

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 7th November, 1996

The House met at 2.30 p.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

PAPERS LAID

The following Papers were laid on the Table:-

Annual Report and Accounts of Capital Markets Authority for the year ended 30th June, 1995 and the Certificate thereon by the Auditor-General (Corporations)

Annual Report and Accounts of Registration of Accountants Board for the year ended 30th June, 1995 and the Certificate thereon by the Auditor-General (Corporations)

Annual Report and Accounts of the Registration of Certified Public Secretaries Board for the year ended 30th June, 1995 and the Certificate thereon by the Auditor-General (Corporations)

*(By the Assistant Minister for Finance (Mr. Koech)
on behalf of the Minister for Finance)*

Annual Report and Accounts of National Oil Corporation of Kenya for the year ended 30th June, 1993 and the Certificate thereon by the Auditor-General (Corporations)

*(By the Assistant Minister for Finance (Mr. Koech)
on behalf of the Minister for Energy)*

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

*(By the Assistant Minister for Finance (Mr. Koech)
on behalf of the Minister for Agriculture,
Livestock Development and Marketing)*

Annual Report and Accounts of the Kenya National Library Service Board for the year ended 30th June, 1994 and the Certificate thereon by the Auditor-General (Corporations)

*(By the Assistant Minister for Finance (Mr. Koech)
on behalf of the Minister for Culture
and Social Services)*

ORAL ANSWERS TO QUESTIONS

Question No. 1061

IMPLEMENTATION OF ELECTRIFICATION PROGRAMME

Mr. Gitau asked the Minister for Energy:-

(a) whether he is aware that the Gatundu Rural Electrification Programme has not been effected as per the Government's directive of 2nd April, 1996; and,

(b) if the answer to "a" above is in the affirmative, what steps he is taking to assure the residents of Gatundu that the said directive will be implemented.

The Assistant Minister for Energy (Mr. Nang'ole): Mr. Deputy Speaker, Sir, I beg to reply.

(a) No I am not aware.

(b) The Rural Electrification Programme in Gatundu has been re-effected as per the Government's directive. Muthiga Secondary School and its environs were beneficiaries of the re-effected programme at a cost of Kshs1.4 million.

Mr. Gitau: Mr. Deputy Speaker, Sir, arising from that answer to part "b" that reply is right, but this is the money which had been "sat on" by KPLC. Until the President talked about it, there was no hope of the people of Gatundu getting electricity supply. People in Gatundu were promised electricity by the President when he was initiated into the Ambui Clan from which he was eventually rejected. Everybody can remember that. When will the other area be provided with electricity because people are still waiting for this promise to be fulfilled?

Mr. Nang'ole: Mr. Deputy Speaker, Sir, first of all it is not true that KPLC "sat" on that money. What I am aware of is that the Kshs6 million, which I think the hon. Member is talking about, has never been handed over to KPLC. If this money is handed over to KPLC, Rural Electrification Programme will do its work.

As to the second part of his question, the request was for two places, the secondary school and the hospital which we have done at a total cost of Kshs1.4 million. We should not forget that this was KPLC's money.

Mr. Gitau: Mr. Deputy Speaker, Sir, this money has all long been with the KPLC. People from Gatundu have contributed much money and we cannot see what the company is doing. We have collected more than Kshs6 million. Will he tell this House when this work will commence because this money was contributed way back in 1992?

Mr. Nang'ole: Mr. Deputy Speaker, Sir, I do not know what the hon. Member wants this House to believe. I do not know whether he is trying to say that we have not done anything in Gatundu. We have spent over Kshs30 million in this constituency. Unless the Kshs6 million is handed over to KPLC, other programmes will have to come in.

Mr. Gitonga: On a point of order, Mr. Deputy Speaker, Sir. Can the Assistant Minister give the actual projects where this money has been spent?

Mr. Nang'ole: Mr. Deputy Speaker, Sir, with your permission I will read out the projects. One is Gachinga Market, Mundoro Market, Gacharage Market, Ituramiro hand so on.

Mr. Ndicho: Mr. Deputy Speaker, Sir, there seems to be some confusion between the Ministry of Energy and the people he sends to the field. Last month we attended a DDC meeting in Thika and the officer in charge of Rural Electrification Programme informed the DDC that the Ministry had done a feasibility study all over Thika District, Gatundu included and they are going to spend over Kshs200 million. They told us that they had not spent that money. Now, can the Assistant money tell us whether the Kshs30 million he is talking about is included in the Kshs200 million?

Mr. Nang'ole: Mr. Deputy Speaker, Sir, that is a different question altogether. I have not said anything on the DDC.

Mr. Ndicho: Mr. Deputy Speaker, Sir, can you please help hon. Nang'ole?

Mr. Deputy Speaker: What is your point of order?

Mr. Ndicho: I have asked him a specific question, that is, whether the Kshs30 million he has told us is part of the Kshs200 million that his officer told the DDC. Is that a different question from that? Is it part of that?

Mr. Nang'ole: I have said that the Kshs30 million is not part of the Question. I do not know anything about the Kshs200 million you are talking about. What I am aware of is that Kshs30 million has been spent, and I have a list of 30 projects which have been done.

Question No. 482

ERRONEOUS GRADING BY
EXAMINATION COUNCIL

Mr. Anyona asked the Minister for Education:-

(a) whether he is aware that the Kenya National Examination Council erroneously graded Miss

Kerubo Susan Nyaenya of Kiabonyotu Secondary School (KCSE Index No. 70660170) for nine subjects (including Agriculture which she did not register for) instead of eight subjects with a mean grade X (absent); and,

(b) how the error came about and when the council will correct the anomaly by releasing the correct result.

The Assistant Minister for Education (Mrs. Ndeti): Mr. Deputy Speaker, Sir, the Ministry would like to request that this particular Question be deferred to another day, because we have agreed with the Questioner that something is wrong with the Question itself, and we have been unable to get any answer that would benefit the Questioner, and he has agreed to that position.

Mr. Anyona: Mr. Deputy Speaker, Sir, the problem with this Question is that the name of the school has been misspelt. I do not know at what stage it was misspelt. So, I would like, for instance, to correct the spelling of the school. The school's name is Kiabonyoru Secondary School, and not Kiabonyotu Secondary school.

Also, in the answer that has been provided to me, there is a reference to a school to which they think the Index Number belonged. They are calling this school Gikando Secondary School. There is no such school. It is called Gikindu Secondary School. So, if you correct the two names, it is possible to trace the correct Index Number of this child. I am not opposing the deferment.

(Question deferred)

Question No. 1050

CARE FOR ANTE-NATAL MOTHERS

Mr. Deputy Speaker: I have received a request from the Ministry and the Questioner to have this Question deferred.

(Question deferred)

Question No. 1111

REVENUE FROM MARKETS

Bishop Njeru asked the Minister for Local Government the total revenue collected from Wanguru, Ngurubani and Kutus markets between January and July, 1996.

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

Please note that Wanguru and Ngurubani is one market. Revenue collected from Wanguru/Ngurubani and Kutus markets between January and July, 1996, is as follows:

Wanguru/Ngurubani	-	Kshs1,310,748.00
Kutus	-	Kshs4,167,681.00
Total	-	Kshs5,478,419.00

Bishop Njeru: Mr. Deputy Speaker, Sir, the reason I asked this Question is: If you looked at the amount collected from Ngurubani and Kutus, and compared that with the situation in which Ngurubani is, you would be shocked. There is no sewerage system or drainage to drain collected waste. Now, my people in Ngurubani and Kutus are drinking the sewage from those tanks. Can the Assistant Minister tell us where he is taking this money? Where is this money going?

Mr. Deputy Speaker: Are you saying that your people are drinking the sewage from the tanks?

Bishop Njeru: Yes!

Mr. Kamuren: Mr. Deputy Speaker, Sir, all this money put together, is in the bank.

Mr. Deputy Speaker: Why are you feeding the people with sewage?

An hon. Member: They are drinking sewage!

Bishop Njeru: Mr. Deputy Speaker, Sir, what I said is this: We are drinking waste from this sewer in

Wanguru. What I am asking is: Can the Assistant Minister order that this money be used in Wanguru, so that Wanguru people can be saved from water borne diseases like diarrhoea, that we are getting from this waste?

Mr. Kamuren: Mr. Deputy Speaker, Sir, we thank God that the people in that area are safe from a situation which is very bad, if at all the hon. Member is right. We will make sure that the Clerk of the Council uses this money for the intended purpose, including sewerage.

