

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 9th September, 1997

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.254

PAYMENT TO RAPOGI BUILDING CONTRACTORS

Mr. Achola asked the Vice-President and Minister for Planning and National Development when M/s Rapogi Building Contractors will be paid in full for the work they completed at Obera Secondary School vide contract No.HOM/94/1.

Mr. 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 then. Next Question, Bishop Kimani.

Question No.534

NUMBER OF PEOPLE EMPLOYED BY GOVERNMENT

Bishop Kimani asked a Minister of State, Office of the President:-

- (a) how many people from Nakuru North have been employed by the Government since 1993; and,
- (b) if he could give figures of those employed from each of the five locations in the constituency.

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

I am not aware of the existence of any squatters in Banta Sisal Estates of Ndungiri location.

Bishop Kimani: Mr. Speaker, Sir, I do not know which Question the hon. Assistant Minister is answering. I am asking how many people from Nakuru North---

Mr. Speaker: Order! We are at Question No.534, Mr. Sunkuli.

The Assistant Minister, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, I am sorry. The hon. Bishop Kimani has been asking so many Questions. I came up with the wrong answer. I can come with an answer in a few minutes' time.

Mr. Speaker: When?

The Assistant Minister, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, maybe tomorrow.

Mr. Speaker: Bishop Kimani, what is your reaction?

Bishop Kimani: Mr. Speaker, Sir, this Question is very important. But since he has said tomorrow, and for the sake of the dialogue we are having, I will accept that.

(Applause)

Mr. Speaker: The Question is deferred.

(Question deferred)

Next Question, Dr. Otieno-Kopiyo.

Question No.245

SEATING ARRANGEMENTS FOR PARLIAMENTARIANS

Mr. Speaker: Is Dr. Otieno-Kopiyo not here? We will leave his Question until the end. Next Question, Mr. Obwocha.

Question No.632

PAYMENT OF TERMINAL BENEFITS TO MR. OМУYA

Mr. Obwocha asked a Minister of State, Office the President, when Mr. Andrew Omuya Omuya, Service No.4506, who was working with 3rd Battalion Kenya Rifles, Nakuru Barracks (Kenya Army) and who retired in 1993, will be paid his terminal benefits.

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

Mr. Andrew Omuya Omuya, Service No.4506, was discharged on medical grounds on 30th June, 1993, after serving for a period of 21 years and 270 days. The serviceman was entitled to pension. On 1st October, 1993, he was paid through District Commissioner, Kisii, a lump sum of Kshs96,406.85, and thereafter, a monthly pension of Kshs1,606.85. The ex-serviceman died on 1st June, 1996. Since then, all uncollected pension has been returned to the Treasury. However, documentation has now been completed to have the returned pension and future monthly pension paid to the widow of the late serviceman. Payment will be made through the District Commissioner, Kisii, with effect from the end of September 1997.

Mr. Obwocha: Mr. Speaker, Sir, that is the first correct answer I have heard from the Office of the President. I have a letter here from his brother, Zachariah Ombuya, requesting me to raise this issue of Mr. Andrew Omuya Omuya who worked for Kenya Army for 21 years and retired in 1993 on medical grounds---

Mr. Speaker: Order! Mr. Obwocha, you are just repeating what he has just said. Anything new?

Mr. Obwocha: Mr. Speaker, Sir, could I ask the Assistant Minister to keep his word that he is going to send the cheque to the widow of the deceased?

Mr. Sunkuli: Mr. Speaker, Sir, my word was to send the cheque to the District Commissioner, Kisii, and the widow can then collect the cheque from him.

Mr. Speaker: Next Question, Mr. Maore!

Question No.605

WITHHOLDING OF CHEQUES BY BANKS

Mr. Speaker: Mr. Maore is not here? Next Question, Mr. Gichuki!

Question No.570

PAYMENT OF TERMINAL BENEFITS TO MR. WAIBOCHI

Mr. Speaker: Mr. Gichuki is not here? Next Question, Mr. Mutani!

Question No.500

COMPLETION OF IRUGU BRIDGE

Mr. Speaker: Mr. Mutani is not here? Next Question, Mr. Maundu!

*Question No.575*ELECTRIFICATION OF COFFEE
FACTORIES IN MAKUENI

Mr. Speaker: Mr. Maundu is not in? Next Question, Mr. Ndzai!

Question No.552

LAND DEMARCATION IN GARASHI AND BUNGALE

Mr. Mumba, on behalf of **Mr. Ndzai** asked, the Minister for Lands and Settlement when land in Garashi and Bungale locations will be demarcated.

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

Demarcation of land in Garashi and Bungale locations will start during the 1998/99 Financial Year when the aerial photographs are taken and developed.

Mr. Mumba: Mr. Speaker, Sir, Garashi and Bungale locations in Magarini Constituency were promised that their lands were to be demarcated last year, but we are being told here now that it will be done during the 1998/99 Financial Year. Even that is not enough assurance because the Assistant Minister has said that until aerial photographs are taken and developed. Can he be categorical and state whether the aerial photographs will be taken this year, and that during the next financial year the demarcation will take place?

Mr. Sumbeiywo: Mr. Speaker, Sir, in order for adjudication work to start in Garashi and Bungale locations, arrangements have to be made for aerial photography to be done. This will enable us to prepare the aerial photo enlargements that will be used in the field for demarcation work. Due to the weather conditions in that area, aerial photography for this area is only possible during the months of January and March. So, this exercise will be undertaken during the months of January and March in 1998. Adjudication work on the two locations should, therefore, start in the middle of the next financial year. If there was a promise earlier on, I am not aware of that.

Mr. Badawy: Mr. Speaker, Sir, may I inform the Assistant Minister that the land adjudication officer who was posted to Malindi District just three months ago has found it difficult to take over from the land adjudication officer, Kilifi District, under whose jurisdiction Malindi District had been. Under those circumstances, does the Assistant Minister realise that whatever he is now promising might be very difficult to implement due to the unco-operative attitude of the Kilifi District land adjudication officer?

Mr. Sumbeiywo: Mr. Speaker, Sir, that will not affect the work. The work will start next year.

Mr. Speaker: Mr. Achola's Question for the second time!

Question No.254

PAYMENT OF RAPOGI BUILDING CONTRACTORS

Mr. Achola asked the Vice-President and Minister for Planning and National Development when M/s Rapogi Building Contractors will be paid in full for the work they completed in Obera Secondary School vide contract No.HOM/94/1.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, I beg the indulgence of the House to be allowed to answer this Question tomorrow.

Mr. Speaker: Mr. Achola, what is your reaction on that?

Mr. Achola: Mr. Speaker, Sir, I would not mind that because the answer I have got here is so useless that he should come with a proper answer tomorrow. The answer I have got here could not be expected to come from the Minister for Planning and National Development.

Mr. Speaker: Very well, that Question will be deferred.

(Question deferred)

Next Question, Dr. Otieno-Kopiyo!

Question No.245

SEATING ARRANGEMENTS FOR PARLIAMENTARIANS

Mr. Gatabaki, on behalf of **Dr. Otieno-Kopiyo**, asked the Minister of State, Office of the

President:-

(a) whether he could explain why Members of Parliament have got no seating arrangements reserved for them at the stadium during national celebrations like Madaraka Day, Jamhuri Day or Moi Day; and,

(b) whether he is further aware that this situation causes acute embarrassment to Members of Parliament, and the Legislature as a whole, and if so, what action he is going to take to ensure that proper sitting arrangements are made during such occasions.

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

(a) Members of Parliament have sitting arrangements made for them at national celebrations venues on the right of the dais marked with a single red stripe.

(b) I am aware that all those Members who come in time find places to sit. Hon. Members are, therefore, urged to turn up early enough to avoid any embarrassment.

Mr. Gatabaki: Mr. Speaker, Sir, with all due respect to the hon. Assistant Minister, if there is one section of the leadership of this country which is abused, humiliated and degraded during national events, it is the Opposition Members of Parliament. There are no seats reserved for the Opposition Members of Parliament. Can this Assistant Minister tell this House that Members of Parliament from the Opposition side are going to be respected as leaders of this country? This is not only common during national events but it is also evident in the airports during diplomatic relations and during meetings with diplomatic Heads of States. Can he assure us that Members of Parliament from the Opposition will be given due recognition and dignity in this country?

Mr. Sunkuli: Mr. Speaker, Sir, I want to give the hon. Member for Githunguri a firm assurance that the hon. Members of Parliament will continue to be given special places to sit during national days. I know that it has been difficult to reserve enough seats for each Member of Parliament, because not all of them have been attending these functions. But in the future, the Office of the President will ensure that there are adequate seats for hon. Members, whether they come from the Opposition or from KANU. But I have also noticed that when hon. Members attend national functions, especially Members of the Opposition, they prefer to go and sit next to the seats reserved for the leaders of the Opposition. I want to request the hon. Members from the Opposition that whenever they attend these functions, they should not necessarily sit with their leaders. They should sit with the other Members of Parliament.

Dr. Lwali-Oyondi: Is the Assistant Minister aware that during national functions and even during funds drive meetings, KANU operatives usually make sure that we do not move anywhere near the President, should one choose to attend that particular function, especially in Nakuru?

Mr. Sunkuli: Mr. Speaker, Sir, in Nakuru, I usually see hon. Members from the Opposition moving very close to the President and consulting with him. Nobody has ever stopped them.

Mr. Ndicho: Mr. Speaker, Sir, whenever Opposition Members of Parliament (MPs) attend national functions, they are expected to make Opposition speeches against the Government. On many occasions, I have been thrown out of the dais by a chief in Thika Location. This is because he knows that I usually criticise the Government and speak Opposition politics. What is the Government policy *vis-a-vis* the Opposition MPs, as they are expected not to support the Government, and in such situations, an MP is harassed at the dais and even removed from the dais, like I have suffered in Thika?

Mr. Sunkuli: Mr. Speaker, Sir, I am sure you know about the chief hon. Ndicho is talking about. He is the same chief he was accusing of having stolen famine relief food. He has a quarrel with him and I think that has nothing to do with national days!

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. The chief that stole maize is from Gatwanyaga Location. I am talking about the chief of Thika Location. Juja Constituency does not have one chief. There are four chiefs.

I am talking about the chief of Thika Location who does not want to hear me talking Opposition politics.

Mr. Sunkuli: Mr. Speaker, Sir, I want to assure the hon. Member for Juja, that during national celebrations, the chief is not in control.

Mr. Gatabaki: Mr. Speaker, Sir, it is not only during national occasions, but also in State functions, like when the President is hosting a visiting dignitary, not a single Member of the Opposition, including the chairmen of political parties are invited to grace this occasion. Is he aware that this Government has never given due recognition of the leadership of the Opposition?

Mr. Sunkuli: Mr. Speaker, Sir, I am very much aware that every time there is a national function, even a banquet at State House, the Official Leader of the Opposition and the prominent leaders of the other parties have been invited. As to whether they attend or not, it is not for us to say.

Mr. Speaker: Very well. Next Question, for the second time, Mr. Maoka Maore.

Mr. Maore: Mr. Speaker, Sir, I apologise for showing up late, and beg to ask Question No. 605.

Question No.605

WITHHOLDING OF CHEQUES BY BANKS

Mr. Maore asked the Minister for Finance:-

- (a) if he is aware that banks withhold cheques up to four working days within Nairobi and 14 days upcountry ones even after they are paid by their corresponding banks;
- (b) if he is further aware that the same money is fraudulently used by the banks for overnight lending and no interest is ever passed to the owners; and,
- (c) if he could order the reduction of the period to two days given the rapid computerization of the industry.

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

(a) Yes, I am aware that the banks take a maximum of four working days to clear cheques drawn within Nairobi and a maximum of 14 working days for the upcountry depending on the mode of clearance which a customer has chosen. However, I am not aware that the banks continue to withhold the cheques even after they are paid by the corresponding banks.

Where a bank appears to withhold money for too long period, it would be advisable for the affected customer to take up the matter with the management of the particular bank concerned.

(b) I am not aware that the same money is fraudulently, as the Questioner puts it, used by the banks for overnight lending. Indeed, any bank that has any excess funds can lend in the overnight market.

(c) In a liberalised economy and environment, there would be no legal basis for the Minister to set a limit of two days for clearing the cheques.

Mr. Maore: Mr. Speaker, Sir, in my previous dealings with this Question, I did actually state that the Treasury and Central Bank officials who would have comfortably answered this Question seem to be under the payroll of the banking lobby. That is why we are not able to get a good answer. The Assistant Minister---

Mr. Michuki: On a point of order, Mr. Speaker, Sir. I rise just to give a proper perspective of this Question. There are no "corresponding banks", but "correspondent banks". Could this be corrected so that we know what we are talking about?

(Applause)

Mr. Maore: Thank you, hon. Michuki, for bringing that correction. In part "c", the Assistant Minister has answered a different question from the one I had asked. My question is: The fact that banks like Standard Chartered Bank, Barclays Bank and the others are aware of the "micro-ink character recognition" that is in modern banking, whereby it can take even take 10 seconds to clear a cheque that is from one end of the world to another, if you are connected to that; if somebody issues a cheque today, it is normally paid by the correspondent bank the following day. It takes a maximum of four working days to clear that cheque; what is the Assistant Minister going to do to ensure that when a cheque is sent to a bank, the money is availed to the receiver?

Mr. Keah: Mr. Speaker, Sir, as I have just said, we are in a liberalised economy. It is improper, having liberalised this economy, to expect the Minister to now start directing banks to do what they know how best to do. It would certainly have no legal basis for the Minister to order any bank to do what it does best. I would certainly recommend to hon. Maore and, indeed, any other person because banking is a personalised business, to get in touch with his bank manager, if he has any problem with his particular bank.

Mr. Raila: Mr. Speaker, Sir, arising from the Assistant Minister's reply, liberalisation, to my knowledge, does not mean that any institution is free to cheat its customers. It is the responsibility of the Government to ensure that its economy functions efficiently. In the spirit of ensuring efficiency, it is within the powers of the Government to make policy guidelines and recommendations to financial institutions to ensure that the economy is functioning efficiently and that customers are not cheated. Will the Assistant Minister undertake to issue guidelines and recommendations to the banks to ensure that customers' money are not unduly withheld in the accounts?

Mr. Keah: Mr. Speaker, Sir, I must say, that I am, indeed, sympathetic with regards to the duration taken by the banks and I totally agree with the sentiments expressed by the hon. Member that four working days in Nairobi and 14 days for upcountry cheques, at this time and age of modern technology, is a little too long. Certainly, consultations

are going on between the Treasury, the Central Bank of Kenya, and the banking industry for the banking industry to reduce the period. We will not, as the Treasury, condone any cheating and we support efficiency. But it is the responsibility of the Treasury and the Central Bank of Kenya to make sure and to impress upon the banking industry to ensure that this efficiency is being implemented. Already the new cheques which have been issued are a move towards this direction. Hon. Members and, indeed, other members in the economy will have seen the new type of cheques which should go a long way towards minimising the duration of clearing cheques. Also, we have urged that all banks do computerize their services effectively in order to maximise the efficiency of banking operations.

Mr. Speaker: Next Question, Mr. Mwangi Gichuki, for the second time.

Question No.570

PAYMENT OF TERMINAL BENEFITS
TO MR. WAIBOCHI

Mr. Maore, on behalf of **Mr. Gichuki**, asked the Minister for Education when Mr. Augustine Ngimbiu, Personal No.60067, at Egerton University, will be paid his terminal benefits since his services were terminated in 1993.

The Assistant Minister for Education (Mrs. Ndeti): Mr. Speaker, Sir, I beg to reply.

