable that when we are cutting back on major Government programmes that made sense, that we voted for last June, through last October, we are being asked to buy lorries for the Office of the President because of famine relief. That is the voodoo sense of management that should be rejected by all reasonable persons in this House.

Mr. Rotino: Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to be able to contribute.

We are being asked to re-allocate money from some Ministries to other Ministries. The Minister spoke about three specific reasons that have prompted this money to be transferred. These are: Prolonged drought, the security situation, the coming general elections, issuing of new Identity Cards and all those other things.

Mr. Speaker, Sir, I want to talk about two issues. I will begin with the issue of the prolonged drought. The Government has done its very best to purchase food. It has spent a lot of money on the purchasing of food in order to be able to feed those who deserve to be fed. But it is very interesting when the hon. Minister speaks of purchasing trucks to be given to the Office of the President so that they can be sent to various districts for distributing relief food. The food has been misused; three-quarters of the food has not reached the people that deserve to get it. Food has been distributed through the Provincial Administration, that is, the District Officers (DOs), the Chiefs and Assistant Chiefs.

It is perturbing and astonishing to see that, when the food is given out, it does not reach those who deserve it. A lot of food is purported to have been sold to meet the transportation costs. When you ask the District Commissioner (DC): "What happened with the 9,000 bags that you were given?" All he says is: "Oh, we gave out 3,000 bags to a certain Division." You go to the DO and he says: "Oh, I took 10 bags and sold it in order to get money to transport the food. I was unable to transport the food without transport. Can you provide us with transport?" This is what they do, and yet, money is given from Office of the President to transport this food.

For example, in February, 9,000 bags of maize were given to West Pokot and KShs450,000 was given to transport the food. This money was spent, but the food never reached the people; it was sold by Chiefs, DOs on the pretext that: "We did not get money to transport the food." I would like to emphasize what the hon. Member who spoke before me said, that we should try to address the problem. What is really the problem? The problem is not dishing out food; the problem is with agriculture, which is the backbone of this nation. We should get our policies right as far as the agricultural policies are concerned, so that we are able to solve this re-current problem of drought. If we do not address ourselves to that, we shall, year in, year out, try to buy food. We will keep on coming here to tell Parliament: "Can you vote money to buy food and lorries to transport the food?" This will not really solve the problem. We should address the problem of farming, and that of water. We should ensure that water is made available to our people through irrigation.

Mr. Speaker, Sir, I now want to talk about security. This country has become a security threat. Our tourism industry is being affected by insecurity. You are not able to drive to Nakuru at 8 o'clock in the night because you are scared of passing through Limuru and Naivasha during the night. What is the root cause of our insecurity in this country? We allocate a lot of money to security, police and the General Service Unit (GSU). They spend a lot of

money on night-outs, travelling, making various camps everywhere and not solving the security problem. This has a negative connotation to visitors who come into this country. If you look at the tourism statistics in this country, they show that tourism is going down. Why? Because of the security risks that we have.

Mr. Speaker, Sir, tourists traverse the districts of West Pokot and Market to reach Turkana District. When they go to Bogoria and Trans-Mara, they have to pass through those districts. They cannot pass through those districts if they are not sure that they will reach where they are going. If you get a puncture on the road, you are not sure whether you will finish changing your tyres. We should address ourselves to this issue seriously and also to the issue of ethnic clashes that have taken place recently in West Pokot and Marakwet District. We should be able to address the real cause of the problem. I want to appeal to the Minister in charge of security in the Office of the President that he and the Commissioner of Police should visit the affected areas, accompanied by the area Members of Parliament, Hon. Cheserek and myself. We should visit the area urgently because security issues are not things to be taken for granted. We lose a lot of lives when people fight and I want to appeal to the Minister to visit this area immediately. If it is possible, he should do so even tomorrow, so that he can ascertain the security situation in these areas. I want to appeal also to the Government to put a police post in Chesegon, which is the border of Marakwet and Pokot. There is no police post there, there are only about 10 Administrative Policemen (APs), who are not able to contain the situation when it escalates.

Mr. Speaker, Sir, as I speak here today, the DC, West Pokot, who is the root cause of these things, has not even visited the area since those things happened. The DO has not visited the area either. In my Division, Sigor, both the DC and DO come from the same district and they are brothers-in-law. How do you expect justice to be done when the bigger brother-in-law is supervising the issues at the divisional level? They are able to do all sorts of things.

I want to appeal that the DC and the DO, West Pokot, be transferred if not sacked because of politicising issues between Pokots and Marakwets. When we politicise these issues, things get out of hand and I appeal to the Office of the President--before I went out of the country, I reported these issues to Mr. Kimalat and the Deputy PC, Nakuru. I told them that things are not very good and they should call both DCs in order to address this issue. This was taken for granted, that I was just politicking. I am not politicking with people's lives. So, I want to appeal to Mr. Kimalat to transfer this DC and DO immediately and take them wherever they may want to take them because they are causing a very big problem there. These two people will cause more problems than ever before. So, if the Government is serious in resolving the issues of Pokots and Marakwets, it should first of all transfer the DC. It should not personalise things by saying that; it is just the Rotino family versus the Marakwet, which is not the case. They should not personalise the issue. They should deal with the issues as they come.

Mr. Speaker, Sir, right now as I speak, about 500 homes were burnt down in Pokot. There are 3,000 families which are camping out in the cold. The National Christian Churches of Kenya (NCCCK) and the Catholic Church have taken food to feed them in those particular areas. I understand the Government has taken a few bags of maize to the area, but this is not sufficient. I am, therefore, appealing to the Government to improve the security in the area immediately if we have to solve this problem.

Mr. Speaker, Sir, security within National Parks is not very good. We have a national reserve in West Pokot, and the security within that area is not very good. If we have to improve tourism, we have to improve our security. This is something which we have to address ourselves to.

Mr. Speaker, Sir, the Opposition has been established through the Constitution and we have to accept its existence. So, we should train our police not to harass the Opposition. Why are they harassing the Opposition? Since we have accepted it, it is not hon. Wamalwa as a person, but the Opposition. The Opposition is here to stay because it is established by the Constitution, irrespective of whoever is there. Give them their right to address wananchi if they want to do so. When we attended the Inter-parliamentary Union, we could read the Nation Newspaper through internet. You only need this facility to enable you read a newspaper from any part of the world. You can even read the Nation Newspaper before the Kenyan people. Those people keep on asking why we should harass the Opposition if we have accepted them constitutionally. So, this affects us indirectly, as far as our nation is concerned. If you have accepted them, you should accept them and if you do not, you must move an amendment to the Constitution. This affects our security and we should be in a position to take care of all areas of security. Let us handle our security with care.

Mr. Michuki: Thank you very much, Mr. Speaker, Sir, for giving me the opportunity to contribute on this Motion which the Minister for Finance has brought before this House. But I am somewhat - although I know he is not listening - disappointed by the way the Minister for Finance has dealt with this matter.

Mr. Speaker, Sir, if you remember, when the annual Budget was tabled before this House, there was a Financial Statement also tabled by the Minister for Finance to show how he intends to finance the budget for the year. We were able to see that there was a deficit that he was going to struggle with throughout the year. At the same time, he also gave us figures of his revenue which in the current year, according to the Printed Estimates, total K£7.15

billion.

In passing, as the Minister introduced the Supplementary Estimates, he did say that the revenue prospects, since the Kenya Revenue Authority was established, have improved, but he did not say to what extent. This is where I agree with hon. Anyona about how we should treat these Supplementary Estimates because, the rules that apply to the main estimates should apply to the Supplementary Estimates as well. In other words, although the expenditure has been presented, there was no Committee of Ways and Means to tell us whether, in fact, there will be money in the Consolidated Fund. I expected that the Minister would say that revenue has improved to the extent of the estimates that he was supplementing here and there would be a balance of so much money. What the Minister is now trying to get us to do is to pass a law here which authorizes him to get money from the Consolidated Fund, although we do not even know whether there is money to meet the sums he has shown here, given that he had a deficit to cover. In other words, we had expected that he would tell us the manner in which he has dealt with the deficit that he reported to this House when he introduced the main estimates. We further expected that he would then say how much additional monies he has asked for since then. But as it is now, we do not know whether we are exacerbating the deficit situation with which we started at the beginning of the year or what is happening. Those are very important points to be made.