Mr. Ndicho: Mr. Deputy Speaker, Sir, there is a massive misuse of money collected in the local authorities by chief officers. Can the Assistant Minister assure this House that the Kshs11 million from Thika Municipal Council which has been stashed in a bank here in Nairobi to earn interest for the officers, will be returned to Thika? This is the kind of situation which is happening in Wanguru, where people pay money and the chief officers misuse that money for their private use, while people continue to suffer.

Mr. Kamuren: Mr. Deputy Speaker, Sir, if hon. Ndicho brings a Question to that effect, we will investigate.

Mr. Ogeka: Mr. Deputy Speaker, Sir, can the Assistant Minister tell this House the Government policy in re-investing the revenue realised from an area, back into that particular area for the better welfare of those people from whom the revenue has been realised?

Mr. Kamuren: Yes, Mr. Deputy Speaker, Sir.

Hon. Members: Yes, what?

Mr. Ogeka: Mr. Deputy Speaker, Sir, can I repeat the question? My question is: What is the Government policy in re-investing the revenue realised from an area like Wanguru, to improve the welfare of the people from whom that money has been raised? Is there a Government policy to re-invest money in the same area from which such money is collected?

Mr. Kamuren: Mr. Deputy Speaker, Sir, there is always a Government policy. Once money is collected from the common people, it is ploughed back to them so that they too can enjoy the services rendered within their area, for the betterment of that particular person within a particular local authority.

An hon. Member: Can you quote the relevant Act and Clause?

Question No. 1085

CONSTRUCTION OF A SLAUGHTER HOUSE

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

Question No. 466

RESTORATION OF SECURITY LIGHTS

Mr. Kamuyu asked the Minister for Local Government:-

- (a) whether he is aware that no public security lights have been working in Dagoretti Constituency since January, 1994;
- (b) whether he is further aware that this has caused immense insecurity in the area; and,
- (c) when the public lights will be restored.

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

- (a) Public security lights have been working in Dagoretti Constituency since January, 1994.
- (b) Street lights are often vandalised in Dagoretti Constituency. During this period, when street lights cannot operate, thugs find it easier to carry out their activities.
- (c) Repair and restoration of security lights is carried out on a daily basis by the Nairobi City Council.

Mr. Kamuyu: Mr. Deputy Speaker, Sir, had this Assistant Minister not been my friend, I would have called him a speculator and a liar, but now, I will not.

The street lights are simply not working in Dagoretti. I go there everyday, when I am going home. They are not working. There was a recent directive by His Excellency the President, to repair and restore street lights, but nothing has happened in Dagoretti so far. Is the Assistant Minister aware that 17 residents of Dagoretti, have in the recent past, been murdered in the dark alleys of Kawangware, Mutuini and Kangemi?

Can he tell us how much money has been set aside, if indeed, for the repair and restoration of security lights is going on? How much money has been set aside?

Is he also aware that I have lost 17 goats because of the carelessness of his Ministry?

Mr. Kamuren: Mr. Deputy Speaker, Sir, I am not aware of any people killed in Dagoretti Area because of lack of security lights. That is one thing my Ministry would have to investigate. This morning I talked with the City Council Engineer, because when I answer any Question here, I would like to be very clear to my friends on both sides of the House. When I was talking with the City Council Engineer, I told him to move in and make sure that the security lights are restored, and in three days time, I will also go back to the same City Council Engineer to find out whether he has done the job.

Mr. Deputy Speaker, Sir, on top of what the hon. Kamuyu said, I do not think I am a liar because I always reply to the satisfaction of the hon. Members of this House.

Mr. Kamuyu: Mr. Deputy Speaker, Sir, could it be that the Assistant Minister is being fed with wrong information by this City Council Engineer, because nothing is going on in Dagoretti as far as security lights in public places are concerned? I would encourage, perhaps, your Minister, or yourself, or officials of your Ministry, to tour Dagoretti to verify this issue because very many people are being killed there currently. Maybe you can go back and find out from the City Council Engineer because he is not telling you the truth at the moment.

Mr. Kamuren: Mr. Deputy Speaker, Sir, it is true that the security lights are not there in the area in question. That is why I talked to the City Council Engineer and told him to make sure, because we value the lives of our people, that these security lights should be on within three days time. If it is not, then I will go back to him again.

Dr. Lwali-Oyondi: Mr. Deputy Speaker, Sir, it is not only Dagoretti that has no security lights, but the story is the same in Nairobi, Mombasa, Nakuru, Kisumu everywhere. Most Kenyan towns are in darkness. Could the Assistant Minister make sure that there is a stand-by repair unit in every town? One way of getting rid of vandalism is to repair what they have vandalised early in the morning. This is what is done all over the world.

Could he take that step so that when security lights are vandalised in one area, they are repaired immediately that the vandals do not vandalise the other security lights?

Mr. Kamuren: Mr. Deputy Speaker, Sir, that is a very important question. My Ministry will embark on that one immediately.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. Did you notice that in the answer to part "c" the Assistant Minister said, "repair and restoration of security lights is being carried on a daily basis?" I asked the Assistant Minister a very simple question: How much money has been set aside for this project?

Mr. Kamuren: Mr. Deputy Speaker, Sir, right now I do not have the amount at hand, but if the hon. Member would want me to go into it, I would do it immediately.

Mr. Deputy Speaker: Next Question, Mr. George Kapten.

Question No. 978

SUB-DIVISION OF FARMS IN
TRANS NZOIA DISTRICT

Mr. Kapten: Mr. Deputy Speaker, Sir, before I ask this Question, I have received what is supposed to be a written answer, but the Ministry just shifts the Question from this Ministry to the Office of the President. I wonder why they did not send this Question to the Office of the President, so that we can have an answer from that Office. I do not have an answer. They say that this Question falls under the Office of the President.

Mr. Deputy Speaker: I fully agree with you, Mr. Kapten. I think it is ridiculous that they say it is not their Question and decline to give an answer. The Question is deferred.

Mr. Kapten: Mr. Deputy Speaker, Sir, could you direct that it be sent to the Office of the President, so that we have it next week on Tuesday?

Mr. Deputy Speaker: Yes, you are right. Next Question, Mr. ole Tuya.

(Question deferred)

Question No. 962

PAYMENT OF WILDLIFE COMPENSATION

Mr. ole Tuya asked the Minister for Tourism and Wildlife:-

- (a) if he is aware that the son of Mr. Livingstone Maisho was killed by a lion in Narok South in 1980 according to Min.174/80 of the Wildlife Compensation Committee;
- (b) if the answer to "a" above is in the affirmative, what delayed the payment up to date; and,
- (c) what plans he has for payment of these claims.

The Assistant Minister for Tourism and Wildlife (Mr. Kisiero): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that the son of Mr. Livingstone Maisho was killed by a lion in Narok South in 1980 according to Min.174/80 of the Wildlife Compensation Committee.

(b) I would like to point out that on the strength of the above quoted Minute of the Narok District Wildlife Compensation Committee, the Ministry prepared a cheque No.860614 of 18th March, 1994 for Kshs30,000 in the name of the deceased's father, Mr. Livingstone Maisho of P.O. Box 187, Narok. We, however, subsequently established that the cheque was allegedly misappropriated by one of our officers who has since been charged for the offence and the case is still pending before the High Court under Criminal Case No.1870/94.

Mr. ole Tuya: Mr. Deputy Speaker, Sir, since this child was killed by a lion, it is now 16 years ago; from 1980. During the time that he has said that one of his officers had taken this money is 14 years ago. If it happens that the said officer wins the case, is the Ministry going to compensate the deceased's father, or not?

Mr. Kisiero: Mr. Deputy Speaker, Sir, we cannot anticipate the outcome of the court case. We are waiting and as soon as the case is finalised, we shall take the necessary steps.

Mr. ole Tuya: On a point of order, Mr. Deputy Speaker, Sir. Just imagine 16 years ago and from the time this money was misappropriated by a certain officer from that Ministry, is 14 years ago. How long is it going to take again for this court case to be finalised? Why can the Ministry not pay the money to the deceased's father, and then you will follow the officer to reimburse the money to the Ministry?

Mr. Kisiero: Mr. Deputy Speaker, Sir, we have to wait for the outcome of the case before we can effect any payment.

Mr. P.N. Ndwiga: Thank you, Mr. Deputy Speaker, Sir. This Ministry has the habit of waiting until we bring in Parliamentary Questions here, before they write the cheques for compensation. Can the Assistant Minister tell this House, what is the Ministry's policy with regard to compensation, because already, and I have brought that matter in this House, we have about 20 people in Embu who have not been paid their compensation? What is the Ministry's policy with regard to compensation? Do we have to bring in Questions here so that they can learn to write the cheques or what is the policy?

Mr. Kisiero: Mr. Deputy Speaker, Sir, the policy is that we have to pay the deceased's family as soon as the District Compensation Committee has informed us about a given case. But our major problem is that at that time we may not be having sufficient funds to pay compensation. That is where the delay comes from.

