

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 30th April, 1997

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.140

IMPLEMENTATION OF PROJECTS IN MAKUYU

Mr. R.K. Mungai asked the Vice-President and Minister for Planning and National Development what development projects the Government has initiated in Makuyu Constituency during the financial years 1992 to 1996, and what the total amount spent on each project is.

Mr. Deputy Speaker: Is anyone here from the Office of the Vice President and Ministry of Planning and National Development? We will leave that Question until the end. Next Question, Mr. Orengo.

Question No.119

TRAVEL CLEARANCE FOR CIVIL SERVANTS

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

Question No.068

RELEASE OF MR. PERE FROM PRISON

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

Question No.072

AMBULANCE FOR GATEGI DISPENSARY

Mr. Deputy Speaker: Is Mr. Nyagah not here? We will leave his Question until the end.

Let us move on to the next Question.

The Assistant Minister for Health (Mr. Criticos): On a point of order, Mr. Deputy Speaker, Sir. We have always been accused by the opposite side whenever we are not here---

Mr. Deputy Speaker: Order! Order! You can accuse them as well!

Next Question, Prof. Mzee

Question No.012

WATER SHORTAGE IN MOMBASA

Mr. Obwocha, on behalf of **Prof. Mzee**, asked the Minister for Land Reclamation, Regional and Water Development:-

- (a) what the current water consumption volume required for Mombasa town and its environs is and what the volume supplied is;
- (b) why there are persistent shortages of water and what the Ministry is doing to ensure that the water supplied meets the demand; and,
- (c) how old the Mzima Springs Pipeline is and what its structural condition is.

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

(a) The current daily water demand for Mombasa and its environment is estimated at 220,000m³ as compared to a total daily supply of 82,500m³.

(b) (i) The intermittent shortages of water are as a consequence of the resultant deficit of 137,500m³ of water per day, which compels the National Water Conservation and Pipeline Corporation which is the water undertaker to ration water in order to cover all the targeted areas. The water shortage situation is at times aggravated by the mechanical breakdowns at Baricho Pumping Station due to power fluctuation and occasional bursts on the sections of the Mzima Pipeline when water pressure increases suddenly.

(ii) My Ministry, through the National Water Conservation and Pipeline Corporation, is finalising design plans under the second Mombasa and Coastal Water Supply Engineering and Rehabilitation Project which, when implemented, will be expected to be a lasting solution to the water problems in Mombasa and its environs. The project is being implemented at a cost of Kshs2.3 billion.

As finalisation of the engineering designs of the second water supply project continues, my Ministry is negotiating with the World Bank to go by an earlier agreement of approaching prospective donors to finance the actual implementation of the project.

(c) Mzima Springs Pipeline is 50 years old. In view of this, sections of the pipeline located in loose soils experience frequent bursts when water pressure rises in the pipeline.

Mr. Obwocha: Mr. Deputy Speaker, Sir, this Question is similar to one which hon. Kiliku raised. The shortages of water in Mombasa is not due to what the Assistant Minister has said, but it is due to lack of rehabilitation of the pipeline from the Mzima Springs to Taita-Taveta. Could he tell this House which donor the Government has identified to rehabilitate this second project which he says that will cost Kshs2.3 billion?

Mr. Mokku: Mr. Deputy Speaker, Sir, the water shortage is not due to what hon. Member has alleged. It is very clear that the pipeline and the whole project is 50 years old.

The donor that the Ministry has identified is the World Bank.

Dr. Lwali-Oyondi: Mr. Deputy Speaker, Sir, why is it that all the time we have to look for a donor for anything we do, yet wananchi pay very dearly for the water which they do not get? Why do we not use our local resources?

Mr. Mokku: Mr. Deputy Speaker, Sir, the Ministry looks for the donor because the revenue collections from the water consumers or any other resource is not enough to finance that project.

Prof. Ouma: Mr. Deputy Speaker, Sir, the answer which the Assistant Minister gave leaves a lot to be desired because the core of the problem is management by crisis. We always wait till there is a burst. What master-plan do they have for Mombasa? If they do not have it, when are they likely to have the master plan for water supply, in the light of the population projected and also in the light of industries envisaged? Do they have such a master-plan? What population are you planning for and up to what year are you planning for? We want to know where we are heading for, not in the darkness!

Mr. Mokku: Mr. Deputy Speaker, Sir, the master-plan we have for the Mombasa Second Water Project is the one I have told the house right now. As regards plans for the population of the whole country or towns in the country, that is actually a different Question. If the hon. Member can put it separately, I will answer him.

Mr. Kiliku: Mr. Deputy Speaker, Sir, it appears that for this Government to survive, it must seek for donations for everything. Could the Assistant Minister tell this House which pipeline he is talking about, and for which they are looking for a donor? In the 1985/86 financial year the Government had identified the donor in the name of World Bank. A feasibility study was done and completed. This Government asked the World Bank to finance the project at a cost of Kshs3 billion, for this Second Mzima Pipeline Project. Could he clarify which pipeline he is talking about for which they are looking for the donor?

Mr. Mokku: My Ministry is looking for a donor to finance the whole Mombasa Phase II project which, as I have informed the House, is estimated to cost Kshs2.3 billion.

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

Mr. Deputy Speaker: No! We have 13 Questions for this morning.

Question No.016

SETTLEMENT ON RECLAIMED LAND

Mr. Deputy Speaker: Mr. Mak'Onyango is not here? The Question is stood over for now.

Question No.039

INSTALLATION OF STD FACILITIES AT KAGWE

Mr. Gitonga asked the Minister for Transport and Communications:

(a) whether he is aware that Kagwe in Lari Constituency has no Subscriber Trunk Dialling Telephone Services; and,

(b) If the answer to "a" above is in the affirmative, what immediate plans does the Minister had to instal this facility for ease of communication.

Mr. Deputy Speaker: Is anyone here from the Ministry of Transport and Communications?

Mr. Gitonga: On a point of order, Mr. Deputy Speaker, Sir. I asked this Question last week and there was nobody to answer it. Today, again I have the Question and its written answer and yet nobody is here from the Ministry to answer the Question. What is happening?

Mr. Deputy Speaker: I do not know what is happening. Let us hope somebody will show up before we come to the end of Question Time.

Question No.061

MAINTENANCE OF KERUGOYA-KANGAITA ROAD

Mr. Deputy Speaker: Mr. Mbui not here? Next Question.

Question No.092

UTILISATION OF NSSF FUNDS

Mr. Sifuna, on behalf of **Mr. Busolo**, asked the Minister for Labour and Manpower Development what consultations he has made with trade unions regarding the use of National Social Security Fund funds.

Mr. Deputy Speaker: Anyone here from the Ministry of Labour and Manpower Development? The Question is stood over for now.

Question No.127

PAYMENT OF TERMINAL DUES TO MR. MARO

Mr. Ndzai, on behalf of **Mr. Kofa**, asked the Minister for Labour and Manpower Development:

(a) whether he is aware that the General Manager of China Road and Bridge Engineering Company in Tana River District illegally terminated the services of Mr. George T. Maro on 16th February, 1993; and,

(b) whether he is further aware that Mr. G.T. Maro has not been paid his terminal dues; and,

(c) whether he could ensure that he is paid his dues.

Mr. Deputy Speaker: Anyone here from the Ministry of Labour and Manpower Development? Next Question.

Question No.140

IMPLEMENTATION OF PROJECTS IN MAKUYU

Mr. R.K. Mungai asked the Vice-President and Minister for Planning and National Development what development projects the Government has initiated in Makuyu Constituency during the financial years 1992 to 1996 and what the respective total amount spend on each project to-date is.

Mr. Deputy Speaker: Anyone here from the Ministry of Planning and National Development?

(Question deferred)

Question No.119

TRAVEL CLEARANCE FOR CIVIL SERVANTS

Mr. Deputy Speaker: Mr. Orenge still not here? The Question is accordingly dropped.

(Question dropped)

Mr. Muite: Mr. Deputy Speaker, Sir, I apologise since I was held up in the room here when the Speaker was making his entrance.

Question No.068

RELEASE OF MR. PERE FROM PRISON

Mr. Muite asked the Minister for Home Affairs and National Heritage:

(a) whether he is aware that Mr. James Marimbet Pere, savagely attacked, maimed and forcibly evicted Mr. Wang'endo G. Muigai from his (Mr. Muigai's) shamba at Rombo, Loitokitok Division in Kajiado District;

(b) if he was further aware that the said James Marimbet Pere was thereafter charged (Criminal Case No.1079/87 - Republic VS James Marimbet Pere), tried, convicted and sentenced to a two year jail term without the option of a fine by the Kajiado Magistrate's court on 12th November 1987 but that the same (Mr. Pere) was released from prison immediately without serving that sentence; and,

(c) if he could tell the House why and on whose orders was the said Mr. Pere was released from prison without serving the sentence imposed.

The Minister for Home Affairs and National Heritage (Mr. Ntimama): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware that Mr. James Marimbet Pere was convicted by the Kajiado Resident Magistrate's court on the 12th, November 1987 for the offence of causing grievous bodily harm, contrary to Section 234 of the Penal Code, Chapter 63 of the Laws of Kenya.

(b) Mr. James Marimbet Pere was convicted vide Kajiado Resident Magistrate's court (Criminal Case No.1079/87) and sentenced to two years imprisonment on the 12th, November 1987, and I am prepared to give a photocopy of the criminal warrant to the hon. Member.

(c) He was admitted in Athi River prison to serve his sentence but on the 7th, March 1988, he was released on bond, pending appeal No.76/88 of the High Court of Kenya and I am also prepared to give the photocopy of the bond of the High Court and the release order.

Mr. Muite: Mr. Deputy Speaker, Sir, this is an exceptionally pathetic case. Mr. Wang'endo was set upon for the simple reason that he was a Kikuyu on his shamba in Kajiado, beaten savagely and evicted from his shamba. He is now a cripple because both of his legs were broken and he has not even been able to get back to his shamba. Since the Minister says that the accused Mr. Pere was released by the High Court, is the Minister aware that with the exception of a few judges and magistrates, the rest of the Judiciary is steeped in corruption? Has he made any investigation to find out or authenticate whether this warrant of arrest was genuine or a forgery? There are many cases where people who have been convicted on very serious offenses are released on forged release orders. Has he made investigations to ascertain that this is not one of the forgeries? And if so, could he also tell us whether the appeal has actually been heard? This man was released in 1988 and we are now in 1997. Was the appeal heard? If so, what was the result of the appeal?

Mr. Ntimama: Mr. Deputy Speaker, Sir, I think it is unfair for the hon. member to first of all say that this man was attacked because he is a Kikuyu. There are many criminal cases and many other criminal offenses taking place because of shambas in Kiambu and his Kikuyu constituency between Kikuyus themselves. I think, although the

Member normally claims that he is a non-tribalist, this is actually a tribal connotation. I cannot comment any further on whatever statements the hon. Member has made about the courts but I have given him the copies of the release order and of the appeal and, I think, that is the best that I could do for this family.

Dr. Kituyi: Mr. Deputy Speaker, Sir, from the answer given originally, and the subsequent reply by the Minister, it looks as if this appeal has not been heard. Could the Minister tell the House why, if somebody was released on bond pending appeal in 1988, the matter has not been concluded by 1997?

Mr. Ntimama: Mr. Deputy Speaker, Sir, I hope they do not think that I am evading the question. But the thing is that this is a court affair and I have no business or authority to probe into what the court did.

Mr. Muite: Mr. Deputy Speaker, Sir, Mr. Wang'endo is still out of his shamba since 1987. What urgent steps is this Minister and this Government going to take to ensure that Mr. Wang'endo goes back to his shamba in Kajjado?

Mr. Ntimama: Mr. Deputy Speaker, Sir, I am the Minister for Home and National Heritage and I am not the Minister for Lands and Settlement.

Mr. Raila: Mr. Deputy Speaker, Sir, the Minister owes it to this House to answer this Question satisfactorily. It is the responsibility of the Government to ensure that justice is administered correctly because justice delayed is justice denied. Is the Minister satisfied that, nine years after the criminal was released on bail pending appeal, justice has actually been carried out? And if he is not satisfied, what action is the Government taking to ensure that the victim is compensated and that the criminal is actually punished or re-tried?

Mr. Ntimama: Mr. Deputy Speaker, Sir, with all due respect to the Chairman of the new National Development Party of Kenya (NDP), there is a Minister in charge of justice and this time, it is not hon. ole Ntimama.

Mr. Muite: On a point of order, Mr. Deputy Speaker, Sir. This particular Minister was elected to come to this House to answer these Questions. He could have passed it on to the Attorney-General or to any of his other colleagues in the Cabinet. Is it right that he should persist in answering this Question in a most unsatisfactory manner, after he agreed to come and answer it? Is the real reason why he is doing this because he was in charge of the tribal clashes in Narok District, and he attempted to extend them to Kajjado District? Is this the reason why he is evading answering this Question?

Mr. Ntimama: Mr. Deputy Speaker, Sir, I think this time hon. Muite is very unfair to me because we in Narok have been very peaceful, unless he goes inciting violence again. But I want to say that, as far as my Ministry is concerned, the Question is irrelevant.

Mr. Deputy Speaker: Mr. Nyagah's Question for the second time.

Question No.072

AMBULANCE FOR GATEGI DISPENSARY

Mr. Deputy Speaker: Mr. Nyagah still not here? His Question is dropped.

(Question dropped)

Mr. Deputy Speaker: Mr. Mak'Onyango's Question for the second time.

Question No.016

SETTLEMENT ON RECLAIMED LAND

Mr. Deputy Speaker: Mr. Mak'Onyango is also still not here? His Question is dropped.

(Question dropped)

Question No.039

INSTALLATION OF STD FACILITIES AT KAGWE

Mr. Gitonga asked the Minister for Transport and Communications:-

(a) whether he is aware that Kagwe in Lari Constituency has no Subscriber Trunk Dialling

Telephone services; and,

(b) if the answer to (a) above is in the affirmative what immediate plans he has to instal this facility for ease of communication.

Mr. Deputy Speaker: There is nobody here from the Ministry of Transport and Communications? The Question will be deferred.

(Question deferred)

Question No.061

MAINTENANCE OF KERUGOYA-KANGAITA ROAD

Mr. Deputy Speaker: Mr. Mbui is still not here? His Question is dropped.

(Question dropped)

Question No.092

UTILISATION OF NSSF FUNDS

Mr. Sifuna, on behalf of **Mr. Busolo**, asked the Minister for Labour and Manpower Development what consultations he has made with trade unions regarding the use of National Social Security Fund funds.

Mr. Deputy Speaker: Is there anybody here from the Ministry of Labour and Manpower Development?

An hon. Member: They are still organising strikes!