Mr. Augustine Ngimbiu Waibochi, who was an employee in the Catering Department at the Laikipia Campus of Egerton University, Personal No.60067, was dismissed on the 17th September, 1993, following an outcome of a disciplinary case against him. At the time of his dismissal, Mr. Waibochi had worked for Laikipia Campus of Egerton University for less than five years and was, therefore, not eligible for terminal benefits.

Mr. Maore: Mr. Speaker, Sir, I do not know whether the Assistant Minister has been properly briefed about this Question. The person involved, Mr. Augustine Ngimbiu Waibochi, and the details are as given, had a pay change advice (PCA) prepared for the terminal benefits that were to be given to him, and I will table the document for the Assistant Minister to consider. It was prepared on 17th March, 1997. Why has that money not been paid? Why was the PCA prepared if the facts are as the Assistant Minister has said?

Mrs. Ndeti: Mr. Speaker, Sir, according to the information that we got, Mr. Waibochi should not have been paid anything. But I would like to see those documents so that I can compare them with the information that I have, and we will be able to get on with it.

Mr. Maore: Mr. Speaker, Sir, I want to lay on the Table, PCA No. BULP/2452/96/97, with all the details in it.

(Mr. Maore laid the documents on the Table)

With that information given, could the Assistant Minister undertake to come back and say what--

Mrs. Ndeti: Mr. Speaker, Sir, I would like some time to study these documents until tomorrow.

Mr. Speaker: Therefore, the Question is deferred.

(Question deferred)

For the second time, hon. Mutani's Question.

Question No. 500

COMPLETION OF IRUGU BRIDGE

Mr. Speaker: Is Mr. Mutani still not here? His Question is dropped.

(Question dropped)

For the second time, hon. Maundu's Question?

Mr. Maundu: Mr. Speaker, Sir, I apologise because I was not present when this Question was called for the first time.

Question No. 575

ELECTRIFICATION OF COFFEE FACTORIES IN MAKUENI

Mr. Maundu asked the Minister for Energy:-

- (a) when the coffee factories in Makueni will be supplied with electricity; and,
- (b) how much money has been set aside for the electrification programme of these coffee factories.

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

(a) The coffee factories in Makueni Constituency will be supplied with electricity when adequate funds are available.

(b) At present, no money has been set aside for electrification of the five coffee factories, namely Kwalongo, Ndhiani, Kitengatini, Obeke and Kiwaa. However, the coffee factories have been identified to benefit under the stabex---

(Loud consultations)

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): On a point of order, Mr. Speaker, Sir. We cannot follow the proceedings in the House! There is too much consultation going on here!

Mr. Speaker: Order, hon. Members! Proceed, hon. Marita!

The Assistant Minister for Energy (Mr. Marita): Mr. Speaker, Sir, I will repeat part (b) of the answer because there was a lot of noise and the Questioner did not get his answer properly.

(b) At present, no money has been set aside---

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. The hon. Assistant Minister has been in this House ever since I was in Standard V, when I started seeing him in the "*Baraza la Manaibu wa Mawaziri*". He knows that the word "noise" is unparliamentary, and goes ahead to use it. Is he in order?

Mr. Speaker: Hon. Ndicho, you are right! Hon. Members, do not use the word "noise".

The Assistant Minister for Energy (Mr. Marita): Mr. Speaker, Sir--- Hon. Ndicho, you might go and leave me here in this House! So, you listen very carefully!

(Laughter)

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. The question of me going away and leaving hon. Marita here is not the issue at hand. I am sure that by his performance, his constituents are already fed up with him. So, he will go and I will come back here!

(Laughter)

Mr. Speaker: Order, hon. Members! I do not think the question of going or not going should arise. If the two of you persist, you may both go, at least, out of the Chamber!

(Laughter)

So, can we keep that out of our proceedings?

The Assistant Minister for Energy (Mr. Marita): Mr. Speaker, Sir, let me go to my work, rather than exchanging information between the other hon. Member and myself.

(b) At present, no money has been set aside for electrification of the five coffee factories, namely; Kwalongo, Ndhiani---

Mr. Maundu: On a point of order, Mr. Speaker, Sir. I do not want the Assistant Minister to dwell on an irrelevancy. I was given an answer last week by his colleague. The answer was not right and his colleague promised to go and investigate factories in Makueni. The factories he is talking about are in Kilome Constituency! So, he is going to give me an answer which is just beating about the bush! It is the same answer which I was given last week by that colleague of his who is not here today. So, I think he has taken advantage of this Assistant Minister, who does not seem to be conversant with what is happening.

The Assistant Minister for Energy (Mr. Marita): Mr. Speaker, Sir, let me complete my business! If the

hon. Member has got supplementary questions, he will ask me!

(Laughter)

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

Mr. Speaker: Order! Order! I suppose we cannot proceed this way. If we do, we may never finish the reading of these Questions. We will only have points of order and we will never have the Assistant Minister finish whatever hon. Maundu has, or any other Member, to ask. So, can we minimise this unless there is really something dramatic.

Mr. Mulusya: On a point of order, Mr. Speaker, Sir. After hearing what hon. Maundu has said, that the names of the coffee factories that the Assistant Minister has read are not situated in Makueni but in Kilome Constituency, is he in order to continue reading something which is not relevant to Makueni? The Question is in relation to Makueni coffee factories. Can he go back and get a proper answer concerning the factories in Makueni, where the hon. Member comes from?

The Assistant Minister for Energy (Mr. Marita): Mr. Speaker, Sir, let me say that if the hon. Member agrees that these factories are not in Makueni, let me seek a chance from Mr. Speaker, so that I can do more homework, and then bring the right answer here!

(Applause)

Mr. Speaker: The Question is deferred!

(Question deferred)

Can we move on to Questions by Private Notice? Can we have hon. Mwavumo's Question?

QUESTIONS BY PRIVATE NOTICE

OPENING OF SCHOOLS IN LIKONI

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

(a) Is the Minister aware that all the schools in Likoni Division, Mombasa District, did not open for the third term?

(b) Is he further aware that a large number of teachers have fled the area following the violence and subsequent police and General Service Unit (GSU) operations in Likoni?

(c) Since the national examinations, both Kenya Certificate of Primary Education (KCPE) and Kenya Certificate of Secondary Education (KCSE), are scheduled to take place soon, what steps is the Ministry taking to ensure that teachers are available and teaching is resumed?

The Assistant Minister for Education (Mrs. Ndeti): Mr. Speaker, Sir, I beg to reply.

(a) Both primary and secondary schools officially opened for the third term of 1997 in Likoni area, and the teachers have been reporting to their respective schools. However, the teachers in Likoni area have not been able to carry out their duties effectively because the turnout of pupils was poor during the first week of the third term, owing to the area being deserted after most residents fled.

(b) The Ministry is in close liaison with the Provincial Administration, Coast Province, which has held public barazas and meetings, appealing to the residents of Likoni area among others, to return and take their children to schools, to enable normal school learning activities to continue.

(c) The Ministry has also taken adequate necessary preparatory measures for the administration of the 1997 KCPE and KCSE examinations.

Mr. Mwavumo: Mr. Speaker, Sir, I am concerned about peace. Are we going to have peace during these examinations?

Mrs. Ndeti: Mr. Speaker, Sir, the question of peace falls under a different Ministry.

Mr. Kiliku: Mr. Speaker, Sir, most parents of these children are come from up-country. They have fled the area and are not prepared to go back to Likoni. Others are the indigenous people who have fled the area to Lunga Lunga, and they have also vowed never to go back to the area. Why does the Assistant Minister not make

arrangements for the children, wherever they are, and ensure that they have access to classrooms and examiners so that they can sit for the national examinations? The area is still tense and the people who are responsible for the clashes are still at large, and the Government has not taken any action. Up to now, people are still being killed and nobody is going there. Most of the parents come from Kibwezi Constituency which is represented by hon. Mrs. Ndetei.

Mrs. Ndetei: Mr. Speaker, Sir, that question has taken a new dimension from the problem that has been existing. So far, no parents have approached the Ministry to ask for those alternatives. If they forward a written request, the Ministry will examine those possibilities. From what I know, each school has its own computerized number for every student. So, it might not be possible to allow the students to sit the examinations in other schools, but the possibility of children attending classes in other schools could be looked into.

Prof. Mzee: Mr. Speaker, Sir, I am really very shocked by the reply given by the Assistant Minister for Education. It is as if she is not living in Kenya. And she dares say that teachers are in classrooms when the report available indicates that they are not! This Assistant Minister is misleading this nation to assume that there are no tribal clashes in Likoni. The fact is that there are no teachers in the schools in Likoni and no pupils, as well. Teaching has been disrupted. I would like to request this Assistant Minister to do one thing and it is possible for it to be done. A number of pupils have moved away from Likoni to different parts of the country, including Mombasa Island. It is possible to allow the pupils from Likoni to sit examinations in other schools. It is possible to direct the Provincial Directors of Education and District Education Officers to allow these students to sit for the national examinations wherever they are in Kenya. The answer sheets can be put in special envelopes marked, "Likoni Students", and then the Kenya National Examinations Council can sort them out. The results can then be sent to the appropriate schools. It is possible to do this. You cannot tell us it is not possible to do that. You are not telling us the truth in this House.

An hon. Member: IPK!

Mrs. Ndetei: Mr. Speaker, Sir, it is needless to be emotional about this matter. I would like to tell Prof. Mzee that the Minister for Education does not operate on imaginary situations. We do not have a written request. We do not even have the number of these students and so we are requesting for concrete information.

Prof. Mzee: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, Prof. Mzee! I am sure you can hold yourself together. What is your point of order?

Prof. Mzee: Mr. Speaker, Sir, this Assistant Minister should know that this matter is very touching. A number of people have died. People are out of their place. It is an emotional matter. I have to be emotional and you have to be emotionally involved, if you love this country. If you are truly a Minister of this country, you have to be emotional about it.

Mr. Speaker: All right, I have allowed you enough time for emotions. Can we now come back to reality?

Mrs. Ndetei: Mr. Speaker, Sir, involving myself emotionally will not solve the problem. I would rather we get involved practically and see how we can resolve the problems affecting our children. Prof. Mzee has never given birth to a single child. I have given birth to four and so I know the pain of a child more than he does.

An hon. Member: Hujazaa!

(Laughter)

Mr. Speaker: Order! I suppose again the question of giving birth is not emotional. It should not make anybody emotional. What do you want; to prove her wrong?

Prof. Mzee: Mr. Speaker, Sir, I have five children and if she wants me to have the sixth one, I can have it.

(Laughter)

Mrs. Ndetei: Kazi yake ni kutia tu! Yeye hajui uchungu wa mwana!

Mr. Speaker: Order! Order! I suppose with that, everybody's emotion is out. Now, Mr. J.N. Mungai!

Mr. J.N. Mungai: Mr. Speaker, Sir, this is a very serious matter. Students are supposed to be in school. We know that many of these students have run away with their parents. Some of them have gone as far as Nyanza, Rift Valley, Central Province, Nairobi, Eastern Province and so on. Most of these children are away from Likoni. As a matter of urgency, can the Assistant Minister make arrangements so that these students can be accommodated in schools wherever they are while the issue of examinations is being looked into?

Mrs. Ndetei: Mr. Speaker, Sir, as earlier said, right now we do not know where these children have gone. Some of them might be in Kibwezi, Kisumu and other parts of the country. We need specific requests, including information, indicating schools where they would like to be catered for. We do not have that at the moment.

Mr. G.I. Ndwiga: Mr. Speaker, Sir, this is a very serious matter and if the Government is serious about it,

the Assistant Minister should give a national directive that these students should be allowed to sit for their examinations wherever they are. It is not a question of every student making an application individually. To whom are they supposed to forward their applications? There should be a national directive.

An hon. Member: They should make the announcement over the Kenya Broadcasting Corporation.

Mr. G.I. Ndwiga: This is not a laughing matter!

Mrs. Ndetei: Mr. Speaker, Sir, I cannot issue a directive here because this is a policy matter. We will need to sit down, look at it and find out what we can do about these children. The children affected do not necessarily belong to the Opposition, but to Kenya. It is an issue that needs to be looked into at the policy level.

Prof. Ouma: Mr. Speaker, Sir, this is an extremely serious situation. Right now, we have got education refugees in Nyanza. These children are refugees. There are education refugees in Homa Bay, Karachuonyo and Nyanza. It is a very serious matter. It is up to the Minister for Education to ensure that these children do not remain refugees for the rest of their lives. If the issue is not properly managed, they will be derailed. And once their education is derailed, they are shunted into the dustbins of life. I am trying to bring it home to the Assistant Minister the seriousness of the refugees from Likoni who are in Nyanza, especially young children. Can the Assistant Minister undertake to tell this House that they will ensure, through proper measures, that these children do their KCPE and KSCE and continue to learn where they are so that they do not remain refugees? The Assistant Minister does not need to wait to be told what to do. They know there is a problem. Why always wait?

Mrs. Ndetei: Mr. Speaker, Sir, I would appeal to the Office of the President to, first of all, ensure that there is enough peace in Likoni so that children can go back to school. If that is not going to be possible within the period between now and the examinations time, that is before November, then the Ministry is certainly going to be addressing itself to that issue.

Mr. Nyagah: Mr. Speaker, Sir, the question is very simple and we plead with hon. Ndetei who is a mother---

Prof. Ouma: And who knows the pain of children!

Mr. Nyagah: All we are asking is---

An hon. Member: A mother of four!

Mr. Nyagah: Mr. Speaker, Sir, could she allow those children who are displaced and are all over this country, to attend schools wherever they are? That directive can easily be broadcast through KBC the way it is done for our university students when they are sent away. Could she also request the parents to borrow, beg or steal desks to put into the schools, so that the children can learn? This is a request to her.

Prof. Ouma: Yes, it is an emergency!

Mrs. Ndetei: Mr. Speaker, Sir, did hon. Nyagah say: "Steal?"

Mr. Speaker: Mr. Nyagah, did you say that?

Mr. Nyagah: Mr. Speaker, Sir, I said that we can appeal to the parents wherever they are, if they cannot buy desks for their own children, to borrow, steal or buy.

Mr. Speaker: Order! Mr. Nyagah, you are totally out of order to appeal to Kenyans to break the law. So, Mrs. Ndetei, you can ignore that bit and answer the other valid question.

Mrs. Ndetei: Mr. Speaker, Sir, I have already said that those requests from the hon. Members are going to be examined and it is possible to implement them. We have not rejected them.

Mr. Speaker: Order! I have given this Question more than 15 minutes and I cannot give indefinite time. Next Question!

NON-PAYMENT OF SALARIES TO MODERN ALARMS EMPLOYEES

Mr. Sifuna: Mr. Speaker, Sir, I beg to ask the Minister for Labour and Manpower Development the following Question by Private Notice.

(a) Is the Minister aware that all the 105 employees of Modern Alarms Ltd of PO Box 78731, Nairobi, have not been paid their salaries for 10 months from November, 1996 to August, 1997?

(b) Why has the company refused to pay the employees their salaries and yet they are still working?

(c) When will this company pay the employees their monthly dues?

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

(a) I am aware.

(b) The company has not been paying wages regularly due to disagreements among the directors. Out of the

outstanding Kshs341,320.85 for November and December 1996; Kshs246,562.55 has so far been paid. The January to April 1997 wages have also been paid. However, efforts are being made to pay the outstanding wages due for May 1997 to date.

(c) The matter is before the Chief Magistrate's Court, Nairobi, Criminal Case No.157/97 and is scheduled for hearing on 3rd October, 1997.

Mr. Sifuna: Mr. Speaker, Sir, the delay has caused a lot of financial embarrassment to the employees of this company and their families. Could we be told why the Managing Director, Mr. James MacTuff, who is running another security firm, has failed or refused to respond to court summons three times?