Mr. ole Tuya: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister has said that they do pay this compensation immediately after receiving communication from the District Compensation Committee.

What has he been doing for the last 14 years before this money is paid to the deceased's father because he said that the cheque was written in 1994? What happened to all those years before that time? Again, Kshs30,000 is very little. Can the Ministry not pay the money? It is not a lot of money to the Ministry to pay the deceased's family and then claim reimbursement of the same amount from their employee. Why do you not pay the money to the deceased's father?

Mr. Kisiero: Mr. Deputy Speaker, Sir, for the case in question, we could not have paid the family of the deceased immediately because we did not have money. For about a period of four years we were not receiving funds from the Treasury and, therefore, there was nothing we could have done.

Mr. Achieng'-Onoko: Mr. Deputy Speaker, Sir, what has the money and the case in court have to do with the payment? If the Ministry has the money, why should it not just pay directly to the parents of the deceased?

Mr. Kisiero: Mr. Deputy Speaker, Sir, as I have already said, we do not know what will be the outcome of the case when finalised in court. So, it would be better to wait until the case is finalised.

Mr. ole Tuya: Mr. Deputy Speaker, Sir, I think the Assistant Minister is not serious. They have to pay this money to the family of the deceased and if that is not the case, they should have made a decision for us to defend ourselves against wild animals. We can face those wild animals, defend ourselves and forget about the money. Is he aware of that?

Mr. Kisiero: Mr. Deputy Speaker, Sir, I would appeal to my hon. friend not to lose hope and take the law into his hands. I am sure that, as soon as the matter is finalised, we shall pay the family of the deceased.

Mr. Anyona: Mr. Deputy Speaker, Sir, is the Chair satisfied that there is a relationship between the case in the court against the man who apparently tampered with the cheque and the payment of compensation of a man who was killed justified? The Assistant Minister is insisting that they cannot pay until the case is finalised. What is the relationship? I imagine that the man was not even paid, it was only the cheque which was cashed and the Ministry lost money.

Mr. Kisiero: Mr. Deputy Speaker, Sir, the relationship here is that it may turn out that maybe this man is not the one who stole the cheque, but somebody else or the cheque was directed elsewhere. That is why there is that relationship and we have to wait until the matter is streamlined.

Mr. Deputy Speaker: Mr. Assistant Minister, if I use analogy from banking laws, if somebody forges your cheque and cashes it, the bank is still liable to you.

(Applause)

Mr. Kisiero: Mr. Deputy Speaker, Sir, but in this case, we actually do not know who may have taken the money. It may turn out to be somebody else.

Question No.263

AWARDING OF CONTRACT BY NSSF

Mr. Ndicho asked the Minister for Labour and Manpower Development:-

- (a) if he is aware that Messrs Sibiyom Construction Company Limited has been awarded a contract by the NSSF to build 7,776 flats at a cost of Kshs10 billion;
- (b) if the answer to "a" is in the affirmative, who authorised NSSF to spend the Kshs10 billion; and,
- (c) if he could consider cancelling this deal until Parliament deliberates on it to ascertain the viability of the project.

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

(a) I am not aware of a construction company known as Sibiyom Construction nor the existence of a Kshs10 billion contract between the said company and the NSSF to build 7,776 flats.

(b) In view of (a) above, parts (b) and (c) do not arise.

Mr. Ndicho: Mr. Deputy Speaker, Sir, I will forgive the hon. Assistant Minister when he says that he is not aware of a construction company known as Sibiyom Construction because I have also gone to the Registrar of Companies files and there is no way you can get this kind of name. The names used to get money from NSSF are fictitious and are nowhere to be found. My question is that this money has already been spent and the area where this money is being spend is along Langata Road where there was the Langata Women Prison and that plot now belongs to a certain Indian who was given this money to construct these flats. The idea of constructing 7,776 flats is not bad, but my question is; why was this money given to a contractor from NSSF without having to pass through Parliament? Can the Assistant Minister now confirm or deny that that construction work is going on right now at the former Langata Women Prison?

Mr. Ali: Mr. Deputy Speaker, Sir, it is true Sibiyom International is not the contractor of this construction. It is also true that the construction work is going on.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. This is a very serious matter which has been taken rather lightly in kind of a circus. Over Kshs10 billion from NSSF is a lot of money. Can the Questioner substantiate to this House that there were indeed fictitious companies which have been awarded this money from public coffers? If not, I would highly recommend that he withdraws this Question.

Mr. Ndicho: Mr. Deputy Speaker, Sir---

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. Have the rules been changed?

Mr. Deputy Speaker: I have yet to know the rules by which you ask the hon. Questioner a question and you insist that he must answer you. Mr. Ndicho, what were you responding to?

Mr. Ndicho: Mr. Deputy Speaker, Sir, the Assistant Minister himself has confirmed that the construction work is going on there and he has said that it is Sibiyom Construction International that is

constructing these flats. So, what the hon. Kamuyu is asking me to substantiate has already been ascertained by the Assistant Minister that this construction is work going on.

Mr. Deputy Speaker, Sir, let me ask my supplementary question. If the Assistant Minister has agreed construction is going on---

Mr. Busolo: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Minister to say that he has no idea about this company and then says that he is aware that there is some construction work going on? Then hon. Ndicho says that the Assistant Minister, in fact, affirms that the company exists. What is going on? Which company is constructing these flats?

Mr. Ali: Mr. Deputy Speaker, I think it is appropriate for me to answer which company actually is constructing these flats as the hon. Member has just asked. The contractors are Messrs Mugoya Construction and Engineering Limited.

Mr. Raila: Mr. Deputy Speaker, Sir, now that the Assistant Minister has been honest enough to tell the House who this contractor is, can he tell the House how this particular contractor was awarded the contract, if there was a tender who was the highest, second and the lowest, and how much value is actually involved?

Mr. Ali: Mr. Deputy Speaker, Sir, the tender was awarded in the normal procedures, and the amount involved is Kshs10,694,943,932.25.

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. In view of the fact that NSSF has been involved in scandals that have come before this House in the past, could the Assistant Minister be kind enough to tell this House how many projects of a similar nature are Mugoya and the NSSF involved in today?

Mr. Ali: Mr. Deputy Speaker, Sir, this is a totally different question and should be addressed on a different occasion.

Mr. Raila: On a point of order, Mr. Deputy Speaker, Sir. I asked the Assistant Minister to tell this House how the tender was awarded? Who was the highest and the lowest bidder? He is saying that it was awarded in a normal procedure. This is a very large sum of money that was involved and the Assistant Minister should come out and tell the House clearly how this particular tender was awarded knowing the way that Mugoya construction and NSSF have been colluding to steal public funds.

Mr. Ali: Mr. Deputy Speaker, Sir, I would be very much of assistance to the hon. Member, if he would come to the NSSF office.

Dr. Kituyi: On a point of order, Mr. Deputy Speaker, Sir. Is it in order in light of the responsibility of hon. Members to be the custodians of the tax-payers money and considering the sensitivity of the matter at hand--If the Assistant Minister does not have the information about the procedure through which this tender was awarded, would it be in order for the Chair to oblige him to undertake to bring those documents to the House next week because he is just hiding his ignorance about the matter through his refusal to answer a legitimate question?

Mr. Ali: Mr. Deputy Speaker, Sir, I maintain that the hon. Member can find this information from the NSSF office.

Mr. Farah: Mr. Deputy Speaker, Sir, I think this House deserves an answer from the Assistant Minister. No Member of Parliament can go to NSSF or any other department in the Government to ask a question. Since he has asked the question, can he answer it or tell us when you can come back to furnish this House with the information on how many companies bid for it; who was the highest bidder and the lowest; whether it was advertised and if it was, when was it advertised? That is all the information that we need in this House.

Mr. Ali: Mr. Deputy Speaker, Sir, if there is persistent reference to the matter, then I will do so.

Hon. Members: When?

Mr. Ali: Mr. Deputy Speaker, Sir, in a fortnight's time.

Mr. Deputy Speaker: Order! It is my understanding that the Minister has given an undertaking to get such information to satisfy those queries from Hon. Members. I think, Mr. Assistant Minister, if that is the case, you can do it in a week's time.

Mr. Ndicho: On a point of order, Mr. Deputy Speaker, Sir. Would I be in order to ask the Assistant Minister, because he has agreed that over Kshs10 billion has been spent on this project, to tell us the person who approved the expenditure? Is there another Parliament other than this one which allocated that money for that project?

Mr. Deputy Speaker: Order! That is not a point of order. Now we will go back to the question by hon. Mwaura for the second time. Since he is not here, his Question is dropped.