Secondly, we have kept up with the way Treasury Bills have been raised. The amounts of Treasury Bills have gone up. The last figure that the Minister has to pay back to the market is Kshs87 billion. That is a debt which the Government has to pay back to the market. The money may have been raised in order to cover the original deficit that he was dealing with. Therefore, we should not vote more money when we know that we have not even been able to retire Treasury Bills in order to reduce the indebtedness of this Government. We are being taken for a ride because we do not have a Committee of Ways and Means. We have a Committee of Supply through which he has brought this Motion, but where is the Committee of Ways and Means to show us where we get this money from? That is a shortcoming on the part of the Ministry of Finance. Looking at this estimate, I should have thought that they were going to cover two major areas, one; to provide for the famine in relation to the Government's declaration of a state of emergency. Can you imagine a declaration of a state of emergency to deal with a famine which we have made no provision for in these estimates, as if the original estimates actually covered the famine? Above all, the Ministry of Agriculture, Livestock Development and Marketing, which should have been heavily funded in order to ensure that we have adequate food and that the farmers are properly financed in order to avoid famine in future. However, all we get is about K£100 million when the allocation for presidential visits is totalling to K£2 million. What are these visits for when our people are actually starving? If you divide that money with the eight provinces, you will find that that is a very lavish way of visiting provinces. I am not begrudging this, but I am saying that in a country where we have scarcity of resources, that is wastage and let it be on record that hon. Michuki said so.

We should be looking at the deficit areas. I should have thought that this money would go to create resources for our people to avoid famine and poverty which has spread everywhere. You can see that if you look at the mitumba markets and so forth. I agree with what hon. Rotino says, but I differ with what the Minister for Commerce here is trying to say about law and order. To him, law and order is suppression. He should be speaking about maintenance of the rule of law, not security from the point of view of maintaining law and order. Law and order, in your opinion, is to control the Opposition. I agree with hon. Rotino that there are people here, in this House, who are out to cause chaos because they do not think positively. They do not think about reconciliation. They do not want to see other people's point of view, and so, maintenance of law and order becomes the suppression of the Opposition and the population of this country. No government can be set up in order to suppress its own people. It must not talk on how it will sit on the heads of its own citizens. Whether you like it or not, you are creating Kabilas and Musevenis, if that is how you are going to manage this country.

I am saying that priority in this estimates have been badly presented to this House. The areas that should have been covered have not been covered. It is too late to begin buying vehicles for the Office of the President to transport food. By June and July everybody will have harvested their own food here. So, by the time you bring these lorries, the famine situation will have improved, unless you want to benefit companies which are going to provide you with money for elections. When will those vehicles be used for famine? These estimates should be amended by the Minister. He should go back to his drawing board and provide for the Ministry of Agriculture, Livestock Development and Marketing and Ministry of Land Reclamation, Regional and Water Development for irrigation purposes. He should also make sure that the rule of law is maintained. With those remarks, I beg to oppose.

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Bw. Spika, nafurahi kusikia mambo ya pesa ambazo zitatumika kutatua taabu tulizonazo.

Bw. Spika, kati ya taabu ambazo tuko nazo, nafikiri Waziri wa Fedha ajua kuwa tangu aende nje ya Kenya, kule kwetu Pwani hatujasaidika sawasawa kwa sababu mtambo wa sukari haujafikiriwa kuwekwa pale, na mikopo ya mashamba haijafikiriwa. Kwa hivyo, tukiona mashamba ya kahawa na sukari ya ndugu zetu katika Kenya hii

yaking'ara, sisi bindamu tunaona wivu kwani binadamu amezaliwa na wivu. Sisi tunaomba shida zetu ziangaliwe ili kesho kutwa tusije tukapata taabu kueleza watu mambo ambayo yafaa kuwaeleza.

Bw. Spika, ningetaka Waziri na ndugu yangu, Waziri Msaidizi, Bw. Keah, wajue kwamba kuna samaki kule kwetu Pwani ambao hawajavuliwa sawasawa kwa sababu hakuna uvuvi bora.

Tuna mashamba katika Kwale, Kilifi, Tana River na Lamu ambayo yaweza kumea kila kitu, lakini mpaka leo hayajaangiliwa sawasawa. Huu ndio wakati, hasa hiki kipindi cha mwisho, wa sisi kurejea katika Bunge kwa raha. Ingefaa Wizara hii, kwa sababu tuna Waziri Msaidizi, wakati wanapozipatia sehemu nyingine Kshs20 milioni, kule kwetu watuletee kama Kshs1 milioni. Kwa hivyo, ni vizuri tumbe wakati tumekubaliana mambo haya yafanywe na pia sisi tutarajie kitu kidogo ile wale waliotuleta katika Bunge wafaidike.

Bw. Spika, furaha yangu na furaha ya Wakenya wote ni sisi Wabunge kujua kazi yetu kwa sababu maneno niliyoyasikia ni kuhusu ule uwezo waliopewa Wabunge na wananchi wa Kenya kuja hapa na kuwatetea. Ninaomba tuendeleo vihi hivi na mwenye uchungu aseme, lakini tusiwaachie kazi zetu wengine. Hii ni kwa sababu imekuwa kwamba baada ya Mbunge kupewa nafasi kwa kupigiwa kura; anaambiwa aende awakilishe mambo ya watu wake katika Bunge; hafanyi hivyo. Mhe. Shikuku husema angetaka hii august House iheshimiwe. Na kuheshimiwa kwa Bunge hili letu, ni sisi kuja hapa kufanya kazi ya Wakenya wote hapa katika Bunge. Lakini kumetokea staili mpya ya kufanya semina katika mahoteli na kunywa chai kama watoto wa shule, na kuanza kuyazungumzia mambo ya Kenya. Mambo ya Kenya yafaa yazungumziwe katika hii august House. Ukiyazungumzia nje, yatapita kama upepo. Lakini hapa, yanajulikana na Serikali na Kenya nzima. Napendekeza kuwa ndugu zetu watumie ile heshima tuliopewa na wananchi wa Kenya kuja kutoa maoni yao hapa badala ya kuwa na bunge lingine linaloitwa 'semina'. Watu wanakuja kuzungumza mambo yao hapa kumbe kuna "bunge" la pili!

Bw. Spika, tena ningewaomba ndugu zetu wanaofanya semina masheikh na mapadir, watuombe sisi tuliochaguliwa tuwe na nguvu ya kuja kusema tuyapendayo hapa na vile vile, yale tuyachukiayo. Ninafurahi mtu mwingine akizungumzia habari ya chakula cha Rais; ninasema sawa. Mwingine anakasirika akisikia hayo lakini hiyo ni sawasawa. Lakini tukiacha kazi tuliopewa, wananchi watayachukua na kuanza kuyazungumzia mambo haya katika miji mingine bila kuyaleta hapa Bunge kwa sababu wananchi wa Kenya wanapenda mambo hayo. Basi wataendelea hivyo, na sisi tuendeleo kufanya semina, kunywa chai kahawa au glasi moja ya bia na kuzungumza mpaka wachoke. Lakini pahali pa kupitisha mambo watakayo Wakenya ni hapa Bunge ambako ndiko kuna sauti.

Bw. Spika, mambo mengine yamezungumziwa nje ya Bunge hili, lakini ningepesa zitolewe pesa kuwasaidia wananchi wa Kenya. Hatutaki maji yasahauliwe. Kuna taabu ya maji na Wakenya tunazaana kwa sababu Mungu anatupenda. Tukizungumza tu, "Hujambo, madam, mtoto amepatikana", hiyo ni kutokana na baraka za Mungu lakini maji yamekuwa machache. Hizo ndizo taabu zetu.

Bw. Spika, nataka, kupitia kwako, kuiambia Wizara ya Fedha kuwa taabu kubwa, hata mkifikiria barabara za juu na chini, na pia kuweka hata taa nyingi, hatuna maji na hata taa nyumbani, hasa wale tunaishi katika miji kama Mombasa, Nairobi, Nakuru na hata upande wa Wakikuyu. Tunataka taa katika sehemu hizo kwa sababu tuna shida. Kwa hivyo, tungetaka wajue kuwa kitu wapendacho hasa wananchi, ni kile kitu wapatacho kila siku.

Bw. Spika, tuna taabu ya kupata kazi. Katika utumiaji wa pesa hizi, ninawaambia ni lazima tutafute njia za kuzitumia hizi pesa ili wananchi wa Kenya wapate kazi, maanake ikiwa wananchi hawana kazi, mabenzi yatavamiwa na barabarani watu watashikwa. Wengine wameshahika wenyeviti wa vyama huko nyumbani mwao. Mambo yatakuwa mengi kwa sababu watu hawana kazi. Anamwona mwenziwe akivaa tai na akiwa na gari lake wakati ambapo bado yeye hajala hata mkate. Kuna taabu. Kwa hivyo, hizi pesa zinachochukuliwa kutumika kule na huko, zifikiriwe pia juu ya kuwapatia wananchi wa Kenya kazi. Watu ambao hawana kazi ingefaa wanunuliwe trakta, na mashamba yako tele. Ikiwa ni mtu wa Pwani, si lazima aishi Pwani sana. Watu hawa wachukuliwe hata Kakamega walime. Ikiwa ni watu wa Mkoa wa Kati, waambiwe waje Pwani na kuja kufanya kazi. Mambo ya kuwaweka watu ambao hawana kazi katika mkoa moja, wakijaa sana ni taabu, na wale walionacho watakuwa na taabu kubwa zaidi na kutakuwa na hatari katika Kenya hii.