Mr. Ali: Mr. Speaker, Sir, we appreciate it has caused a lot of embarrassment to the employees and as a result, the Ministry took serious action by taking the company to court. As for Mr. James' failure to appear in court, it is beyond the Ministry's power.

Mr. Nthenge: Mr. Speaker, Sir, when a human being goes against a court ruling, it is tantamount to taking law in your hands. Do we not have a redress? Why has it not been taken? Has the matter been taken to the Attorney-General for action?

Mr. Ali: Mr. Speaker, Sir, I did not follow the hon. Member's question. Could he repeat?

Mr. Nthenge: Mr. Speaker, Sir, my question was: If people refuse to go to court when they are summoned, it shows that they want to take the law in their hands. We have a provision for that. Has the Ministry taken the matter to the Attorney-General for proper action?

Mr. Ali: Mr. Speaker, Sir, the Ministry has no powers to sanction court orders. The power is vested in the Judiciary.

Mr. Nthenge: On a point of order, Mr. Speaker, Sir. When somebody has a court summons and does not honour it, this person is reported to the law enforcing body, in this case the Attorney-Generals so that action is taken.

Mr. Speaker: Actually, Mr. Nthenge, you are wrong. The court takes action itself.

Mr. Sifuna: Mr. Speaker, Sir, the Assistant Minister is giving a misleading reply to this House. There is an officer from this Ministry, in the name of Mrs. Orege, who is the prosecuting officer. She was given three warrants of arrest and she has declined to carry out the instructions. Could we be told why this lady has refused to effect the instructions?

Mr. Ali: Mr. Speaker, Sir, the warrant of arrest was issued and accordingly sanctioned. One of the company directors, by the name Ms. Grace Muriagoro, was arrested.

Mr. Sifuna: On a point of order, Mr. Speaker, Sir. We know one of the directors, a Ms. Muriagoro, has been attending the court summons but Mr. James MacTuff, who is the Managing Director, has not. Three warrants of arrest were issued to arrest this managing director but Mrs. Orege, from the Ministry of Labour and Manpower Development, has refused to execute it. Could we be told why she has not carried out the instructions?

Mr. Ali: Mr. Speaker, Sir, the warrants of arrest for Mr. James MacTuff, who is in Kisumu, have been issued but he is yet to be traced. The other one, a Mr. John Fuller, is in Uganda. The warrants of arrest are in force.

Mr. Speaker: Very well! Next Question!

DELAY IN PAYING CONTRACTED FARMERS

Mr. Aluoch: Mr. Speaker, Sir, I beg to ask the Minister for Agriculture, Livestock Development and Marketing the following Question by Private Notice.

(a) Is the Minister aware that contracted farmers to Sony Sugar Company Limited, whose cane was harvested during the months of January, February, March and subsequent months thereafter have not been paid to date?

(b) Is he further aware that the said farmers are unable to send their children back to school and to pay hospital bills, as a result of the inability of the company to meet its financial commitments?

(c) If the answers to "a" and "b" above are in the affirmative, what urgent action is the Minister taking to alleviate the problems the farmers are having?

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

(a) I am aware that Sony Sugar Company settled part payments for cane delivered in January, February and March 1997. This was as a result of cash flow problems related to low sales and sugar stocks build up. However, the company cleared the outstanding amounts by the end of July and has paid a total of Kshs472 million to farmers since January 1997.

The only outstanding amount of Kshs26 million relates to cane deliveries for which Harvesting Job Completion Certificates (JCC) have not been signed by the relevant farmers.

(b) I am not aware.

(c) For the outstanding amount of Kshs26 million, Sony Sugar has already requested the farmers through their representative body, Sony Outgrowers Company, to sign the Job Completion Certificates to enable the sugar company settle the outstanding dues.

Mr. Aluoch: Mr. Speaker, Sir, it is very sad to hear that the Minister is not aware that farmers are suffering because of non-payment of their sugar-cane which has been harvested by Sony Sugar Company for several months.

Mr. Speaker, Sir, for Sony to know that the amount of outstanding bills is Kshs26 million, it must be that the farmers have signed the Job Completion Certificates to enable them pay this amount.

Mr. Speaker, Sir, what has been happening is that, sugar cane for most of the farmers remains in the farms for a period of up to 36 months. Then, this company takes another four to five months to pay them. I do not think this is right. The Minister should be able to tell this House what went wrong, so that they only managed to pay this amount up to the end of July. Is it because of the importation of sugar which has not been banned? The Government is allowing sugar to be imported into this country whereas people continue to suffer while waiting for 36 months and yet, this is their only income. This is the only industry that is paying them money. Could the Minister explain what should be done?

Mr. D.M. Mbela: Mr. Speaker, Sir, I have explained that the backlog came about because of big stocks of sugar when the company had cash flow problems. Indeed, part of the problem was due to importation of sugar. But it is wrong to say that Kenya does not need imported sugar. We only produce 450,000 metric tonnes against a consumption of 600,000 metric tonnes of sugar. But I also agree that in some cases sugar cane has been taking as long as 36 months before it is harvested. There is a backlog and the board of directors has recognised it. That is why they are planning to have an expansion of the factory in order to be able to cope with crushing of excess sugar cane that is being planted by the farmers.

Mrs. Asiyu: Mr. Speaker, Sir, the Minister has told the House that there was a build-up of stocks of sugar and that is why South Nyanza Sugar Company could not sell its sugar and pay farmers. On the other hand, he has said that there is need to import sugar. He knows that importation of sugar is what has brought problems to this country. Can he now tell the House what the truth is? Can he stop the importation of sugar? He cannot say that there is a build-up of sugar stocks and in the same breath say that there is need to import sugar into the country!

Mr. D.M. Mbela: Mr. Speaker, Sir, there is need for this country to import 150,000 metric tonnes of sugar per year. But what went wrong in the past was the non-payment of taxes and other dues on imported sugar. Specifically, at around February/March there was a very serious problem. However, the money has been paid in full. As I said, Kshs472,347,244.35 has since been paid. That is over and above the Kshs40 million given as advances to assist any farmers whose cane has not been harvested and who have special difficulties.

Mr. Mak'Onyango: Mr. Speaker, Sir, education is a right and no child should be denied the chance to it. The Minister has already been told here that many children cannot go to school because their parents have been denied these particular funds. What steps can the Ministry take to ensure that the affected parents do, at least, get some money, if need be from the Ministry, which will be repaid later? The Ministry should, at least, ensure that these children go to school.

Mr. D.M. Mbela: Mr. Speaker, Sir, I have no quarrel with children being assisted to go to school. Indeed, I said earlier that advances amounting to Kshs40 million have been given and any parent who has special difficulties, or who requires additional money, can be assisted from it because Sony Sugar Company is in a very sound financial position. If it were to have any financial difficulties it would be advanced some money by the Kenya Sugar Authority (KSA).

Mr. Aluoch: Mr. Speaker, Sir, in his supplementary answer, the Minister has indicated that there will be expansion of Sony Sugar Company. Can he tell this House when this expansion will take place? Farmers are anxious to know when Sony Sugar Company will be expanded.

Mr. D.M. Mbela: Mr. Speaker, Sir, the details of the expansion have not been worked out yet. The company still has to go and source for the funds required for the expansion. Definitely, the company will be expanded so as to be able to cope with not only sugar-cane from around the hon. Members constituency and district but also with sugar-cane from Trans Mara District.

Mr. Mbeo: On a point of order, Mr. Speaker, Sir. Is the Minister in order to mislead this House by saying that the expansion programme is still under way when M/s Booker Tate has already done the feasibility study and quoted the amount required as Kshs4.5 billion? M/s Booker Tate is ready to offer this money when the Ministry agrees to privatise the sugar company. Is he in order to mislead this House?

Mr. D.M. Mbela: Mr. Speaker, Sir, that information is not correct. As I have said, we are all very keen as a Ministry and Government, including the managers of M/s Booker Tate, on this matter. We are looking for the

money and would like to have the expansion done. Indeed, we look forward to the day when we will have enough sugar for this country produced locally.

INTRODUCTION OF *PROSOPIS JULISLRA* IN TURKANA

Mr. Imana: Mr. Speaker, Sir, I beg to ask the Minister for Environment and Natural Resources the following Question by Private Notice.

(a) Is the Minister aware that species of a tree known as *prosopis julisra* from South America that was introduced into Turkana District by the Ministry in conjunction with the Government of Netherlands has grown wild and greatly interfered with growth of indigenous trees?

(b) Is he further aware that the whole of Kerio Delta and Furgson Gulf in Lake Turkana has been overgrown with the above species, a situation that has interfered with farming activities in Kerio Delta and fishing in Kalokol?

(c) If the answers to (a) and (b) above are in the affirmative, could the Minister undertake to eliminate these trees and instead promote the planting of indigenous trees for the benefit of the local people?

The Minister for Environment and Natural Resources (Mr. Kosgey): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that a tree species, commonly known as *prosopis*, which has several genera, grows in Turkana District. It was introduced there to combat environmental degradation. As of now, only *prosopis kilezis*, and not the species mentioned above, has been introduced in Turkana District. The tree species is a native of South Africa. This *prosopis kilezis* is supposed to be acting as a weed. However, its introduction, which was meant to combat environmental degradation, has partly achieved its objective. At the moment its encroachment around the Furgson Gulf area is over-multiplying. Efforts are being made to multiply indigenous trees, especially several species of *acacia nilotica acacia*, *acacia siemia* and *obera tragra*. It is important that vegetative cover, particularly of indigenous trees, is increased in this particular area in order to curb environmental degradation, provide fuel wood and medicinal herbs for the local community.

Dr. Kituyi: Mr. Speaker, Sir, at least the hon. Minister seems to be cynical of the answer he has read to this House. The crisis in Turkana District, which was occasioned by the introduction to it of exotic species of trees, is going to create a very serious crisis for such a pastoral area. It is not good enough for pastoral areas to have bushes which have green leaves. Its impact on subterranean water flow and in choking the biological resources that existed in the area before its introduction, are doing much more harm than any celebration of the appearance of trees that are growing in a desert. If the Government so cared about the tree cover of Turkana District, could the Minister tell the House why it ignored the environmental impact study about the damming of the Turkwell, which has destroyed the water flow and the subterranean water resources? Consequently, the indigenous trees are only in the Turkwell River. Why did the Government ignore that and instead brought a tree that is destroying the indigenous bio-diversity of Turkana District?

Mr. Kosgey: Mr. Speaker, Sir, the multiplication of indigenous trees in Turkana District has not been ignored. In fact, the whole Turkana Rural Programme Development Project, which is operated under what is called "Food for Work Programme" created half a million small dams, or micro catchment areas. Only a few of these small catchment areas had this tree species from South America. Indigenous trees, particularly the acacia species, have been introduced in very large numbers in some of the small catchment areas.

Mr. Speaker, Sir, acacia trees in Turkana are mainly used for fuel, building and so forth, and that is the main species we are promoting in that area.

Prof. Ouma: Mr. Speaker, Sir, I will ask the Minister about the regulation on quarantine, but before I do that, the Turkana people are in dire straits because when the goats eat the leaves of this new tree, they lose their teeth, diarrhoea and die. I am saying the truth! You can find out from Turkanas, if I am telling a lie. The "*prosopis julisra*" species is very dangerous. Once the, Turkwell Valley, which maintains the Turkana during the dry season, is denied its water by the Turkwell Dam and when the ordinary countryside is denied the ordinary species, through this new plan, the Turkanas are in dire straits and their future is very bleak. So, what I am saying is only an example of how we have mismanaged the environment; like introducing the Nile Perch into Lake Victoria without proper analysis of the changes in the biological structure of the Lake.

Could the Minister tell this House, in the light of the problems we have in Lake Victoria, Nakuru, Naivasha and now in the light of the dire straits of the Turkana because of introduced species, what he does as a Minister to ensure that we have quarantine regulations which ensure that such species are not introduced into the country before proper checks? The airports are so open; people come with seeds and NGOs are allowed to do anything without being checked.

Mr. Kosgey: Mr. Speaker, Sir, that is quite a long speech. First of all, let me answer the relevant sections of the question. As most of us know, quarantine laws are working in this country and nobody is allowed to introduce an

animal or plant species into this country without being checked and the rules are very clear. At our airports, the labels are there warning that no one should bring into this country animal or plant life and, therefore, if one does that, he is violating the law. This species was not introduced through the back door, it was introduced when that programme was going on. Now, as we are noticing, it is also encroaching on the gulf area where fishing takes place.

Mr. Speaker, Sir, I am not aware that when animals feed on this tree, it has some side effects on them. We will investigate. However, we are aware that this species is over-multiplying in this particular area and we will take steps to curb it. As far as other environmental issues are concerned, I think the hon. Member will remember my long reply to the Question which was asked two weeks ago.

Mr. Imana: Mr. Speaker, Sir, it seems that the Minister does not have adequate information on this issue because this weed has got a lot of effects. It is killing camels, goats and, secondly, it has already overgrown River Kerio where people have been planting a lot of maize, sorghum and other crops and there is nowhere to plant them now. The weed has overgrown in Ferguson Gulf in Lake Turkana hence there is no fishing taking place. What alternative is he going to provide to those fishermen and farmers?

Mr. Kosgey: Mr. Speaker, Sir, the simple alternative is to fight and eradicate the weed and continue our programme of increasing the acacia species.

POINT OF ORDER

MINISTERIAL STATEMENT SOUGHT: IMPENDING STRIKE BY TEACHERS

Mr. Raila: On a point of order, Mr. Speaker, Sir. I rise on a point of order to demand a Ministerial Statement on a very important matter indeed. This is the pending strike by teachers in this country. Members are aware that the Kenya National Union of Teachers (KNUT) has given a notice to call teachers to strike by the 1st October, this year; unless their demands are met. The teachers are demanding that the recommendations of the Teachers Service Remuneration Committee---

Mr. Speaker: One moment, hon. Raila. I think you had better take your seat because it has just been brought to my attention that, that issue has already been raised by hon. Magwaga and all we are awaiting is for the Minister to respond. So, you can agree with hon. Magwaga and take your seat.

Mr. Raila: Yes, I am agreeing with hon. Magwaga, but we want, when the Minister comes to make a Ministerial Statement---

Mr. Speaker: That is enough, I do not think that the rules allow me to allow the two of you.

Mr. Raila: Mr. Speaker, Sir, I am not aware of what you are saying---

Mr. Speaker: Order! Order! I appreciate that you may want certain facts to be noted by the Minister. I am sure it is within your purview, as a Member, to write to the Minister, but as it is, once the issue has been taken on by another Member, we cannot revisit it until we have heard the Minister coming to reply. That is the rule, I am sorry.

Mr. Raila: I just wanted to---

Mr. Speaker: Sorry, hon. Raila, you cannot negotiate!
Next Order.

BILLS

First Reading

THE ELECTRIC POWER BILL

*(Order for First Reading read - Read the First
Time - Ordered to be read the Second Time tomorrow)*

Second Reading

THE CO-OPERATIVE SOCIETIES BILL

(The Minister for Co-operative Development on 27.8.97)

(Resumption of Debate interrupted on 4.9.97)

Mr. Speaker: Mr. Njehu Gatabaki was on the Floor. Where is he?

An hon. Member: He is not here.

Mr. Speaker: He is assumed to have concluded his speech. Anybody else interested in contributing to the Bill? There being nobody interested, I will call upon the Minister to reply.

An hon. Member: Here I am.

Mr. Speaker: Is the Minister here?

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. When the Chair asks that question, the Chair knows obviously that the Minister cannot be here nor his Assistant Minister. So, in the circumstances, what direction can the Chair give to this House and also follow the Temporary Deputy Speaker's path of reprimanding that Minister and his Assistant Minister for not taking this House seriously?