Mr. Deputy Speaker: The Question is deferred.

(Question deferred)

Question No.127

PAYMENT OF TERMINAL DUES TO MR. MARO

Mr. Ndzai, on behalf of **Mr. Kofa**, asked the Minister for Labour and Manpower Development:-

(a) whether he is aware that the General Manager of China Road and Bridge Engineering Company in Tana River District illegally terminated the services of Mr. George T. Maro on 6.2.93;

(b) whether he is further aware that Mr. G.T. Maro has not been paid his terminal dues; and,

(c) whether he could ensure that he is paid his dues.

Mr. Deputy Speaker: There is no Minister here from the Ministry of Labour and Manpower Development, and so the Question will be deferred.

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

PROHIBITION OF MUSLIM HEAD-DRESS

Mr. Kiliku: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Education the following Question by Private Notice.

(a) Is the Minister aware that in March, 1997 the Headmaster of Gede Secondary School in Malindi forced out of class all the Muslim girl students who wore the *hijab* (head-dress) and told them to remove them (*hijabs*) from their heads before they could be allowed back to class?

(b) Could the Minister also take urgent action to ensure that these students are allowed back to classes without having to remove their *hijab*?

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir. Did you realise that when you called out the

Question for the Office of the Vice-President and Ministry of Planning and National Development, the Assistant Minister in that office was just sitting here? The Assistant Minister is sitting here but has no courtesy to say that they have not prepared the answer!

Mr. Deputy Speaker: Who is the Assistant Minister?

Mr. Obwocha: He is the Member for Mandera Central.

Mr. Deputy Speaker: Hon. Nooru, have you no statement to make on behalf of your Minister?

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Mr. Nooru): Mr. Deputy Speaker, Sir, I was not here when the Question was called out for the both the first and second times. However, I have to ask for more time. But Mr. Obwocha tried to mislead the House by saying that I was here when the Question was called out. I was not in the House when it was called out!

Mr. Mulusya: On point of order, Mr. Deputy Speaker, Sir. Hon. Nooru is misleading the House because when the Question was called out for the second time he was seated there, and was simply smiling. Can he apologise to the House for misleading it by saying that he was not here when he really was?

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Mr. Nooru): Mr. Deputy Speaker, Sir, I think there is one hon. Nooru in this House. When I came into the House for the first time hon. Ntimama was on his feet answering a Question. So, how can he say that I was in the Chamber? He is trying to mislead the House and the whole nation at large!

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. You have seen that many Questions have gone unanswered mainly because Ministers are not here. Every time we have an important matter in this House, the Leader of Government Business marshals the whole Government side to come and defeat the wishes of the people! Why does he not similarly marshal the Government side to come and answer Questions? Yesterday, I asked him why he would not be in Kisii today for the inauguration of our new district and he told me that he would not go there because he would be in Parliament. But this morning he is not here! What is the responsibility of the Leader of Government Business in this House when Questions go unanswered? What is the Chair, the hon. Members and the nation going to do about this kind of performance?

Mr. Deputy Speaker: Mr. Anyona, I am sure you do not expect an answer from me, but you have made your point.

Mr. Kiliku: On a point of order, Mr. Deputy Speaker, Sir. Question No.1 by Private Notice is directed to the Ministry of Education. But you have noticed that since the announcement of KANU elections in Central Province, the Minister for Education and his Assistant Ministers have disappeared from this House. Is this House operating at the convenience of KANU elections? Why can the Chair not order Mr. Kamotho and all his Assistant Ministers to make themselves available in this House?

Mr. Deputy Speaker: I am sure that your point has been noted. But since the Ministers for Education are not here, unfortunately I can only defer your Question to the earliest opportunity possible.

(Question deferred)

ILLEGAL ALLOCATION OF SCHOOL LAND

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

(a) Is the Minister aware that a portion of land belonging to Martin Luther Primary School in Makadara Estate, Nairobi, has been illegally allocated to a private developer and fenced off?

(b) Could the Minister also take urgent steps to stop this illegal allocation and ensure that the private developer's fence is removed forthwith?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I would like to inform the House that I am unable to answer this Question because when I asked for its answer this morning, I learnt that it has been transferred to the Ministry of Local Government for an answer.

Mr. Nthenge: On a point of order, Mr. Deputy Speaker, Sir. Can the Assistant Minister give the House an indication as to when the Minister for Local Government is likely to answer the Question?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I appreciate the sentiments of the hon. Member, but I am unable to give a specific day for answering of the Question. The Question has just been transferred to that Ministry and we expect them to reply to it as soon as possible.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. I do not see the relevance of the Ministry of Local Government in this Question. This is because illegal land allocations are done by the Ministry of Lands and

Settlement and not by that of Local Government. There is absolutely no relevance of the Ministry of Local Government in this particular matter!

Mr. Deputy Speaker: I thought the Nairobi City Council also has authority to allocate land in the City!

Mr. Kamuyu: No, Sir, that is not the case. It is the Ministry of Lands and Settlement that processes all the land allocation documents, and the Ministry of Local Government has nothing to do with the matter at all. I know this because I have asked several Questions on this matter to the Ministry of Lands and Settlement. So, the Assistant Minister should answer the Question.

Mr. Deputy Speaker: Mr. Sumbeiywo, how did you know that the matter has been transferred to the Ministry of Local Government?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I understand that the Question was transferred to the Ministry of Local Government because the land belongs to Nairobi City Council. It is also the Council which is alleged to have allocated this land to an individual for private development.

Mr. Mulusya: On a point of order, Mr. Deputy Speaker, Sir. The administration of the Government land is in the hands of the Minister for Lands and Settlement.

Mr. Deputy Speaker: Are you sure the land in question is under the Government Lands Act?

Mr. Mulusya: Yes.

Mr. Deputy Speaker: I do not think so.

Mr. Mulusya: Mr. Deputy Speaker, Sir, all land in the City of Nairobi belongs to the Government. There is no trust land in the city of Nairobi except in Dagoretti and Riruta. All the land within this city of Nairobi comes under the Commissioner of Lands. He is the one who administers it, and it is the responsibility of the Minister for Lands and Settlement to come here with an answer. I am talking as a land consultant and I am sure of what I am saying.

The Assistant Minister for Land Reclamation, Regional and water Development (Mr. Ligale): On a point of order, Mr. Deputy Speaker, Sir. Hon. Mulusya is misleading the House. The fact of the matter is this: There is some land in this City which belongs to the Government, but there is also some land which belongs to the Local Authority. If the hon. Assistant Minister confirms that this particular portion belongs to the City Council of Nairobi and they are the ones who are alleged to have allocated the land to individuals for development, the Minister is correct. As a former Director of Physical Planning, I know this to be a fact.

Mr. Mulusya: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order, Mr. Mulusya! I will want to advise that where a Ministry to which the Question has been directed, for various reasons, decides that the Question had better be handled by another Ministry, that in sending the Question to another Ministry, that the Ministry which sends the Question to another Ministry furnishes the Clerk's office with a copy of that letter, so that the Clerk's Department will try to avoid this type of confusion. For the moment, I can only defer the Question and hope that it will appear on the Order Paper the soonest, given that this is a Private Member's Question, hopefully, on Thursday this week. I am sure the Clerk's Chambers will see how they can follow it up.

Next Question, Mr. Anyona!

(Question deferred)

SALE OF CO-OPERATIVE UNION ASSETS

Mr. Anyona: Mr. Deputy Speaker, Sir, I have not even received a written answer to this Question, and this goes to demonstrate the inefficiency of this Government.

In spite of that, I beg to ask the Minister for Co-operative Development the following Question by Private Notice.

(a) Is the Minister aware that properties of the Kisii Farmers Co-operative Union worth Kshs34 million have been targeted for auction by the Manager/Secretary of the Union against the will and wishes of the farmers in Kisii and Nyamira districts?

(b) Could the Minister cancel the impending auction and investigate the manner in which the purported debts were incurred and the mismanagement of the Union by the Management Committee?

(c) Could the Minister undertake an urgent valuation of the assets and liabilities of the Union in order to determine its state of solvency and indebtedness?

Mr. Deputy Speaker: Order! Is the Minister for Co-operative Development here?

Mr. Anyona: Mr. Deputy Speaker Sir, the whole of this morning, during Question Time, precious time has been wasted because this Government is asleep. The Deputy Leader of Government Business just walked in and he is hiding there. He is not even sitting where he is supposed to sit. Can we have a statement from the Deputy Leader of Government Business whether or not this is how this Government is going to behave for the rest of the remaining of their life?

The Assistant Minister for Energy (Mr. Nang'ole): On a point of order, Mr. Deputy Speaker, Sir. It is not true that it is only this side of the House that was asleep. The Opposition side has been equally asleep, considering that almost half of the Questions were not asked. So, they should not accuse the Government side.

An hon. Member: That is not true.

Mr. Deputy Speaker: Order! Frankly, I think it is bad enough for an hon. Member to ask a Question and fail to turn up without sending any request to another hon. Member to ask the Question on his behalf. It is worse for Ministers not to turn up to answer Questions, and it is even worse for us to find there is nobody from the Front Bench to answer under collectively responsibility on behalf of Ministers who cannot turn up to answer Questions.

When Questions get deferred like this, it really disorganises the schedule of Questions and the management of Parliamentary time. I can only appeal that we try to deal with this matter in a better fashion because most of the Private Members' Questions which are deferred will have to be put on the Order Paper on Thursday and we may end up---

Hon. Members: Thursday is a public holiday!

Mr. Deputy Speaker: So, they will appear on Tuesday, and really they are not Private Members's Questions any more for all purposes. It means that on that day if we had scheduled 12 to 13 Questions, we will end up having 15 or 16 Questions with a maximum of three to four minutes per Question and everybody will start complaining about not having had a fair deal. There is nothing really I can do on this apart from expressing that disappointment.

Next Order!

(Question deferred)

MINISTERIAL STATEMENT

SUB-DIVISION OF WATER CATCHMENT LAND

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, as the hon. Members will recall, on Tuesday 22nd April, 1977, while replying to a Question by Private Notice concerning plot No.711, Ex-Lewa Settlement Scheme, Meru District, I gave an answer which was challenged by the hon. Member of Parliament for North Imenti Constituency, who had asked the Question. The hon. Member in his supplementary submission, gave additional information concerning title deeds, which were issued for part of the said plot.

On further investigation, I have now confirmed that, indeed, part of the plot No.711, Ex-Lewa, was erroneously sub-divided, given new numbers and allocated to the following organisations: Plot No.892 of 3.576 hectares allocated to Kamugutwi Nursery School; plot No.893 of 0.405 hectares allocated to Kenya African Pentecostal Church; plot No. 894 of 0.405 hectares allocated to Methodist Church of Kenya; plot no. 985 of 2.02 hectares allocated to Pyrethrum Board of Kenya as a tree nursery, and plot no. 896 of 11.65 hectares reserved for Ex-Lewa water catchment.

It has further been confirmed that plot no. 892 of 3.756 hectares which had been allocated to Kamugutwi nursery school was later transferred to Mr. Martin Mutwiri M'Mutwirathania by the land register through a transfer order which was approved by Timau Land Control Board on 19th December, 1996. It has also further been confirmed that a title deed was issued to the Pyrethrum Board of Kenya on 7th January, 1997.

In conclusion, all the above which have been confirmed happened as a result of wrong implementation of the Meru District Settlement Plot Selection Committee recommendation vide their Minute No. 7/95, which was erroneously approved by my office. My Ministry, through the Director of Land Adjudication and Settlement is right now ensuring that the anomalies and errors that took place are rectified, and the land in question, Meru Ex-Lewa 711, reverted to its original intended status. The Ministry contemplates to take disciplinary action against any person who will be found to have misled the Ministry in implementing the erroneous Meru District Settlement Plot Committee recommendation as stated above.

Mr. Deputy Speaker, Sir, there was also a request by hon. Musyoki with regard to the period when the title deeds for Machakos District were delivered or taken to the District Land Registrar's Office. The additional

information to that Question which was raised in the House on Wednesday 23rd, April, 1997, is as follows:-

"The District Land Registrar Machakos collected the register of title deeds from the Chief Land Registrar on 8th May, 1996. He opened the register at Machakos Land Registry on 22nd, May, 1996. Since that time 207 title deeds have been issued out and the remaining ones, 1,662, in the register are still uncollected."

So, I am appealing to the owners to liaise with their hon. Member to go and collect their title deeds from Machakos Lands Office.

Dr. Kituyi: On a point of order, Mr. Deputy Speaker, Sir. There was a Ministerial Statement made here in response to a question by hon. David Mwiraria. Since I was in this House, I wish the Assistant Minister to explain to the House the following three fundamental problems:-

How does the Government end up giving the House a false reply on an official Ministerial Statement? After insistence from the hon. Member, the Government came back and said that what was said in an official reply was false.

Secondly, how do we understand a situation where massive disposition of the poor who have been living in a place for 20 years is said to have occurred because of some technical problem with erroneous reallocation? How can we be guaranteed that we will be saved from disposition of the poor by erroneous reallocation in other areas or even in the same area?

Could the Assistant Minister categorically declare that there would be no attempt as was the original Question by hon. David Mwiraria that there would be no attempt to consolidate different parcels of land into a 200 acre plot to be given to an individual?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I had said in my last paragraph that the Ministry is contemplating to take disciplinary action against any person who will be found to have misled the Ministry in implementing the erroneous Meru District Settlement Plot Selection Committee Recommendations. I then assured the House that the Ministry is not going to condone any misbehaviour by civil servants who give wrong answers.

POINTS OF ORDER

ALLOCATION OF A TARMACKED ROAD

Mr. Raila: Mr. Deputy Speaker, Sir, how reliable are these statements or assurances that the Assistant Minister gives in this House? On the 23rd, October, 1996, I raised a Question in this House concerning a tarmacked road in Kileleshwa which had been grabbed and fenced by a Mr. Rotich who was proceeding to construct a building on that road. In his reply, the Assistant Minister assured this House that the allocation of the plot to Mr. Rotich had been revoked by the Government and that the construction work would not proceed.

As I am talking here today, Mr. Rotich is proceeding with the construction. Indeed, he has completed the fencing of the road and at this particular moment in time he is digging the foundation of his building. This is a road in the middle of Kileleshwa which was tarmacked during the colonial days.

An hon. Member: What about your second point of order?

RE-INTRODUCTION OF LAND BILL

Mr. Raila: On that very day, the Assistant Minister assured the House that the memorandum to re-introduce the Land Bill had been approved by the Cabinet and that the Bill would be brought before this House before the end of the year. As we are talking today, that has not happened. How reliable are the assurances or statements from the Ministry of Lands and Settlement?