Bw. Spika, kile ambacho ningetaka katika wakati huu wetu wa mwisho ni tuwe na jambo moja tu; amani. Wananchi wa Kenya wapendane na wakishapendana, yule atakayekuwa Rais au Waziri atakuwa na mapenzi na watu. Lakini mkitafuta bendera kwa njia ya ukabila na chuki, kutakuwa na hatari sana.

Mr. Muite: Na Bw. Hemed, je?

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Bw. Spika, huyu ana ruhusa ya kusema kwa sababu mdomo wake kule kortini ndio humpa mshahara, lakini watu wengine hutegemea ukulima. Kwa hivyo, mwache aseme.

Ninalotaka ni kwamba wakati mtu anapotaka uongozi, jambo muhimu ambalo anafaa kufikiria ni amani katika nchi ya Kenya. Tuwe na amani na mapenzi. Ukipenda kabila lako sana na uchukie kabila la mwenzi, basi wewe unalichongea kabila lako. Nchini Kenya kama unapenda kabila lako, inafaa ulifanye kabila lako lipendwe na makabila mengine, hata kama kabila lako lina watu kumi. Kila mara nimesema kwamba, makabila mengine yana watu

wengi ilhali mengine yana watu wachache. Lakini wingi huo, ni wingi nyumbani kwako, na wale wachache ni wengi vile vile kwao.

Bw. Spika, ningependa Waziri wa Fedha; wakati wa kutoa pesa hizi, inafaa - na hasa Bw. Keah, ambaye ni ndugu kutoka Mkoa wa Pwani na yuko hapa - aangalie maswala ya samaki, sukari na mikopo ya wale maskini ambao hawana chochote. Taabu tuliyonayo ni kwamba watu wamechukua mashamba makubwa huko Pwani, lakini kwa sababu ni ndugu zetu wa Kenya, hatuna ubaya nao. Shida ni kwamba hawalimi kule. Wao huchukua title deeds na kuweka rehani ili zile pesa wanazopata waende wakalimie kwao. Hili ni jambo baya sana, na siku moja litasababisha hatari. Ikiwa unachukua shamba kokote, lima huko huko. Ikiwa wewe ni mwananchi wa Kenya, inafaa ulime kila pahali. Lakini ukiwafanya wenzako wapumbavu na uchukue shamba kwa sababu unataka title deed ili uende kuweka rehani na ulimie pesa hizo nyumbani kwako, ningependa kusema kwamba Kenya ni moja, sisi ni ndugu, lakini kila mtu ana kitanda chake.

Kwa haya machache, ninaunga mkono.

Mr. Anyona: Mr. Speaker, Sir, I wish to say a few things about this particular Motion. But in view of the matter I raised earlier on, I will confine myself to the issues of procedure and say what I want to say later on when the Bill comes before the House.

Mr. Speaker, Sir, I stood up on a point of order earlier on to propose that I wished to move an amendment to the Motion, and I was seeking the guidance of the Chair on the procedure to do that. Now, as you know, we had consultations between you, the Clerk of the National Assembly and the Minister, and it is a very protracted issue. I think it is important that we are all in some agreement as to how to deal with it.

Mr. Speaker, Sir, first of all, maybe, let me state what the problem is. Under the Estimates on page 38, there is a figure there of K£21,500,000 in respect of Government security freight. That is the figure I was proposing to reduce from that vote. My reasons are these: Other than the normal reasons where we seek to reduce the vote by K£1 as a matter of protest, or as an issue concerning the Ministry, that is not the case in this particular respect. The case is, as we are sitting here this afternoon, that this matter is before the PAC. It is deliberating on this particular issue and I am advised that it falls under paragraphs 36 to 45 of the report which concerns unsupported expenditures.

Mr. Speaker, Sir, this particular figure of K£21,500,000 is part of a sum of some K£75 million which is related to payments that were made to the National Bank of Kenya, and these expenditures are being queried by the Committee. There is a further sum concerning Nzoia Sugar Company of K£15 million. There is another sum related to East African Sugar Industries of K£7,250,000. There is also another sum related to Spareworld of K£14,350,000; Kenya Uniforms of K£2,900,000, and to Cyper Enterprises, of K£14 million. The total is K£75 million.

Now, Mr. Speaker, Sir, these figures are being investigated by the Public Accounts Committee right now. In fact, there are other figures which are also before the Committee. I am not sure if these figures are also reflected in the Committee's report because I have not gone through the whole report, but they may well be. Members have not had enough time to go through the report.

There is a further figure of K£289,132,765-11 related to payments made to Goldenberg International. Now, that also is apparently before the Committee and this is broken down as follows:-

Delphis Bank	-	K£23,500,000
Trans National Bank	-	K£20,000,000
Post Bank Credit	-	K£25,000,000
National Bank of Kenya	-	K£21,500,000
Sub-total	-	K£90,000,000

And a further K£141,054,047 also distributed as follows:-

Exchange Bank	-	K£71,054,047
Delphis Bank	-	K£70,000,000
Total	-	K£141,054,045

Mr. Speaker, Sir, there are other figures, but the point I am making is that all these matters are right now before the Committee of Parliament. It would, therefore, be unprocedural for Parliament to seek to deal with a matter that is before one of its Committees right now. We will be undermining our own Committees. We will be compromising the operations before the Committee.

Mr. Speaker, Sir, as has happened with Goldenberg, it is even possible that the Minister for Finance, the Government, and this can be extended to the House and the Chair--- Somehow, this matter is being sneaked through the Supplementary Estimates to get Parliamentary approval to defeat the purpose of the Committee that is considering the matter. That being the case, and since at least, we are aware of this one particular incident, I think it would have been wrong for the House to agree to pass this thing unnoticed, because, then, we would be subject to those accusations.

Mr. Speaker, Sir, I think there is no doubt in the minds of the whole House, and I believe in the Chair, that it

is not the wish of Parliament to hamstring its own Committees. I do not think that it is the wish of the Government. At least, here is the Minister that I respect very much; it is not his wish to sneak in these figures like was done with Goldenberg. The only way we can escape that accusation is if we, as a House, now take cognisance of the fact that we have this problem and that we seek to resolve it amicably.

Mr. Speaker, Sir, I think the correct procedure - and we had discussed with you and the Minister - is that, between now and the time the Minister brings the Appropriations Bill, this matter should be resolved one way or the other. The Minister can either leave this figure out when he presents the Appropriations Bill, or when the Bill comes and goes through the Committee stage, we can then make the amendments at that stage. Either way, it will serve the purpose that we sought to serve.

Mr. Speaker, Sir, I am very glad to say that the consultations we have had have been very amicable. I would like to assure the House that in my mind - I may be wrong - we have not compromised anything because, all we are doing is passing a resolution today that does not authorise expenditure until the Bill has come here and we have passed it. But in addition, we have also recognized that there is a problem of procedure which we are dealing with in the meantime. I think, as long as that process of correcting the anomaly is in progress, I do not think we have in effect breached our own rules. In that spirit then, I would like to urge Members that when they debate, of course, they can bring up these matters. I would like us to understand that, that is the spirit in which we are going about it and that there will be no intention at all of anybody trying to hide the matter under the carpet.

Mr. Speaker, Sir, having said that, I would like to say a few things. I know that under the Standing Orders, the Government is allowed to present Supplementary Estimates. In the old times, when I first came to this Parliament, we never had any Supplementary Estimates. This is a mini-budget! I think it is not right for this Parliament to allow a process that can lead to a mis-management of Government budgeting. I think this should be the last occasion or one of the very few occasions when this Parliament will tolerate Supplementary Estimates being brought to this House. All we have done as a Parliament is to give the Civil Service the leeway for them not to do a proper budget. If they do proper budgeting, then we have given them the leeway to go and interfere with the resolutions of Parliament. The Treasury, apparently either allows expressly or by default, Ministries to shift expenditures from one area to another. Even when we have a drought and we have to shift expenditure that has been voted by Parliament, that should be brought to the House to seek the sanctioning of Parliament. As long as this Parliament allows the Civil Service--- This Parliament is not just the Opposition because we raise most of the critical things here. It is both sides of the House. I think it will be a dangerous process for Parliament to allow the Civil Service or part of the Government to mess around with the provisions that have been made by the House.

I must use this occasion to send this message loud and clear to the Government; that in the future, maybe, there will be no other budget until we have a new House, but if some of us are back here, and I hope we shall be on the Government side, I can promise you that one thing will happen. We will do a proper budget. There will be only one budget and there will be no mini-budgets. Even when our friends on that side will be on this side, some of them, of course, will have joined us on this side. There are better ones and we know them. This side, at that time should not allow our side, at that time, to do this kind of budgeting.