CONSTRUCTION OF SLAUGHTER-HOUSE

(Question dropped)

QUESTIONS BY PRIVATE NOTICE

SALE OF COUNCIL ESTATES

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

(a) Is the Minister aware that the Kisumu County Council is about to lose two of its estates, namely: Joel Omino and Opiyo Oguma estates, to unscrupulous businessmen through irregular auction?

(b) If the answer to "a" above is in the affirmative, could the Minister take immediate action to stop the sale and arrange for rescheduling of the loan to the council?

The Assistant Minister for Local Government (Mr. Kamuren): Mr. Deputy Speaker, Sir, when this Question came to the House last week, it is me personally who requested the House to allow the Question to be deferred for a better answer today. Because of the seriousness of what happened in the Kisumu County Council, my investigations which are still on, have revealed that Sadrudin Khan left the council with Kshs40 million to pay from nowhere. I would want to ask for more time because I do not want to give an answer to this Question which is not satisfactory: I would want to ask the hon. Member for Langata to give me a bit of time because the highest and the lowest bidder had not come to my notice up to now and this is what I was looking for.

Mr. Deputy Speaker, Sir, secondly, if this property went out for Kshs24 million when the council spent Kshs38 million, surely, the council will have a bottleneck to be able to pay or rather to service the interest and the loan that are due. So, I would like to ask for more time because the Ministry right now has got to come out with something which is going to help this County Council. So, I am still asking for more time.

Mr. Raila: Mr. Deputy Speaker, Sir, while appreciating the Assistant Minister's concern and efforts to try and establish the truth and assist the county council, can he give an indication as to when is he going to be in a position to give an answer to this House.

Mr. Kamuren: Mr. Deputy Speaker, Sir, when I gave the undertaking last week, I said that I would be able to answer the Question on Thursday because I thought we were going get a proper answer to the Question, but because of the concern and because we also do not want to plunge the county council into problems, I would like this House to give me 14 days to come up with a very reliable answer to this Question.

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I thought that important and serious matter requires the most urgent attention and should not be dragged on for a long time. What is the reason for the Assistant Minister not being able to get the correct answers to the question he has asked from his officers on the ground? What guarantee is there that if they are blocking his way that he is going to break through now?

Mr. Kamuren: Mr. Deputy Speaker, Sir, Kisumu County Council was at one stage trying to get their way into certain authorities in position to get this problem solved, but they were not able to. That is why I am asking the House to give me more time because we need thorough investigations as to who stopped Kisumu County Council from getting the assistance so as to prevent the sale by auction of these particular estates that would in future bring the council into better financial position.

Mr. Raila: Mr. Speaker, Sir, in the light of what the Assistant Minister has said, I agree that 14 days is reasonable under those circumstances.

Mr. Deputy Speaker: The Question is deferred.

(Question deferred)

MOTOR TRANSPORT BRANCH CONTRACT

Mr. Maore: Mr. Deputy Speaker, Sir, before I ask my Question, I would like to seek the indulgence of the Chair to demand an apology from the *Daily Nation* for their lead story on the Parliamentary page, that yesterday I did abandon the Question, that I left the Chamber and I never returned. When I actually came back I made a speech that lasted 30 minutes and they never even wrote a single sentence about it yet what I never said was the sub-headline.

Mr. Deputy Speaker: I confirm that you did not sneak out of the House. I had the Question deferred because you were attending to an emergency.

Mr. Maore: Having said that, Mr. Deputy Speaker, Sir, I beg to ask the Minister for Transport and Communications the following Question by Private Notice.

(a) Could the Minister make a full disclosure regarding the Motor Transport Branch deal with Infor Radar Limited of 91 Wigmore St. London, U.K.?

(b) When were the proposals, contracts and tenders done?

(c) Who were the non-civil servants involved in the deal?

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

(a) The Motor Transport Branch of my Ministry has no deal with Infor Radar Limited of 91 Wigmore Street London, U.K.

(b) The Infor Radar Limited submitted its proposals to the Ministry of Transport and Communications through with regard to road safety matters in May this year. There are no contracts or tenders sought yet.

(c) As there is no deal, the question of non-civil servants involved does not arise.

Mr. Maore: Mr. Deputy Speaker, Sir, I think, the Assistant Minister has given an outrageous answer. My Question seeks a full disclosure and he has just avoided it in full. Could the Assistant Minister, if at all he says there is no deal, explain the negotiations between the Permanent Secretary in the Ministry of Transport and Communications, Mr. S.K. Murage, in a letter dated 19th August, 1996 in which he refers that was dated 26th saying that:-

"He has considered your proposals and we find them suitable for our needs?".

That is one letter.

Mr. Deputy Speaker: Can you Table it?

Mr. Maore: Mr. Deputy Speaker, Sir, I will Table it after I finish referring to it.

And then another letter from the same Permanent Secretary of 28th June 1996 says:-

"Your ideas and suggestions are being received along with others which we have received on this subject".

Mr. Deputy Speaker, Sir, a draft of the contract looks a like a catalogue of a Government that has already privatised the Exchequer. This private company is drafting the terms of the agreement and everything and the Government has not made a disclosure as the one that I sought through my Question regarding what they wanted to do and yet this is what was happening. It is all stated in the contract on pages two and three. I will also lay on the Table the copy of the agreement that the Government has not yet signed but they have received it because the Permanent Secretary acknowledged the receipt of the same.

Mr. Deputy Speaker, Sir, it talks about a total expenditure by the company on the issue of logbooks, drivers licences and the road licences. All this expected to cost the company Kshs464 million. But, the company will be able to earn, in five years, Kshs7.2 billion. Could the Assistant Minister now state what role the Permanent Secretary and a Mr. S.K. Macharia, who owns the London based fictitious company, have to do with this deal?

(Hon. Maore laid the documents on the Table)

Mr. Morogo: Mr. Deputy Speaker, Sir, to the best of my knowledge there is no deal that has been entered into with Infor Radar Limited. What is happening is that since the Ministry undertook to look into the matters pertaining to road safety, many people have been interested. Infor Radar Limited has taken a step to write to my Ministry to give their proposals that they could supply what they thought we would require. My Ministry is simply looking at those proposals along with others that we still expect will be coming through. We have not signed anything, so there is no question of any deal.

Mr. Maore: Mr. Deputy Speaker, Sir, I think the House deserves a better response than this one from the Assistant Minister. He first of all stated categorically that they have no deal to do with this company. Now, he says that they have received proposals from that company just like the others. Now, could he apologise for misleading the House first by stating that there was no deal in the first place?

Mr. Morogo: Mr. Deputy Speaker, Sir, as far as I am concerned, we can only call a deal a deal when it is a deal. As far as I am concerned, these are mere proposals and we have no business deals with Infor Radar Limited. When time comes for that, we will inform everyone.

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, this road safety is an extremely important aspect of our lives and since this Government has been dilly-dallying over the speed governors issue, and since the Assistant

Minister has said that they are looking for a deal that will be a deal, could the Ministry prepare a proper Sessional Paper to bring to this House so that this Parliament can give the Government proper direction on how to deal with road safety rather than enter into deals which will never be deals?

Mr. Morogo: Mr. Deputy Speaker, Sir, I have said that we have not entered into any deal with anyone. So, the hon. Prof. Anyang'-Nyong'o should not mislead anyone. During the last session of this House, we had said that my Ministry will be bringing a Bill to this House with the intention of establishing a Road Safety Authority. When that Bill comes here, we will give the opportunity to all Members to discuss all matters pertaining to road safety.

Dr. Kituyi: Mr. Deputy Speaker, Sir, the matter being discussed is of a major, major national concern. The extend of negotiations between the Kenya Government and Infor Radar Limited and their implementing associated company, is so advanced that the Minister for Transport and Communications from Kenya has been hosted by George Soussou the managing director of Infor Radar Limited London, the Permanent Secretary has so similarly been hosted. At the same time the Kenya Government is not totally innocent of the negotiations which have gone on. The draft contract which has just been Tabled here, which includes among other things, that every Kenyan owning a driving licence within six months must surrender it and pay to the contractor US\$50 and that every Kenyan owner of a vehicle must surrender his logbook and pay to Infor Radar's contractor US\$90 has been already perused by the Kenya Government before the Government through the letter referred to here did write to Infor Radar Limited on the 19th of August to say :-

"We have considered your proposals and find them suitable for our needs"

A letter signed by the managing director of Infor Radar Limited to the Permanent Secretary in the Ministry of Transport and Communication *inter alia* says:-

"We look forward as agreed to having this project finalised on your side for immediate implementation. As agreed, we shall return to Nairobi on 2nd July".