Mr. Shikuku: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Assistant Minister to sit down after he has been asked a question? Can you ask him to apologize to the House for having given us a wrong Ministerial Statement which later on has been discovered not to be true?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, I promised to bring a supplementary answer to that Question and so, the question of apologize does not arise.

Mr. Shikuku: On a point of order, Mr. Deputy Speaker, Sir. Do you not consider that the Assistant Minister was being rude for---

Mr. Deputy Speaker: What did he say?

Mr. Shikuku: He said that he cannot apologize to the House for misleading it. Could the Chair in the future ask anybody to apologize if this hon. Member can refuse to apologize? He has refused and said that he cannot

apologize.

Mr. Deputy Speaker: Order! Hon. Shikuku, I never asked him to apologize. Where I ask a Member to apologize and he refuses, it is definitely a disciplinary matter which could meet serious consequences. But, I have not asked him to apologize.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. Yes, indeed, we have noted that the Chair has not asked the Assistant Minister to apologize. Now that hon. Members are demanding that he apologizes, can the Chair ask him to apologize for his deliberate misinformation? Can the Chair now ask him to apologize?

Mr. Shikuku: On a point order, Mr. Deputy Speaker, Sir. The Ministerial Statement came as a result of a reply given to hon. Mwiraria in this House which he later on discovered to be erroneous. Having admitted that, is it not fair that he apologizes to us because I have even seen the Chair apologising to the House?

Mr. Deputy Speaker: Mr. Sumbeiywo, do you want to apologize?

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Mr. Deputy Speaker, Sir, what I was asked to do in this House is to bring in more information about Ex-Lewa Business Plan and this is exactly what I have done in this House today. I brought in more information and the hon. Member should be more grateful.

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

Mr. Deputy Speaker: Order! Hon. Sumbeiywo is responding to a point of order. I want no interruptions!

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): Thank you, Mr. Deputy Speaker, Sir, for saving me. I was asked in this House to bring more information as to what happened to that Ex-Lewa farm and this is exactly what I have done today. I have brought in more information and the hon. Member should be grateful to me for having gone into detail in finding out what happened on that land.

Mr. Anyona: This is a very serious matter. This question came up last week, you may have not been here, and the Minister flatly said that he was not aware of the issue at all. Hon. Mwiraria produced massive correspondence showing that what the Minister was saying was not true because these letters were copied to his Ministry, in which case he was being deceived by his officers. Hon. Katana Ngala then undertook, on the basis of those correspondence, to investigate the matter and come back with a proper answer and the appropriate action taken against the officers. Is it in order now for hon. Sumbeiywo to come here and say that he is doing us a favour by giving us a supplementary answer when there was no answer at all? What are we going to do about this complaint?

Mr. Deputy Speaker: Next Order!

MOTIONS

CONSTRUCTION OF ADDITIONAL RAILWAY LINE

THAT, recognising the economic potentialities obtaining in Kisii and Nyamira districts; noting the huge economic losses incurred by farmers due to high cost in road transport; and aware that farm produce (e.g. tea, coffee, pyrethrum, sugarcane, bananas, maize, beans and fruits) from the area contribute significantly in earning the much needed foreign exchange for the country, this House urges the Government to secure funds to construct a railway line connecting Kijabe-Narok-Bomet-Sotik-Kisii-Homabay towns.

(Mr. Obure on 23.4.97)

(Resumption of Debate interrupted on 23.4.97)

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I wish to seek the indulgence of the House and the Chair on a matter pertaining to this Motion. I wish to request that, in view of the fact that we in Kisii are under siege, this Motion be moved to next week. The whole Government is in Kisii fighting the Kisii people. We, Members of Parliament from the community, are not even aware that the KANU members have fled to go and save their political kins. Hon. Obure was not aware that the Government was going to his constituency to inaugurate a district they wanted to use to divide the Kisii people. Obviously, he had to be there because the district is in his constituency in which case he was not aware that he would not be here today to move this Motion. Would I be in order under the Provisions---

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Hon. Anyona is on a point of order. Order! Hon. Members should know that when a

Member is on a point of order, he should be allowed to finish. Only the Chair has the privilege of interrupting him.

Proceed.

Mr. Anyona: Mr. Deputy Speaker, Sir, that is why they get everything wrong including how to go and inaugurate a district that has been sitting there for two years. Under the provisions of Standing Order No.43(2), would I seek the indulgence of the Chair to allow this Motion to be moved to next week when hon. Obure will be here to do his duty?

Mr. Deputy Speaker: Order! Frankly, hon. Anyona, I have heard your sentiments and I must say the Chair takes no cognizance of what you call invasion of Kisii people by the Government. The Chair is not aware of any invasion at any place. I think the rules of the House are quite clear. When a Member has moved a Motion, even if he is absent, the Motion goes on. Where a Member has started to move his Motion, but before he finishes he absents himself from the House, in that case, he has not moved it. If in this case, he fails to turn up to complete moving the Motion, the practice of the House is that the Motion is dropped. If hon. Obure felt that there was some intervening event of such magnitude that he could not ignore, including what he considers a threat to his own political survival as a Member of Parliament, it was incumbent upon him to contact the Chair even by telephone. I do not have such a request from hon. Obure and I do not think it is fair for me to go by requests on his behalf by hon. Members here. I can, therefore, say that the Motion is dropped subject to the right of the Member to come personally to the Chair at a later time to find a way by which it could, perhaps, be reinstated.

There has been times when we have dropped Questions which have appeared on the Order Paper because a Member has not turned up, but when he comes to us and we find that there was a genuine matter which occasioned his absence, we have reinstated the Question. I know that this is a little more tricky than that because these Motions are not decided upon by the Chair alone, but by the Sessional Committee. Despite that, I am certain that if hon. Obure will give us sufficient reasons as to why it should be reinstated, I do not see why between the Speaker's Office and the Sessional Committee, there cannot be an understanding to reinstate the Motion at a convenient time. For the moment, therefore, subject to that right of appeal by him, the Motion is dropped.

Mr. Orengo: On a point of order, Mr. Deputy Speaker, Sir. I am seeking your guidance. In so far as I am aware, when hon. Obure was on the Floor, the words he started his contribution with were "I beg to move the following Motion".

Mr. Deputy Speaker: Order! Mr. Orengo, I know that you are a good lawyer, but I think it is not very fair that you try to practise your court tactics here after the Chair has made his ruling and I am sure no magistrate will allow you to come up with your own revisions after the ruling has been given.

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir. I would like to go on record that I was going to second hon. Obure's Motion and I have already seen the Chair about this Motion. What hon. Anyona is requesting is what I had put to the Chair that hon. Obure's constituency has no telephone services not forgetting that the man is under siege right now. The whole Government is there.

Mr. Deputy Speaker: Are you sure that you went on record as saying that there is no telephone in hon. Obure's constituency?

Mr. Obwocha: Yes, Mr. Deputy Speaker, Sir. I wish to appeal to the Chair on the same under Standing Order No.43 (2) that this Motion be deferred to next week.

Mr. Deputy Speaker: Order! To be very fair, may I also take this opportunity to go on record regarding what you discussed with me in the course of your consultations. You did come to say that hon. Obure was not here and that you had been advised that under the circumstances, according to the procedure of this House, the Motion drops and you were seeking to see if there was a way out. Subsequently, after our discussion you went to consult with hon. Anyona and you relayed to me his message that he intends---

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! He has thrown the secret public by insisting on going on record. I have been very fair to the request by hon. Anyona and I think I have handled it very fairly. I do not think it is really necessary for anybody to seek to go on record because if you do, I will reciprocate as I have done.

Next Order!

(Motion dropped)

INDUSTRIAL LOAN SCHEME FOR
INDIGENOUS ENTREPRENEURS

Mr. Mwaura: Mr. Deputy Speaker, Sir, I hope that by the time I finish moving my Motion the Minister for

Finance will be here because, in my view, this is a very important Motion since it touches on the economic management of this country.

I beg to move the following Motion:-

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

Mr. Deputy Speaker, Sir, this country has been independent for the last 33 years and during these years, the economy of this country has continued to be dominated by multi-national companies and minority people. When we attained our independence in 1963, the reason why our people shed blood was because they wanted to remove themselves from the subjugation of the colonial masters, both politically and economically.

Mr. Deputy Speaker, Sir, any country that attains independence and is not in control of its economy, cannot deem itself Independent. During the first few years of our Independence, as we know, the first sessional paper that was introduced in 1963, that is the Sessional Paper No.10 on African Socialism, actually enlightened or indicated how the Government intended to help Kenya control its economy. Thereafter, the GDP of this nation 10 years after Independence, was moving very well at a growth rate of between three and four per cent But since 1970, the GDP of this country has continued to deteriorate. Despite this, every five years the Government has brought into Parliament the National Development Programme on to how it intends to manage the economy of the nation. There have been various sessional papers which have been introduced by the Government, for example, Sessional Paper No.1 of 1994 on Recovery for Sustainable Development which intended to tell Kenyans that Kenya will be a developed country by the year 2010.

Mr. Deputy Speaker, Sir, in 1986 there was also another Sessional Paper No.1 about how the informal sector of this country was to be assisted. We have heard over the last few years and recently, pronouncements by some leaders in this country, raising concern about the imbalance in the economy of this nation. Recently money was raised for the youth and now there is also the issue of raising money for women in the country. My proposal today is that, instead of the Government taking haphazard measures and the fact that the indigenous people continue to be underdogs of our economy, raises very serious strain to the future stability of this country. I would, therefore, urge the Government to immediately create a multi-million bank, financed by the Government and supported by donors.

Mr. Deputy Speaker, Sir, last week there was a Finance Bill which requested this House to allow the Minister for Finance to allow importation of food into this country duty-free, because of the drought that we had in the country. Equally, the Government will have to spend a lot of money to bring this food into the country. This clearly shows that, because of negligence of the Government and as long as this country's economy continues to be dominated by non-Africans in the various sectors, for example, manufacturing, tourism and the agricultural sector which is the back bone of this country's economy, there will be no development. The Agricultural sector has continually been neglected. Areas which could produce food have not been irrigated. Yesterday, we were discussing about sugar production in the country. The fact that sugar and tea farmers do not have available resources to enable them enhance production, clearly shows that the Government should be more serious in order to help these sectors and to create room for the indigenous people to participate in this sector.

Mr. Deputy Speaker, Sir, the motor industry is hardly run by indigenous people. The same applies to the engineering sector and the construction sector that continue to be dominated by non-indigenous people.

Mr. Deputy Speaker, Sir, in Sessional Paper No.2 of 1997, by the Ministry of Commerce and Industry, there is a proposal and assumption that this country should be an industrialised country by the year 2020. There is also reference to other countries; the so-called Small Tigers of the Far-East Asia which include Singapore, Malaysia, Hong' Kong' and South Korea. In my own view, these countries economies have become highly industrialised because the nationals of these countries' are the ones who manage their economies.

Mr. Deputy Speaker, Sir, as we liberalize our economy, for example, the agricultural sector, if we do not protect the sugar industry and other farmers, we shall be invaded by commodities from the most highly industrialised countries and that will kill our industries. As I said, we have recently heard some people suggesting that some people from the minority community who continue to dominate our economy should be expelled from the country. The danger here is, as we allow non-indigenous people to control our economy, time could come when these people will take off and go away with billions of money from their investments in this country and, therefore, create serious unemployment in the country and a wave of crimes because our people are unemployed.

Mr. Deputy Speaker, Sir, this is a serious matter because the unemployment rate in this country today is estimated to be about 25 per cent. In those countries which we are emulating as good examples like Singapore and Malaysia, the question of unemployment does not arise there. The nationals of those countries are fully employed by

the Government and the industries, because the Governments of those countries have the mechanisms in place to make sure that their nations take off economically. I believe that the reason why our economic development has stagnated and reason why we have not been able to bring the indigenous people of this country to the management level of our economy lies squarely on the people managing Government offices - the public servants. The corruption that we see in our Government today must be stopped if we really want to take off in terms of industrialisation by the year 2020. As we have seen in this country, billions and billions of money have been wasted through corruption. We have talked in this Parliament about Patti taking over Kshs18 billion. This is the kind of money which the Government should use to create a national bank that will be able to give some loans to those people who want to go into manufacturing, engineering and tourism.

Mr. Deputy Speaker, Sir, the Government must also embark on irrigation of arid and semi-arid areas. This can only be done by creating a resource that can be supported by donor countries. Every time we ask a Question here, the Government tells us that they are looking for a donor who is going to help this or that project. Instead of the Government looking for a donor to help this or that project, the Government should negotiate with donors so that we can get a huge sum of money from the World Bank, IMF or the European Union, so that we can create a bank that is really going to help our people, to get involved in our economic management.

Mr. Deputy Speaker, Sir, the Second World War came up because Hitler wanted the indigenous Germans to control the economy which was being controlled by the Jews. It was because of this reason that the Second World War broke out. We want to avoid a similar situation in this country, where a majority of our people continue to live below poverty line. At present, 11 million Kenyans are living below poverty line. We must take every endeavour to ensure that there is investment in this country. I am glad to see the Minister for Finance here. I appeal to the Government to make sure that the investors we attract from foreign countries must have local partners. This will enable our people to be part and parcel of this investment and industrialisation.

Mr. Deputy Speaker, Sir, I do not want to continue saying more than I have said, but I want to say this: Today in Nairobi, the number of street children is increasing enormously. These are the people who are going to be the source of threat for the security of this country. I am sure that if the Government was to organise an institution that can help and rehabilitating these youth, it will be a wonderful thing. We saw the other day these youngsters organising themselves to go and invade taxi drivers. They smashed taxis and destroyed some of them. Why are these young people on the streets? It is because they are coming from poor families and they have nowhere else to go to and therefore, they end up in the streets. I therefore, urge the Government to take urgent measures to ensure that our people are going to be partners in our economic development.

With these few remarks, I beg to move the Motion and call upon Mr. Murungi to second it.

Mr. Murungi: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to support and second this very important Motion.

Mr. Deputy Speaker, Sir, it is a matter of great concern that 34 years after Independence, Africans in this country are operating at the periphery of the Kenyan economy. When you look at the key sectors of our economy such as the petroleum, finance, insurance and manufacturing, you will find that all these areas are dominated by multi-national foreign companies. When you try to look for Africans, you will find them in kiosks. Our people are only in areas of petty retail trade. We cannot allow our people to continue forever being subsistence farmers, kiosk owners and trying to copy the *Duka Wallahs* in the village. Unless this Government comes up with a deliberate policy of bringing Africans at the centre of industrialisation, Africans will continue for ever being hewers of wood and drawers of water for the foreigners in this country.