I want to comment on one last thing that is very close to our hearts. I come from the Gusii community and we are very aggrieved about our new district which never took off. We are here voting money and in this Vote, there is no money for the new district. I do not know what we are going to tell our people. At the end of my contribution, I will lay a report on the new district on the Table, so that the Government can act.

With those few remarks, I beg to support.

(Hon. Anyona laid the Report on the Table)

The Assistant Minister, Office of the President (Mr. Shamalla): Mr. Speaker, Sir, I wish to make brief comments on the Supplementary Estimates.

Firstly, I think in all fairness, Supplementary Estimates have been a character of our budgeting year-in-year-out right from the time of Independence. I wanted to remind hon. Michuki that during his tenure as the Permanent Secretary in the Treasury, when I worked under him as an Under Secretary for a long time, not because I was not capable of doing his work, but that was the order of the day, we also had famine relief. I am talking about the 1960s. We have had famine relief in this country for as long as we have been Independent. In fact, I wanted to remind hon. Michuki that at that time, we were hardly 8 million people in this country. That was a quarter of what we are today. But I do know that we were embarrassed to receive famine relief. So, we used to get it and pretend that it was nothing to do with famine, and then we would dump it in Ukambani or some other arid areas and so on. So, it is a problem which we have to live with, virtually every now and then. I am not saying that it is a healthy thing. But I think when we look at what ought to be done about famine, do not blame it on the current Government. If at all we

have a weakness, then our management---

Mr. Maore: On a point of order, Mr. Speaker, Sir. The speaker on the Floor seems not to be contributing but---

Mr. Speaker: There is a Member on the Floor. There is no Speaker on the Floor!

Mr. Maore: The Member on the Floor seems to be responding to the contributions made by hon. Michuki. Can we be made to understand his real role, whether he is contributing or responding to hon. Michuki's contribution.

Mr. Speaker: Well, there is absolutely nothing wrong with a Member referring to a contribution by another Member, either in support or in contradiction or in reference.

Proceed, Mr. Shamalla.

The Assistant Minister, Office of the President (Mr. Shamalla): As I said, this is a normal exercise and I see a second officer from the Ministry of Finance coming into the civil servants Bench. But I would wish that the officers from the Ministry come here in good numbers to take note of the good points that are being made. Hon. Anyona has just spoken, and I thought he made some useful contributions. It is not that I agree with him, but to avoid this point coming up again, it helps if those officers from the Ministry of Finance were here to take notes.

Mr. Speaker, Sir, I do notice that the major changes in the Supplementary Estimates are broken into - I am referring particularly to Development Estimates - areas that we have most increases in provisional Estimates from what the Printed Estimates are and also areas where we have most reductions and with this, I want to refer to page 96 of the Development Estimates, where it has been referred to time and again by hon. Members. This is on the loan amounting to K£15 million, which translates to Kshs300 million granted to Nzoia Sugar Company. This is a loan proposed for the Nzoia Sugar Company, which has had a lot of problems. The Government is doing its best to rehabilitate that sugar company and it is a measure that many people, particularly those of us from Western Province, have given tremendous support. We are grateful to the Government because it is doing what it can to spare whatever there is to rehabilitate that company.

What disturbs me most is when hon. Kituyi stands here to oppose these proposals. Is he telling the Minister that he does not subscribe to the Government having to extend a K£15 million loan to Nzoia Sugar Company? There are many other areas that could do with this money. For instance, it could be used to purchase maize from the Rift Valley to be distributed to the areas where we still have famine. For hon. Kituyi to go on record that he opposes--- I do not trust him any more and he deserves a slap, if he cannot recognise the importance of this provision.

An hon. Member: Your problems started with the death of Mr. Muruli!

The Assistant Minister, Office of the President (Mr. Shamalla): Yes. He is of more relevance than the things dearest to him, next to his home.

I also notice some other areas, and I would like to refer to the Development Estimates, page 240. I think we should be assisted here by the Minister in some of the deductions. It appears that even those in the Printed Estimates are foreign-aided or foreign-funded. I wonder why the donors cannot make the funds available, thus, resulting in the slow-down of our expected rate of implementation of those projects. I think if that is the case, let us be told so. This is because we will then know how much the Government undertakes to fund, and how much we have to rely on the donors, who again, as we appreciate, have conditions attached to their funding.

However, I am worried with regard to some of the important areas of infrastructure, and in respect of which we have very big reductions. They include those that relate to the donor-funded portions as well. My worry is: If some of these projects are already on-going projects, or under implementation, then we suddenly have a major curtailment in the quantum of funds provided, what do we do? Does it mean that we curtail provisions for a road under construction by half, stop at whatever point that road has reached and wait for some time until next year, when we get a replenishment of the funds? If you look at page 299, there is a good illustration of what I am talking about. On page 299, we have colossal sums of money by donors and there is a reduction of funds amounting to well over K£21.7 million. That is colossal! One would want to know what exactly it means with regard to the on-going projects.

That having been said, I will merely re-echo my personal concern that we look at the plight of this country, more positively. Not that we are doing the best that we ought to, but let us look at the areas that we are not doing as well and help to see how better we can improve, rather than foreseeing or imagining, as hon. Muite tends to, the worst that will befall this country unless there is what he likes to call minimum Constitutional reforms. I want to remind you that the other day, I made some very unkind reference to you, but because you were not here---

Mr. Muite: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Member for Shinyalu--- He has only got a very short time to continue being "honourable", and I doubt whether he will come back to this House. Is he in order to address me directly, instead of doing so through the Chair?

Mr. Speaker: Hon. Shamalla, you must put your address through Mr. Speaker!

The Assistant Minister, Office of the President (Mr. Shamalla): It will be the Shinyalu people who will determine how long I still have to serve.

With those few remarks, I beg to support.

Mr. Speaker: Can we hear from you, hon. Muite? I hope you will address the Chair!

Mr. Muite: I will do that, Mr. Speaker, Sir.

This Government has perfected the art of legitimising major financial scandals and frauds through the vehicle of Supplementary Estimates. This Government ought not to come to this House by way of Supplementary Estimates, in order to give parliamentary legitimacy to financial scandals that the Government has already implemented.

Mr. Speaker, Sir, it will be recollected that in the Goldenberg matter, it was through Supplementary Estimates that this Parliament was asked to authorise a figure which was hidden as customs refund and yet we now know precisely, what that money was intended for. This is an example of how dangerous these Supplementary Estimates can be.

The other example is the one that hon. Anyona alluded to. We have a figure of Kshs430 million which has already been paid to Mr. Somaia's companies without the approval of this House. We are now being asked to ratify that action at a time when even the Public Accounts Committee has not investigated the matter in order to find out whether the printing machinery was ever delivered or not. What I am saying is that this Government must put a stop to the use of Supplementary Estimates to legitimise irregular payments which they have already made.

For example, I would like the Minister for Finance to explain to this House and Kenyans in general, what a borrowing of a total sum of Stg.£22.5 million is for. The Constitutional rationale of a budget is that the Government does not have money of its own. The money the Government has is raised from the Kenyan taxpayers through direct and indirect taxation. That money must be spent on behalf of the Kenyan people. The role of Parliament is to ensure that no expenditure can be made by the Government of the day without authority of this House. That is why they are required to come to this House and present a budget, tell us how they expect to raise the money, and also, get the prior authorization of this House before they can make even payment of a single shilling.

Mr. Speaker, Sir, sometime in January this year, with hon. Mudavadi still the Minister for Finance, and he enjoys the perception of 'Mr. Clean' with the donors, the Treasury issued promissory notes. This is highly irregular and it does not happen in other countries, including Kenya. The Treasury issued a number of promissory notes to a total amount of Stg.£22.5 million. That is Kshs2.5 billion. Those promissory notes were issued to a company called Global Investments Industries Limited. We, as Parliament, are entitled to know from the Minister for Finance, where in the Budget does this sum of Kshs2.5 billion come in? When did this House authorise this? Where is the money going to come from to honour these promissory notes, some of which have already matured? This sum of Kshs2.5 billion is actually more than what we have received from the World Bank as a nation. We have received US\$37 million, which amounts to Kshs2 billion. Here is a Government issuing promissory notes in favour of Global Industry Investments Limited. We would like to know who the Global Investments Industries are, what services they have rendered to the Kenya Government or to the Kenya people, and what goods they have sold to us.

Mr. Speaker, Sir, these promissory notes were so irregular that the auditors or the accountants of one of the banks in London with whom the promissory notes were negotiated did not believe that a Treasury of a country can issue promissory notes. So, they wrote a letter to the Treasury here actually asking whether these promissory notes were genuine because they assumed that they were forgeries.

Mr. Speaker, Sir, I have a letter here which is signed for the Permanent Secretary to the Treasury. I have a copy of one of the promissory notes in which the Treasury wrote on 4th February, 1997 saying:-

"We refer to your first letter of 3rd February, 1997, asking us to confirm the promissory notes issued by the Ministry of Finance on 5th January, 1997 in favour of Global Investment Industries Limited.