If this Government has not entered into such a negotiations where a contract stipulates and I just read a little bit a copy of the draft contract that---

"All the fees payable under clause (i) and (ii) Logbooks and driving licences shall be paid and received by the contractor as its fee for its obligations under this contract".

The only obligation of the Kenya Government is to teach its natives to be used to better driving and I can read that to you. This contract says:-

"The Kenya Government will through the police force develop within the citizenry the tendency to obey traffic rules and at that time photo-service fee to be fixed from time to time by the contractor and the Government and fines to be collected by the contractor".

How can the Government start entering negotiations with a foreign agency to start collecting revenue and tax from Kenya citizens and why does the Government give a false reply to an Assistant Minister who is totally ignorant of the extent to which the Government has gone? Could you explain to the House why the Attorney-General of Kenya was visiting Infor Radar Limited in October 1996?

Mr. Morogo: Mr. Deputy Speaker, Sir, you can speak a thousand words, but you will not change anything. Just like the hon. Kituyi likes to do here. I have said there has not been any agreement.

Dr. Kituyi: On a point of order, Mr. Deputy Speaker, Sir. I take exception at the casting of aspersions to the genuine and patriotic intentions behind my asking a question, by an Assistant Minister who finds that if I give details, it is speaking a thousand words. I have not asked whether a contract has been signed or not, I am asking why the Assistant Minister is hiding from this House, the extent of official negotiations that have been going on between his Ministry, the Office of the Attorney-General, Info Radar and Serco(?) Services.

Mr. Morogo: Mr. Deputy Speaker, Sir, the hon. Member is asking me for deals and I have said, we have not entered into any deals with Info Radar.

(Several Members stood in their places)

Listen! Let me answer! Why do you not want to listen? Do you want answers replied half-way? The hon. Dr. Kituyi, is referring to an agreement. He said, "as agreed." Can he Table what has been agreed, because there is no agreement?

Mr. Nyagah: On a point of order, Mr. Deputy Speaker, Sir. It is obvious that this Assistant Minister does not know what he is answering.

Mr. Nthenge: Exactly!

Mr. Nyagah: Maybe he is not informed and we cannot blame him. But we would like to know the truth

in what these hon. gentlemen on this side are saying. What we would like to find out from the Assistant Minister is that, in that agreement which they made and the Permanent Secretary, Mr. Murage, seemed to have been in great hurry to get to London with his team as evidenced in the letters produced by hon. Maore, where the Government said they would pay Kshs6 million per week if the contract is not done as per schedule, and now the schedule is already late, yet those fellows have signed and letters have come from the Kenya Government, is the Kenya Government going to be required to pay that amount on weekly basis as specified in that contract? We would also like to know how much money the Exchequer or Treasury has spent from January up to now, in this project, which includes buying them tickets to go and bribing them?

Mr. Morogo: Mr. Deputy Speaker, Sir, the problem with some of the hon. Members here, is that, they do not wait to see whether something will go through or not. They anticipate and conclude that what they think would happen, will happen. I am assuring them that this Ministry is studying anything to do with road safety and we can only accept what we feel is in the interest of this country and the people of the Republic of Kenya.

Mr. Maore: Mr. Deputy Speaker, Sir, if the Assistant Minister wants to evade the question by saying that there is no deal that has been entered, we want to make it simpler for him. On the 11th and 12th July 1996, these officials of Info Radar were in Nairobi and then there was a follow-up project done by the Attorney-General and the Permanent Secretary, to visit the facility. Now, if you have no deal as you are stating - or I think, maybe some persons preferred you to answer this Question because they knew you would not get the magnitude of misleading Parliament - can you explain who was paying for the PS's costs or who offered him to go to London to inspect these premises as recorded in the conversation if there was no tender in the first place, there were no proposals done and no contract, yet there are laws pertaining to many other things in the agreement? What was it?

Mr. Morogo: Mr. Deputy Speaker, Sir, you realise that the hon. Member is simply trying to make me believe that there is a contract or there have been deals. I have said that there have been no deals, Infor Radar has simply given us their proposal and I think, they are in order. Anybody doing business is free to market his services and commodities, and that is what Info Radar has done. But we have not accepted anything.

Mr. Maore: On a point of order, Mr. Deputy Speaker, Sir. I would like the Assistant Minister to be honest to this country. He himself knows that he is actually being used to give that kind of response. If he is not, could he Table a written answer to this Question if he has one? I am sure he does not have, it was given orally. Could he Table a written answer?

Mr. Morogo: Mr. Deputy Speaker, Sir, I Table the answer.

(Mr. Morogo laid the answer on the Table)

Mr. Raila: Mr. Deputy Speaker, Sir. Given the fact that there is no deal according to the Assistant Minister and it has been alleged that two Government officials travelled to London and they were hosted by the officials of this Company; and that, Kenya's Attorney-General himself also went and visited the premises of this Company, or was hosted, could the Assistant Minister tell this House at whose expense these Government officials travelled to London if there is no deal? Were they invited and was the cost of their transport met by the Company or was it paid out of public funds?

Mr. Morogo: Mr. Deputy Speaker, Sir, as I said before, I am not aware of any visit to London with regard to Info Radar discussions or any deals with Info Radar.

Dr. Kituyi: Mr. Deputy Speaker, Sir, it is unfortunate and very painful that the Government has decided deliberately to bring to the House an Assistant Minister answering a question when he is getting all the information he needs to know, from the people questioning him.

Mr. Deputy Speaker, Sir, the Permanent Secretary in the Ministry of Transport and Communications was a guest of George Sossou in London, from 11th to 13th of September, 1996. The Attorney-General was a guest of the same Company at the beginning of October, 1996. But be that as it may, at the London meeting between the Permanent Secretary and George Sossou, the Managing Director of Info Radar, the Permanent Secretary promised the two, the following things:-

One, that the Kenya Government was in the process of setting up a special safety division in the Ministry which will be the brain child; the body to deal with in this contract. Secondly, that the programme of implementation be speeded up and that the schedule be altered.

Now the altered schedule which has got the approval of the Permanent Secretary shows that this programme is to be operational. This involves, signing of agreements, publication in the Kenya Gazette between 1st October and 30 October. They are only a week or two late. Implementation disbursement is to start in the first

quarter of 1997. Can you give an undertaking to this House that there is not going to be entered any contract to sabotage the dignity of this country by allowing foreigners to collect revenue in this country before the Traffic Act has been amended by this House. Can you make that undertaking?

Mr. Morogo: Mr. Deputy Speaker, Sir, the hon. Dr. Kituyi is repeating what I have said a few minutes ago. My Ministry will not allow anything that can be detrimental to this country and to the citizens of this country. I do not know how else you want me to say that.

Mr. Gatabaki: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Assistant Minister to continue misleading this House when he knows very well that, hon. J.J. Kamotho, Hosea Kiplagat and A.S.K. Macharia have already negotiated Kshs2 billion each for this contract?

Mr. Morogo: Mr. Deputy Speaker, Sir, the question of naming persons does not make the contract real. Any Member can stand here and say anything, and we have seen them do that. We have even heard them mention people and later proved them wrong. So, if an hon. Member has a grudge with any person or a certain hon. Member, let him keep it to himself and not bring it to us here and meddle up my Ministry.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to continue rejecting written facts, signed papers and contracts? Is he in order to further continue deceiving this House that there was no contract, when there was really a contract? He is deceiving us very deliberately. Can he tell us, if indeed, there were other tenderers alongside Infor Radar Limited? If so, who were they?

Mr. Morogo: Mr. Deputy Speaker, Sir, I take exception to the comment by the hon. Member that I am deceiving this House, when I say that no contract has been signed between my Ministry and Infor Radar Limited. I have said that if the hon. Member has a signed contract, let him lay it on the Table, otherwise he should withdraw his comment. I am not deceiving this House.

Mr. Deputy Speaker: Order! Order! Next Order!

POINT OF ORDER

UNSATISFACTORY REPLY TO QUESTION

Mr. Nyagah: On a point of order, Mr. Deputy Speaker, Sir. I rise on a point of order with regard to a Question that I raised yesterday with the Office of the Vice-President and Ministry of Planning and National Development. In my Question, I needed to know all the Government-funded projects within Gachoka Constituency. But the Assistant Minister flatly refused to answer this Question. I have in mind a Question asked on 22.10.96 by hon. Murungi in respect of which the Chair made a ruling to the following effect:-

"In every District Development Committee (DDC) you have a man called a District Development Officer (DDO). In future, those officers should be able to help the House by providing the right answers to the Minister."