Mr. Deputy Speaker, Sir, we know that the Government recently introduced good policies to strengthen the market economy in the country through liberalisation and privatisation. But we, as Members of Parliament must always act in the interest of our people. We will not support privatisation and liberalisation to please the World Bank or the IMF. We support these policies, so that our people can benefit from them. We feel that it is our duty and responsibility to develop a critical mass of African entrepreneurs in this country. When we talk about industrialisation, I know that the Policy Paper called Industrial Transformation to the year 2000 is in place. But what is lacking in that Policy Paper is the visibility of our people and measures to promote an African class of entrepreneurs.

Mr. Deputy Speaker, Sir, the slow pace of industrialisation in many African countries is not because of lack of natural resources. I think Zaire is one of the wealthiest nations on earth but at economic level, it is one of the most backward countries on earth, because they have a very undeveloped indigenous entrepreneur class.

Mr. Deputy Speaker, Sir, when we talk to the foreigners, they tell us that we have a problem with our culture. That it is the cultural determinism which is the main barrier to African entrepreneurship. It is said that we cannot develop because of our philosophy, way of life and that our African culture is incompatible with entrepreneurship and the capitalist ethic. It is said that Africans are inefficient, lazy, idle and love pleasure too much, waste too much time and profit on endless ceremonies, lengthy weddings, funerals, circumcision ceremonies and the like.

Mr. Deputy Speaker, Sir, we will never make it in the industrial world unless we change our traditions and culture. I think this theory is not entirely correct. I think the reason why we have no strong class of African entrepreneurship in this country, is because we have been deliberately marginalised both by the colonial government and the post-colonial government in economic policies. Both the colonial government and President Kenyatta and Moi regimes have continued to maintain a hostile economic environment which does not permit a class of African entrepreneurs to grow. You remember that during the colonial period, areas of banking, finance and manufacturing were reserved by a system of licensing for non-foreigners.

I do remember that in 1950s, there was a famous case in this country, when the father of the late Mr. Mbiyu Koinange called Mr. Koinange Mbiyu, was charged in court for growing coffee, which Africans were not supposed to grow in 1950. During the colonial period, there was a pyramid in which the Europeans were at the top, the Asians in the middle, and the Africans at the bottom. The Africans could only show up as messengers and cleaners. The entrepreneurs were the Europeans while the Asians showed up as clerks.

Mr. Deputy Speaker, Sir, that pyramid has not changed. Even today, the manufacturing and key industrial sector is still controlled by Europeans. The middle sector is controlled by the Asians. Africans still continue to be sweepers, clerks and commission agents.

[Mr. Deputy Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, President Kenyatta's regime tried to correct the colonial imbalances through some legal mechanisms like the Trade Licensing Act of the year 1967. It also created some institutions to enable Africans to penetrate the economy, which was controlled by the foreigners, through institutions like Industrial and Commercial Development Corporation (ICDC) and Kenya National Trading Corporation (KNTC), which were assisting Africans to get into distributorship.

Mr. Temporary Deputy Speaker, Sir, it is this period of 1960s and 1970s when Kenya experienced the highest growth rate in the country. Even the few rich Kenyans that we have today were as a result of deliberate policies of the Kenyatta regime. There are people who benefitted from ICDC loans and bought distributorship from KNTC. There are those who benefitted as a result of the Trade Licensing policy of removing the Asian middlemen from the rural areas. That is how the African businessmen were able to emerge.

If we did not have those deliberate instruments by a government, our people would still be pastoralists and peasant farmers. All these *wazees* you see wearing ties here today would be walking either naked or in *shukas*. Between 1980s and 1990s, the policies which were started by the Kenyatta Government were abandoned. We, at the behest of World Bank and IMF, have concentrated on big business. All the up-coming African businesses have been destroyed. We have the indigenous banks, which no longer survive because we politicise our economy so much, that for you to make it in the economy, you have to have a political godfather. Unless you support KANU, you cannot own a bank or have a big industry.

The Assistant Minister for Land Reclamation, Regional and Water Development (Mr. Ligale): On a point of order, Mr. Temporary Deputy Speaker, Sir. I hate to interrupt this good friend of mine, but he has made two or three falsehoods, first, by claiming that the policies which were started by the late President were abandoned in the 1980s and 1990s, when he knows that, in fact, those policies have been strengthened.

Then, he has gone on to add that you cannot own a bank or any industrial enterprise unless you support KANU, when in fact, sitting almost next to him is a gentleman who owns one of the biggest industrial concerns in this country, and he does not support KANU. Is that in order?

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, I would invite my friend to visit River Road. This is because in 1970, all the shops in River Road were owned by Africans through ICDC. These days, they have gone back to those who owned them in 1950.

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Jambo la nidhamu, Bw. Naibu Spika wa Muda. Wakati tulipokuwa tunatoa maduka kutoka kwa Wahindi na kuwapatia Wafrika, mimi nilikuwa Waziri Mdogo wa Biashara. Tuliwatoa wote. Lakini wakati huo huo, maduka yalirejeshewa Wahindi usiku!

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Nassir! Hon. Murungi's time is up!

Mr. Murungi: Let me finish, Mr. Temporary Deputy Speaker, Sir. Let me wind up by saying that this Government has to introduce some funds for enabling the Africans to come back into business, and for enabling an entrepreneur class to emerge in this country. Thank you.

With those few remarks, I beg to second.

(Question proposed)

The Minister for Labour and Manpower Development (Mr. Masinde): Mr. Temporary Deputy Speaker, Sir, thank you for giving me this opportunity to contribute to this Motion.

The Motion, definitely, has good intentions and the Mover has expressed intentions which I am sure every Kenyan would definitely support in general. I think the most important thing for us as indigenous Kenyans is education in business. The Secorder of this Motion has talked about River Road which was given to Africans at one time, but has gone back to non-indigenous Kenyans now. It is true. But after the Government had taken serious action to reverse the situation, we, the indigenous people ourselves, went back to the people who had [**The Minister for Labour and Manpower Development**]

been thrown out and sold the businesses back to them. Despite the fact that the Government introduced institutions like ICDC, IDB, DFCK and KIE to assist Kenyans to get into business and many Kenyans benefitted from these institutions, unfortunately, there are many Kenyans who have failed to repay the loans they got from these institutions, so as to support other potential entrepreneurs to borrow money. Some have succeeded, but many have failed. It is not their fault. I think, it should be for us all to make sure that the indigenous Kenyans who want to get into business choose the right business which they know they would be able to run properly and let them run that business without diverting the proceeds from that business into other things.

We have a problem because you will find somebody wants to be a large-scale farmer, at the same time, he wants to be a transporter and at another time, he wants to be a retail trader and so on. All these energies are diverted and in so doing, there is no concentration in one business. Therefore, none of these branches of his business will succeed. We have to educate the indigenous people to decide on what each individual businessman wants to do and stick on that particular business and do the best in that business, and invest the proceeds from the business and plough back the profit into that business, so that we can, at least, also maximise the profit to enlarge the business, create employment for our people and probably let others also learn from the successful businessmen. Unfortunately, that is not the situation at the moment.

We also need to be completely dedicated to our business. We have a businessman who wants to join politics after making some profits and he wants to do business at the same time, while doing some magendo in his business. All those things do not go together. I think our people ought to be educated so that they can be systematic in what they want to do rather than asking for money to do this and that. We already have these financial institutions. One of the speakers has quoted the collapsing banks. Those banks were indigenous institutions. Who was running these banks? We, the indigenous, were running those banks. Who run the banks down? It is us because we did not concentrate on what we were doing. Perhaps, we began lending money to friends who did not repay the loans that they borrowed or they took the loans and invested them into investments that were not profitable or whose feasibility studies had not been properly carried out. In that way, we collapsed.

We have also to encourage---

Mr. Gatabaki: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister is talking about the collapse of the indigenous financial institutions. Is he not misleading the House that these institutions collapsed because of lending money to their friends when we know very well that those institutions collapsed because of the Government's failure to support them, Government's reluctance to support indigenous institutions and particularly, Government's intervention in indigenous institutions?

The Minister for Labour and Manpower Development (Mr. Masinde): Mr. Temporary Deputy Speaker, Sir, I think the hon. Member should be realistic. The Government gave the people the opportunity to run the banks and I do not think anybody should expect the Government to run those banks for them at all. We have to encourage our people to start in a humble manner. Many multi-national companies that are here, we know that many of them must have started in a very humble way.

Mr. Temporary Deputy Speaker, Sir, we have had KIE and a lot of people have borrowed small loans from KIE. The majority of these people who have had loans from KIE have collapsed and in that respect, KIE has also lost a lot of money to the extent that they were unable to give money or reasonable amount to anybody else to start business again. So, we have to be disciplined in the management of the business and then let us get back to use the facilities that we already have like ICDC, IDB, DFCK and so on, so that we can fruitfully use these facilities. If we want to expand more, we should ask the Government and probably donors to help us so that we go further into business.

The other thing, Mr. Temporary Deputy Speaker, Sir, is that for these institutions help the upcoming loanees, they should make the lending conditions more affordable to the people who would like to borrow money to start business. They should also provide the know-how and follow-up to make sure that the money is being properly used. I would like to take this opportunity to congratulate the K-MAP under chairmanship of Mr. Brian. The K-MAP is

helping business people by advising them on how to run their businesses and how to keep their books and also on what kind of business they would be better exposed to make money. I think that those business people who have problems should approach K-MAP which is voluntary and be able to get the necessary advice and adhere to this advice because the problem we, the indigenous people, who are getting into businesses have is to organise themselves to the extent of making sure that the money they have borrowed is properly invested and whatever profits they are making out of that money is either ploughed back or used for expansion rather than to be diverted into other areas. We forget that this money would be repaid, but more than often, we find that we are unable to pay because we have not controlled the funds. We are even by so doing and failing to pay, cripple the very institutions that are established to help the upcoming entrepreneurs. I think we need discipline in business before anything else.

Otherwise, in general, I agree with the Motion. Thank you.

Mr. Kiliku: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to support this Motion. I would like to tell the Minister for Finance that when he goes to the Paris Club to ask for Special Drawing Rights, he brings money into this country and this money is taken into the bank; he should know that indigenous people do not benefit from the loans this Government guarantees from abroad. Unfortunately, the enemies of the economy of this country are our brothers. They are the enemies of the development of Kenyans because this country has contributed a lot to the world of economic scandals. Why should the Minister for Finance tell this House that they have not implemented the Sessional Papers which have been laid in this House to promote domestic economy?

Our people now can be found in the kiosks. How can you finance somebody from abroad to come and run the chips making hotels and restaurants which can be run by these Kenyans? If you go round you will find that most of the people who are denying our people the opportunity to participate in the domestic economy are not indigenous Africans; but the business they are doing, they are indigenous businesses. Why should we have Asians selling beans and sugar in the rural areas? They should leave the rural areas for indigenous Africans and come back to the big cities.

Mr. Temporary Deputy Speaker, Sir, the same people who donate money through the World Bank and IMF are the same people who get the same money through investment and take the same money back to their countries.

Mr. Temporary Deputy Speaker, Sir, if I am wrong the Minister can correct me. The foreign loans we receive from donors, we only benefit by 33 per cent, but 67 per cent goes back to the lenders.

Mr. Temporary Deputy Speaker, Sir, the very few african millionaires in this country are the ones colluding with people who have committed the biggest scandals in this country. Unfortunately, those people are in the Government. Everybody in the Government has a share of scandals. Where are we going? You have become "thieves" in your own country. We cannot develop! If Mr. Somaia cannot come before a Parliamentary Select Committee because he is an Asian and he has money, then I do not know where are we heading to? It is unfortunate and he is very much covered.

Mr. Temporary Deputy Speaker, Sir, I sympathise with the Minister for Finance because I think he has been approached to print free money. I think because he has refused to print free money together with the Governor of Central Bank, his position is in problem. But I think Kenyans will protect him.

Mr. Gatabaki: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member of Parliament has insinuated that the Minister of Finance has been ordered to print money the way he did in 1992 which "crippled" the economy of Kenya. Can the Minister deny or substantiate to this House because, if he does so, we are ruined?

The Temporary Deputy Speaker (Mr. Wetangula): Order! Hon. Gatabaki, you know the difference between Question Time and the debate? In any event, there was no such insinuation!

Mr. Kiliku: Mr. Temporary Deputy Speaker, Sir, I said we are sympathising with the Minister because in 1992 this country printed free money and the money supply grew from 15 per cent to 35 per cent and the inflation went up to almost 80 per cent. I hope this time, the Minister will not agree to anybody who may approach him, no matter how big and powerful he is, to print free money. The Minister will be protected by this nation.

The Minister for Finance (Mr. Mudavadi): On a point of order, Mr. Temporary Deputy Speaker, Sir. I think I would like to correct the impression being created here. There was nobody who printed free money. The position we have also taken is that with regulations that have been put into force with the passing by Parliament of the Central Bank (Amendment) Bill and the assent given by His Excellency the President, the parameters under which Government can spend are very clear and elaborate. Therefore, these fears that keep on coming up about money going to be printed are completely unfounded.

Mr. Kiliku: Thank you very much. That is why we are supporting the Minister for Finance because I think he has refused to print free money and we are protecting him!

(Applause)

Mr. Temporary Deputy Speaker, Sir, I would like to ask the Minister to establish a domestic investment policy whereby the indigenous people can have access to commercial lending institutions whereby the market interest rates should be reasonable for any indigenous person who wants business loan. The conditions attached to commercial loans in the financial institutions do not and will not favour the indigenous people. The 32 per cent which is the interest market rate is too high for an indigenous person to borrow some money. Why can the Minister not establish domestic investment policy whereby the indigenous people or the people who have the capital of between Kshs5,000 to Kshs100,000 can have soft loans in order to finance their business?

Mr. Temporary Deputy Speaker, Sir, unfortunately, we are lacking such a policy where the indigenous people can be helped. We are also lacking an Act of Parliament whereby the indigenous people can be helped. This is the time for the Minister to bring a Bill in this Parliament so that we can have an Act which will protect the people. We are not saying that the indigenous people should be helped at the expense of the very genuine and honest foreign investors. We also, as a country, are encouraging foreign investment, but not foreign investment at the expense of the domestic economy.

Mr. Temporary Deputy Speaker, Sir, let us classify business. Which businesses for the foreigners like the industries and other appropriate business, but not all businesses for them. For example, if you go to Blue Room Restaurant Mombasa where we take tea over the weekends, you will find that the proprietors have brought in so many Asians to work in that restaurant. They have been given work permits to come and serve tea in the restaurant and I do not know whether the Minister of Labour and Manpower develop is here. This is the way the Government is "killing" the economy of this country.

Mr. Temporary Deputy Speaker, Sir, I hope this time of general election, the Minister and the Government should go above politics and talk about the country, talk about how we can help our people and so on. There is Government and political parties, but let us talk as the Government of Kenya and assist our people in this country.