Mr. Speaker: I suppose the rule is that, if there are no Members wishing to contribute, then the Chair is obligated to call upon the Mover, if it is necessary to do so---

An hon. Member: But that is not necessary!

Mr. Speaker: Order! The Chair is obligated to call upon the Mover to respond or reply. But if the Mover is not there to reply, then I will put the question straightaway. That is the rule. So, I will call again. Is there any hon. Member wishing to contribute? There being none, is the Minister there? Mr. Michuki, do you wish to contribute?

Mr. Michuki: Yes, Mr. Speaker, Sir.

Mr. Speaker: Very good!

Mr. Michuki: Thank you, Mr. Speaker, Sir, for the opportunity to contribute on the Co-operative Societies Bill which that is meant to regulate a very important and large segment of the economy of Kenya.

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. While I thank hon. Michuki for saving the day, we are very worried about the Minister for Co-operative Development and his Assistant. They have persistently not been appearing in the House for Questions. Even now, they are not here to take notes on the Bill they have brought in the House.

If you have reprimanded him and given all sorts of instructions and neither the Minister nor his assistant has responded, can we not move that this Minister be named so that he can stop this sort of behaviour?

Mr. Speaker: Dr. Lwali-Oyondi, I think you have stood out of fun. It has nothing to do with what Mr. Michuki is saying. Proceed, Mr. Michuki.

Mr. Michuki: Mr. Speaker, Sir, I think this House is very familiar with the attitude and behaviour of those who represent the interests of the Ministry of Co-operative and Development in this House. I think it is a pity that this situation should be allowed to continue, particularly by those people who are responsible for appointing officers of Government.

Before I was interrupted, I was just about to elaborate on the importance of this Bill, particularly in relation to the segment of the economy that it is intended to influence and to control. We have a lot of societies in the farming and saving sectors. Therefore, we need to look at this Bill in order to ensure that the operations of these societies are not affected. In my own area that I represent, which is Kangema, we have societies that deal with coffee and the issue raised in this Bill, particularly in relation to the rights of a co-operator, is very important in terms of their clarification and also, finally, in terms of their application.

I am somewhat disheartened to see that the section that deals with the rights of the co-operator has omitted a very important right. I now realise that it was important to have the Minister here because the point I am going to make in relation to the rights of a co-operator is very fundamental in the successful running of co-operative societies in Kangema and in all those areas where coffee is grown and managed through co-operative societies. I notice that the rights of the co-operators are dealt with under Clause 19 of this Bill. I was trying to see how the voting within the co-operative societies will be regulated. One of the hindrances that have come about in the management of co-operative societies and, particularly the annual general meetings or any meeting that is called specifically to deal with a particular issue, like the extra-ordinary general meeting, is that those who are registered as the co-operators, who are the heads of families and who do not, under normal circumstances, take care of the produce for which the co-operative society has been formed, are not available. In fact, most of the coffee cultivation, delivery to the factories and tendering of the coffee is done by the lady in the house because men are out, may be in Nairobi, in other towns or other far off areas to see whether they can supplement the family income. The fact that this Bill does not provide for the possibility of a proxy to the wife, not in general terms, but to a proxy within the family, which takes care of the coffee, is a big deficiency in relation to the drafting of this Bill. It must have come to the attention of the Ministry, the Commissioner and the Minister himself that the co-operators within the coffee sector would like to see their wives

being able to obtain a proxy to enable them to take part in annual general meetings. As it happens, without the spouses at home, these annual general meetings tend to be attended by the minorities, and yet the Bill even provides for certain decisions to be made by three-quarters of the registered co-operators. So, my request is that the Minister should bring an amendment here under Clause 19, granting the co-operator the right to give a proxy to the wife so that she can take part at annual general meetings in particular, because to exclude the spouse is to exclude over 50 per cent of the registered co-operators, who are nowhere to be found because they are out trying to get means of supplementing the income of the family.

Mr. Speaker, Sir, the other aspect I would like to talk about is that there has been a lot of exuberance on the part of co-operative officers, including the Commissioner, to impose themselves on the co-operators. The idea of co-operative societies started in this country as far back as 1948. From 1948 to today is a very long time, and for the Government, the Ministry and the Commissioner to assume that those who have been in the co-operative movement from 1948 to date, cannot manage their own affairs, or even decide as to how they should sign a cheque and for what purpose, is a very regrettable situation. It is regrettable in the sense that the way that the co-operatives have so far been managed assumes that there is no capability within the co-operative societies.

Mr. Speaker, Sir, the people cannot manage it although they have amassed experience since 1948 long before this country became independent. I am, therefore, proposing that other than to regulate and ensure that the law is observed, the Ministry, the Commissioner for Co-operatives and the co-operative officers must move as far away as possible from the day-to-day management in making the decision as to whether to spend money or not. They should not be subordinated to the signatures of co-operative officers in the districts, divisions and elsewhere and not even the signatures of the Commissioner for Co-operatives or the Minister.

Mr. Speaker, Sir, I had two points to make. This Minister should come with an amendment to this Act in order to ensure that proxies are given to the spouses; the wives of members of a co-operative society. The second point is that the officers who will be responsible for administering this Act must not interfere with the day-to-day running of co-operative societies on the basis of an assumption because we know that the co-operators can actually manage and regulate their own business without interferences from those sources.

With those few words, I wish to support.

Mr. Mbui: Thank you very much, Mr. Speaker, Sir.

This Ministry of Co-operative Development is a very, very important Ministry because almost every person in this nation is actually covered under the umbrella of the co-operative movement. It plays a very vital role in the economy of this nation. In fact, it is this Ministry where more emphasis should be applied. First of all, we must have qualified personnel. The promotion of officers in the Ministry should not be on a political basis, but it should be on qualification basis. We have, for example, that distinguished post of the Commissioner for Co-operatives which has been misused by the Commissioner himself and this problem has been stretched up to the field. The co-operative officers are required to educate the members of the co-operative societies, but in most cases they have become masters of co-operative societies. They have mismanaged the societies through the committees which are almost hand-picked by the co-operative officers themselves in the field.

Mr. Speaker, Sir, the Commissioner for Co-operatives himself has got so much power that even the Permanent Secretary cannot direct anything. The PS cannot even question the Commissioner for Co-operatives. There have been cases whereby the Permanent Secretary directed, only for the Commissioner to say no. Even the Minister for Co-operative Development himself cannot direct the Commissioner for Co-operatives. He is the boss. In fact, he has changed from being a civil servant to a small dictator in the co-operative movement. So, I am asking that the powers of the Commissioner for Co-operatives be vested with the Minister himself and probably the Permanent Secretary and not the Commissioner. The Commissioner for Co-operatives is the boss of the two. I am saying that with experience. I have been in the co-operative movement and so I know what is happening. I know the sufferings that actually befall these management committees.

[Mr. Speaker left the Chair]

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

Sometimes when you want to see the Commissioner for Co-operatives himself, only for him to shut you out for days and weeks. This is very bad in this particular time in Kenya. I would like to mention a few instances how this Commissioner for Co-operatives has misused his powers. He is fond of dissolving management committees at will. A certain committee must be in existence for three years, but we have seen this committee being dissolved after only a month and without doing proper research by going to the ground and checking why there are complaints. Some of

these complaints are man-made by the co-operative officers in the field. This is there and it is happening in Kirinyaga District where committees are dissolved every year after every three months and yet these problems are being "manufactured" by the cooperative officer down there.

Mr. Temporary Deputy Speaker, Sir, today we have had several cases concerning the management committees of Kirinyaga Consumers Society. Even today, we have got a case of a certain society that is emanating from the mismanagement by the co-operative officers there. They are not teachers now but "misdirectors" and they are in a hurry to misdirect because they know that when we pass a new Bill they will have no powers. All they want to do is to spoil so that someone must say, "Okay, these people cannot manage themselves so, let us stop there." There is no going back. We want co-operative societies to be free and if these particular co-operative officers insist on misdirecting the co-operative societies, we might also advise them to abandon the co-operative movement and form companies of their own. This is because it is a pity. It happens in the field.

In addition to that, the Commissioner should appoint a commission to run a society. These people who are appointed to run societies are not members of certain societies. They are hand-picked people and they do not do anything good. They also mismanage these societies. How do you expect a DO from any corner of Kenya to come and manage a society in Kirinyaga District and that particular DO comes from a place where coffee is not grown and yet you tell him to manage a coffee society? These appointments are not required.

Mr. Temporary Deputy Speaker, Sir, I would like this particular department to be overhauled so that it may not look as it used to be. It should be educative. It should also advise the Ministry of Agriculture, Livestock Development and Marketing on what should be done. They are not small gods. The officers in the Ministry of Agriculture, Livestock Development and Marketing and those in the Ministry of Education are not small gods but if you go to any place in this country where co-operative officers are ruling, you will find that they are small, small kings which is wrong. They have really ruined the economy of this nation under the Commissioner for Co-operatives and under the present Act that we really want to be repealed. I hope that the Minister will be heard when he starts actually applying the real rules on this co-operative sector.

Mr. Temporary Deputy Speaker, Sir, as we continue, we should also ask the co-operative officers from now on to leave the management of the societies to the elected committee. They should not be doing things in a hurry. Right now, we know what the PLO is doing to the co-operative sector in Kirinyaga District. He should trust the mandate of the people. I know some committee members who have been approached by the co-operative officers; in fact, they are advised on how to "eat". If they do not succumb to that one, they are kicked out. There must be a reason why we should dissolve a management committee which has been elected by the people.

In addition, Mr. Temporary Deputy Speaker, Sir, in my own district, Kirinyaga, the co-operative officer, the District Commissioner and the police will encourage people to demonstrate just to make sure a certain management committee has been dissolved. This one has happened. We cannot imagine a situation where people demonstrate in the streets of a town and they are never arrested and yet the police, the DC and the law is there! Rather than arresting those ones, they just go and arrest the *nane-nane* people who are fighting for their rights. But those who have been incited to demonstrate so that a particular management committee is dissolved are given a free hand. They are never arrested and when we complain nothing is done to them.

Mr. Temporary Deputy Speaker, Sir, we have gone a long way, and the time has come for everybody in this Republic to respect the Ministry of Co-operative Development. The Ministry should also respect itself because the bad images and everything are not originating from two people, but from the Commissioner for Co-operatives himself. I have suffered under his own hands because I refused to be dictated to. Many people are suffering and many societies are collapsing. If one mismanages the money of a society, that person should be arrested, taken to court, fined and be made to pay the money that he stole from that society. We should not talk of commissions of inquiry. A proper commission of inquiry must also report back. The powers of the Commissioner himself should be those of registration and advisory; he should leave the management committees alone.

Similarly, anyone should not be barred from contesting a society's seat, regardless of his status. He is a co-operator. Why should you tell him that he should not contest and he is a co-operator of that particular society? Even if an angel becomes a co-operator, that angel must be elected. He should be allowed to be elected because he is a co-operator himself.

Mr. Temporary Deputy Speaker, Sir, I request the Minister, through the Chair, from today, that the co-operative sector must be respected by the other arms of the law. The District Commissioner has no business directing the co-operative societies. He is not part of it or trained to be a co-operative officer. He should not punish a district co-operative officer if he does not take orders from him. The Commissioner for Co-operatives should not take orders or requests from the District Commissioners because some of these requests are either political. If a DC does want a particular group elected or voted in, then he will misuse the co-operative officer. If the co-operative officer refuses, then the DC rings the Commissioner for Co-operatives, then that particular co-operative officer is either

transferred or disciplined. All the DC does is to order him, if he does not do that he sacks him. That is bad. The Ministry should run by itself. That is why the officers of the Ministry are trained.

Mr. Temporary Deputy Speaker, Sir, in addition to that, the Commissioner himself has refused or denied certain people the right to be elected as officials just because of nothing but hatred. The office of the Commissioner should be respected. He should allow the people down there at the district or province level to carry out their duties. But we find the Commissioner for Co-operatives going up to the factory level to direct meetings. It has never happened. That is ridiculous! There are officers there who should carry out those duties, but not the Commissioner himself. But the only thing is that the Commissioner has some interest there. We know and every Kenyan co-operator knows why those types of interests are there. It is high time we stopped this because we are answerable to those co-operators. Everybody, unless he is a thief or has been jailed for other offenses related to those type of things, should not be barred by the Commissioner.

We have a case whereby the Commissioner barred somebody from contesting and that man took the Commissioner to court and the Co-operative Bank had to pay a lot of money to that particular person. In fact, the bank did wrong. The person who should have paid that money is none other than the Commissioner for Co-operatives. But he has misused the management of the Co-operative Bank. Even today there are cases in court. If any officer misuses his office and the Ministry is taken to court, that officer should be made to meet the costs of the case because they know exactly what they are doing. They are not doing the right thing. This is the time we stopped having "Bw. Kubwa" by the name of the Minister for Co-operative Development. We have people who will serve other management committees and we have learned people who can manage their own affairs without interference. But the law must take its course when things go wrong. We should not allow the management to misuse public money because they are learned. If they do something wrong, they should be taken to court. But if they do not, give them a free hand, especially the marketing committee. They must be free. Sometimes, it takes six months before a budget is approved by the office of the Commissioner. One day, we wanted a budget to be approved and when we went with that kind of budget there, *mtu aliuliza, "Wapi mchele?"* Because we come from Mwea, they think rice from Mwea is given freely. Let them forget. Thank you very much, Sir.

Dr. Toweett: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me time to say one or two things about the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, in the year 1997, the Ministry of Co-operative Development must be abolished. The Minister is here. I say so because most of our people understand how to run the co-operatives on their own. I was one of the people who started the co-operative societies, unions and then the federation of co-operatives. Those bodies are effective, efficient and so on. They know what they are doing. The Co-operative Bank which is also efficient came into existence. So, at the moment and in the future, there is no need for us to have the Ministry of Co-operative Development. Originally, there used to be small departments when the co-operative movement was started in 1945. It was first started in Tanzania and then Kenya followed in the same year. The co-operative ideas were found either in commerce or marketing departments in the Ministry of Commerce. So, we have reached a stage now---

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

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

QUORUM

Mr. Mbeo: With due respect to hon. Dr. Toweett, we do not seem to have a quorum in the House.

The Temporary Deputy Speaker (Mr. Mcharo): Yes, there is no quorum. Can you ring the Division Bell?

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Mcharo): We now have a quorum. Proceed, Dr. Toweett.

Dr. Toweett: Mr. Temporary Deputy Speaker, Sir, as I was saying, it is high time that the Ministry of Co-operative Development was abolished. In its place, we should have a few officers who are thoroughly trained in co-operative movement matters, attached to the Attorney-General's Chambers to be giving legal advice and guidance to co-operative societies, unions, federations and the Co-operative Bank of Kenya, if necessary.

Mr. Temporary Deputy Speaker, Sir, Kenya and other African countries are confused by many things. I am

saying this because capitalists or private entrepreneurs are also members of co-operative societies and yet, those two do not go together. One cannot be a capitalist and at the same time join people of less financial means under the pretext of being a co-operator. These are two different things. So, we should educate our people to distinguish the difference between a co-operative movement which can be capitalistic in its own way. But, for example, for a man who has got a fleet of lorries to pretend to be a member of a co-operative society, at the same time is a false idea. We have got to train our people to know the basic difference between capitalism of individuals and capitalism of combined poorer people in the form of a co-operative movement.

Once upon a time, I did say that communism, when it was highly operating, was the purest form of capitalism because all capital was put into the hands of the state. So, the purest form of capitalism was communism. Now that communism in some places is more or less appearing to be subsiding, it is the co-operative movement which is supposed to be going along the line which socialism or communism was trying to follow in the past. So, Kenyans should not mix the two together. We should not be capitalists as individuals and try to join fellow co-operators in the villages and run the co-operative societies. I know of one example where some farmers or lorry owners formed a transport society.