Yesterday it was obvious that the Assistant Minister refused to give an answer and asked me to put Questions to various Ministries, but doing this will take me one year. Would whoever is in charge of this Ministry - I do not see the Assistant Minister or the Vice-President around - come back to this House and let us know how many projects within Gachoka Constituency have been funded by the Government?

Mr. Deputy Speaker: Mr. Lotodo, did you have a Ministerial Statement to make?

MINISTERIAL STATEMENT

MR. KOIGI'S ADMISSION TO HOSPITAL

The Minister for Home Affairs and National Heritage (Mr. F.L. Lotodo): Mr. Deputy Speaker, Sir, I wish to give a Ministerial Statement which Dr. Kituyi wanted from my Ministry yesterday morning. The following is the position. I would like to confirm the report which appeared in *The Daily Nation* issue of Wednesday, 6.11.96, which stated that Mr. Koigi wa Wamwere was admitted to Nairobi Hospital. Mr. Wamwere was admitted in Nairobi Hospital on Monday, 4.11.96, as per recommendations made by his private physician. He was complaining of stomach problems and the doctors attending him recommended that they would be in a position to determine the cause of his pains while he was in hospital. Dr. J.M. Njoroge and Dr. L.M. Kituyi made the necessary arrangements for his admission in Nairobi Hospital, and last Monday Mr. Wamwere was escorted to Nairobi Hospital for admission. He is still undergoing treatment in that hospital.

The allegation that my Ministry has denied Messrs Wamwere, Charles Kuria and ex-Army Captain

Njuguna Ngengi, diet which has been recommended by their personal physician is not true. We have always complied with medical recommendations and that is why Mr. Wamwere has been admitted in Nairobi Hospital for observation. The Government has always been transparent on issues relating to conditions in our prisons, and the case of Mr. Wamwere illustrates our openness when dealing with conditions prevailing in our prisons. I have always stated that the conditions in Kenyan prisons are not life-threatening. They compare favourably with conditions of prisons in other developing countries.

Mr. Deputy Speaker, Sir, special diet in prison means that each of the three prisoners gets one pint of milk everyday, meat/fish/chicken---

(Several hon. Members stood up in their places)

Mr. Deputy Speaker: Order! Order! The Minister is still giving his Ministerial Statement.

The Minister for Home Affairs and National Heritage (Mr. F.L. Lotodo): Mr. Deputy Speaker, Sir, other items in that diet are brown bread with blue band, white cheese, brown porridge, fruits, juices, eggs, spinach and the famous Kikuyu *githeri*.

Dr. Kituyi: Mr. Deputy Speaker, Sir, if the matter was not so serious it would have been interesting to listen to a description of brown oranges. But Yesterday I requested three specific things, which the Minister has conveniently refused to address himself to. First, I wanted an explanation as to why, although Mr. Wamwere's admission into Nairobi Hospital was scheduled for one o'clock in the afternoon he had to be kept away until darkness had set in before he could be brought into the hospital. Secondly, why did the Government break the normal procedure, which it has used even on Mr. Wamwere, of taking him to hospital in the company of three guards? Why did the Government increase the sentries at the hospital at immense inconvenience to other users and personnel of Nairobi Hospital? Thirdly, why has Dr. Muiruri, who is professionally a junior general practitioner, and who is a doctor at Kamiti Maximum Security Prison, been tempering with dietary prescriptions of senior consultants like Prof. Lule? I refer to a specific case where Prof. Lule prescribed certain meals that should be eaten by one of the three prisoners, but Dr. Muiruri struck off part of the prescription of Prof. Lule. Under what authority was he allowed to do that? The Minister has not touched on any those three issues. He is telling us about brown oranges.

The Minister for Home Affairs and National Heritage (Mr. F.L. Lotodo): Mr. Deputy Speaker, Sir, Dr. Kituyi should learn to put one question at a time and not three or five questions at once. The prisoner was taken to hospital in the right time. He was taken there in the morning. Dr. Kituyi and I were not there, but I am giving the information I have received from my officers. Dr. Kituyi's wife was only waiting for the prisoner at the hospital. His wife is one of the physicians for the prisoners and he got his information from her, but we do not know whether it is correct or not.

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

Mr. Deputy Speaker: Order! Order! Surely, the subject is serious. Points of order after Question Time can be used to seek explanations on emergencies. They may also be used by hon. Members to explain personal matters or seek explanations by way of Ministerial Statements on emergencies. Of course, Ministers can use the occasion to give the Ministerial Statements. I would just want to remind all of you that this is not a question and answer session. However, depending on the seriousness of the subject, from time to time we allow one or two attempts at elucidations. I will, therefore, allow hon. Kituyi the last attempt at seeking further clarification from the Minister.

Dr. Kituyi: Mr. Deputy Speaker, Sir, I will strenuously avoid any temptation to get personal on a matter that is a serious national matter.

The fact that another Dr. Kituyi happens to be one of the doctors of Koigi wa Wamwere has nothing to do with whether what the Government does is right or wrong. I requested for a specific statement. I vouch for the position that Koigi was brought to the hospital on Monday evening. He passed through the reception a few minutes after 7.00 p.m. and he was admitted at a quarter to 11.00 p.m. in the night. It has nothing to do with the morning. He may have left Kamiti in the morning but he arrived at night at Nairobi Hospital. That was part of my first question. Why did they have to wait for darkness before they brought him into the Hospital? Should that be asking too much from the hon. Minister. He is studiously avoiding it. Why is the Government causing a lot of inconvenience to the hospital by putting so many sentries on the corridor with military jungle fatigues and G3-Guns?

The Minister for Home Affairs and National Heritage (Mr. Lotodo): Mr. Deputy Speaker, Sir, the hon. MP, for Kimilili is still maintain that the prisoner was brought into the hospital in the evening at 7.00 p.m.,

but I maintain that he was brought in the morning. It is not for hon. Kituyi to say how many prison warders, having guns should be there. That is my responsibility. I can have 50 guns guarding one prisoner.

BILL

Second Reading

THE FINANCE BILL

*(The Assistant Minister for Finance
(Mr. Keah) on 5.11.96)*

(Resumption of Debate interrupted on 6.11.96)

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, when the House rose yesterday, I was on my feet speaking, and now I wish to continue with my contributions.

Before I go on, I would like to appeal to the hon. Minister who has just been on a point of order to be a little bit patient when the House is dealing with sensitive issues. It would be very interesting, if we were to find an independent person to establish exactly what time Mr. Koigi wa Wamwere was admitted to hospital. The Minister is contending that it is his word against Dr. Kituyi's word.

Mr. Deputy Speaker: But you are contributing on the Finance Bill? How are the two related?

Prof. Anyang'-Nyong'o: I am warming up, and I am coming to the point. The House policy is also a matter of finance. The Minister has got the point and I hope he will speak the truth next time.

Mr. Deputy Speaker, Sir, I would like again, as a matter of urgency, to take this opportunity to congratulate President Bill Clinton for winning the Elections in America on issues rather than emotions. I would also like to congratulate Bob Dole for conceding defeat and for congratulating Bill Clinton because he is his opponent and not his enemy. On this side of the House, we are opponents of those who are in the Government side and not their enemies. So, I would like hon. Lotodo to relax and regard us as faithful and honest opponents of your lousy policies.

When I was contributing yesterday, I reminded, and I joined hon. Chebelyon to emphasize the fact that the levies paid in this country should be used for the purposes for which they are meant. But very many forms of raising revenue in this nation are misused. One of the ways in which revenue is misused refers to a Question that has just been asked in this House - that affair of Infor Radar. It is inferred that Government officials and Ministers go on spending sprees or be it negotiating certain contracts; but nonetheless, contracts which have not been approved by this House. It is extremely important for the Government to realise that any expenditure of public revenue must be sanctioned by this House. These law books do not exist here for no reason. They exist because they give the Government authority to spend public money. If any Government official travels anywhere, receives any gift and spends any money without authority, that is against Cap. 65 of the Laws of Kenya - Prevention of Corruption. This is a law that is least observed by the Government. I would like to read the specific section of this law which I will refer to throughout my discussion on the Finance Bill. I will refer to Section 3, of Cap. 65 of the Laws of Kenya. It refers to corruption in office. I would like this House to listen carefully to how corruption in office is defined in the laws of Kenya, and I quote:

"Any person who shall by himself or by or in conjunction with any other person corruptly solicit or receive or agree to receive for himself or for any other person any gift, loan, fee, reward, consideration or advantage as an inducement to or reward for or otherwise on account of any member, officer or servant of a public body doing or forbearing to do or having done or forebode to do anything in respect of any matter or transaction whatsoever, actual or proposed or likely to take place in which the public body is concerned, shall be guilty of a felony."