Finally, Mr. Temporary Deputy Speaker, Sir, this country will not develop because of the attitude of the Ministers going to the Asians for Harambee donations. If the Ministers get donations from these Asians, then these Asians can do anything to the economy of this country. And actually that is why the Ministers are the ones behind the scandals of this country because of the Harambee donations. Why can you not stop that attitude and give Kshs5,000 or something little from your pocket? Do not sell this country because of the Harambee donations. We support Harambee spirit. Harambee spirit is yours, give what you have, but not the bribes that the Ministers are getting from the Asians. I want any Minister to come and swear that he has not taken donations from these Asians who have been implicated in scandals in this country. That is the problem. Unless, they change their attitude of accepting bribes or "kick-backs" from these Asians, then we cannot develop this country.

Thank you.

The Minister for Finance (Mr. Mudavadi): Mr. Temporary Deputy Speaker, Sir, I would like to make some comments on the Motion and maybe, subsequently propose some amendments to the Motion which I hope the House will find acceptable.

Mr. Temporary Deputy Speaker, Sir, it is indeed, true that it is important that any economy rests in the hands of the indigenous people as much as possible. Foreign investment should only be part and parcel of the wider ownership that is really vested in the people of any given country. And over the years, the policies that the Kenya Government has been pursuing particularly, initially through the mixed economy approach so that people from the very beginning were able to participate directly into their economy, was hoped and is still hoped that it can give more resources and ownership and greater participation to Kenyans.

Mr. Temporary Deputy Speaker, Sir, of course, one cannot hesitate to acknowledge that in certain regards or instances, the influence of non-indigenous entrepreneurs on our economy has taken the lion's share over the years and we need then to find ways and means of making sure that Kenyans can be given the opportunity to own more and to determine the destiny of their economy and their country in even greater strides than they have done before.

Mr. Temporary Deputy Speaker, Sir, however, one of the things that this Motion does not acknowledge in the format that it is presented is that the Government or the people of Kenya have made efforts to try and establish institutions that would assist indigenous entrepreneurs. But somewhere along the line, either these institutions lost direction or they were mismanaged and, therefore, they did not play their role effectively. Some of these institutions have already been touched upon by some of the previous speakers. These are Industrial and Commercial Development Corporation (ICDC), Industrial Development Bank (IDB), Development Finance Company of Kenya (DFCK), Kenya Tourism Development Corporation (KTDC) in the tourism sector and we also have small enterprises and finance companies and not forgetting the Kenya Industrial Estates (KIE). All these were institutions that were created, hopefully, to try and assist as much as possible, indigenous entrepreneurs.

Mr. Temporary Deputy Speaker, Sir, in certain instances, they have been a success story. But also in certain cases, many of our people after getting some resources from these institutions, were not able to proceed effectively

because they did not have efficient management skills at the time; their business enterprises collapsed and, therefore, there is this vacuum that continues to remain in spite of institutions that were clearly geared and given a mandate to support our indigenous people. So, in my view, one needs to find a way of actually strengthening these institutions, restructuring them where they exist, and if at all one can see that their mandate is not useful, then they should be eliminated. But I would hesitate to come up with a proposal that calls for the creation of yet another institution, yet we still have bodies that had this mandate that the hon. Member is trying to focus on in his Motion.

Mr. Temporary Deputy Speaker, Sir, these institutions, if they can be re-organised, would be in a better position to mobilise resources both locally and internationally because even the donors, to be very frank here, will not just accept to fund a newly created institution when they can see that there are structures within our system which are not adequately being utilised. As things stand now, quite a number of resources are still coming through. For instance, we have the European Investment Bank (EIB) which has brought in the second phase of the Private Enterprise Fund which has made available Kshs3.2 billion to be on-lent to enterprises or indigenous people who want to go into business.

Mr. Kiliku: Iko wapi!

The Minister for Finance (Mr. Mudavadi): Iko! It is in the papers. The hon. Member should look at the papers. This is being advertised and this can then be accessed through a number of our local banks like Kenya Commercial Bank, the National Bank, Barclays Bank and so forth where people can access these funds and start going into various business concerns and the criteria and the mechanism in which to apply for these funds is available. So, when one looks at the way forward, I think we need to restructure institutions which can mobilise resources locally, particularly if they can even go directly into the market themselves whether it is through the Capital Markets Authority (CMA) or whether it is through some other instruments where they can actually raise resources on their own. This is because the question of really always relying on donors is something that we should discard as soon as possible. This is a message that I would like to make very clear; not that I take pride or I enjoy this business of having to go to the Paris Consultative Sessions. No, not all! This is something that I would wish that we can get out of very fast as a nation, so that we can mobilise resources without having to go through the kind of processes a country has to go through in order to access these resources.

Mr. Temporary Deputy Speaker, Sir, the other thing that is also important, which I think needs to be highlighted here, is the proper management of the economy, so that interest rates can come down on a global scale; so that people can have easy access to credit at reasonable levels of interest. It should be the ultimate goal. But if we try to come up with stop-gap measures, these are not long-term and somewhere along the line as long as the broader parameters within the economy are not correct, even those institutions will start failing and they will not be able to deliver the kind of help that we want them to deliver in reaching our people in strengthening and empowering them to have greater say in the economy. So, having made those brief comments I would just like to make a proposal which I hope can be acceptable because the spirit in which the Motion has been brought, is something that I do agree with. But it is the question of the approach that we need to consider in trying to deal with the problem that faces us.

Mr. Temporary Deputy Speaker, Sir, I, therefore propose that the Motion be amended by deleting all the words after the word "Government to", in the third line to the end and to substitute in places thereof the following words "strengthen and restructure existing development finance institutions so that they can effectively mobilise resources both locally and internationally for on-lending to indigenous entrepreneurs to enable them to participate effectively in our economy and thus remove the imbalance".

Mr. Temporary Deputy Speaker, Sir, I think, with this amendment, we are not diluting the spirit in which the hon. Member had moved the Motion and at the same time, we are also acknowledging that we do have institutions here which were set up initially to play that role but somewhere along the line they have not been able to do it effectively in a number of cases. So, we need to look at those institutions, reorganise them, restructure them and give them the proper management skills and have the capacity to even source resources locally or even in the international markets and then on-lend this to indigenous people.

Mr. Deputy Speaker, Sir, with those remarks, I hope that I can get support and we can continue debating the spirit of this Motion.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Temporary Deputy Speaker, Sir, I rise to second the amendment which has just been proposed by the Minister for Finance in connection with the Motion moved by hon. Mwaura. Let me also say at the very outset, that the spirit of hon. Mwaura's Motion is noble and we accept it. This particular amendment that has just been moved by the Minister for Finance is merely to smoothen the edges which I think appear sharp in his own amendment and in actual fact, it is only to bring in a realistic dimension to the matter.

Mr. Temporary Deputy Speaker, Sir, having said that, I should say here that we all want to ensure that the indigenous people of this country are an integral part of the economic developments of this country. More so, at this

time when we have put into motion a strategy to ensure that the Kenyan economy will be transformed into a newly industrialised economy by the year 2020. And to that effect, hon. Members are aware that a Sessional Paper has already been Tabled in this House for discussion which articulates clearly that the Kenyan economy, as it is today, will not be in a position to meet the challenges of the day and, indeed, when the scenario does envelope up in the year 2020. For a country to get to a stage where it is an industrial nation, it is utterly important that small-scale industries are developed. This is because it is the small-scale industries that normally make the spare parts and inputs for the bigger industries. They are also the most important of all industries when it comes to generation of employment opportunities. That is where we are laying a lot of emphasis. There is no doubt that if we are able to have very strong small-scale industries, the so-called Jua Kali industries - their nature is such that they involve a lot of people and are spread throughout the country - there is no doubt that Kenyans will be able to participate a great deal in the whole economy.

Mr. Temporary Deputy Speaker, Sir, the Minister for Finance has moved this amendment not because we, as a Government, are against the Motion, but because large sums of money should be sought both locally and externally so as to implement the Motion. We do have a number of development finance institutions already in place. The truth of the matter is that a number of them have not been working well, for two reasons. One is due to lack of substantial resources, as far as their capital base is concerned. They have not been able to acquire money externally for on-lending to their customers. It is also equally true that we may have had mismanagement here and there.

So, this amendment seeks to say that we agree that indigenous people must be economically empowered. That is the goal of the Government. We are going to do everything possible to mobilise resources domestically and externally to ensure that, indeed, this becomes the case. But since we already do have a number of development finance institutions in place, why do we not ensure that we strengthen them both financially and managerially to ensure that they are able to serve the roles for which they were established? There is no doubt that a number of them have gone through some re-organisation. The Development Finance Company of Kenya has now been transformed into a bank. It now obtains finance from abroad, which it on-lends. The Government is a major shareholder in these institutions. We also have foreign shareholders like the Netherlands and the United Kingdom in institutions like the Industrial and Commercial Development Corporation (ICDC). We want to talk to these foreign shareholders to increase their amount of resources in these institutions, so that they can be used for on-lending. The good thing about this arrangement is the fact that such loans are available on concessionary terms. We also have the ICDC, which is a Government organisation---

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

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Gatabaki, twice I have given you an opportunity and you have pursued an argument.

Mr. Gatabaki: Mr. Temporary Deputy Speaker, Sir, now I am putting a straight forward point of order. The Vice-President and Minister for Planning and National Development is talking about financial institutions lacking financial support. Is he not misleading the House by saying that lack of resources has impeded support to wananchi by these institutions when the truth is that the institutions have been deliberately looted and plundered?

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Temporary Deputy Speaker, Sir, I do not think that I need to respond to hallucinations. Let me say that we need to move and ensure---

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Saitoti has said that he cannot respond to hallucinations. Is he in order to impute improper motive by saying that an hon. Member is having hallucinations?

The Temporary Deputy Speaker (Mr. Wetangula): That is a matter of opinion.

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

The Temporary Deputy Speaker (Mr. Wetangula): Order, Mr. Gatabaki! You are grossly out of order.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Temporary Deputy Speaker, Sir, let me proceed; I think what I am saying is much more important. We are saying that we do not need to create another institution. The multiplicity of development financial institutions will make the whole matter even much more cumbersome. We need to strengthen the current financial institutions by ensuring that we can mobilise substantial resources domestically and from abroad, and at the same time ensure that managements are also strengthened. In that way resources will be managed and given to wananchi.

Indeed, as the Minister for Finance has already stated, already there is some money which the Government has obtained from the European Union through the European Investment Bank. The acquisition of that money is currently in newspapers. I want to take this opportunity to urge our traders and manufacturers to take as much advantage of that financial resource as possible. They should do this because of two reasons: One, the interest rate

on this facility is much lower than the prevailing bank interest rates. Secondly, that money is available in hard currency and will contribute to our net holdings.

At the same time, I want to say that the Government is looking very carefully into how to mobilise more resources. We are targeting the small-scale and Jua Kali enterprises. It is only last week that we signed for some grants from the British Government - in fact, I had to sign on behalf of the Government - to the tune of Kshs40 million.

That money went to the Co-operative Bank of Kenya. It is will be used to act a kind of a safety net to ensure that small-scale and Jua Kali entrepreneurs can get loans without the collateral, which has been the problem. We are looking into all this.

I also want to say that we are looking into the various ways of restructuring the Agricultural Finance Corporation (AFC), so that it can be in a position to finance our agricultural sector. Our agricultural sector is extremely important: One in terms of producing food for our people and two in creating jobs. That is an area that we are going to be moving into. I think in a nutshell, I want to say that this Motion by hon. Mwaura fits very well within our current strategy for restructuring the Kenyan economy. The amendment is not meant to in any way defeat the spirit of the Motion. It is meant to say that we do not want to establish another financial institution. But we agree that we are going to mobilise finances and restructure and strengthen the current development financial institutions. In that way, we shall be able to achieve the objective of making sure that indigenous Kenyans are properly economically empowered.

Mr. Temporary Deputy Speaker, Sir, I beg to second the amendment.

(Question of the first part of the amendment, that the words to be left out be left out, proposed)

(Question of the first part of the amendment, that the words to be left out be left out, put and agreed to)

(Question of the second part of the amendment, that the words to be inserted in place thereof be inserted, proposed)

(Question of the second part of the amendment, that the words to be inserted in place thereof be inserted)

(Question of the Motion as amended proposed)

Mr. Raila: Thank you, Mr. Temporary Deputy Speaker, Sir. There is one thing over which there is no disagreement between the two sides of the House, and that is that there is imbalance in the economy of this country. This imbalance is a legacy bequeathed to us by the Colonial Government. In the colonial days, because of the segregation system that was being practised by the colonial government, the indigenous people in this country were not given proper access to the resources. We had the white man at the top; the Indian at the middle the Arab--- and I am not being racist here--- and then the African at the bottom of the ladder. This is an imbalance which should have been addressed after Independence. It is a pity that 33 years after Independence, we are talking about trying to assist our people to be able to come up economically. One should give credit where it is due that, at least, under the Kenyatta Government, attempt was made to try to raise the indigenous people through schemes such as Africanisation, initially, followed by Kenyanisation programmes. However, these programmes failed because of the corruption, tribalism and nepotism that existed at that time. The Kenyatta regime tried, at least, to develop an indigenous national bourgeois, and this is something for which this country will eternally be grateful to the late President Kenyatta.

Then came the Nyayo era. This era saw the rising of the comprador bourgeois. The comprador bourgeois is the one that has been most responsible for frustrating the efforts to try to Africanise our economy. The comprador bourgeois is a commission agent, who exists as an agent of the international monopoly capital. They do not invest in any kind of meaningful development. They either bank the kind of commission they get outside the country or they use it for speculative purposes; buying unproductive land, plots or putting up unproductive houses in urban centres.

The issue of trying to indigenize the economy of our country must be addressed. The bogey of Idi Amin or the Nazi holocaust should not be used to try to intimidate Kenyans from addressing this issue. I am a Kenyan patriot,

and I am very proud of our cultural, ethnic and racial diversity. It is something that we should all be proud of. But there is no denying the fact that the commanding heights of our economy today are in the hands of foreigners. Ordinarily, there would be nothing wrong with that, but most of the foreign companies that come to invest here have got their shareholders outside this country. After paying the costs of production or manufacturing here, they repatriate their profits back to pay their shareholders in their own country.

An hon. Member: You are right!

Mr. Raila: Mr. Temporary Deputy Speaker, Sir, this denies this country the necessary multiplying effect of capital. This is something which we can only address by trying to indigenize our economy. Since the industrial revolution, no country has developed which has not, to a certain extent, deliberately promoted and protected its people in the industrial field, be it Japan, Korea, Singapore or Taiwan.