Wish to confirm that the following promissory notes were issued by the Ministry of Finance in favour of Global Investment Industries Limited for the amount shown against them as follows:-"

They are listed there. One of them, for Sterling £3.25 million, that is over Kshs300 million, actually matured on 15th April, 1997. So, it must have been paid by the Treasury. The first one also of sterling £3.5, again over Kshs300 million, matured on 15th January, 1997. Two of them have already been paid for a total of Kshs600 million. This has been paid by the Treasury without the authority of this House, and yet the letter on behalf of the Permanent Secretary to the Treasury goes on to say:-

"The total amount of promissory notes is Sterling £22.5. All the amounts of the promissory notes had been denominated in sterling pounds. The promissory notes were duly signed by the Permanent Secretary to the Treasury who is duly authorised to do so. I hope the above information confirms the position of the promissory notes which have been delivered to you recently."

Mr. Speaker, Sir, I would like to table this letter.

(Hon. Muite laid the documents on the Table)

It is an example of the very irregular manner in which this Government is treating budgets and payments. This Government has no authority to make any payments without the authority of this Parliament. I suspect that in next year's supplementary budget, this figure of Kshs2.5 billion is going to be brought to this House to be regularised through a Supplementary Estimates.

Mr. Speaker, Sir, this Government is not serious about budgets, and about the need of obtaining prior authorization of this House before incurring liabilities on behalf of Kenyans. In fact, the lack of fiscal discipline is at the very root of the manner in which the economy of this country is being mismanaged by this Government. What we are asking is that this Government should take the constitutional requirements of a budget very seriously and stop this fiscal indiscipline of spending money that has not been budgeted, authorised or sanctioned by this House.

The Assistant Minister for Lands and Settlement (Mr. Mwamzandi): On a point of order, Mr. Speaker, Sir. I have seen the hon. Member laying documents on the Table of the House. I think the House is entitled to be told how he got those documents from Treasury because this is a serious matter pertaining to secret Government documents.

Mr. Muite: Mr. Speaker, Sir, that is not a point of order. But for information of the hon. Member, these documents were faxed to me from London by the firm of auditors who were unable to believe that a Government is issuing promissory notes. This is a limited company which we do not know. It looks so irregular; so fraudulent that, in fact, that firm of auditors first contacted me to find out whether, in fact, they are genuine.

The Minister for Land Reclamation, Regional and Water Development (Mr. Nyachae): Mr. Speaker, Sir, I stand to support the Motion.

Mr. Speaker, Sir, I would like to say that while we are saying that there should be no Supplementary Expenditures, I think those of us, including hon. Members on both sides of the House, who have been in this House for a long time, and those of us who have been in the public service, know that from Independence time when hon. Gichuru used to be the Minister for Finance; later, the hon. Mwai Kibaki and other Ministers, we have always had these Supplementary Estimates. Therefore, this is nothing unusual that has been tabled in this House today.

Mr. Speaker, Sir, I think, whether we had Supplementary Estimates over the years or not, this year must be treated as a very unusual year. When we are talking about droughts and the famine situation in Kenya, we are talking about a very unusual situation. I do not know the information hon. Members have from their own respective areas, but from my home area, I am told by the elders that the kind of drought we have, which is very rare in Kisii, is something they only saw in 1920. Therefore, the drought this time is something very unusual and which was going to force the country to re-adjust its priorities and expenditure. That is actually the main purpose of the Supplementary Estimates this time. If you look at the Supplementary Estimates, you will find that there have been heavy deductions almost in every Ministry. The purpose was not to direct money to any luxurious requirement, but to meet the necessities that were caused by the drought.

As the Minister for Land Reclamation, Regional and Water Development, I think I will not complain although there are some sub-heads which have been deducted. But I am very happy that in the Supplementary Estimates there is a proposal to give---

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. Is the hon. Minister in order to mislead the House, knowing very well that last year, in the Supplementary Estimates, we had almost everything "halved" and there was no drought whatsoever?

Mr. Speaker: That is your opinion!

The Minister for Land Reclamation, Regional and Water Development (Mr. Nyachae): Mr. Speaker, Sir, cuts may have been done during the last financial year, but that was for a different purpose. I am specifically talking about these specific Supplementary Estimates. Most cuts have been necessitated by the recent situation which we all have been concerned about. I think there is no way, and there is no sensible Government anywhere in the world, which could have been faced with this situation and then said: "We cannot do anything; we cannot even look after the people or feed them until Parliament meets." It is an emergency when a drought of this nature comes, and anybody who is concerned about the well-being of the people of this country would have done exactly what the Government is doing.

[Mr. Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, I was talking about the rehabilitation of dams. You will note from the Supplementary Estimates that, initially, we did not have money for the rehabilitation of dams. But the drought situation has forced us to relook at the need for the dams and we are grateful about the allocation that we are being given. I think, while we are talking about Supplementary Estimates, and it may not be necessary for now to talk about spending money on famine, I would like to emphasise the point which I have emphasised over the years and I hope that, in the next Estimates, this point will be taken into account. That, it is very important that we produce our own food. Even if we are to carry it forward into the coming years, let us have our own food. This is because it is our own farmer who would get the support. It is not right that every time we are seen importing food and that food is not free. We are spending a lot of money on importing that food. Even if we are told that it is aid, that should not be the case all the time. This is because even if it is donor food that is brought to Mombasa, we have to incur expenditure to take it to the people. Whereas, if we produce that food in the countryside, you do not need transport and the distribution system to take it to the people. Therefore, we need to produce our own food in this country. And, I think, there is nothing wrong with spending money which goes into the pockets of your own people. This is because if you spend close to Kshs4 billion on importing food, you are actually paying money, for food production, to the farmer who is outside Kenya. You could have spent that money here. I am talking to the House.

Mr. Temporary Deputy Speaker, Sir, before my time is up, I am a representative from a given constituency in the rural area. We have talked about a road in Nyamira which is Chemosit-Kisii Road. Very recently, the Government announced that Kshs560 million is being made available for this road. Looking through the Supplementary Estimates, I can see that the amount is only Kshs86 million. So, I am wondering whether, in fact, this money which is in the books here is the mobilisation fees or it is for the construction of the road. So, I appeal here to the Minister for Finance to accede to what the Government has mentioned to the people. This is because we have gone home and we have told our people that the construction of the road is recommencing. Let us not have the contractor arrive there and again there is no money for the contractor and we see the equipment again being packed. We would like works on the road to start. Please, pay attention because we have talked about this road for almost 12 years.

Mr. Shikuku: That is the "Government of Maendeleo!"

The Minister for Land Reclamation, Regional and Water Development (Mr. Nyachae): Hon. Shikuku is saying the "Government of Maendeleo" but when the road started, the hon. Shikuku was in the Government. So, I think some of these things need to be done so that wananchi can also benefit. This is because most of us who come from those areas face a problem in even transporting our agricultural produce.

Mr. Temporary Deputy Speaker, Sir, listening to hon. Members in their contributions, I heard one hon. Member talk about Mombasa water. I would like to assure him that right now we are actually looking for short-term measures of constructing boreholes near Sabaki area. This is because the second Mzima Springs Programme may take a much longer period of two to three years. So, in order to get Mombasa supplied with reasonable amounts of water, we are taking these immediate measures to sort out that problem.

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

Dr. Oburu: Mr. Temporary Deputy Speaker, Sir, my friend is complaining but all the same I want to talk about Supplementary Estimates. Supplementary Estimates should truly be supplementary. Supplementary Estimates should not be used to introduce new items of Budget. It appears as if some Ministries just sleep and forget about certain items and then, at the last minute, they come to introduce those items as completely new items. I used to work in the Government and I knew that it was very difficult for any Ministry to get any new item to pass through the Treasury. It was not easy because what we were doing during the Supplementary Estimates, I know, was to give additional funds for items which were not adequately catered for at the beginning. But it appears as if the Treasury is being used to just rubberstamp the introduction of new items, one after the other, without any pressure on the Ministries to take care of some of these items in advance when they are planning. For instance, I cannot understand how the Kenya Institute of Administration could have forgotten that they needed to construct new residential houses and that is so much of an emergency that it is now being introduced in the Supplementary Estimates and we are only two months to the end of the Financial Year. Why can these people not wait and introduce these items in the proper Printed Estimates so that we can discuss it in this House properly? I cannot understand it. There are items under the Agricultural Development Corporation. The ADC has been producing seed maize and the ADC is supposed to be self-sustaining. I do not understand why, just because there was famine, the ADC has now turned into a tunnel for siphoning money from the Consolidated Fund to the tune of Kshs1.6 million to produce seed when actually I do not know when they will produce this seed because the season for which we needed this seed is already gone. So, why are we approving this Kshs1.6 million for production of seed by the ADC?