In which case, the hon. Assistant Minister for Transport and Communications was treading on very dangerous grounds because if those letters that have been written by the Ministry of Transport and Communications are truly examined under the Laws of Kenya, the Ministry of Transport and Communications or the officers therein are guilty of felony. Under this phrase, they have purported, intended or somehow entered into a transaction that has, indeed led to receiving gifts or soliciting gifts outside the laws of Kenya. Neither the Attorney-General nor the Minister for Transport and Communications is allowed by the laws of Kenya to be entertained by anybody towards soliciting an agreement which had not been sanctioned by this House. The Government has agreed that they have not brought a Bill to this Parliament that is going to deal with the matter of

road safety. Until such a Bill is discussed in this House, they are not allowed to see Infor Radar and what not and receive gifts or solicit gifts or even entertainment, because even entertainments are gifts. Further, the Section goes on to say:

"Any person who shall by himself or by or in conjunction with any other person corruptly gives, promise or offer any gifts, loans, reward, consideration or advantage, whatever to any person, whether for the benefit of that person or of another person as an inducement to or reward for or otherwise on account of any member, officer or servant of any public body doing or forbearing to do or having done forborne to do, anything in respect of any matter or transaction whatsoever, actual or proposed or likely to take place in which the public body is concerned shall be guilty of a felony".

Finally, for the purposes of Sub-section Two, where a person gives, knowing or having reasonable cause to believe that his doing so may lead to the doing of an act by that other person which constitutes an offence under Sub-section One, he shall be taken to have acted corruptly." I am reading this particular Act and that particular Section because it is very relevant to the Finance Bill. Why? First, because we know that one of the major ways by which the Government of Kenya loses revenue is when Government officers or Ministers collude with individuals to avoid taxation. A good example of this is the extent to which customs duty is avoided at the port of Mombasa. Very recently, the Minister for Agriculture, Livestock Development and Marketing reminded us that a lot of sugar was being imported into this country without paying duty. This sugar was imported into this country under the pretext of transmitting it to other countries, **[Prof. Anyang'-Nyong'o]**

neighbouring to ourselves, and yet it is sold in the Republic of Kenya without duty, and hence, very cheaply and thereby under-cutting the domestically produced sugar. That means, that our sugar industry is under-mined and the Government of Kenya cannot get revenue from that sugar by charging appropriate duties on the domestically produced sugar. That is contrary to the Laws of Kenya and contrary to the Act I have just referred to. I would like to call the attention of the Attorney-General that, rather than come to this House and tell us that he has not yet framed an economic crimes Bill, there is already Cap.65 of the Laws of Kenya which entitles him to bring his colleagues in the Government to book because they are undermining the good economic health of this nation.

Further, this Government must understand that the famous saying; "no taxation without representation" still holds. Although, we as Kenyans were never involved in that kind of struggle that led to that statement being made, we must be reminded everyday as members of this House that as representatives of the people, we have a right to tell our people not to be taxed if the voice of their representatives in this House is not being listened to by this Government, and that this Government continues to condone the avoidance of customs when there is abundant evidence that, that is happening. We in this House have brought evidence to this House, naming people by their names, of the individuals involved in the avoidance of tax in terms of customs. The Government should not sit back and say: "We are victimising innocent individuals". Were they innocent, none of us on this side would have the temerity to bring their names to this House. But since their names are in the HANSARD, in the Public Investments Committee Report and in the Public Accounts Committee Report, it is the abundant duty of this Government to take action. Otherwise, we shall be entitled to call upon our people to refuse paying taxes to this Government because this Government is in the habit of condoning the avoidance of tax by the big "sharks" and yet collecting tax from the small man who pays by his nose.

Mr. Deputy Speaker, Sir, one other issue that has come before this House is the issue of how this Government uses domestic savings. This afternoon, we had another question in this House regarding the National Social Security Fund (NSSF), and how the Fund has used about Kshs10 billion to build flats. I am not against NSSF building flats, but this must be done to best interest of Kenyans. This Government must make up its mind. What is the priority today? Is it to invest in high cost housing or is it to invest in low income housing?

This is a fundamental question that must be answered. I am of the opinion that if the Government is going to collect maximum revenue by investing in housing, the area in which this Government is going to get maximum revenue is in low income housing. It has been proven that low income earners are better payers of mortgages than high income earners. That is one. The second thing is, under economies of scale, the Government will collect much more money from public housing aimed at low income earners than high income earners. Why do I say so? That Kshs10 billion used by NSSF to build some flats may develop 200 units of flats. That Kshs10 billion is likely to develop 100 units of habitation for low income earners. If you do your arithmetic, you will find that in the final analysis, the Government will make much more money by investing in those 100 housing units than a couple of 100 or 200 housing units for high income earners.

Thirdly, it is much more equitable, fairer and more just to alleviate the sufferings of low income earners than to pepper the pockets and the comforts of those who are already comfortable. Anybody living in a flat in California, Upper Hill or Onyonka Estates is better off continuing to live there than moving up one scale, than

somebody living in Mathare Valley, Kibera or Korogocho. Improving the lot of that person in Mathare Valley, Kibera and Korogocho will be much more just. It will be fairer and more democratic than giving an extra flat to an Assistant Minister or a Permanent Secretary as always happens when these flats are developed. If you took the statistics of the people who bought Kibera Highrise apartments, you will find that they are already established civil servants of reasonably high income than low income earners who need habitation. I am saying this because if this Government is looking for revenue, it is the responsibility of this House to tell this Government how to use that revenue equitably, justly and fairly. We are not going to sit in this House and permit this Government to continue raising revenue if that revenue is going to continue only peppering five or ten per cent of income earners in this country.

Further, I would like to emphasise to the Government that the whole idea of raising revenue is to use it for uplifting the well-being of each and every Kenyan. If Government revenue cannot be used for looking after the welfare of each and every Kenyan, this Government has no right, whatsoever, to raise this revenue from the people of Kenya in terms of taxation. In order to be in a position to raise more revenue in this Republic, this Government must take it as its responsibility to bring more Kenyans into the income earning bracket. I said this yesterday and I will repeat it today that no nation has ever been known to develop or industrialize without dealing with the issue of massive poverty. In a country where there is massive poverty, however much you increase the incomes of the top five or ten percent, you will never industrialize. It is only when you strike the secret of bringing people who are poor into the earning reasonable income will you begin the road towards industrialization.

Mr. Deputy Speaker, Sir, I am reminding this Government that both in the Budget, Estimates and now in this Financial Bill there is no indication whatsoever of how this Government is intending to finance poverty reduction. It has said in its rhetoric that it is going to deal with poverty reduction, but I do not see any evidence in the Finance Bill on how this Government is going to begin the journey towards progressively reducing poverty in this country. By reducing poverty I simply mean lifting those people who are poor into income earning bracket. There must be a model, formula, indication, a programme or an agenda which is readable with the ordinary Kenyans to assure us that this Government is serious. If it is not, it better resign or if it cannot resign, it better reform the Constitution to make it possible for those who can rule better to rule.

One of the things why this country cannot develop is that we have a highly presidential system of Government where decision-making is so highly centralized that Assistant Ministers and Ministers however brilliant they are, cannot make decision in this country. One of the most frustrating things in this country is to be made an Assistant Minister because all you have is an office with a telephone and you will be grateful because you will use that telephone to run your firms and make your arrangements to conduct Harambee. That telephone is not used for any public cause. Let them stand up and challenge me.

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Deputy Speaker, Sir. Is hon. Anyang'-Nyong'o in order to impute improper motive on the work of Assistant Minister as given by this Government and as entrenched in the Constitution?

[Mr. Deputy Speaker left the Chair]

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

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, I would be totally out of order were I to impute such improper motives, but I am totally within my right to describe the objective conditions in this Government.

The Temporary Deputy Speaker (Mr. Ndotto): I thought Prof. Anyang'-Nyong'o is merely expressing his own opinion. It may or may not be true that, that is what the Assistant Ministers do. He is quite in order.

The Assistant Minister for Finance (Mr. Koech): On a point of information, Mr. Temporary Deputy Speaker, Sir. I want to assure my hon. friend that we use telephones in our offices quite often to do work which is relevant to the Treasury. Now, if the hon. Member doubts this, he can sit down and I can explain to him. He should not paint a picture that we use telephones to conduct our own private business. He is wrong and that is misleading to the House and to the nation.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Speaker, Sir, I did not say that it was purely on private matters. I was actually sympathizing with my hon. Member that so much of the day is spent being idle that in the final analysis, the last two hours of the afternoon, you may find a responsibility that appertains to your calling in the Constitution.

The Assistant Minister for Education (Mr. Komora): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Anyang'-Nyong'o in order to impute improper motive that we are idle when, in fact, some of us cannot even find time to complete what we are required to complete for public interest?