In the 1950s and 1960s, Japan was one of the most protected economies in the world, and so was Korea. This way, they were able to promote the growth of their indigenous industries, and only opened up when these industries had acquired sufficient experience to be able to compete with the international monopoly companies. Examples have been given here about the failures of indigenous institutions like Industrial Commercial Development Corporation (ICDC), Industrial Development Bank (IDB), Development Finance Company of Kenya (DFCK) and so on. These schemes have not failed because Kenyans are different and are not enterprising, but they have failed because, first, they were misconceived and; secondly, because of the environment in which they were operating.

I know for a fact that the Kenya Industrial Estate (KIE) scheme was very noble, and it has succeeded in other countries like Pakistan and India. They succeeded because in those days, those countries produced or created the necessary environment which enabled these schemes to succeed. In this country, people went to ICDC and got loans at a time when they did not have the necessary experience to compete. They also needed protection. They were supposed to be protective, but the protection measures were being frustrated by corruption. Goods were being imported here which were being manufactured in the KIE sheds. A lot of KIE sheds were full of manufactured goods which could not be sold in the local market because of the dumping of substandard goods which we have imported from outside the country for which no duty was paid. Naturally, those schemes failed. I have known very many friends, because I myself I am a beneficiary of the KIE scheme, who were forced to close up and their companies were bought by the same foreigners who frustrated them in the first place. So, it is not just a question of trying to revitalise these schemes because attempts have been made in the past, but they have never worked.

The other point is that most of these institutions themselves have been operating very inefficiently, like the ICDC and DFCK, because of political patronage. People who were not competent to run those institutions have been given the responsibility to run them. When we talk about Africanisation, we should not be accused of being racists. It is a fact that the Asians dominate the economy of this country. When you say you want to Africanise, you are not being racist. You are just saying you want to balance the imbalance that was created by colonialism, which gave the Asians an upper hand. When you talk of the "Kalenjinization" of the Civil Service, you are not being tribalistic, but you are basically addressing an ill that exists. So, this issue must be addressed like you address all other ills, like you talk about nepotism, tribalism and favouritism.

Mr. Temporary Deputy Speaker, Sir, I am for liberalisation, but liberalisation itself should be conducted in such a manner that it does not kill the local industries. We are talking about developing to the Newly Industrialised Country (NIC) status by the year 2010. Judging by the way we are moving, this is wishful thinking. We are talking about 13 years to the year 2010, but we are killing the industries at this stage.

How are we going to attain the NIC status? To reach that status, you need to have developed a proper infrastructure, to have laid a proper foundation for industrial development, to have developed research capacity to be able to receive, assimilate and adapt the technology that you have acquired from outside. At the moment, there are no signs that we are doing this. There is too big a gap between theory and practice. If you look at the Sessional Papers that are presented before this House, they are well written documents, but they are just pieces of paper. There is a yawning gap between what is said and what is being done.

I have said, and I want to be contradicted, that we have some of the best qualified engineers in this country. We have some of the best qualified medical doctors and technologists in this country. Our industries today are producing averagely below designed capacities and some of them below 40 per cent. Why is all this happening? This is because we do not have proper commitments to make them work properly. We are frustrating most of them. For example, the sugar industry in this country is being killed. Most of the sugar farms are going under---

Mr. Temporary Deputy Speaker, Sir, I beg to support this Motion.

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Ahsante sana, Bw. Naibu Spika wa Muda, kwa kunipatia nafasi kuzungumza kuhusu mambo ya nchi katika Bunge hili.

Mhe. Mwaura ameona kuwa akizungumzia jambo hili katika mikutano ya hadhara, mskiti na kanisa, haifai. Hapa ndipo pahali pa kuzungumzia haki ya Wakenya. Namshukuru kwa sababu leo ameleta Hoja kuhusu chakula

ambacho ndicho wananchi wote wanatafuta. Watoto ni vizuri walishwe na kuenda shuleni bila kupelekwa. Tuna kazi kubwa sisi Wabunge ya kuwafundisha wale waliotupigia kura pahali pa kuenda kukopa. Tuna mahali pengi pa kuenda kukopa. Ikiwa wewe Mbunge unajua pakukopa, usizunguke asubuhi ukizungumzia siasa tu, ukimwona mtu usimpinge huyo na yule na baadaye wewe waenda benki kutoa pesa za kununua nyumba na motokaa nzuri, shamba kubwa, Mungu akikujalia heri. Lakini ukimwona mtu asubuhi, unasema; "mpinge fulani; mtupe fulani".

Lakini katika nchi hii ya Kenya, hatukuzaliwa kutupana tu. Tumezaliwa ili tuweze kusaidiana. Mtu anapigiwa kura ili atusaidie. Wale waliotajwa hapa kama Mhindi na Mwaarabu, wakikutana asubuhi hawazungumzi habari ya siasa; huambiana kuwa ukienda duka fulani na kununua vitu kwa mkopo, utaweza kuuza na upate faida.

Wabunge wenzangu, kwa mfano, mhe. Raila, wanajua pahali pa kupata pesa. kutengeneza mtungi ya gasi. Hamjavuta Mluo mwenzenu kutoka Nyanza na kumwambia nenda ufanye biashara ya baisikeli au pale anapopata pesa afanye hivi. Lakini tukisema kuwa Mungu atafanyia kila mtu kazi, tunawadanganya wananchi. Mpaka sisi wenyewe tuweze kufanya jambo hilo. Mhe. Mbunge mwenzangu alisema kuhusu habari ya Wahindi na Waarabu lakini kesho ukija Mombasa utapata marafiki zako ni Waarabu. Wacheni kuzungumzia uwongo na semeni ukweli. Ikiwa unapenda mtu, utasema; "huyu ni ndugu yangu, ingawa simpendi wakati wa kura". Ukija Mombasa, uwe wa Safina, IPK, na kuweka kibali-- Ukifika hapa, unasema huyu hafai kupata kazi fulani wala biashara. Halafu wakati wa kura kesho kutwa tutawaona wakija Mombasa kutafuta kura.

Bw. Naibu Spika wa Muda, yangu hasa ni kusema kuwa, tutaishi katika Kenya hii na kila mtu afanye bidii. Na sisi viongozi tufanye bidii ili wenzetu wawe na biashara.

Mr. Raila: Jambo la nidhamu, Bw. Naibu Spika wa Muda. Ni sawa kwa mhe. Nassir kujaribu kulipotisha Bunge hili kuwa tumesema ati hatutaki Mhindi wala Mwaarabu? Sisi tumesema kwamba tunataka kusawazisha mapato na ugawaji wa mali katika nchi hii yetu.

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Ukisema hivyo, mhe. Mbunge atakimbiwa na watu maanake kuna watu wengi katika Kenya hii ambao hawana mashamba kama watu wake. Kuna wale wenye mashamba makubwa na biashara kubwa. Sasa ukitaka kusawazisha, tusawazishe, kikweli. Yule aliye na nyingi, amugawie asiyekuwa nayo kabisa, ili tukule sawa sawa katika Kenya hii yetu; sio kusawazisha katika kabila moja tu. Tusawazishe kwa yule aliyo nayo nyingi.

Katika nchi nyingine za ulimwengu, mgeni hapewi kibali mpaka ashirikiane na mtu wa nchi ile anayetaka kufanya biashara. Sisi hatujafanya hivyo. Lakini ni lazima tuwafundishe biashara watu wetu. Tuache kuwaambia siasa kutoka asubuhi mpaka jioni. Tungojee kesho kutwa akisema Mtukufu Rais, tuende tukulalamike. Lakini ikiwa tukipigiwa kura mpaka wakati wa kura nyingine, sisi ni kupingana tu hayo ni makosa. Vizuri ni kumwonyesha vile unavyopata ili na yeye apate. Lakini Serikali haiwezi kumfanya mtu awe hodari wa kufanya biashara.

Nawashukuru ndugu wa Mkoa wa Kati, Mungu awabariki kwa sababu wao ni hodari kwa biashara. Tufundisheni, msituambie siasa tupu. Msituache na njaa; twawapenda. Mombasa ninao, nawapenda, tunafanya biashara nao. Lakini msije mkaseme uwongo. Wewe wala nyingi, hufanya wizi na kila kitu halafu umwambie mwenzako akutafutie! Atakutafutia wapi na biashara hujamfundisha? Mtu ambaye amezaliwa bila kipawa cha biashara hawezi fanya ngoma hiyo. Lazima awe mtu ambaye anajua. Pwani ni wazi, mhe. Mbunge kama huyu aende Nakuru awachukue nduguzake awapeleke wakapate pesa katika mablenki.

Ni kazi yetu sisi Wabunge tuwasaidie, kama vile tunapokwenda kumlika torchi usiku kuomba kura na twende tuwasaidie kweli kweli. Kila mtu ambaye ana pesa ajaribu kusaidia wale wasiokuwa nazo.

Ninamheshimu sana mhe. Mwaura kwa kutoa maoni haya ya kweli. Ninasema kuwa kila Mkenya na kila Mbunge ambaye ana maneno ya kusema juu ya nchi yake, aje hapa, sio kukutana kule vichochozoni, msikitini na kanisani. Hiyo haiwafai kitu. Hapa ndipo pahali ulipewa kura kuja kusema.

Kwa hayo machache, naunga Hoja hii mkono.

Prof. Anyang'-Nyong'o: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity.

As our colleagues have said, it is extremely important that there are public resources for supporting indigenous entrepreneurship. I think the House should realize that in so far as this will rely primarily on domestic resources, it will also rely on resources from outside. The Government should realise that the time for official development assistance is long gone because official development assistance in any case has been going down drastically over the last ten years. What we are looking for are direct financial investments, both domestic and foreign and I think this kind of Motion should help the Government to put into place necessary structures for attracting foreign and indigenous investment in our economy.

While I agree with the Minister that it is because of the high interest rates that investments are discouraged, Government should also realise that an attempt by it to raise funds through Treasury Bills, which attract high interest rates, is the same method of maintaining those interest rates at a high level. So, although the Government quite frequently needs to raise money locally, the traditional way of selling Treasury Bills at high interest rates so as to invite people to buy them is the same way that escalates inflation and keeps interest rates in other banks high. A method

should be found where the Government can engage in domestic borrowing without necessarily fueling the interest rates to escalate.

While I also agree with the Government that indigenous institutions like ICDC, IDB, KIE, DFCK, KTDC, AFC and so on should be restructured and, indeed, are being restructured so as to perform better, it must be realized that while they are being restructured something should be done to encourage confidence in them. Traditionally, the Agricultural Finance Corporation has mainly given loans towards cash crops and this has been greatly disadvantageous to the other agricultural crops, particularly vegetables and tubers. This has also meant that AFC has been biased on certain regions.

I did a study of AFC loans between 1964 and 1974 and I found out that Nyanza Province was virtually ignored in AFC Loaning Scheme precisely because the AFC tended to emphasize loans to the so-called big cash crops and in Nyanza the only cash crop loans that could be given were those of tea in the Kisii Highlands and partly sugar, which came later. Even currently, farmers are finding it very difficult to access AFC loans. I do not know whether this is because the loans are scarce or the money is scarce, but there is, indeed, a feeling among farmers that loaning system in the AFC has become a very personal affair. Unless you can have access to the high echelons of Government, you are not likely to have access to AFC loans. This is giving the Government a very bad reputation and it should move fast to have the Agricultural Finance Bank, which I think would be a much better institution- in handling the loaning scheme of the AFC than what exists. I would like to urge the Government that, indeed, while attracting indigenous and foreign investment through a scheme that is proposed in this Motion, it is a Government's primary responsibility to establish infrastructure in the nation. Without proper infrastructure, very little investment is going to come in and part of the infrastructure is energy.

Currently, energy is too expensive in Kenya. It is important for a government to invest in cheap energy production so that energy can become a low cost input to consumers both in industry and in domestic sectors. In this regard, I would like to remind the Government that the Magwaga and the Odino Falls Scheme on the Sondu Miriu River should, indeed, be speeded up because this is going to be one of the cheapest ways of energy production in this nation. Indeed, if the Sondu Miriu River is properly tamed and the falls turned into hydro-electric production, irrigation is also going to be possible in that area and, indeed, it is going to be much easier for us to put public investments in agriculture in that region.

I would, therefore, urge one quick and effective investment in cheap energy production which will be useful to attracting investment in the country and will make one of the sources of cheap inputs for agricultural industrial production in our nation. One of the ways in which investments will be attracted to Kenya is through East African Co-operation, and I notice that the Minister of State, in the Office of the President, hon. Biwott, who has just attended East African Summit in Arusha, is here. We Kenyans should, indeed, applaud the steps being made towards quicker co-operation in East Africa because a bigger regional market is going to attract a lot of investment in our country. We should regret the collapse of the Community in 1977 which was due to poor institutional building in the East African Community and too much dependence on individuals and personalities in the running of the Community then. This time we should have sound institutions in the East African Community. We should, in future, move very fast towards a federation which will form a better political framework for regionalization in our area.

It must be noted that investment in infrastructure in the region and in communication is going to be much cheaper if we have economies of scale within the region hence the project to have East African Co-operation is extremely essential when we are debating a Motion like this. I must emphasize that while we were meeting in Arusha, as a parallel meeting to the summit, involving Members of Parliament within the region and certain NGOs, we did note that establishing an East African Legislative Assembly will be a proper political move to ensure that laws made in East Africa are legalized within the framework of the East African states. It should also be important for the Government to note that while they are debating East African Co-operation, from time to time, the protocol should be brought to this Parliament to be debated by Parliamentarians and hence to give a legislative backing to what the Government is doing. It is important that the people of East Africa be involved in this process of coming together so that we do not only leave it as an initiative of our Government, but an initiative of the people as well because had the people of East Africa been more involved in the Co-operation, and had we institutions which were rooted were in the people during the days of the Community, the hon. Charles Njonjo would not have had the courage to stand in Mombasa and announce that East African Airways was gong to collapse and Kenya Airways was going to be hoisted the next day without informing the presidents of East Africa. That incident is what led to the collapse of the community among other things and hence we want institutions to run the Community and not leave a chance for certain individuals with selfish interest like Mr. Njonjo to make an announcement that irritated the presidents of East Africa and hence led to the collapse of the community. The Community is a very dear thing to East Africa and I hope that we shall give it all the support we can so that a Motion like this can have meaning in the economic development of the region.

With those few remarks, I beg to support.

The Minister of State, Office of the President (Mr. Biwott): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on this Motion.

The Motion as amended is a good one. It is a positive Motion because it reflects the wishes of every Member of Parliament and every Kenyan who desires to see Kenyans prosper.