Mr. Temporary Deputy Speaker, Sir, I also want to comment on the introduction of new items like the new districts. We find that the Ministry of Agriculture, Livestock Development and Marketing is introducing a new item of plant and equipment for Mbeere and Malava/Lugari Districts, K£484,000. These things should not be created

haphazardly. I content that the Government should create districts when they have planned for them. We have instances where new districts are created and wananchi are being asked to contribute money for the construction of the DCs' and DOs' Offices. They are even being asked to contribute money to construct police stations!

Wananchi in this country are already overburdened by Harambees. We have Harambees for schools, health centres, self-help water projects, and Harambees to buy school equipment. We cannot allow our people to be overstretched by introducing Harambees for items which are obviously the responsibility of the Government, like building the administrative offices.

Mr. Temporary Deputy Speaker, Sir, I am also very much unhappy that the Ministry of Agriculture, Livestock Development and Marketing, perhaps, was not aware that these districts were being introduced and only two months to the end of the financial year, they are now introducing new items, as if there is an emergency that these new districts should be given money to purchase plant and equipment at the end of the financial year. If there was a mistake that these districts were created without plans, they should now wait until the next Financial Year so that proper budgeting is done to cater for them.

There is also one item under the Ministry of Finance, on page 89, Development Estimates. This item is on the Seasonal Credit to farmers. Seasonal Credit to farmers is something which had been experimented before in this country and it is not a new thing, but this item or this scheme failed because of lack of proper planning, lack of proper extension services by the Ministry of Agriculture, Livestock Development and Marketing. Introducing a scheme without proper preparation, or planning is just like throwing money into drains. I do not think introducing an item for Seasonal Credit, without prior preparation for it is going to help farmers with anything because politicians are the ones who would go round and tell wananchi that they can get this money and get away with it without even repaying it. The people do not realise that money which comes from the Government as a credit must be repaid back.

Mr. Temporary Deputy Speaker, Sir, when we introduce this without proper planning and introduce it at the last minute in the Supplementary Estimates, I am sure there is no planning which has gone into this matter. I do not see why this matter is now coming at the end of the financial year as a credit scheme to farmers. We are not even being told how this is going to be distributed or what system is there in place to make sure that farmers will actually benefit from this particular scheme. Introducing such items as an emergency is a way of covering up for some expenditure which will not be properly accounted for and which will not benefit wananchi.

Mr. Temporary Deputy Speaker, Sir, another item on which I want to talk is privatisation. There is an item here on Kenya Airways, Kenya Pipeline, National Bank of Kenya and East African Portland Cement. The Government would like us to approve a sum of K£135,332,462 for the purchase of shares. The Government has invested in these parastatals before, but what happened to Government investments in these particular corporations? Why are we now being asked again to withdraw money from the Consolidated Fund to invest in these parastatals when in actual fact, the Government is doing divestiture? The Government is withdrawing from these parastatals and selling its shares. So, this should have been more of revenue to the Treasury than asking us to withdraw money from the Consolidated Fund to finance them.

If these were to come again, they should come properly during the Budget time where we have time to debate these matters in detail in so that the Government explains to us exactly what they want to do with this money because it is a colossal amount of money which cannot just be authorized like that.

Lastly, Mr. Temporary Deputy Speaker, Sir, because my time appears to run out, I want to comment on an item in the Ministry of Finance about dams. Hon. Nyachae talked about the rehabilitation of dams. Rehabilitation of dams in this country cannot be treated as an emergency because more than 78 per cent of this country is arid or semi-arid. Therefore, the need for dams is a constant feature which must be planned for properly. When the Government is now asking us, just because of one drought, to allocate money for rehabilitation of dams and yet this has been very serious because he knows when he was the Minister for Agriculture, Livestock Development and Marketing, we had discussed this matter and the construction of dams in my Constituency, for example, were not being taken seriously. In fact, tractors which were brought there were withdrawn and during this season a lot of livestock died because of lack of dams to provide water. Now, the Government would like to bring the tractors to scoop dams when our livestock have already died when this should be a permanent feature in this country. There should be money always to construct and rehabilitate dams.

Hon. Members: Time up!

Dr. Oburu: Mr. Temporary Deputy Speaker, Sir, I do not believe in them, I am talking to you. I do not know what they are talking about. Our cattle---

The Minister for Information and Broadcasting (Mr. Makau): Thank you very much, Mr. Temporary Deputy Speaker, Sir. This Motion is very important in the sense that after passing it, we will be able to have money to pay for services so that wananchi in this country could benefit. As was explained by the Minister for Finance, there is need to cut in some areas because of the deficit or the fact that it was not possible to meet some of the expenditures that

the Supplementary Estimates were necessary.

Mr. Temporary Deputy Speaker, Sir, before getting into the details of the Supplementary Estimates, it is very important to realise that some of the financial problems we are facing have come as a result of the money that the donors and World Bank had promised that was withheld as a result of pressure from the Opposition. I was really surprised to read that there is a number of Opposition Members who are wondering why they are not invited to hold discussions with the World Bank and IMF officials. It is very important for the Opposition to know that the World Bank and IMF officials discuss only with the Government.

I was trying to explain the fact that the Opposition should realise that the IMF and World Bank deal with the Government and there is no way you can be called to the Consultative meetings. There is no point of you trying to cry for a thing that would not be extended to you. That is one thing that should be understood.

When the World Bank and IMF made a statement that money would be released that would go a long way in helping alleviate problems that Kenyans face as a result of the pressure that came from the Opposition which resulted into freezing some of the money that was to be released to Kenya, after the release of that money, all of us in this country should support the action taken by the World Bank and IMF. This is because the money that will be released will be used to help all areas of this country, regardless of whether they are Opposition or KANU zones. So, all of us, as legislators, should support the release of the money by the International Monetary Fund (IMF) and the World Bank.

There is no point for you to try to block its release by writing letters. Those letters will have no meaning because the IMF and the World Bank have found out that the Opposition will oppose things and at the same want their areas to be developed. So, let us all come together and support any donor or group, whether multi-lateral or bilateral, that is going to help this country.

Mr. Temporary Deputy Speaker, Sir, the problems we are facing are beyond our control. When we come to drought, we find that famine has been prevalent in this country. There is need and a commitment for the Government to ensure that people are fed. The various items, like the one for purchase of vehicles for transport and others, which the Opposition hon. Members have been questioning, are meant to reduce expenditure in the initial stages of implementation of famine programme. The famine programme implementation committee has found out that commercial transporters were either charging a lot of money for transport or colluding with people who have been involved in theft of relief food. So, it is necessary to have these vehicles in order to transport relief food to areas that are affected by famine and reduce transport costs. In this way, people who have been exploiting the Government will not continue doing so.

Another item that was questioned by the person who spoke before me is the issue of having machines for desilting dams. Those of us who come from areas that are affected by drought strongly believe that long-term solutions to famine should be sought. One of the long-term solutions to famine in this country is provision of water for both human consumption and irrigation. In most dry areas the problem of water for animals is acute. It is thus very necessary to desilt dams in water catchment areas. There is need for long-term rehabilitation of these dams. It is important for river water to be harnessed for use.

A lot of debts have been incurred by various Ministries. It is very important that people who have done work for Ministries are paid their money. While on the need to pay contractors, or those who have supplied services to the Government, I would like to point out that it is important for those who repair and tarmac roads to improve the quality of their work. When you go round the country you see roads which were murramed about three months ago being washed away by rains, and thereby becoming impassable.

(Hon. Shikuku and Hon. Matiba consulted)

The Assistant Minister, Office of the President (Mr. Shamalla): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Chairman of FORD(A), who recently referred to hon. Shikuku as unacceptable and cheap, to pretend to be consulting with him?

The Minister for Information and Broadcasting (Mr. Makau): Mr. Speaker, Sir, I hope that we are not turning this House into a FORD(A) battle field. When we see somebody for one minute I think there is no point in really wasting a lot of time talking about him. I call that a waste of time.

Mr. Nthenge: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Makau to say that hon. Members are wasting time? Is that parliamentary language?

The Minister for Information and Broadcasting (Mr. Makau): I have said they are wasting time. One area that is very important here is security.

Mr. Nyanja: On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that the language used by hon. Makau is parliamentary? It is disrespectful, unparliamentary and unorthodox. Can he withdraw it straightaway?

The Minister for Information and Broadcasting (Mr. Makau): Who are you to ask those questions? You better go and sit where your person is.

Having said that, I would like to say that there is need for spending more money on security. We are surrounded by hostile countries, and---

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Makau is not obeying the rules of this House. Is he, therefore, in order to continue speaking in disregard of the point of order raised?

The Minister for Information and Broadcasting (Mr. Makau): Mr. Temporary Deputy Speaker, Sir, I follow and adhere to the Standing Orders of this House.

With those few remarks, I beg to support.