There was one man in the village who had five lorries and the others brought in one lorry or so, but this particular person had his own five lorries. So, he put all his five lorries in the co-operative movement in transport and by the nature of the number of lorries he had, the people elected him to be the chairman of the co-operative transport. So, when it came to assigning work to the lorries of the members, he had an upper hand, giving work to his five lorries at any given time. Then I realised it was not fair, but there was no way I could stop him. There was no way of telling him: "No, you cannot belong here" because there was no proviso in the law to bar a person with many lorries or a wealthy person from joining a co-operative movement. So, when I say that the Ministry of Co-operative Development must now be abolished because our people have understood the principles of the co-operative movement, I am not saying that the idea is not good. The idea of co-operative movement is good, but it does not warrant the existence of the Ministry and employed officers as in the past like co-operative officers in the districts. No, we have passed that stage. What we need is only consultation with a few officers at the Headquarters to guide those who may trespass the co-operative rules.

So, my advice here is: We should not try to say that liberalisation is taking place and at the same time, the Government is coming in to assist co-operative societies. No, we have passed that stage. We need liberalisation and co-operative societies will do their own work without Governmental over-guidance. The Government can advise them in general on what should be done. But now, some of the Government co-operative officers are from rich families and they have been trained to be co-operative officers. Being from a rich family and a leader who is supposed to guide the poor people to improve their lot in the co-operative movement are two different things. People who understand the pangs and pain of poverty are the ones who should advise and lead those of poor means. The co-operative movement is not for rich people or capitalists, but for people who have little means and want to pool their resources together, and then run their businesses to improve their standard of living. The co-operative movement is not meant to enrich one, but to improve one's way of life. The little income must be ploughed back for the education of the members' children and the improvement of the standards of living of the members and for posterity. People do not understand that.

It is also wrong for the Co-operative Bank to try and compete with the commercial banks. The Co-operative Bank should work for the good of the co-operative members and co-operative societies. The other day I was told, although I have not confirmed the validity of that statement, that the Co-operative Bank can now allow individuals who are not members to be bankers there. That is wrong. The Co-operative Bank must be for co-operative members and co-operative societies. They should not try to bring in people who are not co-operators as individuals. That is what I want people to understand and those who are running the Co-operative Banks, for example, should not be capitalists. How can millionaires be chairmen in a Co-operative Bank which is supposed to be a bank of the poor people who have pooled their little resources together for a common goal? I am not aiming at any particular person, but there is absolute profound misunderstanding of business ethics here. For a capitalist to be a chairman or a director in the Co-operative Bank is actually doing things "upside down". It does not follow! Obviously, the philosophy is wrong and they should not adopt it. When they are proposed to be directors, they should decline to take that offer because they do not belong there. I have nobody in mind. I do not even know who the directors are. I used to be the President of the Federation of Co-operatives for about 10 years and then I left it to others. I did not grow richer--

Mr. Temporary Deputy Speaker, Sir, after the co-operators have been educated, Kenyans must divide themselves to say, "I am going to be a real capitalist in business," and the other one, "I will join the co-operative movement to help the poor people in the village". There is total confusion everywhere. For example, the Kenya Co-operative Creameries (KCC) is owned by dairy farmers who are also running their own small milk plants. This is also another aspect which should be discouraged through education, by making people understand that it is out of

order in the co-operative world for a member to have his own private business in the milk industry, while at the same time, being a member of the KCC and other bodies. Also, the Kenya Farmers Association (KFA) draws its membership from private shopkeepers and, at the same time, they are members of the KFA. Everything is almost "upside down". When are we going to learn and distinguish this? If you are a member of the KFA, just deal with the KFA by purchasing your products from the KFA to assist the KFA succeed. But if you are running another business that deals with the same goods that the KFA is handling, it is wrong. We must educate our people to understand this.

We cannot expect co-operative officers who come from rich families to preach the co-operative principles when they do not even have a mere concept of these principles. This assumes that the co-operative movement is like another capitalist company. It is not possible. These things should be separated. I hope the farmers will not misunderstand me by saying that I am suggesting that co-operative officers and the Ministry of Co-operative Development must be abolished, because they lack advice. No! They do not need general advice, but guidance in the legal aspect. So, the little departments should be placed under the Attorney-General's Chambers to be advising the co-operatives on legal matters. I am saying so, because I am foreseeing the future of the co-operative movement. We should do proper studies, and especially now, when poverty is rampant in the country. It is high time to educate our people both in the rural and urban areas along economic survival. We are in trouble at the moment both in the rural and urban areas. This is the time that we should review our system. It is wrong for one person to run different departments or businesses. It is high time we went round to advise our people. I do not want to say more than what I have said, but the only principle is that things should be put right. We have got to try and guide our people so long as we do not draw officers from wealthy families and wealthy business concerns, to come and run the co-operative movement, and advise co-operative societies and members.

With those few remarks, I beg to support.

Mr. Mak'Onyango: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for according me this opportunity to contribute to this important debate.

I want to agree with my colleagues that the co-operative movement is very important for the economic, social and, maybe, the political wellbeing of this country. That the co-operative movement has contributed significantly to the economic wellbeing of this country is a matter that cannot be over-emphasised.

In this Act, there are certain things that I expected, and which I do not seem to see. Indeed, in the memorandum, it speaks of an attempt or a move to liberalise the co-operative movement. Indeed, a lot of controls that were formerly exercised by the Commissioner for Co-operatives have been removed by introducing the tribunal and other bodies that will come into being, as a result of this Bill.

But there is a serious omission which I want the Minister to address himself to. When you look at this Bill, the only time you see a reference to the Minister, is somewhere very deep, long after other officials in the movement, like the Commissioner for Co-operatives. Therefore, the Minister has been brought in like a kind of a simple appendage, which is a bit unfortunate. I think it has been complained quite a number of times that the Minister does not seem to have powers in the Ministry. The powers have generally been exercised by the Commissioner for Co-operatives. I think this is a bit unfortunate. But because this is the law which is going to govern now, I would like to see the role and powers of the Minister properly stated in this Bill. Right now, there is nothing that shows what the Minister is supposed to do. All that is said is: "that person who is for the time being, responsible for the Ministry of Co-operative Development...". One would have thought that the responsibility of the Minister for Co-operative Development is the development of the co-operative movement. In this Bill, that responsibility is assigned to the Commissioner for Co-operatives. What then, is the responsibility of the Minister? I see some kind of anomaly there, and I think that needs to be sorted out.

I also want to take issue with what we call the office of the Commissioner for Co-operatives. I think the co-operative movement, as we have said, is as it were, the goose that lays the golden egg. But that was only true up to, maybe, ten or 20 years back. For the last 20 or so years, I do not think one can still say that the co-operative movement is still the goose that lays the golden egg. It is no more! When it was the goose that lays the golden egg, its performance was public knowledge. You saw it in terms of what was done by the movement, as indeed, is ably amplified by the Co-operative Bank Building, which shows very clearly, what the movement was able to do for this country. But if you look closely as to what is being realised through the movement in the last 15 or so years, I regret to say that very little, if at all, has come off-stream. The question that arises is: Why is it so? How come that some time back, the co-operative movement was able to do so much for the country, and right now, so little, if not, nothing at all, is done? These are questions that we must answer in this debate. Maybe, I will be coming to that a little bit later.

But for now, I would call for the abolishment of the post of the Commissioner for Co-operatives, and in his place, since we have a Minister there, he should be the man responsible for co-operative development. That should be in the Bill. I am calling for the abolition of that post because the holder, I think if I am not wrong, is in a way responsible, for the relatively poor performance of the co-operative movement in the last 15 or so years. Because the

powers of the Ministry have kind of tended to evolve around this office, and maybe because the holder--- I do not know what qualifications he may have had in the co-operative movement, but that post must have gone to a first-class professional. Be that as it may, my fears are that the holder may not have been the best person in the field and hence, has not been able to achieve much for the movement. So, instead of moving forward, the movement seems to have declined in the last few years. I attribute this to the holder of that office. I, therefore, would really call for the abolishment of this post. This is because there is a provision for a Registrar of Co-operatives in this Bill. If we are going to have a Commissioner for Co-operatives, and then have the Registrar of Co-operatives under him, I do not know, but with the new arrangement in this Bill, one tends to feel that if we are going to have a Registrar of Co-operatives, then we do not surely need the Commissioner for Co-operatives.

Mr. Temporary Deputy Speaker, Sir, as I said, accorded all the necessary powers, the person next to the Minister should be the Registrar, who will be able to take care of all administrative matters of the movement. So, with the provision for the Commissioner for Co-operatives, I think it amounts to merely creating jobs for the boys. With this kind of arrangement, you will find that there will be the Commissioner, and then under him, maybe, two or three deputies with one of them being the Registrar. I think we have a serious shortage of job opportunities in this country. We should have an effective use of the few opportunities we have. We should put them to the most effective use, that means, we should not be very generous with the positions. We should not create jobs for the boys *per se*. Let us only have those jobs that are essential for the wellbeing of any of our institutions. I feel that we do not need the Commissioner for Co-operatives, but instead the Registrar and his assistants. With that kind of arrangement, we are likely to have a proper chain of command. As you can see from the present set-up where we have the Minister and the Permanent Secretary, there is no proper description of the powers. So, I think the powers of the Minister and Permanent Secretary should also be defined so that there is a clear chain of command.

Mr. Temporary Deputy Speaker, Sir, there is the question of corruption. I think the co-operative movement is one area where corruption has found some refuge. Measures need to be taken to ensure that those who corruptly undermine the wellbeing of the co-operative movement, are adequately dealt with. I am saying this because I did point out that, for a long time, it was clear that the movement was a kind of a pace setter of the country's development. It was viewed as a means of fuelling the economic development of this country. As to whether it is still doing that, it is debatable. My submission is that it is no longer doing that as effectively as it used to do. This is more due to corruption. Corruption has eaten into available savings that could, otherwise, be used to fuel economic development. Instead, whatever savings have been obtained, they have ended up doing very little in terms of helping faster economic development. So, we really need to do some soul-searching here.

I would like to call for the establishment of some commission to look into ways and means of streamlining the co-operative movement in order to make it an instrument for development rather than what it is today. The corruption bit comes in more so from the staff of the Ministry. Most of the personnel of the Ministry, who are supposed to be the light to the co-operators, have turned out undermining the movement through corrupt practices. More often than not, you will find that these officers collude with management committees of the various co-operative societies under their jurisdiction. So, in the process, we have ended up with situations where many co-operative societies involved in corrupt practises have collapsed. Just because the man who is supposed to guide these co-operative societies has colluded with the management committee and ended up with 10 per cent being sought left and right, they have collapsed. In the process of this, you will find that the movement in a whole location, district and province is undermined. So, I still want to admit that the co-operative movement is the way out. It kind of holds the future promise for this country. In order for it to do so, we need to streamline it and the only way to do so, is through establishing some kind of commission that would do some soul-searching and come up with remedies on how best to remove the anomalies that affect the movement right now.

I want to move a little bit on what is generally known as the Co-operative Movement Services which to me are insurance services. I am of the view that if there was going to be an insurance service that has a strong base, it is the Co-operative Insurance Services. Why am I saying that? It is because the co-operative societies, which are members, are themselves very viable organizations and each one of them is capable of paying what is required in terms of premiums. Like it has been the trend in the movement, it was the vibrant organization sometimes back. It was doing quite a lot, but for the last five or so years, the service is no longer there. It has turned out to be a liability to the movement. Now, the question that arises is: Why has the service become a liability to the movement? The reason is none other than corruption. The people who are entrusted with the running of the service misappropriated members' contributions. How else do you justify the fact that the organisation got into such problems to a point of almost being liquidated? They have had to rely on what we call the goodwill of the members. Sometimes, members have had to go out of their way to raise additional capital to make the service work. They have had to go out of the country to international co-operative agencies and other organizations to ask them to come to their rescue. Now, this does not augur well with the co-operative movement. It only shows the extent to which corruption has eaten into the

co-operative movement in this country. This is one of the reasons why I said something has to be done to get to the root-cause of the problem in the movement. The root-cause is none other than corruption, hence, the need for a committee to probe the movement and come up with the recommendations that will see the movement put back on track to be able to serve this country well. I would like to see some measures taken to ensure that the Co-operative Insurance Services will, indeed, be of service to the movement. The objective of the service is to ensure that co-operative societies are helped out of their financial situations. Now, if the very service that is supposed to bail out members of societies is itself insolvent, how is it going to help? It is not going to help. The fact that the Co-operative Insurance Services has been insolvent, has contributed to the deterioration of the movement. So, for us to be able to bring the movement back on track, something drastic has to be done about the co-operative insurance services.

Mr. Temporary Deputy Speaker, Sir, I would also like to say something on fishing and cotton co-operative societies. Fishing is an important economic activity in Nyanza and much of Western Provinces. If there is anything that can be equated to coffee in much of lower Nyanza, it is fishing. The fishing industry accounts for billions of shillings, yet the local fishermen who really suffer and spend sleepless nights in the lake fishing, do not benefit at all from the industry. Measures should be taken to strengthen the fishing co-operatives in order to increase the earnings of fishermen.

Mr. Temporary Deputy Speaker, Sir, one would have loved to see a situation where out of Kshs14 billion worth of fish exports, Kshs7 billion or Kshs8 billion goes back to the fishermen. It is shocking to find that out of the Kshs14 billion or so, fishermen will be lucky if they get anything close to Kshs0.5 million. Something has to be done to at least empower fishermen. The only way out is through the co-operative movement. In this regard, I would like to appeal to the Minister to at least come up with ways and means of strengthening the co-operative societies for fishermen throughout Nyanza Province. One way of doing so is to at least provide cold storage facilities. If fishermen were given adequate cold storage facilities through their co-operatives, they would be able to preserve much of the fish which otherwise goes to waste. I would like to see a situation where this Ministry can organise the necessary funding for fishermen's co-operative societies to provide them with among others, cold storage and modern fishing facilities. In this respect, I would like to appeal to the Minister concerned to understand that, the people who matter most when it comes to the fishing industry are the fishermen. Right now, their future is threatened by the greedy millionaires who are operating trawlers in the lake.

Mr. Temporary Deputy Speaker, Sir, the use of trawlers in Lake Victoria is one sure way of killing fishing in the lake. The law in this country prohibits trawling in the lake; yet, trawling in Lake Victoria is the order of the day. Mr. Minister, you have a mission here. You have to find a way; you have a duty to come up and save the fishermen from the trawlers. For as long as the trawling goes on in Lake Victoria, fishermen are denied their source of livelihood. It is not just the fishermen, but millions of other people who depend on them for a livelihood. I would like to plead with the Minister to save fishermen in Lake Victoria, so that they can have their just and right livelihood from that God-given source. The same applies to the cotton industry. This is one of the most reliable industries in this country, but because of mismanagement, the co-operative movement within the cotton sector is as good as gone, in the same way the industry has gone to the dogs. Something has to be done about cotton co-operative societies. We should empower the cotton co-operative societies, so that they can encourage the growing of cotton in order to sustain our cotton industry.

Mr. Temporary Deputy Speaker, Sir, cotton industry holds the future promise for this country, because it has great employment potential. The textile industry is dying just because the cotton industry has been left to go to the dogs and yet, we have the right soils and climate for cotton growing. If only the Minister could wake up and get the cotton industry back on track, I am sure we will be able to revive it for the prosperity of this country. I would like to appeal to the Minister to do something about the cotton industry.