Kenyans will never be able to raise their standard of living unless they participate effectively in their own economy. Unless they participate and generate the wealth of the nation, they will never uplift themselves. To do that, they have to begin a process of involvement in all aspects of the economy, be it in commerce, industry, promotion of science and technology, international trade and so on. Today, we see an imbalance where Africans are not heavily involved in the manufacturing and commerce sectors simply because they have allowed the situation to drift. Our forefathers who started institutions that were meant to promote the Africans did actually do their job. They did it at a time when it was possible to organize finances and institutions to promote the African. Those days, they set up the Industrial and Commercial Development Corporation, started Kenya National Trading Corporation to promote them, Kenyan Industrial Estates, the Development Finance Company of Kenya and all sorts of institutions that were meant to promote the African. They also started the Agricultural Finance Corporation to help farmers do farming with sufficient credit support.

Mr. Temporary Deputy Speaker, Sir, today, we are in a situation where we are now talking about opening up the market, free enterprise and competition. So, we have lost the momentum which we should have actually utilised to build up the assets so that today, we would be competing on a much stronger position with the outside world that has been developing ever since. Given that we have lost that momentum and that today we are still serving the interests of others, it is time we supported our own Kenyans; our own indigenous people to have a stake in the wealth of this nation. The area we need to focus on, and I believe the Minister for Finance is at the moment looking for ways and means of doing something about it, is issue of the high interest rates charged by banks. Because, with the current level of interest rates, it is impossible for our commercial people and investors to survive or be able to set up viable businesses. I hope the Minister will find a way out, so that the interest rates can come down to enable our people to borrow money to prosper and still repay the loans.

Mr. Temporary Deputy Speaker, Sir, the question of the period of the loans is also important. We need long-term loans which will enable the local people to set up businesses and industries, to be able to succeed in their business ventures and repay the loans.

Mr. Temporary Deputy Speaker, Sir, this is necessary because, first of all, we need to promote employment and we cannot rely on the few people who are investing at the moment. We have to rely on a much wider base in order to generate employment for our people whose population is growing at a fast rate. We also need to promote technology. Unless we get involved in industries and high technology, we will not be able to catch up with the rest of the world. We, therefore, need industries which are owned by the local people, so that the local people can acquire the techniques and the technology that is necessary for effective competition with others. We also need to learn the art of entrepreneurship.

Mr. Temporary Deputy Speaker, Sir, earlier on, hon. Nassir mentioned a factor of endowment. It is important because if you are not endowed with business acumen, you may not acquire it even if you get involved. There are people who are born with that acumen and they should be allowed to develop and excel in the promotion of our own economy by assisting them to get the inputs, credit and guidance, so that we may have many more middle class people - the entrepreneurs who can promote our development. If we develop the welfare of our people, we increase the wealth and in turn increase the standard of living of our own people.

Mr. Temporary Deputy Speaker, Sir, the hon. Prof. Anyang' Nyong'o mentioned the East African Community. Kenyans today are very keen to see that we co-operate with the rest of our brothers and sisters in East Africa. They are also keen that we co-operate with the wider East Africa. Today, we have the East African Co-operation and COMESA alive. The latter is the Common Market for Eastern and Southern Africa which is aiming to do the same thing as the East African Co-operation.

Mr. Temporary Deputy Speaker, Sir, I will be issuing a statement concerning this, because I believe that Members of Parliament ought to know the details of what has been going on up to now and also the prospects of future trust. In turn, they can also explain to their constituents. Earlier on, the speaker before me urged those responsible to bring these matters to the House, so that they can get involved. I believe the hon. Member must have had access to the document which was issued yesterday by the heads of state of the three East African countries. The communique mentioned the fact that, the civil society of East Africans must get involved. It also mentioned the fact that Parliamentarians must get involved in the development of East African Co-operation. In fact, it directed the Secretariat to find out modalities for involving the East African legislators, so they too would know what is going on. But, I will be issuing a statement to that effect and also the other details.

Mr. Temporary Deputy Speaker, Sir, on the question of foreigners, I think we should make Kenya and East

Africa a destination for foreign investment. We should make it so attractive so that any money that is destined for Africa should first of all land in Kenya, Kampala, Dar es Salaam or in the neighbouring countries within COMESA, so that our trade can continue. To be able to do that, we need to speak like people who understand and who welcome foreigners. As long as foreigners are doing their job normally, following the rules and laws of the nation, employing our own people and according them the dignity they deserve. Anybody who does not accord our own people the dignity they deserve, that man will be in the wrong place. If it is a woman, she has to be gracious, a good investor and acknowledge that Kenyans live in Kenya and that Kenyans are the ones who are giving the invitation and not the other way round. Any corrupt person, thief or anybody who undermines the integrity and wealth of this nation ought to be dealt with according to the law.

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

The Temporary Deputy Speaker (Mr. Wetangula): Disallowed!

The Minister of State, Office of the President (Mr. Biwott): I believe that we have a good judicial institution in this country, we have highly qualified lawyers, a good Government and Members of Parliament.

With these few remarks, I would like to support the Motion as amended.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mwaura, it is your time to reply.

Mr. Mwaura: Mr. Temporary Deputy Speaker, Sir, I am gratified by the support that this Motion has received in this Parliament this morning.

Mr. Temporary Deputy Speaker, Sir, when I moved this Motion, I indicated that the stability and well-being of any nation must come from the majority of indigenous people of that particular nation. When I spoke earlier on, I should have emphasised the fact that really, in some of the countries that we know of today that have recently emerged as strong and highly industrialised nations of the Far-East Asia, one of the secrets as to why those countries have managed to do this is because they have been able to gear their education systems to produce the manpower that would be the engines of those nations in terms of industrialization.

Mr. Temporary Deputy Speaker, Sir, I am glad that the Minister for Finance has noted the fact that we do have existing institutions. But over the years, these institutions have not been effective. It is equally important that if this nation is going to be industrialised by the year 2020, our education system must be reformed in order to produce Kenyans who are properly trained, particularly in the field of science. Hon. Raila did say here earlier on, that we do have engineers and doctors and there is no question about that. But for industrialisation to be realised, commitment by our public servants is extremely important. This is what is happening in countries like Japan where we visited recently. Every hon. Member who has contributed to this Motion has underlined the fact that without commitment, all these efforts cannot be achieved.

This Motion has been amended, and I am in agreement. But let us take an example of the Marshall Plan in Europe after the Second World War, which was introduced by the Americans and Europeans in order to rebuild Germany after the destruction during that war. Due to that Marshall Plan, Germany is now one of the most highly industrialised countries in the World. The Marshall Plan did not bring money to lend to industrialists of that country. But I believe it worked, only because there was an effort to go down and organise institutions, entrepreneurs and industries to give them money to build that nation. I would, therefore, urge that while the Minister for Finance is talking about the over Kshs2 billion European investment money--- Recently the Government came up with the Nyayo Bus Corporation which ought to have been a viable Corporation and a lot of money had been injected to create it. The Government should have organised local entrepreneurs and injected that money there to ensure that, the people were trained properly in order to manage that kind of organisation. Therefore, I would urge that in future, in order to bring indigenous Kenyans to be participants in our economy, the Government should make efforts to organise the people and also help the management of such companies. There is nothing wrong if the Government were to intervene, like the Central Bank of Kenya has always intervened, when a private bank has management problems.

Mr. Temporary Deputy Speaker, Sir, these are some of the few points which I wanted to mention and I would like to give the remaining five minutes of my time to hon. Dr. Lwali-Oyondi to contribute to this Motion, if that is allowable.

The Temporary Deputy Speaker (Mr. Wetangula): That is not allowed by the rules of the House.

Mr. Mwaura: Mr. Temporary Deputy Speaker, Sir, if that is not allowed, I would like to continue by saying that I am happy with the way the Motion has been handled. I would like to reiterate that, coming up every year with well written blue prints of Sessional Papers is not going to help this nation. After such Sessional Papers have been debated and passed by Parliament, the Government does not even stop and take stock of what has been achieved. We must be more serious and create, in the Ministry of Commerce and Industry, a section that can be a department responsible for monitoring the performance of indigenous entrepreneurs in the economy. The Government of the country is the supreme organisation in any country and I do not see anything wrong if there was to be an intervention by the Government when African companies are facing the danger of collapse. The Government should move in and

advise such companies instead of waiting for them to collapse. I am also happy to note that the Minister for Finance and all other hon. Members who contributed to this Motion have accepted that the interest rates charged by the banks are too high. Our business community will not be able to borrow money from the banks when the interest charged is too high.

Mr. Temporary Deputy Speaker, Sir, I acknowledge the fact that the Government has accepted this Motion.

With those few remarks I beg to move.

*(Question of the Motion as amended
put and agreed to)*

Resolved Accordingly:

THAT, given the fact 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 strengthen and restructure existing development finance institutions so that they can effectively mobilise resources both locally and internationally for on-lending to indigenous entrepreneurs to enable them to participate effectively in our economy and thus remove the imbalance.

SELECT COMMITTEE TO PROBE

DR. OUKO'S MURDER

Mr. Orengo: Mr. Temporary Deputy Speaker, Sir, I beg to move the following Motion:-

THAT, being disturbed by the manner in which the late Member for Kisumu Town Constituency and Minister for Foreign Affairs and International Co-operation, Dr. Ouko, disappeared and was subsequently found murdered; aware that both the investigations and inquiries by the New Scotland Yard team and the Ouko Commission of Inquiry respectively were terminated prematurely without a definite conclusion; knowing that the investigations by the Kenya Police have not ended up in the trial and conviction of Dr. Ouko's murderers; this House resolves to appoint a Select Committee to conduct investigations on the circumstances of the said disappearance and subsequent murder, and report to the House its findings with a view to securing and preserving evidence, relevant to bringing to justice those concerned before such evidence is destroyed.

Mr. Temporary Deputy Speaker, Sir, this is the second time in the life of this Parliament, that I have moved this Motion. I want to plead to my colleagues in the House, that in the same spirit under which we have accepted the Motion that has just been concluded unanimously, I would similarly urge them to resolve to form this Select Committee in this Motion, so that not only can we get into the truth behind the disappearance and murder of Dr. Ouko, but also, to preserve relevant evidence which would enable the law enforcement agencies and the court of law to bring to justice, those who were connected with the brutal murder of Dr. Ouko.

When Dr. Ouko was murdered and subsequent to the discovery of his body at Got Alila, the Government made a categorical statement that no stone will be left unturned, until those who were responsible for the brutal murder and assassination of Dr. Ouko are apprehended, tried, convicted and sentenced in accordance with the law.

Now, it is nearly over five years since Dr. Ouko was murdered. As far as I am concerned, three things have happened. The first one is that the investigations which were being conducted by the New Scotland Yard under Detective Troon were prematurely terminated. He had to give an interim report to the Attorney-General before concluding his investigations and inquiries. Subsequently, in exercise of powers conferred on the President by the Commissions of Inquiries Act, the President constituted a Judicial Commission of Inquiry. Before this Judicial Commission of Inquiry could consider all the relevant evidence before it, and before all evidence was adduced before it, it was also prematurely terminated and it was not in a position--- Despite the fact that they had not written a report, they were not in a position in law to submit a report and its views on the disappearance and murder of the late Dr. Ouko.

Again, as far as we know, there was the trial of Mr. Anguka. In that trial, I would respectfully say that the investigations by the police were unsatisfactory and Mr. Anguka was merely being used as a scapegoat. If you look at the judgement of the court in that trial, they did say that the murder was a perfect crime and a person in the position in which Mr. Anguka was could not have planned and executed the murder of the late Dr. Ouko in any way. Since then, investigations have not been going on into the murder of Dr. Ouko. In fact, as a matter of interest, I went to the law courts recently and found that even some of the evidence which should be secured, and which was adduced before a court of law, was still in the possession of the court, which is, indeed, an indication that nothing is being done.

So, as we stand today, despite the fact that Dr. Ouko gave a sterling performance during his tenure as a Member of Parliament and as a Minister in the Government, and despite the concern that has been expressed by his family, his constituents, people from Nyanza Province and the nation as a whole, we have not been told the circumstances behind the disappearance and murder of Dr. Ouko to date, despite the Government giving a promise that no stone will be left unturned until the perpetrators of this heinous crime are brought to justice.

Mr. Temporary Deputy Speaker, Sir, there is something which is worrying me. There is a pattern of some of these political murders or deaths, that is emerging. When the late Mr. Tom Mboya was assassinated, and there was a smoking gun and somebody had shot him in the streets, it was a clear case of murder. At least, even if subsequent to the conviction, the accused did say that, "you have left the big fish", there was a trial and a conviction. But subsequently thereafter, political murders and deaths that have taken place in this country have a pattern which if examined, is fully consistent with what the Judge said during the trial of Mr. Anguka, that these were commissions of perfect crimes in which no single individual could have carried out an act or a crime of that nature. I just want to mention a few just to show that these murders are not an accident. In fact, that pattern has always been consistent with the way Dr. Ouko was murdered.

When the late Mr. J.M. Kariuki was murdered, there was a theory which was thrown around, that he had travelled to Zambia. This was to deflect completely the attitude and the concerns of the nation as to the life and whereabouts of the late Mr. J.M. Kariuki. Subsequently, when the body was found, he was not only brutally murdered, but there was an attempt to destroy the body so that if it is found, the body would not be recognised. That was the second fact that emerged from that murder. Thirdly, the body was found miles away. We were not told, and up to now it is not known, whether he was murdered in Ngong Hills, or whether he was murdered elsewhere and carried to Ngong Hills. Then, to some extent, you will find that in an attempt to cover-up these murders, there is an attempt to dismember the body.

If you look at what happened to Dr. Ouko, there was a theory that he may have committed suicide, and there was a lot of uproar when that was said. Subsequently, when the body was found, he had been injured, shot and killed, and then the body was burnt. It was hoped that this body would be burnt beyond recognition. The body was found miles away from his home. Again, this is quite consistent with the way in which the late Mr. J.M. Kariuki was murdered.

In the current case in which the Attorney-General is trying to help the family of Ms. Julie Ward to investigate, I am not saying it is political, these things have been said. This murder was not an ordinary murder. There must have been political circumstances that made the perpetrators of this crime to commit the crime of murder. Again, the body was found miles away from civilisation. It was shot, dismembered and then, there was an attempt to destroy it. In fact, in the Julie Ward Case, there was a near complete destruction of the body, except for pieces of the skull and so on.

Just as in the Ouko Case, the skull was taken to Britain for examination, and I think Dr. Ouko's skull still remains in the United Kingdom up to now. Something needs to be said about that, as to why the skull of the late Dr. Ouko should still remain with the Scotland Yard.