Mr. Maore: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Motion before this House. I will begin by criticising the belated concern by the Government in trying to put in place a mechanism for food transportation, by way of asking for the money it needs. In countries which plan for emergencies, like the famine crisis that we have been having, usually there are treaties between private companies and the government. When the government invokes the provisions of a Public Security Act it is able to command private lorries and other property in order to manage a national crisis. For example, in the United States of America, a private company that wishes to own an airline usually signs a declaration agreeing that in the event of war it would make its aircraft available for transportation of supplies or for any other need. Here we are very close to the start of another financial year, and the Government is rushing to this House and trying to sneak into the Budget, through the supplementary estimates, a colossal amount of money purportedly for managing the drought situation.

The Kenya Seed Company committed an irregularity that affected the country's high potential parts of Western Kenya and the Rift Valley that usually never experience drought. It gave them the wrong seed after it had exported the proper seed. This famine or drought we are facing now is as a result of mismanagement by the Government. We should not blame God entirely. When we have bad policies, you do not blame mother nature. The ability of the Government to create seasonal credit to farmers, proper animal or crop husbandry and embracing the technological advancements, is not a problem we should blame God for.

It is true that what Kenyans are experiencing at this hour in this country is the effect of mass poverty rather than the effect of drought or famine. When you have queer planning or you eschew land policies, you do not blame mother nature and God. For example, for the last 18 years, this Government has been persistent in sub-dividing large farms that used to produce a lot of food, into two acre parcels so that it can be able to satisfy some short-term populace agenda.

Mr. Temporary Deputy Speaker, Sir, if you dish out to individuals two-acre plots from a parcel of land that used to be 10,000 acres, you will never have food produced there again because people will settle on those small parcels and there will be no land left for crop production. Subsistence farming becomes the order of the day, and you can never solve the food deficit crisis through subsistence farming.

Mr. Temporary Deputy Speaker, Sir, it is high time the Government admitted that the current land law or land policy has failed. It should address this problem urgently rather than wait for God or mother nature to provide seasonal rains and when they fail, we all go to our knees in the mountains and forests to pray. Another issue which we should address ourselves to is that of mass unemployment or the joblessness of our people. As hon. Members stand here to lament, day-in-day-out, the Department of Immigration has adopted a liberal policy of enriching the clerks and officers in that Department by selling citizenship and work permits to thousands of Indians and Pakistanis, who do not even speak English or Kiswahili. As we are sitting here, almost all factories in industrial area, and the major warehouses in town, are being manned by people who cannot speak English or Kiswahili. We cannot say it has been a Government policy to have a promiscuous admission of everybody who shows up as an immigrant. But some few individuals who seem to be above the law, are selling work permits; Class "H" and above, for an average of between Kshs20,000 and Kshs30,000. This is wrong, we will have a crisis very soon. I have had the occasion to hear politicians calling for the expulsion of Asians. By the act of Government having a promiscuous immigration policy to invite these Asians here to take up jobs which Kenyans can perform, they are provoking the men on the streets, who do not understand the intricacies of racist attitudes.

Mr. Temporary Deputy Speaker, Sir, another issue the Minister should be able to address is that of interest rates. At this hour, a lot of businesses are going down daily because they are not able to service the loans that they borrowed at an interest rate of between 30 and 35 per cent per annum. We do not see why they should not let the Ministry of Finance and the Central Bank to regulate the difference between deposits and lending rates. In other countries, if you have a deposit interest of five per cent, usually the lending rate is not more than four or five units, but here if you deposit your money in a savings account, you earn 14 per cent. If you want to borrow the same money in the afternoon, they charge you 31 per cent. This is unacceptable.

Mr. Temporary Deputy Speaker, Sir, there has been the question of Treasury Bills and the cash-ratio and

demand by the Central Bank. We do not see the reason why the Central Bank and the Treasury cannot get into an arrangement with commercial banks and pay them interest on cash-ratio basis so that they do not put all their money into Treasury Bills and leave very little for investment. If you do not save, there is no surplus cash for investment and when there are no investments, you have a government going through borrowing and when there is a problem with the donors and World Bank, everybody gets high blood pressure. This is because we do not plan for our resources.

There is a cartel of the largest four banks; Kenya Commercial Bank, Barclays Bank, National Bank and Standard Chartered Bank. Where you have a bank in a small economy like Kenya making Kshs4 billion in one financial year, that money is not an asset to this country. It is an asset to those individuals who are the shareholders and the majority of Kenyans have been victim of that mass transfer of the national wealth to a few individuals. Out of the four major banks, two are foreign banks. The majority of the shareholders happen to be living somewhere in London and other places. When we talk about the issue of interest rates, Kenya has been allowing interest rates that would operate if a country is at war or if there is actual crisis where the investors feel that it is good to have interest rates of 30 per cent in the morning because they fear for their security. These kind of interest rates have to be regulated by the Ministry of Finance and nobody else. They should not wait for God or mother nature to regulate the interest rates. When we talk about liberalization, this should not mean irresponsibility.

I would also like to visit an issue raised by hon. Anyona; the question of using the Supplementary Estimates to correct irregularities that the Government wants to cover up. As a Member of the Public Accounts Committee, we are not through with the Kshs430 million issue and the Minister for Finance should make sure that he keeps off that issue until such a time that the Public Accounts Committee resolves it.

With those remarks, I beg to oppose.

Mr. Kibaki: Mr. Temporary Deputy Speaker, Sir, in debating these Supplementary Estimates, one of the things we want to bring to the notice of the Minister for Finance is the fact that Votes which have been passed in the past for construction of particular roads in this nation have not been used for that purpose. We keep asking the Minister of Public Works and Housing what is happening to our roads. Money was voted for constructing the Murang'a-Kangema-Kiriaini-Othaya-Nyeri Road and nothing has happened. We have been waiting for two years now.

The money was voted and a contract given and the contractor settled there pretending that he was going to work. We even hear that he has been paid and the road has not been done for two years. If the money has been voted, the contractor paid and the road is not done and the public is being told to wait, as Members of Parliament, we have a right to say that the whole nation has been robbed of this money.

Mr. Temporary Deputy Speaker, Sir, this is what we are calling stealing by the Government. They have not constructed the road. Why have they been paid? Since we are assured the money will be spent on something practical.

To neglect a road when you have already voted the money, it is actually criminal because those who are "eating" that money will die from it. I can assure you that by next year, most of them will be dead because they are robbing the public and the public is cursing them and everybody who dies from the potholes goes away cursing those people.

Mr. Temporary Deputy Speaker, Sir, if you look at those Supplementary Estimates, the Office of the President has the largest increase after the Department of Defence. If you look at what the money is being spent on, there is some special funds for the Office of the President. The Minister should explain what these special funds reflect because they were not there before. What is being voted for? Is it for campaigns purposes? This is what the President is doing now, travelling from place to place. He needs additional money to campaign for KANU. KANU should finance its campaigns. They should not get the money through the back door. This is what is done.

Secondly, the creation of the new districts is being pretended to be for development should be seen for what it is; it is consumption. That is why you need another K£109 million for that consumption. You are only paying people salaries and you are only increasing favoured employment and there is no development of whatever kind. We are being asked to do Harambee to build an office for the new District Commissioner and his house.

Mr. Temporary Deputy Speaker, Sir, Kenyans pay tax and if their money is going to be misused, then when you come to create the new district, the Government should not tell the public to do Harambee to build headquarters for that district. Actually that is criminal and very evil. Where have the funds gone to? You have already collected Kshs160 billion; where has it gone to?

Mr. Temporary Deputy Speaker, Sir, if you look at this Vote, we have a very atrocious new development which has already been referred to by the hon. Member for Bondo. Last year, in this Parliament, we were objecting to the idea of writing off the debts of the Kenya Airways and so many other parastatals. Not only are we to write off the old debts, but we are to put additional money, yet we are being told by that same company in its annual report that it is making profit. There is something hidden in the manner in which the Government treats Kenyans. At least, there should be openness and transparency. It is quite clear that Kenya Airways is being given money as a way of syphoning it out or for supporting some fictitious banks. The other day were told that some fictitious banks have been registered in Kenya to become the channel for Kenya Airways to acquire new planes. The Minister ought to say what

are these institutions. It was explained that they are the same banks which went bankrupt two years ago, but their own directors could not be prosecuted. We should be told why they have been revived and why they have now been made the tool for channelling money pretended to be for Kenya Airways but in reality, a channel of syphoning money from Kenyans to go right out in a typical manner of robbing. We will not be fooled. These records are being kept and they are genuine records. This is a channel of robbing this nation and it is not going to be forgotten. There is no point in pretending. That should be explained fully.

Mr. Temporary Deputy Speaker, Sir, finally, let me say that we have been told about famine relief as being the reason for these increases. Famine relief is there and it is true, but the bulk of the food has been given under the World Food Programme. The reality of the matter is clear. The Minister of Agriculture, Livestock Development and Marketing is shaking his head while people in Marsabit have not received any seeds. He is saying that he needs money to go and produce the seeds so that he may take the seeds to Marsabit in the year 2000 when he will take the seeds to Marsabit although they do not have the seeds now. When will you take seeds to them and you need money now? Those people are getting assistance only from NGOs.