Mr. Temporary Deputy Speaker, Sir, this House had the occasion of passing a Motion calling for the establishment of the Cotton Development Fund. We passed that Motion, but to this moment, nothing has been done. Could we in recognition of the Cotton Industry as important to this country, get the Minister for Co-operative Development to liaise with his colleague in Treasury, so that we can have the Cotton Development Fund to help enhance the growing of cotton and encourage cotton farmers to grow more cotton for the good of this country?

Mr. Temporary Deputy Speaker, Sir, housing is one area in which the importance of the co-operative movement in this country is more than evident. It will be no exaggeration to say that close to 60 per cent of houses in this country have come on stream as a result of the co-operative movement. We are talking of a very important movement, yet it is being run down. Can this Minister do something to salvage the lost glory of this Ministry and bring it back on stream, so that Kenyans can join the movement in greater numbers than they have ever done before for the good of themselves and the country?

Mr. Temporary Deputy Speaker, Sir, in recognition of the importance of the movement, I seek the indulgence of this House that we should have one of the major streets in Nairobi, Haile Selassie Avenue, renamed Co-operative

Avenue, as a recognition of the importance of this movement in this country. I am sure that will be better than giving that recognition to Haile Selassie who was one of those people we can call exploiters.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. You heard hon. Mak'Onyango almost blaspheming against one of the greatest sons of Africa, Haile Selassie in whose honour a street has been named. He called him a great "exploiter". Would it be in order to ask hon. Mak'Onyango to substantiate that this humble great son of Africa was an exploiter or withdraw?

Mr. Mak'Onyango: Mr. Temporary Deputy Speaker, Sir, I do not think there is anything I want to withdraw. I stand by my words, and that is my personal view of that particular gentleman. I have my constitutional right to view certain people in a certain way. But I am saying here that I do not think I am wrong when I call this man an exploiter. That is common knowledge to anybody who has read the history of this continent. I do not think I need to substantiate anything.

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Dr. Mosoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it not misleading to this House for hon. Mak'Onyango to allege that naming a road after the late great Emperor Haile Selassie is to exploit co-operative societies in this country? Does that contribute to exploitation in this country?

Mr. Mak'Onyango: Mr. Temporary Deputy Speaker, Sir, I do not think I ever said that. All that I have said is that, as far as I am concerned, the co-operative movement in this country needs to be recognised. If we named this street after the movement, we would be doing Kenya a great service. Let me explain explain why I am saying this. As I have said, if you go down to the beginning of the avenue you will find that Kenya Planters' Co-operative Union (KPCU) is located on it. A short distance away from there are the coffee mills. As you know some of the biggest co-operative societies are concerned with coffee. Not far from there, we have KUSCO, which is the apex of the co-operative movement in the country. As you move further on you will find Kenya Bankers Co-operative Society on the avenue. Further downwards we have the Co-operative Bank of Kenya on this avenue. On the same avenue are also the offices of Kenya Farmers Association and Harambee Co-operative Society. I am sure that if today we called that avenue "Co-operative Avenue" we would do Kenyans proud. I feel that we should be able to show the importance of this movement, so that Kenyans can continue to have faith in it for the future well being of this country.

With those remarks I beg to support.

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Dr. Misoi): Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to also contribute to this Bill. The Co-operative Societies Bill, 1997 has come a little bit too late. It has come up when the entire co-operative movement in Kenya has declined. It has declined because of a variety of reasons. We know that globally the movement is the only facility that allows people of meagre resources to pool them together and be able to participate in the economic development process of a nation. It is a very important movement. Going by what has happened in the Scandinavian countries, Israel and other countries this country should have progressed both economically and socially to the status of the so called "newly industrialised countries". This never happened because our infrastructure, which includes the co-operative movement, has been badly mismanaged.

Mr. Michuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to suggest that a co-operative movement is for the poor people when, in fact, institutions such as the IMF and the World Bank were formed out of contributions of more than 150 nations, which in any case are the greatest capitalists of the world? These institutions perform duties similar to those of co-operative societies.

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Dr. Misoi): Mr. Temporary Deputy Speaker, Sir, in the Kenyan situation the co-operative movement facilitates mobilisation of resources from Kenyans who would, otherwise, not be able to participate in a larger economic unit. It is crucial for this movement to be nursed and reactivated from the low level it has sunk to. This can only be done by fully implementing the provisions of this Bill and ensuring that all the bad practices, which have down-graded this movement, are avoided. Bad management practices, corruption, bureaucracy and inefficiency are some of the factors which have demotivated Kenyans and discouraged them from participating in the improvement of their welfare.

Mr. Temporary Deputy Speaker, Sir, the situation has become so bad that even institutions which formerly were the best examples in this continent have gone down the drain. Such societies included the Kenya Farmers Association, which is now "in the intensive care unit", the Kenya Co-operative Creameries, which is limping and the KPCU, which is trying to survive. The managers of the KPCU have tried to change it from a co-operative society into a company. But the difference between a co-operative society and a company is very little. This is because co-operative societies are supposed to be managed in a business like manner. So, changing the status of an organisation from a co-operative society to a company does not make any difference if the management of the same is not improved. I think the ills which have afflicted the movement have simply resulted from poor supervision by the

Ministry. The Ministry has officers like the Commissioner of Co-operatives, his deputies, the Permanent Secretary, field officers and the Ministers. The job of these people should ideally have been to assist co-operative societies to survive or compete in their operations. It has been unfortunate that, instead of these officers doing their job, they allowed the entire movement to collapse.

QUORUM

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

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

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Mcharo): Order, hon. Members. We have a quorum now. Continue, hon. Misoï.

The Assistant Minister, Office of the Vice President and Ministry of Planning and National Development (Dr. Misoï): Mr. Temporary Deputy Speaker, Sir, I was complaining about the ineffectiveness of the officers charged with the responsibility of supervising and managing the co-operative movement in this country. Many co-operative societies have collapsed simply because co-operative officers have not made any effort to sustain the viability of such co-operative societies and, I am challenging the Ministry to ensure that all the officers in the field become effective, not only in registering the co-operative societies, but also in supervising their operations. They should train members of the co-operative societies in management affairs. At the same time they should set up standards which the co-operative societies have to meet.

Mr. Temporary Deputy Speaker, Sir, the qualifications of membership to the management committees of the co-operatives societies sometimes leaves a lot to be desired; you get people with inappropriate educational background, people with low literacy standards, to manage a serious co-operative movement. We need proper training programmes and financial controls to be followed by the co-operative societies. We also understand and realise that the co-operative movement is a sort of nursery for democratic decision making and participation by the people. This is where people decide to venture into some of the economic activities of the nation. This is where the members decide to elect their people to various positions to manage their own affairs. But if crooks are elected to these positions, if politicians are elected to these positions, then the co-operative movement will end up being destroyed because we will get exploiters managing such institutions. You will get politicians who want to use the co-operative movement as a ladder into political offices. You will also get, at some stages, rejected politicians being appointed to run co-operative societies. You will also get people who have failed elsewhere being given jobs of managing business enterprises. This is what has killed the co-operative movement in this country.

Mr. Temporary Deputy Speaker, Sir, the same has applied to public enterprises where people who have failed elsewhere are given jobs as rewards for some reasons. This is the cause of our economic ills; that instead of having the right people doing the right jobs in the right places, we are putting people in the wrong places. Managing directors, managers, general managers, chairmen and all the rest, should be people who are able to deliver the goods. We must realise that we are managing resources of the nation not for the benefit of one person whoever that person is. The same applies to the selection of officers to man the Ministry of Co-operative Development. We should not appoint people simply because we think they can do a good job. You must base the appointment on good track record showing that this person, who will be in charge of the whole movement in the country, is able to make right decisions, act at the right time and he is able to identify problems before they arise.

Mr. Temporary Deputy Speaker, Sir, it is also very important to note that the Bill we are discussing today is such that it will take us a few years up to the next century. I have seen that we are appointing one of the deputy commissioners as the Registrar of Co-operative Societies. Why can we not have an independently appointed registrar to run this movement? Why are we creating bureaucracy, from the commissioner to the deputy commissioner and to all the other officers? Why can we not organise the whole management of this economic sector into an independent unit within the Ministry? Why should you manage these operations under a Ministry? We are disengaging ourselves from running and managing. We are trying to place businesses into private hands and, therefore, the co-operative movement should be handled in the same way. Let us have an independent registrar to run it, officers who know something about running business. Why should we, as a Government, tie the hands of people with all those rules and so on? Why can we not liberate the co-operative movement to operate like any others and provide only security and essential services to the movement?

Mr. Temporary Deputy Speaker, Sir, I think this is very crucial. If we are privatising everything and all the parastatals so that people can run them, why should we always be overseers of institutions of this kind? This overseeing allows interference by the Commissioner for Co-operatives, the Minister and even others, in private

businesses which belong to members. What right do we have to interfere? What are the reasons? Why should we have such a policy? Let us liberalise the whole co-operative movement, provide them with the infrastructure, let them run the movement, give them the qualification, provide them with the credit facilities through the financial institutions and make the Co-operative Bank amenable to servicing the people. Let the Co-operative Bank not behave like the other banking institutions. Let them serve the co-operative movement in such a manner that the members will benefit.

Mr. Temporary Deputy Speaker, Sir, for example, we have mentioned all aspects of the agricultural sector which have failed. We have talked about the cotton industry which could be vibrant and which could give the country all the raw materials for manufacturing textile products. At the moment we are importing a lot of cotton from Tanzania and Uganda, yet we have a good climate and hard working people. Why are we importing cotton? This is because the co-operative movement has failed to satisfy the people and because it has bottlenecks where farmers money was being syphoned by individuals, therefore, it destroyed the whole vital industry. We are talking about the cotton industry and my colleague has talked about fish industries. We have agro-vet, dairy, beef and sugar industries. These are the industries which could have been very vibrant if they were well managed. The failure in the co-operative movement has created failure in the vital industries in this country. This is really shameful, that we have become net importers of raw materials which could be produced by the farmers who are ready to work simply because we do not have a good management system and because we are not able to give farmers credit facilities to satisfy their needs and even import all the raw materials. Why should we become a net importer of raw materials when we have a better climate than the countries around us? If Tanzania can supply us with raw materials, can we not be ashamed that we are not able to make use of the Lake Region, Coast Region and even the Kerio Valley Region to produce cotton to satisfy the needs of this country?

I am told that these areas can produce the best quality of cotton but they are producing very poor quality because of poor management. This is shameful, and the Ministry should wake up and do its job as it should. I would like to request the Ministry to assist our people even to purchase shares in large companies, banking institutions, multi-national corporations and all these other bodies. This Ministry can be crucial if it can only wake up and put effective means of mobilising these resources for us to own the economy of this country, so that we do not complain that today it is still owned by Asians or X, Y and Z. Our people can own the economy of this country if only we can manage our resources well. I call upon the Ministry of Co-operative Development to assist us. In Uasin Gishu, there is land which is being sold very expensively by Lonrho and owned by the East African Tanning Extract Company (EATEC). The Ministry has even failed to mobilise, train or unify the people to raise money to buy this land. The land is going at Kshs1.2 billion. I believe our people can buy it, but we also need assistance from the Ministry. That is why the Ministry is known as the Ministry of Co-operative Development because it is supposed to develop people and resources. It is not supposed just to sit there and see people go to waste. It is not supposed to sit there and see all the co-operative movements fail. No, it is supposed to develop, initiate, motivate, promote and enhance the peoples' capabilities to run and own these businesses, and also to acquire these Lonrho farms owned by foreigners.

Mr. Temporary Deputy Speaker, Sir, I would suggest that the Ministry goes ahead and sends a very high official to Uasin Gishu to mobilise people so that we can buy this land which is yet to be sold. I would not like it to be bought by the rich fellows who already own 100 acres while our people only require a maximum of 20 acres. We want this land to be owned by the Africans. After all, in the beginning, it belonged to Africans. It is only that these people hijacked it, and now we want it back as they have used it enough. By the time we enter into the 21st century, we should be owning all the vital resources of this country. Why should our agricultural land be owned by any expatriates? Our population is very high and it is increasing quite fast. We have people who want to own these resources. Therefore, it is for us to plan for the people and foresee the problems of landlessness that can arise in the future. Why can this Ministry not wake up and do this job? This job is not for the other Ministries. It is for the Ministry of Co-operative Development and the Minister is here and he is hearing what I am saying now. We would like them to give instructions to EATEC to divide that land into smaller units, not 100 acres, which would cost Kshs6 million. Who is going to buy it? I also feel that the land has been over-priced. The Ministry should intervene to ensure that the valuation of this land is as per the market value. We do not want people to be exploited. The land issue is a serious matter and our people are listening to what I am telling the Minister. If there are no results---well, somebody will answer. Mr. Minister, I am not threatening you, but I am saying that we need to have results.

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): On a point of information, Mr. Temporary Deputy Speaker, Sir. I would like to inform Dr. Misoi that the land he is talking about is none other than the land which belongs to the EATEC, which was taken away from the indigenous people by the then Colonial Government. The Government should now intervene so that the land is given back to the original owners. If we have to pay anything at all, it should just be a token so that they can leave that land for the indigenous people of that place.

(Applause)

The Assistant Minister, Office of the Vice-President and Minister for Planning and National Development (Dr. Misoi): Thank you very much for that information and I entirely agree with it. I am not only talking about the EATEC land which we can own through the co-operative movement but I am also talking about the tea estates which exist in all these areas, from Nandi Hills to Kericho, which are still in the hands of expatriates. Time has come for us to own all this land if we really want to feel that we are independent. We cannot be independent if we are not economically independent on matters which are based on Kenyan land which we own. Why should it be so? How much land do we own in European countries, America or Australia? The truth is that we do not have any land in these countries. This land I am referring to was taken away from us by Colonialists and given to soldiers who were fighting for the King and the Queen of the time. These soldiers were not fighting for the Africans. We were robbed of this land which was given to them free, but now we are being forced to buy it from these very people. We are going to buy the land, but at reasonable prices. I am asking the Minister to take these matters very seriously as a Government agent, and ensure that all these oppressions and ills we have undergone come to an end. Our people who were chased away from these places were oppressed, exploited and turned into squatters. They were herding cattle and *Wazungus* were beating them right and left. But now we are free and we want to feel that freedom by owning what initially belonged to us, and I know it belongs to us. I would not wish to internationalise what belongs to Kenya. Why should the land in Kenya be internationalised? Why should it be tendered so that anybody in Europe can buy it? Why should economic aspects which are rooted on the soil of Kenya be put into the stock exchange in London so that other people can buy them? Yes, they can exclude us and buy this land, but we want these properties to be sold in Kenya and to Kenyans because that is crucial. Our people cannot wait any longer. Those companies or even individuals who want to grab it, must know that if their neighbours own nothing, they will cause problems. They might not even be able to exploit that means of economic survival. Therefore, it is going to be very difficult.

Mr. Temporary Deputy Speaker, Sir, again, I would request that as these assets are disposed of, any squatters based on this land should be settled freely because some of the squatters have been there since 1920s up to now. Although most of them have died, their children still live there. They have multiplied, they are jobless and have nowhere to go. When the land is transformed and handed back to Kenyans, these people should be given their own pieces of land to settle on. After all, they have contributed to the economic viability of these companies. These companies would not have been as international as they are if Kenyans never worked hard. But of course, we know that they were exploited. But how do we compensate the exploitation? This can only be possible by having these things come back to us so that our children will be happy and say that at least they own what belonged to their great, great grandfathers. The fight we have at the moment in this country is economic survival. Fighting for economic survival means fighting against poverty, and this is the poverty which is eating 45 or 50 per cent of the Kenyan population. How can we reduce or manage it? We can manage it by transforming all the economic units in this country to productive facilities and ensuring that Kenyans feel dignified to run their own business. We cannot continue keeping silent when the economy is being run down.