So, I am saying that these patterns are there. Finally, there is always an attempt to hold an inquest. In those inquests, instead of the State allowing a normal inquest to take place, where the facts are put before the court and the magistrate would determine for himself why the murder was committed and the causes of death and so on, it always tries to put on a theory. Like in the murder of Ms. Julie Ward, the State consistently pursued two theories. These are; death by misadventure and death caused by animals or suicide. These are the theories which were pursued consistently during the inquest. The State need not have put a theory. It was the late Justice Mango who found the animals innocent, despite the fact that the Attorney-General tried to accuse the animals of having committed murder.

Of course, when Dr. Ouko was murdered, the first thing that happened at Koru, and if you go to Koru Police Station you would be told that there was an inquest file No.4 which was opened, but because of public outcry, the Government decided not to proceed with the inquest. I am sure in that inquest, they were going to pursue a theory about the manner in which he died and the subsequent cause of his death.

The other person who emerges is the involvement of the Provincial Administration, generally, and that is not an accusation against the Government, but it is something which has emerged in some of these murders. For example, in the J.M. Kariuki Inquiry, which was undertaken by a Select Committee of Parliament, I am grateful hon. Shikuku is here; him and hon. Mwavumo were in that Committee - The Provincial Administration, through a District Commissioner known as a Mr. Thuo, was said to know something about the murder, and his conduct and that of the police during the inquiry were "questionable". In fact, if you read the J.M. Kariuki Inquiry, they said that right from the moment when the Select Committee started its work, the police, instead of co-operating with the Committee, was working against the Committee; not only the Police Force, but also the CID and the Commissioner of Police himself.

Mr. Temporary Deputy Speaker, Sir, even in the murder of Dr. Ouko, in fact, the last appointment that Dr. Ouko was supposed to have before he died, and he had gone to Kericho, was with the District Commissioner in

Kericho. Again, I do not know why Dr. Ouko wanted frantically to meet the District Commissioner in Kericho.

But be that as it may, during the inquiry by a Mr. Troon, the former Provincial Commissioner of Nyanza, Mr. Kobia, warned detective Troon that "You are dealing with very powerful figures, you better watch your back" and the question of cover-up was always there during the trial and inquiry of the Troon investigations. When the body was discovered, the first people who got to Dr. Ouko's home in Koru were the Special Branch and up to now it is not understood why the Special Branch went to Dr. Ouko's home. In fact, they withheld that information to Police Headquarters for nearly a day and half when they had already been to Dr. Ouko's home and returned to Kisumu; the family and the rest knew of the discovery not through the Special Branch sources, but through general information that was now coming through Nairobi.

Mr. Temporary Deputy Speaker, Sir, I am pleading with the Attorney-General and the Minister of State, Office of the President in charge of internal security, to give Parliament a chance to look into the matter because to solve this murder, we are saving a nation. We are saving each one of us because next time round, if one of us is killed or murdered and we have set such a precedent that we want Dr. Ouko to become part of the history that we should conveniently forget, then we are putting ourselves and the whole country in danger. I also want to say that when Dr. Ouko went to the United States in Washington, this was the beginning of the problem. In fact, Mr. Troon did say in his report that the full circumstances in the Presidential visit to Washington should be investigated because, and this is a theory which has been explained and held in many places, just as Mobutu is being told that he is part of history, this leadership had some signals in Washington that "unless you change, we are looking forward to leadership of people like Dr. Ouko who are not corrupt and who know what running a country and an economy is all about" and some people got jittery. We need to look into those circumstances, but if we do not look into circumstances; we are all going to be part of the history of this nation that nation would want to forget about conveniently.

Mr. Temporary Deputy Speaker, Sir, I have little time, but I just want to put forward this theory seriously for the Attorney-General and the Government, and for the Parliamentary Select Committee, if at all this House resolves that we should have a Parliamentary Select Committee, to consider in all honesty, to try and find the truth about the murder of Dr. Ouko so that his children and his family would be at peace with themselves and this nation will be at peace with itself. My theory is based on evidence and my own personal involvement in this saga, that the Special Branch working in cahoots with some people in the Government were responsible for the murder of Dr. Ouko and this needs to be fully investigated by a select committee.

The Police would not be able to investigate because the Special Branch are a power unto themselves. They do not fall under the Police Commissioner. In fact, during the murder, they were on site before the regular police were there. This is a matter that needs to be fully investigated upon.

Finally, before we miss all the relevant evidence, we need to move expeditiously. Nearly 70 per cent of the prospective witnesses in the Ouko murder or those who gave evidence, at one stage or another, have died or simply disappeared. The people who were around Oyugi and Oyugi himself have died. Nearly five people in Oyugi's household have died, even the death of Oyugi itself is a matter which we need to look into, whether it was an ordinary death. Administration Police have died and a Mr. Ombati who was a Senior Commissioner of Police who was investigating this case has died and, in so far as I know, out of all those prospective witnesses or those who gave evidence, there is only one person who is having a normal life. In fact, he seems to be "moving higher and higher"! Only one person out of all these people! The Attorney-General should look into this affair very seriously.

(Applause)

The only other person to whom he could have whispered some secrets to was unconscious at the time when all this was happening. It was like a rumour when it was being said that the hon. Vice-President was poisoned, but when we were debating this Motion, he himself came and said here that he was poisoned. So we should not take some of these things for granted. It was Dr. Ouko's life at that time and now it may be your life. So, I plead with this Government, if you are a Government which is being led by a Christian and believe in the truth, let us have a select Committee of this Parliament to look into the evidence.

(Applause)

Mr. Shikuku: Bw. Naibu Spika wa Muda, nimeulizwa kuiafiki Hoja hii. Ninataka kuwaambia Wabunge wenzangu wanisikize sana. Wakati mmoja kilikuwa kifo cha Gama Pio Pinto na nilikuja hapa Bungeni kujaribu kupata mhe. Mbunge wa kuunga mkono Hoja yangu. Niliongea na kila Mbunge kujaribu kuwashawishi waunge mkono Hoja yangu, lakini sikupata hata mmoja na wengi wakaniambia: "Wachana na maneno ya Mhindi". Huo ulikuwa mwaka wa 1965. Niliwaambia kwamba ninataka kuleta Hoja hii kwa sababu leo ni Pio Pinto na kesho

atakuwa mwingine, lakini walikataa kuniunga mkono. Hoja hiyo ikaenda hivyo.

Mwaka wa 1969, Tom Joseph Mboya aliuawa na nilikuja hapa Bunge tena na Hoja. Pia nilijaribu kupata Mbunge wa kuunga mkono Hoja yangu, nikashindwa, lakini nikawa na tumaini la mtu mmoja tu na huyo ni J.M. Kariuki. Nikamuuliza marehemu J.M. Kariuki kama ataunga mkono Hoja hiyo, lakini alikataa. Nikakasirika! Nikamwambia, na mahali alipo anasikia, ya kwamba Tom Joseph Mboya hakuwa rafiki yangu mkubwa, alikuwa mpinzani wangu, lakini ninaleta Hoja hii kwa sababu ya msimamo wangu lakini hakukubali kuniunga mkono. Hapo nilikarisika na kumwambia, "Today is Tom, tomorrow, it will be you, and the day after, me." Hayo ndiyo maneno niliyomwambia na tukaachana.

Bw. Naibu Spika wa Muda, mwaka wa 1975 marehemu J.M. akaja hapa Bunge na kusimama kwa Kanuni nambari 69 na kusema maisha yake yalikuwa hatarini. Na Bunge, kwa mujibu wa Kanuni nambari 69, hajadili lolote na jambo hilo likakomea hapo! Baadaye akaja tena wakati bomu lilipolipuliwa katika kituo cha mabas cha OTC, akasema wananchi wasiokuwa na hatia wameuawa kwa vile yeye alikuwa asafiri kwa bas hilo la OTC hadi Mombasa. Alisimama hapa Bungeni kuambatana na Kanuni nambari 69, na akasema maisha yake yalikuwa hatarini na sisi Wabunge tukanyamaza na baadaye alipatikana ameuawa. Tuliwaambia wananchi kama vile Wabunge walivyoambiwa ya kwamba alikuwa amekwenda Zambia au alikuwa akikaa Intercontinental Hotel. Nilipiga simu huko lakini nikaambiwa ya kwamba J.M. Kariuki hakuwa amefika huko.

Bw. Naibu Spika wa Muda, wakati huu tunazungumza juu ya marehemu Ouko. Wewe mhe. Mbunge katika Serikali hii na wewe mhe. Mbunge katika Upinzani, leo tunazungumza juu ya kifo cha Ouko, tunatafuta ukweli wa kifo cha Ouko na ukipinga, siku yako itafika! Ni kweli itafika! Ninasema hivi huku nikimwamini Mungu ya kuwa watakaopinga siku yao itafika!

Bw. Naibu Spika wa Muda, hapa tunataka tuwe na kamati ya Bunge ili ichunguze jambo hili. Kwa nini ukatae? Tulichunguza kifo cha J.M. Kariuki na Serikali ilitupinga lakini Mungu si Athumani wala Mungu hali ugali. Tuliwahi kupata na kujua ni nani waliomuua J.M. Kariuki, na hata tuliona saa yake katika Police Line, Makongeni; jambo ambalo polisi na maofisa wa utawala hawakutaka tulijue! Mungu alituonyesha! Na hapo tukamwita Bw. Sokhi Singh na akakubali ya kuwa yeye ndiye aliyeichukua saa hiyo kutoka Makongeni.

Bw. Naibu Spika wa Muda, katika Hoja hii, yafaa waheshimiwa Wabunge wawe na Kamati Teule. Ni matumaini yangu kutakuwako na mhe. Mbunge ambaye atapendekeza majina ya wahe. Wabunge kama wakati wa uchunguzi wa kifo cha J.M. Kariuki ambao watakuwa katika Kamati hii. Ni matumaini yangu kuwa Serikali itaunga mkono ili tujue ni nani aliyehusika na kifo cha Ouko.

Bw. Naibu Spika wa Muda, Serikali ilikanusha kuwa ilihusika na kifo cha Ouko na hatukujua sababu za Mzee Moi kumwalika Bw. Troon kuja kuchunguza kifo cha Ouko. Ilikuwa ni mara yangu ya kwanza kusikia jina "Troon". Huyo mgeni alitupa majina ya watu ambao ni lazima watazamwe au wachunguzwe kuhusiana na kifo cha Ouko. Wote walikuwa Mawaziri katika Serikali hii au wafanyikazi katika Serikali hii. Wote walitajwa! Na kama vile tumeambiwa tume hiyo ya Troon ilivurugika na kumalizika. Lakini kwa vile tunajua katika sheria mambo ya maisha ya mtu hayawezi kuachwa kama mambo ya maisha ya mbwa aliyekanyagwa na gari barabarani, ni lazima yafuatwe na hata kama ni miaka 60 kuanzia leo, haya mambo yatafuatwa na ukweli utapatikana!

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

[Mr. Deputy Speaker resumed the Chair]

Bw. Naibu wa Spika, kwa hivyo ningetaka kusema kwamba kwa vile Serikali inasema haikuhusika, Serikali hiyo na sisi tutafanya kazi pamoja ili tuweze kujua ni nani alifanya hayo mambo. Sitaki baadaye tuwe na mgogoro baina ya Upinzani na Serikali. Sote ni Wabunge. Sote tuna uhai. Sote tunajua kwamba kuua mtu ni kitu kibaya. Hata Mungu hapendi mambo hayo. Wengi wetu hapa ni Wakristo na Waislamu. Ukiua mtu katika uislamu ni mbaya. Ukiuua mtu katika ukristo ni mbaya pia. Mtume SAW anasema hivyo na Yesu Kristo pia anasema hivyo. Kwa hivyo, sitaona shida na nitashangaa ikiwa Serikali itaweza kusimama na kusema "Hatuwezi kuwa na Kamati Teule". Mimi nitashuka kwa sababu nina matumaini haitakataa. Haiwezekani! Tunataka kutafuta ni nani aliyetenda jambo hili. Na hiyo ndiyo itakuwa dawa. Tusipopata mtu ambaye alitenda jambo hii, basi jambo hilo litatokea tena. Sijui safari hii ni nani atauawa. Lakini nina matumaini na nina amini kwamba hili jambo litawezekana.

Bw. Naibu wa Spika, jambo la mwisho ambalo etaka kusema ni hili: Tutakuja kuambiwa kwamba "kama una ushaidi, peleka kwa Mkuu wa Sheria". Lakini sisi tunataka kuangalia na kutafuta ushahidi na tutatumia pelegezi wa "Jua Kali" na raia watatusaidia. Kwa mfano ile saa ya marehemu J.M. Kariuki ambayo ilipatikana katika Makongeni Police Lines, sio sisi ambao tuliogundua bali ni raia ambao waliigundua. Tena alikuwa mtoto mdogo aliyegundua saa hiyo na sio polisi. Sio polisi pekee yao ambao wana ujuzi wa kufanya upelelezi. Ni wajibu wa kila mtu kutoa ushahidi

ili tupate huyu mtu aliyetenda kitendo hiki kiovu. Ningependa kuongeza kwamba hata kifo cha huyu mwanafunzi marehemu Muruli kinaenda sambamba na kifo cha marehemu Ouko. Yaani wote walichomwa baada ya kuuawa. Hicho ni kitendo cha kinyama. Ni mambo ambayo binadamu hawezi kufanya lakini yamefanyika. Tunataka mambo haya yaangaliwe na yagunduliwe ili watu wasiendelee kucheza mchezo ule.

Bw. Naibu Spika, mtoto kutoka Butere katika sehemu ya Mwiwila alikuwa mwanafunzi wa Egerton University lakini aliuawa, sio na mhuni, lakini na Serikali. Bunduki na risasi ya Serikali ilitumiwa kumuua. Na mpaka leo hatujaambiwa ni nani aliyemuua mtoto yule. Na wengine wetu bado tunangojea. Hii ni kwa sababu kama haki haipatikani kwa njia nzuri basi itapatikana kwa njia mbaya. Hii ni kwa sababu ukishajua umepata haki, wewe utaona haki. Hata ukimchapa mtoto mdogo kama amekosa atalia kidogo na baadaye atacheka. Lakini ukimchapa na hakufanya jambo baya basi atalia sana. Ataacha kulia kidogo halafu anaanza kulia tena. Ndipo utajua kwamba mtoto yule hakutenda kosa hilo. Kwa hivyo, yafaa tutafute haki. Tutafute haki ambayo tunaomba hapa kila siku. Na hilo si jambo kubwa kuuliza Serikali hii. Mimi sina wasiwasi kuwa kamati itaundwa lakini ikikataliwa, basi wananchi pia si wapumbavu kwa sababu watajua ni nani aliye nyuma ya kifo hiki.

Naomba kuafiki.

(Question proposed)

ADJOURNMENT

Mr. Deputy Speaker: Hon. Members, it is now time for the interruption of Business. Therefore the House stands adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.