Mr. Temporary Deputy Speaker, Sir, the Government has issued a circular saying that the holding of civic education is subversive. The Government ought to be civilised enough to stop cheating people that NGOs, including churches which are holding educational programmes and seminars under the civic education programme are being subversive. They are not! They are only explaining to everybody their right to vote and the procedures, thus making it much more difficult for the public to be cheated. The freedom of education must be allowed to continue. We will not agree that Non Governmental Organizations and church groups should not hold seminars for education. They must be able to do so. And the Government must stop using police and the administration to disperse those seminars, because a good job is being done and there is no point in pretending that anything evil is being spoken. In fact, in all those seminars, the Special Branch and the administration have been invited to attend, listen and take notes. That is the best way because everything is open. So, at least, let us listen. Let us not go looking for somebody to fight.

Finally, Mr. Temporary Deputy Speaker, Sir, these Supplementary Estimates are too large. It is true as one Member said, that there have always been Supplementary Estimates, but such huge Supplementary Estimates show negligence, because most of these expenditures were foreseen and there is no point hiding behind famine. You are only spending some K£50 million for that purpose, but what about the other billions which are there? So, we know that all these could have been foreseen. So, there is need for better estimation and budgeting.

Otherwise, Mr. Temporary Deputy Speaker, Sir, we support.

The Assistant Minister for Finance (Mr. Keah): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to also contribute to these financial estimates. My contribution will be by way of supporting the Motion.

In supporting the Motion, I would like to straightaway state the following: I am happy that hon. Kibaki confirmed that Supplementary Estimates are a normal management tool and I would like to reconfirm that indeed, Supplementary Estimates are a normal financial management tool. There have been Supplementary Estimates and there will be Supplementary Estimates in future.

Mr. Temporary Deputy Speaker, Sir, I see nothing negligent about what has been done here. These Supplementary Estimates have been prepared with most care by the officers of Treasury and all I can do is urge hon. Members to support the Motion.

Mr. Temporary Deputy Speaker, Sir, in supporting these Financial Estimates, I would like to also acknowledge one particular issue which hon. Anyona mentioned, which is a matter of procedure and principle. I agree with hon. Anyona that issues before PAC need to be looked into with great care, and I am sure Treasury will look into the matter and respond accordingly, before the Supplementary Estimates Bill comes to the House.

Mr. Temporary Deputy Speaker, Sir, on the issue of purchase of lorries, I would like to add that from the Treasury's point of view, part of the payment of these lorries were paid for by the Government and part of them were a Japanese contribution towards the famine relief that we have.

Mr. Temporary Deputy Speaker, Sir, the creation of new districts once again, is an administration policy of this Government. If there are people who do not like the new districts, I am afraid it is this Government's responsibility to manage this country and we are managing. I am sure that as a policy, we will be judged by the public when it comes to voting, on our ability to create good administrative units.

Mr. Temporary Deputy Speaker, Sir, the officers in the various Ministries should absolutely be careful in the usage of the funds voted, so that these funds are spent for purposes that they are intended for. I deplore totally, any usage of funds for purposes other than the purposes for which this House has voted them for. In this regard, I want to urge my colleagues that whenever we are in the DDCs, we should call for management information reports on how the funds have been utilised.

Mr. Obwocha: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister, in this Motion is

asking for K£304 million under Supplementary Estimates for the Recurrent Expenditure but what he has given us here is K£241 million. So, is the Minister in order, to request for the K£304 million while in the Printed Revised Estimates, it is K£241 million?

The Assistant Minister for Finance (Mr. Keah): I am sure that my colleague, who happens to be an accountant like myself, is aware that this is just simple arithmetic. I do not know which book he was referring to, whether it is the Recurrent or the Development Expenditure because those figures - the K£241 million is the net between the K£304,714,744 which represents the increases and the reductions at the lower portions which totals K£62,931,202 which brings a net of K£241,783,542. So, it is purely netted off.

Mr. Temporary Deputy Speaker, Sir, I know that the Minister would like to make his concluding remarks. All I am urging hon. Members is that, they should assist this country by making sure that when they go to their respective DDCs, they should ask the departmental heads to give them reports of what was voted for and how that money has been spent. I sincerely wish to urge hon. Members in this House to do that, because that is the only way we can be sure that the funds are properly used.

With these few remarks, I beg to support.

The Minister for Finance (Mr. Mudavadi): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to reply to this Motion, and most specifically, to acknowledge the comments made by hon. Anyona, which we shall look into between now, and the time that we will present the Supplementary Appropriations Bill.

There are, however, two points that I would like to specifically mention. First and foremost, I would like to clarify that the question of the Kenya Airways, as indicated by hon. Kibaki, is not linked to the institution that he was referring to. The Kenya Airways got its funds through the Exim Bank of the United States of America (USA), and there is no connection whatsoever, between the bank that collapsed here and the organisation that funded the Kenya Airways. I hope that will set the record straight.

Secondly, I would also like to point out something which was raised by hon. Muite, regarding the ECGD debt conversion and the promissory notes that were issued by the Treasury. First and foremost, I would like to stress that promissory notes have normally been paid. Secondly, I would like to point out that when the Government entered into a contractual obligation with the Ainsworth organisation, whose client was Global Industries Limited, attention of Mr. Bhoghal whose name appears on the document that you tabled--- I would like to point out that when the Kenya Government made arrangements to sell its debt to this organisation, there were very clear criteria that were used under the Paris Club arrangement. This is because the Government of Kenya owes debts to many organisations. The ECGD is the Export Credit Guarantee Department of the United Kingdom's Treasury.

Now, under the Paris Club arrangement, where the Kenya Government is exposed to very expensive debts, it can sell those debts to other parties and get appropriate discounts, so that whatever they were paying, there is some benefit in the sense that, the debt is then assigned to a different person. In this case, the Global Industries, that is the Ainsworth, were supposed to purchase S£25 million of Kenya's debt, which is owed to ECGD. Now, the conditions under the Paris Club arrangement are that the purchaser of the debt must then invest the proceeds in Kenya, in the field of industry, or any sector that will lead to the promotion of export growth.

Unfortunately, Global Industries were unable to perform and I formally did write to the ECGD telling them that, from what we can see, the evidence available shows that the Global Industries are unable to purchase the debt and, therefore, ECGD cannot discharge us. They were supposed to pay ECGD, and then ECGD gets a discharge certificate which would show that we have been discharged from the debt to ECGD. They were not able to do that. I have a letter here which I will make available to Parliament, which is addressed to me by Mr. Brian Willot, who is the Chief Executive of ECGD, and amongst other things, he very clearly says that:

"As you know, Global Industries were required to complete the sale by 6.00 p.m. London time on Friday, 11th April. They failed to do so, and as Global were unable to complete their obligations, we have advised them that our agreement to sell them the debt has expired."

Therefore, the sale of the debt did not materialise and the Government of Kenya has terminated its obligations to the Global Industries, who were also the Ainsworth organisation of the United Kingdom (UK). Therefore, I just want to stress that none of the promissory notes has been paid, and all of them have been cancelled. It is very clear that these people were not able to buy the debt as they had promised to do. I thought that it is important to set that record straight, in the sense that the impression might be that the Government of Kenya has paid out this money, when it has not. The ECGD has confirmed that these people could not perform and, therefore, the Government of Kenya cannot make any payments. It has equally got to cancel the agreement it had entered into.

Under the Paris Club arrangement, debt conversion is something that is agreed upon, and it can take place. Ainsworth is an accounting firm in the UK that was handling this particular proposal to buy the debt from Kenya. So, let me leave the letter here, and it will be useful if hon. Members can have a look at it and know that in this particular context, we shall definitely be receiving more and more requests and proposals of people who want to buy our debt.

(Hon. Mudavadi tabled the letter)

But we want to make it very clear that we cannot pay off money unless the creditor has, in turn, discharged the obligations that the Kenya Government does owe in this respect.

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

[Mr. Speaker took the Chair]

Apart from that, Mr. Speaker, Sir, all I can say is that I would like to stress that, whereas we have put a lot of emphasis on the areas that needed to be dealt with in the Estimates, I hope hon. Members will appreciate that this has been an extremely difficult year. Whereas we are trying to cut back on expenditure and trying to re-allocate, we are at the same time trying to make sure that we are still within our deficit target, which was about 1.4 per cent of GDP in the course of this Financial Year. So, the objective is that we should live within our means, and as much as possible, make sure that we do not just create inflation by injecting money into the economy, when we do not have it. Hence, there is need for Parliament to see what the Treasury and the Government in general is doing in the areas of general management of finances.

With those few remarks, I beg to move.

(Question put and agreed to)

ADJOURNMENT

Mr. Speaker: Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday 23rd April, 1997, at 9.00 a.m.

The House rose at 6.25 p.m.