Mr. Temporary Deputy Speaker, Sir, the last challenge I want to throw to all those who are managing public institutions, co-operative societies, parastatals, and so on is that, they should know that those institutions are not for them to suck and loot. If the looting has been there before, it must now stop because we are moving into a different age, where each Kenyan in a position of responsibility must eat his or her sweat. Why should somebody assume that there is something for free? It is never free. Even if you are given an office, it does not mean that you have to have all the things free. This is what has given us a bad image nationally and even internationally. We are struggling to clean our image because of a few characters around here and there, who take public offices as their personal property. Even if they were their personal property, they are supposed to manage those institutions quite well. If our economy had been managed well, we would not be having these problems like we are now having with the International Monetary Fund (IMF). We are having such problems simply because these Africans who have been given jobs are incapable of doing the jobs properly. If they are capable, they are looting because they want to be rich. Why should they become rich when the other people become poorer? *Wewe utakula hiyo mali ya wizi namna gani?* You will have no place to eat that stolen property because all the people around you will chase you out because they will want to grab. So, let everybody eat his or her sweat and that is the justice we want in this country.

With those few comments, I beg to support this very important Bill, and which I think will be taken very seriously in transforming this country into an economic "giant".

Thank you.

Mr. Busolo: Thank you, Mr. Temporary Deputy Speaker, Sir, for granting me the opportunity to contribute to this Co-operative Bill.

Mr. Temporary Deputy Speaker, Sir, I do believe that the Ministry of Co-operative Development is a very

important Ministry. The co-operative movement forms a very important aspect of our mode of living in Kenya and I tend to disagree with those contributors who have suggested, in fact, that the Ministry of Co-operative Development should be abolished. If anything, the Ministry of Co-operative Development is the one that should be strengthened. If anything, the Government should do everything possible to enhance and strengthen the working of the Ministry of Co-operative Development. Why I say so is that given the conditions of living in a country dominated by peasants, fishermen and the likes, co-operatives are the only avenue for survival. A major problem of our agricultural produce, for instance, is the question of marketing and in small farming communities, people with small parcels of land, have no capacity to market their produce other than through co-operatives. Even for the working people, given the meagre salaries that are paid in this country, for these people to live a meaningful life, they can only do so through co-operative means. That is through pooling their savings together and that is the co-operative way. It is out of that, that I believe that this is a major Ministry and all of us as Parliamentarians, should do everything possible to help it.

Mr. Temporary Deputy Speaker, Sir, having said that, I would like to correct an impression that has been created by, I think, some of the contributors that maybe the co-operative movement is the movement of the poor. Others think that, perhaps, the movement is not for the rich. Others even think that maybe it is the movement for the rich. What a co-operative movement is simply all about is that it simply has to do with the pooling of resources by people for a certain common goal. We should not create the impression that certain sections of the community, perhaps, those who are rich should not join the co-operative movement. If anything, their participation in this movement could also enhance or add certain managerial skills to those who may not have had the capacity or the know-how to accumulate resources. So, it is participation by all those people that actually makes sense here. We should exclude anybody from participating in the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, turning specifically to the Bill, regarding the question of management, I do believe that there should be good academic qualifications. The current social processes, that is political, economic and others are very complex and to continue leaving the management committees members without good qualifications is what creates corruption, mismanagement and things like that. I am of the view that the Ministry should devise a basic minimum academic qualification of which, if anybody has not met such qualifications should not be eligible to be in the management committee. If we take marketing for instance, of an agricultural commodity like tea, we need a committee that understands the world market. We need a committee that understands storage. We need a committee that understands exchange rates. These are the kind of things that make me think in today's world those who manage should have minimum academic qualifications.

Mr. Temporary Deputy Speaker, Sir, secondly, the Ministry should not allow the recycling of corrupt managerial staff. Some co-operative movements in this country have been run down by corrupt officials. Inquiries have been made and these inquiries have concluded that, indeed, some of these officers were corrupt and yet in the ensuing election, after a few years, you will find some of those very people being re-elected to the management. I think in this Act, when the Minister replies, he should look into this aspect so that once somebody has been accused of corruption and the fact has been proven that that person should not be eligible at all to join any managerial committee of the co-operative movement. In that way, we will be creating a sense of responsibility amongst those officers who are elected to lead this movement.

Mr. Temporary Deputy Speaker, Sir, another point that I wish to raise is the question of the tribunals in this Bill. The tribunal seems to handle matters between a member and the co-operative society which is okay and I have no problem with that. But where a member seeks redress from a co-operative officer, the Bill does not talk about that and we have instances where for instance this country is riddled with dissolved societies. The Commissioner just abolishes management committees at any time just by the stroke of a pen. In such a case, in which appointments of commissions or dissolution of committees are just done at the whims of the Commissioner, I do think that this tribunal should also look into that matter. In other words, there should be a clause whereby, if a committee or members feel that the Commissioner has unfairly dissolved or dismissed a committee, the tribunal should be able to look into that matter. As it is right now in the Bill, it only provides for redress or disputes between a member of the societies and the management.

Mr. Temporary Deputy Speaker, Sir, arising from this question of the Commissioner dismissing, dissolving and appointing committees or commissions, we know that it is at this level that usually the provincial administration comes into the co-operative movement. I hope that now the Minister will take care of that aspect whereby the provincial administration, that is the DCs or whoever does not interfere. We know of several cases and, I think, some of my colleagues from Bungoma have raised a matter where very viable projects like Kitinda Dairy Farmers Co-operative, Malakisi Cotton Co-operative and the Bungoma Farmers Co-operative were very, very viable indeed. In fact, the co-operative movement was very strong in Bungoma. When it was enlarged all over the country, Bungoma even provided the personnel for the nationwide co-operative movement in this country like the Musundis. But today, because of the interference by the provincial administration in the management of those societies, co-operatives are no

more. They are in shambles. Nobody can even remember that there was a strong co-operative movement in Bungoma.

Mr. Temporary Deputy Speaker, Sir, I would like to say one or two things about the sacco that is the savings and credit co-operative societies and I have an example of the Mwalimu Co-operative Society. I think it should be possible for the Minister to intervene in the investments policies of these saccos. Some of these saccos invest too heavily in buildings. Whether that is the correct investment, I do not know. But the point is that as organisations that pool resources from members, it seems to me that on many occasions, members are actually not even consulted as to what the saccos are going to invest in. Two, sometimes these saccos are supposed to save our members during these moments of economic distress that we are undergoing where inflation has "eaten" away the little savings that members have and because of that, they resort to emergency loans. Now, even my wife is a teacher and sometimes when we are economically distressed in the family, and I ask her to apply for a loan from her co-operative society, it takes a year for her to get one and yet this is supposed to be an emergency loan. Now, if an emergency loan takes months or a year to process, then that co-operative has ceased to function in assisting its members because it means when they are in problem they are unable to get emergency loans. I have just picked an example of Mwalimu Co-operative which I know better than others, but I know this example will be quoted in a number of cases. There is also the question of the Ministry of Co-operative Development engaging in projects with outside partners. For example---

QUORUM

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is there a quorum in the House?

The Temporary Deputy Speaker (Mr. Mcharo): No, we do not have a quorum. Ring the Division Bell.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Mcharo): Order, hon. Members! We now have a quorum. Mr. Busolo, continue.

Mr. Busolo: Mr. Temporary Deputy Speaker, Sir, lack of quorum has become a very serious matter in this House and it is high time that hon. Members took the business of this House seriously. It seems as if Members of Parliament are taking wananchi for a ride. Every time, when there is a major debate like this one, there has to be a lack of quorum in the House. This is not a very good way of doing things and I think our Whips from both sides of the House, who earn salaries for being Whips should justify why they are earning these salaries. They should whip Members in order to attend debates.

Mr. Temporary Deputy Speaker, Sir, the point I was trying to raise before I was interrupted by lack of quorum had to do with the relationship which the Ministry of Co-operative Development enters into with the foreign partners. There are, for example the NORAD and Finland projects for providing dairy animals to farmers. This has been a very important component of the Ministry, but the most unfortunate thing which happened about it, is the involvement of the Provincial Administration in this field. The involvement of the Provincial Administration in these foreign funded projects - the provision of dairy animals to the Ministry of Co-operative Development to provide to farmers has been riddled with corruption. I would like to cite a case in Bungoma where NORAD provided dairy animals to be given to farmers and the then District Commissioner took all the animals to his farm in Kitale. There is also the case of the Finnish project where the Finnish Government provided animals to the people of Bungoma through the Ministry of Co-operative Development. A co-operative officer who was transferred to Meru recently, divided those animals among the civil servants in Bungoma. The Veterinary Officer, the District Livestock Officer, the District Social Development Officer, the Public Works Officer and the Provincial Co-operative Officer in Kakamega, each got some animals. In the end, no animals were given to the people of Bungoma. This is one case which I want the Ministry to investigate. There is no need for the Government to complain that donors are not assisting. In fact, the Minister for Co-operative Development is on record complaining about IMF decisions. I want to tell him that even the officers themselves are responsible for making donors to refuse to give this country aid. This is because the aid which comes through the Ministry of Co-operative Development ends up in the pockets of the officers of the Ministry, instead of benefiting those who are supposed to. In fact, the best example is those animals in Bungoma which ended up in the hands of the civil servants in the district. For those which were provided by NORAD, besides the District Commissioner taking the animals, some were just given to rich women instead of the poor women to raise their income levels. This is a matter which the Minister should look into and provide solutions so that the donors do not---

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. Will it not be in order to ask the hon. Busolo to name this particular DC who took animals meant for Kitinda Dairy Co-operative Society to Kitale?

Mr. Busolo: Mr. Temporary Deputy Speaker, Sir, it is none other than the current DC for Nairobi who used

to be the DC for Bungoma District, a Mr. William Changole.

The other point I want to raise is the question of the machinery that is provided by this foreign partner. Again, I want to cite the case of Kitinda Dairy Co-operative Society in Bungoma. Sometimes within the Ministry's machinery, I think it does not examine exactly what kind of machinery are suitable for this country because in the case of Kitinda Dairy Co-operative Society, this machinery was imported from Finland, and when it breaks down, there is no other place where we can get its spare parts other than from Finland. Even plain papers for packaging milk are imported from Finland. We cannot use the British tetra packaging papers because they cannot fit on that machinery. That means the Government is spending a lot of foreign exchange from these farmers to import paper from Finland. So, the aid project is benefiting much more the Finnish industrialists than Kenyans. The Ministry should really examine the availability of spares and their interchangeability. We do not want our factories to close down because packaging papers can only be acquired from Finland. I think the Ministry should seriously look into that matter.

Mr. Temporary Deputy Speaker, Sir, finally, there is a lot of tension in this Bill. For instance, when it comes to cases of investigation by tribunals, where people have embezzled funds and they are under investigation, the Bill states that the rules of evidence are not applicable, and, yet there is a proviso for an appeal by the High Court. When the appeal goes to the High Court, it will insist on the rules of evidence. Why is it that we are subjecting the peasants to just oral tales of who stole what and who did not steal what, and make them feel very much satisfied that the cases have been finalised, yet when the cases move up to the High Court in case of a dispute arising thereafter, the High Court is going to reject the cases and the peasants are going to be very disappointed? I think there needs to be harmonization. We are not any longer in the period where oral stories should determine the destiny of our people.

The rule of law should be seen to be applicable in all cases. Let this Bill or the Ministry not make the mistake like the Ministry of Lands and Settlement has done. Land disputes, according to some authorities are supposed to be handled by the council of elders, and yet when they go to the council of elders, they decide otherwise, and when the cases go to court, the court decides otherwise, because in court it is strictly the rule of law that is followed, yet, on the ground, it is something else. I would like to caution the Minister to this problem in the Bill and I think some harmonization needs to be done.

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

Mr. Ndilinge: Ahsante sana, Bw. Naibu Spika wa Muda. Kwanza, ningependa nisema ahsante kwa Mungu, na nianze kwa kujisikitikia sana, nikiongeva nikiwa upande huu niko. Ningependa viongozi hawa wajue kwamba, zamani za kale, kulikuwa na viongozi, na hawako sasa. Sisi tu viongozi na tuko, na kuna siku hatutakuwako, na kutakuwa na viongozi wengine. Mambo mengi yamesemwa katika Bunge hili, kutoka upande wa Upinzani na upande wa KANU. Wengi wetu walifurahia sana kutukana wengine. Lakini siku zimeyoyoma na hautamwambia mwananchi wa kawaida kwamba ulitukana mtu wa Upinzani au wa KANU afurahie. Siku zimeyoyoma ndugu zangu!

Ningetaka kutoa mwito kwa wapiga kura, wasije wakaangalia eti mtu ni wa chama gani. Waangalie ikiwa mtu alitukanana, alifanya mtu mwingine auwae au alifanya mwananchi wa Kenya afurahi au akasirike.

Ningependa nianze kwa kusema hivi: Wale waliohusika na mambo yaliotendeka Likoni, wawe walitoka upande wa Upinzani au KANU, maoni yangu ni kwamba, Serikali iwachukulie hatua inayofaa. Hii ni kwa sababu maisha hayajui ikiwa mtu ni wa KANU au Upinzani.

Hata ingawa nimesimama kuunga mkono mjadala huu, mambo ya vyama vya ushirika yana kasoro kidogo. Machakos Co-operative Union ilififia zamani za kale. Ilikuwa inashirikisha wilaya za Makueni na Machakos. Vyama vingi vya ushirika vilififia na pesa zote zikapotelea hapo. Wengi wa wale waliokula pesa hizo wangali wanaendesha magari makubwa. Mkulima ambaye ni mwanachama wa vyama hivi vya ushirika, hata hana kiatu!

Bw. Naibu Spika wa Muda, ningependa kusema kwa upande wangu, kwamba niko upande wa KANU. Nikiwa upande wa KANU, ningependa niombe ndugu zangu tupendane kwa sababu vile mimi naona, kuna wale waliochukua chama cha KANU, wakakiweka mfukoni na kikawa kama mali yao. Niliposikia jana eti kwamba tawi letu la Makueni limevunjwa, mimi sikushtuka kamwe! Hii ni kwa sababu watu wa Kilome na Makueni ndio wanaweza kunitisha wakisema hawanitaki. Lakini mtu tu akiwa anatembea hapa Nairobi na kusema hataki Bw. Ndilinge, hanitaki kiviipi? Kwa hivyo, ningependa kuambia upande huu nipo kwamba, yule mtu ana kasumba ya zamani ya chama kimoja asahau. Tuko katika mfumo wa vyama vingi vya kisiasa. Ningependa niseme wazi kinaganaga kwamba, mimi nina hakika kilochofanya tupigwe vile tulipigwa mimi na Bw. Maundu, ni kwa sababu mafikira yetu saa zingine hayaelekei kutesa Mkamba. Ningependa niseme leo wazi kwamba, nitatoa mwito kwa Wakamba wote mahali walipo, kwamba mtu yeyote ambaye anafanya jambo ambalo linaweza kudhoofisha maisha wa Mkamba, asije akarudi Bunge hili katika uchaguzi ujao. Ikiwa ni kupiga mhe. Kaluki Ngilu ambaye ni Mkamba--- Wacheni tuseme wazi, mimi sijawahi kusikia hata siku moja Waluhya wanaambiwa waende wakampige mhe. Wamalwa! Sijasikia hata siku moja hawa Wakikuyu wakiambiwa waende wakampige mhe. Kibaki au mhe. Matiba!

Kwa hivyo, wakati umefika wa kusema ukweli, na kutoa mwito kwa Wakamba kwamba, wakati huu,

hatutatumiwa vile watu wachache wanataka. Sisi ni kabila ambalo linastahili kutambuliwa. Siyo eti tunatumiwa wakati wa kupiga kura tu na kura zikiisha, tunatupwa tu kama nyani. Hakuna kitu kama hicho! Wakati huu, hatutapigia Serikali kura kwa sababu ya mahindi. La! Lazima tujue ndani ya hiyo Serikali kuna nini cha Mkamba.

Bw. Naibu Spika wa Muda, tunapongea hapa, hata watu wakiwa na vyama vya ushirika, vyama hivyo bila maji haviwezi kuendelea. Maji yaliotoka Mlima wa Kilimanjaro yalitakiwa kufika mpaka Machakos. Lakini Mkamba wa Machakos na Makueni analia juu ya maji saa hii. Maji yenyewe hayawekwi dawa kwa sababu yakiwekwa dawa, yataumiza maua. Maji hayapelekwi kwa wananchi! Yanapelekwa kwa maua! Hii ndiyo sababu watu wanakunywa maji bila dawa. Hii ni kwa sababu maji yakiwekwa dawa, yataharibu maua. Kwa hivyo, tusije tukadanganywa---

Mr. P.N. Ndwiga: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. contributor has made a very serious allegation indeed! He has said that water for Machakos is not treated because it is used to irrigate flowers. Can he tell us who the flowers belong to?

Mr. Ndilinge: Ahsante sana, Bw. Naibu Spika wa Muda. Nimesema mara nyingi kwamba, it goes to the "Garden of Eden" Ni juu yako kujifafanulia jambo hilo.

Kwa hivyo, si ukweli kwamba Wakamba wamepata maji. Maji yanaenda kukuza maua. Badala ya hayo maji kuwekwa dawa ili yatumiwe na wananchi, yanamwagiwa maua. Hayawekwi dawa kwa sababu dawa hii itaharibu maua. Wakati umefika wa kusema kwamba kuna watu wanatutisha; mimi na mhe. Maundu. Mungu anafahamu chanzo cha mwandamu na mwisho wake. Ningependa kusema kwamba ninasikitika sana kuona Rais mzuri kama mhe. Moi akidanganywa na wakora wachache. **Mr. Munyasia:** Jambo la nidhamu, Bw. Naibu Spika wa Muda. Mhe. Ndilinge amesema kwamba kuna watu wanaomtisha. Ni jambo la busara kumuuliza awataje majina wanaomtisha?

Mr. Ndilinge: Ahsante sana, Bw. Naibu Spika wa Muda. Wiki iliyopita, mkuu wa wilaya ya Makueni aliita watu wanane kwa ofisi yake. Alipofanya hivyo, aliwaambia kwamba ana amri kwamba Waheshimiwa Maundu na Ndilinge hawatakikani kwa sababu wamekataa kufuata mambo mengi ambayo wamekuwa wakiambiwa. Kwa hivyo, wakaamrisha kuandamana na sisi vilivyo hata kama itamaanisha kuuawa. He is ready to defend them.

Hon. Members: That is serious!

Mr. Ndilinge: Hivi sasa tunavyoongea, kuna watu wana magari ya GK ambao wako katika eneo langu la uwakilishi Bungeni wakiuliza kupigiwa kura. Wameuliza kusimama sehemu hii kwa tikiti ya KANU. Wanatumia magari ya GK kumwondoa kitini mhe. Ndilinge. Jamani, ni chama gani hicho ambacho kitapendwa na mtu akitendewa hayo? Kwa hivyo, ningependa kusema kwamba ikiwa KANU itafanya kazi jinsi inavyofanya Makueni---

The Assistant Minister, Office of the President (Mr. Shamalla): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Ndilinge in order to address this House on Kamba politics instead of addressing the Motion?

Mr. Ndilinge: Bw. Naibu Spika wa Muda, kama kungekuwa na amani, hatutapata nafasi ya kuongea mambo ya mauji yaliyotokea kule Likoni. Ikiwa hakutakuwa na amani, hatutapata nafasi ya kuongea mambo ya vyama vya ushirika. Tunataka amani mbele na mambo ya vyama ya ushirika yaje nyuma. Huwezi kuongea juu ya maendeleo kama hakuna amani! How is that possible? Nitaongea juu ya maisha yangu kwanza. Lazima niwe mzima ili niongee mambo ya vyama vya ushirika. Nitaongea juu ya vyama vya ushirika namna gani ikiwa maisha yangu yamo mashakani? Wengi wa waheshimiwa Wabunge wanaotumiwa kutesa wenzao upande wa KANU hawataona Bunge hili tena. Wakati wa kubembelezana umepita.

Mhe. Maundu alipouliza Swali lake kuhusu kuwekwa umeme katika Makueni, aliambiwa asubiri hadi pesa zitakapopatikana. Nitaungaje mkono Hoja hii ikiwa hata vyama vitano vya ushirika katika eneo langu havina umeme na pesa hakuna? Huu ni mchezo tumezoa hapa wa kuunga mkono Hoja zinazoletwa hapa. Wacha niunge mkono kwa sababu tumezoa.

Ningependa kusema kwamba wananchi wa Kenya wameamka. Hawakuamka kwa sababu walipelekwa shule wakasomeshwa. Wameerevushwa na taabu. Katika Uchaguzi Mkuu ujao, hawatawachagua Wabunge kufuatana na vyama vyao. Watachunguza kwanza mambo mengi kama vile kuhusika katika vita vya Likoni na mambo mengine mengi.

Bw. Naibu Spika Wa Muda, je tutakuchagua ikiwa wewe ni wa chama cha KANU, ilhali wewe ni muuaji? Wakati huu ni lazima Wakenya waangalie aina ya viongozi watakoachagua kuwakilisha katika Bunge hili. Ningependa---

An hon. Member: Naona kamanda wa Jeshi la Mzee nyuma yako!

Mr. Ndilinge: Bw. Naibu Spika wa Muda, ningependa---

Mr. Kiliku: Jambo la nidhamu, Bw. Naibu Spika wa Muda. Mhe. Ndilinge amesema kwamba chama cha KANU kinapanga njama ya kuwaua Wabunge wawili wa Ukambani, na huku nimesikia kwamba, kuna kamanda wa Jeshi la Mzee katika Bunge hili. Yuko wapi, maanake jambo hilo linatisha?

An hon. Member: Bw. Naibu Spika wa Muda hakisikia hayo unayoyasema!

An hon. Member: Wewe kamanda simama tu!

The Temporary Deputy Speaker (Mr. Mcharo): Endelea mhe. Ndilinge!

Bw. Ndilinge: Asante sana, Bw. Naibu Spika wa Muda.

Mr. Gumo: Jambo la nidhamu, Bw. Naibu Spika wa Muda. Sikumuelewa mhe. Kiliku. Tafadhali arudie.

Prof. Mzee: Jambo la nidhamu, Bw. Naibu Spika wa Muda. Umemuona Bw. Gumo anataharika kidogo aliposikia kwamba kuna kamanda wa Jeshi la Mzee. Miongoni mwa Wabunge wote wa chama cha KANU, hakuna yule aliyebabaika ila yeye tu. Kwa hivyo, inafaa atuambie ni kwa nini anababaika, kufadhaika na kutaharuki kabisa? Anaweza kuwa yeye au vipi?

An hon. Member: Ni yeye!

Mr. Temporary Deputy Speaker (Mr. Mcharo): Bw. Gumo, ulikuwa unataka kusema nini?

Mr. Gumo: Bw. Naibu Spika wa Muda, mimi sikuelewa ni kwa nini aliniita "Kamanda wa Jeshi la Mzee".

An hon. Member: Hakuna yule aliyekuita!

Mr. Gumo: Bw. Naibu Spika wa Muda, Mhe. Mzee amesema "Gumo". Ningependa kuwajulisha kwamba inafaa uvumi huo ukome kutoka leo kwa sababu ni uongo.

Mr. Ndilinge: Asante sana, Bw. Naibu Spika wa Muda. Ninaona Wabunge wa pande zote mbili za Bunge wameanza kukubaliana kwamba hali hiyo ikome kutoka leo.

Bw. Naibu Spika wa Muda, Mkamba akipewa stima hatapoteza macho. Na akiletewa maji mazuri, hataumwa na tumbo. Pia, mwanamke Mkamba mja-mzito akibebwa kwenye barabara ya lami hatatoa mimba. Kwa hivyo, tunaposema yale tungependa yatendewe Wakamba, haimaanishi tunachukia watu wetu. Tungependa yale yanayotendwa kwengineko yatendeke kwetu. Wengi wanafikiria kwamba, Mkamba anapiga kura kwa sababu ya *kaserikali*, yaani kile chakula cha famine relief.

Mr. Sankori: Jambo la nidhamu, Bw. Naibu Spika wa Muda. Ningependa muongozo katika kujadili Mswada huu. Inaonekana kwamba, tumeacha huo Mswada. Kama ni hivyo, ingefaa nasi tupewe nafasi ili tuzungumzie mambo yanayohusiana na kwetu.

The Temporary Deputy Speaker (Mr. Mcharo): Bw. Ndilinge, ingefaa uzingatie Mswada wa vyama vya ushirika.

Mr. Ndilinge: Asante sana, Bw. Naibu Spika wa Muda. Hata vyama vya ushirika vikiwa Ukambani na hakuna barabara za kubebea mazao, havina maana kwa Wakamba.

Bw. Naibu Spika wa Muda, vyama vya ushirika ni bure iwapo mambo fulani hayajarekebishwa, kwa sababu, hatuwezi kubeba kahawa kwa migongo ama tuwe na kahawa ilhali hakuna maji. Hapawezi kuwa na viwanda vya kahawa ikiwa hakuna stima. Kwa hivyo, mahitaji haya yanaandamana na vyama vya ushirika. Hatuwezi kuongea juu ya vyama vya ushirika ikiwa hatuna malighafi hayo. Bila usalama hatuwezi kuongea juu ya maendeleo.

Bw. Naibu Spika wa Muda, inafaa tupendane. Muda umeyoyoma na ninaonea wengi wetu huruma sana kwa sababu hii ndiyo mara yao ya mwisho kuona Bunge hili. Ingawa kuna vitisho nawahakikishia kwamba tutakwenda uchaguzini na nitakuwa mmoja wa wale watakorudi katika Bunge hili. Kwa hayo machache naunga mkono.

Mr. P.N. Ndwiga: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to speak on this very important Bill. From the outset I would like to congratulate the Minister for Co-operative Development for the good job he has done in the last four years.

Having said that, I must also call for total overall of the operations of this Ministry. This Bill must be taken very seriously by the Minister. This is because, although it has some good aspects, several of its sections must be looked at very critically. I sympathise with the Minister because the real power in his Ministry is the Commissioner for Co-operatives. In this day and age, when there is liberalisation, this is the most irrelevant office in this Ministry. The Commissioner for Co-operatives, if you really must know it, is like God. If he says: "Let there be light" there will be light. Or, "Let there be darkness", there will be darkness. If the man wakes up in the morning and decides that a certain co-operative society should cease to exist from that day, he will form a commission to run it. This is not tenable at this day and age. If the farmer is clever enough to plant his coffee or tea or look after his cow, are we now saying that the same farmer is incapable of deciding how he will market his produce? Are we saying that we have to wait for a commissioner who sits in Nairobi to decide how best the affairs of a society should be conducted? I do hope that the Minister will take these sentiments very seriously. That office is irrelevant. In its place, we need to have created in this Ministry an office of Auditor-General (Co-operatives). That is the only thing required at this time of liberalisation. This is what we need.

Right now most of the co-operative societies have not been audited for over six years. I quite agree with hon. Ndilinge that all district co-operative unions have collapsed. But the fellows who stole peasants' money and run down co-operative societies are still out here with us. Why is this so? This is because nobody has been able to

pinpoint them. We need this office created as matter of urgency.

I fear that most of the co-operative societies, especially the ones concerned with coffee, will, in a year or two, be non-existent. The reason is this: With this liberalisation policy farmers are finding it easier to sell their coffee to individual factory owners. There was the Small Scale Coffee Improvement Programme (SCIP). Under this programme farmers borrowed money, but when it came to repaying it they sold their coffee to factories which did not give them loans because they did not want to repay their loans. In fact, I wonder why the people of Machakos are complaining about lack of electricity! They can use the SCIP to get it. If loans are going to be given to co-operative societies then it must be made mandatory for farmers in coffee areas to sell their coffee through their respective co-operative societies. That is when these societies will survive. Indeed, the co-operative movement is the backbone of the economy of this country. Without the co-operative societies, we are done. That is why I am congratulating the Minister--- At least he has got something going, five years down the road.

Having said that, I wish also to ask the Minister to look into the operations of his own officers. The collapse of the societies will also come by because of the rampant corruption especially in the District Co-operative Officers' offices. Those officers' books need to be audited on a weekly basis. The reason that has made these officers so corrupt is because they are part and parcel--- When a co-operative society is issuing a cheque, one of the mandatory signatories is the District Co-operative Officer. If you really want to know what happens, before the man signs the cheque, he must know what is in it for him. Instead of being the ombudsman, the man who oversees the smooth operations of co-operatives, he is part and parcel of the same---

Mr. Temporary Deputy Speaker, Sir, when it comes to purchases by co-operative societies, more so where societies are building new factories, that is the day of milking. You will see the fellows out there shopping; moving from one shop to another. Where one society perhaps would have spent something like Kshs5 million, it ends up spending Kshs15 million. Who is going to pay this money? It is the poor peasant. When you go to the DCOs and complain to them as a Member of Parliament and tell them "Look, this co-operative society is being mismanaged," but because he is part of that mismanagement, he takes no action. If you tell him "Let us call a meeting in this place," the man knows exactly what is happening in there, so he does not want to take any action. So, these are some of things which must really be addressed by the Minister when he replies because they are quite urgent.

Mr. Temporary Deputy Speaker, Sir, we have the Co-operative College which, unless it is touching on the grassroots management of co-operative societies, it is really useless. Who is it training? It is training District Co-operative Officers and all these thieves instead of admitting members of the management committees from factories to go and be taught simple and basic management skills. We should overhaul the system and urge the Co-operative College to begin to admit such people. We should have schemes to teach society committee members basic book-keeping so that when they are misled by the DCOs and others, they can see what is happening.

Mr. Temporary Deputy Speaker, Sir, we know that most of these unions have collapsed and I have no sympathy and there is no love lost between me and the district unions. All the unions are really unnecessary because there is no need of having a co-operative society which markets its coffee directly to the millers and the millers take their coffee to the Coffee Board for marketing, but when it is time for payment, the money must come through the district co-operative union. What for? These unions used to be necessary in those good old days when we had christians; honest people who had foresight in this country. Those were the days when unions were fantastic vehicles for purchases, so that, if you were buying in bulk, then you would buy things cheaply and so on. Now, if you want to know where corruption is brewed, it is in these district co-operative unions and they serve absolutely no purpose.

In the same breath, we could also look at organisations like Kenya Tea Development Authority (KTDA). I am happy because the Minister for Agriculture, Livestock Development and Marketing is here. KTDA was necessary in 1963, when we did not have many growers. Today, KTDA is an irritating irrelevance because it is not there when we are planting tea. The farmers are paying money to the factories after which the fellows go and purchase fertilizer for the farmers at an expensive price. If you compare the price of the fertilizer which the farmers are getting this season with the prices that the individual farmers in Limuru and the other places are paying, you will cry for the poor peasant because he is paying Kshs300 more. It is as if we have no Government here, but I am happy that the Minister is here and he is listening to this contribution. KTDA must go and if this Government does not do that, then the next Government will do that. I can assure you that the Government which is coming after December, will scrap KTDA. So, I am hoping that the hon. Mbela who is here, and a Minister whom I respect very much, will do something. We want him to go into the annals of history as the person who facilitated---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Mcharo): Order! Hon. Members, it is time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday, 10th September, 1997, at 9.00 a.m.

The House rose at 6.30 p.m.