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Speaker, Sir, it is true. I did not deny that they do not have time to complete what they are supposed to do, but what is important is the quality of what they do. The portfolio they are given to do is quite often irrelevant to what actually they should be doing. If you are Assistant Minister for Transport and Communications and you are given the responsibility to arrange how the DC is going to sell goats in Baringo, you can spend a whole day doing that. It is very difficult to know how many goats are going to be sold and who is going to go there. It is an awful task and I sympathize with them. The point is that we know that this is not what they should be doing in those offices. If they were doing the right thing, this Government would be run very efficiently, but that is not the case. I am very sympathetic. I am not challenging them and I am glad they stand to clarify these issues. That is what we want. We would like to see the product of what they do, not just what the---

The Assistant Minister for Finance (Mr. Keah): On a point of information, Mr. Temporary Deputy Speaker, Sir. In terms of responsibility, take the Finance Bill, the Minister is not here and we are capably handling that responsibility. This should be enough for him to understand that we actually have responsibilities.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Speaker, Sir, there maybe be exemption in the Ministry of Finance, but if you go by the example of the Assistant Minister for Transport and Communication who performed in this House in this afternoon, he is 90 years away from what happens in [**Prof. Anyang'-Nyong'o**] the Ministry of Finance and we would like the Government to act as a whole. We would like excellency in every Ministry, but that bit of excellency that emanates from Ministry of Finance is sadly lacking in three-quarters of other Ministries.

I would like to congratulate hon. Mathias Keah and he should keep up that work. He may lend some technical assistance laterally to the other Assistant Ministers and plead with the Government to give them more responsibility.

Finally, I only wanted to say that the loss of Government revenue through unprocedural tendering systems and procedures and through the award of contracts contrary to law is a major area in which the Ministry of Finance should pay attention. Tax payers in Kenya have a heavy responsibility and one of the ways in which the Government could help taxpayers to increase their savings is to maximum the waste in public revenue, in tendering and awarding of contracts. Almost every week a question comes to this Parliament reminding the Government on how billions of shillings have been wasted in poor tendering procedures and poor procedures in awarding contracts. It is not as if the Ministers, Assistant Ministers civil servants involved, do not know the procedures. They do know the procedures, but avoiding of procedures has now been institutionalized.

In other words, the law requires that three quotations are given by different people. Rather than three different people tendering for a job, one person tenders three times using different names with a collusion of a responsible person in Government. This thing has come up so many times. You cannot have one person appearing as three people. There is only one person we know who is allowed to that and that is God. He can appear as the father, the son and the holy spirit. That is the only thing that is allowed on this earth and in heaven but in the Republic of Kenya, the law says that there should be different tenderers for a job. When you have one person appearing three or four times and then wanting to win tenders this really leads to a lot of loss of public revenue.

I know of a case in the National Irrigation Board - before the multiparty era - when my friend Harun Lempaka was dismissed from his post as the Chief Executive of the National Irrigation Board. He was dismissed because he had refused to give a tender to a woman who was a wife of a Permanent Secretary. That PS had insisted that although his wife's company became fourth, it had to be given the tender. The hon. Lempaka refused and he was dismissed from his job. That same PS, who is now a Minister in this Government should stand ashamed because we know him and the people of this Republic will never forgive him for having punished hon. Lempaka for doing his hon. duty of refusing to tender things unprocedurally. There are many examples like that. I would like to urge this Government, using Cap. 65 of the Laws of Kenya, to use the laws properly and bring to an end the loss of public revenue.

The Assistant Minister for Water Reclamation, Regional and Water Development (Mr. Ligale): On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Ndotto): Is it an afterthought, hon. Ligale?

The Assistant Minister for Water Reclamation, Regional and Water Development (Mr. Ligale): No, Mr. Temporary Deputy Speaker, Sir. I am a former Permanent Secretary, and an Assistant Minister in this Government. Prof. Anyang'-Nyong'o has indicated that, that person who caused the dismissal of Mr. Lempaka

from the National Irrigation Board was a Permanent Secretary, and he is in this Government now. People might look at me and think that I might have forced Mr. Lempaka to resign or to leave his job. Is that me, or can he substantiate and tell us who this person is?

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Speaker, Sir, I would like to assure this House that my dear friend, hon. Ligale, was not the person concerned. Hon. Ligale is much more honourable than that. But if he does his homework, he will, more-or-less guess who the person was. I never like to be that personal, but I would like to assure hon. Ligale that he was not the person, and the person concerned will have his conscience to haunt him.

With those few remarks, I beg to support.

The Assistant Minister for Education (Mr. Komora): Mr. Temporary Deputy Speaker, Sir, on a light touch, the Prof should not allow hon. Members to be haunted by their consciences.

Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to make a few remarks on this Finance Bill. I would like to be as brief as possible, so that other hon. Members of Parliament can express their views.

The first thing I would like to talk about is Value Added Tax (VAT). The intention of VAT and other taxation measures is actually to raise revenue for the country. We know that the Government requires every penny that is collected, in order to meet our public services. The other day, hon. Members were talking about free education from nursery to university. That is impossible if revenue and taxes cannot be collected. The Government does not have enough money. Therefore, it is important to establish a system whereby taxes will be collected. The easiest way of collecting tax is to collect it, whether people like it or not. Let taxes be collected that way. It will be less painful.

In this context, we have reason to suspect that a lot of VAT is not being collected honestly. This is because the people who are supposed to collect this tax have too much freedom. It is too easy for them to avoid paying these taxes because there are many loopholes. Is the Minister for Finance not able to charge VAT, whether people admit having charged it or not? Is it not possible to charge VAT for every item, whether somebody submits faulty returns or not? Is it not possible for the Minister for Finance to find enough inspectors to really do this job, instead of sampling inspections here and there, and catching a few fellows red-handed for hiding millions of shillings which should have gone to VAT? We have a situation whereby every businessman, manufacturer or person knows that he will have to pay, and therefore, he will have no point of hiding. In this way, we will be sure that the VAT we charge will be collected. In that way also, VAT may be spread to many more people than now. The question is whether the Minister for Finance, in his structural arrangements for administration, or the implementation of the law, has got enough inspectors to do the job.

Recently, we have established the Kenya Revenue Authority, but we do not know how better it has been than the previous system. We do not know how far they have gone into establishing modern systems of taxation and collection of revenue, to the extent that revenue will be collected in a much better way than before. The Minister may wish to enlighten some of us as to whether this is happening. This is because no matter how many items get Parliament authority for taxing, if the taxes put in the Finance Bill are not collected, we are simply putting things in black and white on paper, with no effect to the economy and revenue.

We have heard hon. Members saying that it is important for tax collectors to be well paid, so that they are not tempted to do other things, which would swallow some of the revenue through bribery and corruption. We can do that. We can pay high salaries and other things to the police and public servants, but thieves will always be there. The highest paid person may go on stealing. All we have to do is to look at the papers. The other day, we read about somebody who is a millionaire, and who ran away from this country so that he could avoid taxes. It is not the level of income, revenue or profits that an individual may have, but it is the integrity that matters. So, we have very honest people doing their work in the Public Service. They are not stealing, neither are they corrupt like the others. We have a system where in Kiswahili they say: "Samaki Mmoja akioza, wote wameoza". But the most important thing is that we have a problem of instilling discipline into our population, so that there is honesty in dealing with things which do not belong to us. If this money belongs to the Government, we should be honest enough to make sure that the Government gets it. If it belongs to so and so, we should make sure that, that money goes to so and so. So, maybe, there is an issue here which is broader than simply high salaries. It might be an issue which goes as far as the bringing up of our families in this country. We may not be teaching our growing population about honesty and how to handle duties in relation to other people.

Mr. Temporary Deputy Speaker, Sir, there is also a question of research into modern methods of taxing, computerisation and all other things that go into making tax systems more efficient. Maybe, the Minister may emphasise such areas which will definitely improve collection, recording and accountability of the money that is received. Some hon. Members have stood in this House to discredit the Harambee system. They have stated that some people go on stealing in order to give huge amounts of money in the Harambees. If they have stolen and

given some of the amount to Harambees, they should be patted on the back. Not that I am condoning stealing, but I am saying this: If the Harambee system was not there, those thieves, if indeed they are thieves, would not have parted with what they have stolen. The Harambee system is a major national voluntary taxation decision by the people of this country, for the purpose of improving services to the nation.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. When we are talking about the Finance Bill, we are trying to look for ways and means to raise money for the development of this country. Is the Assistant Minister in order to praise those people who steal money from the public coffers and then donate it to them through Harambee?

The Temporary Deputy Speaker (Mr. Ndotto): Order! Order! Hon. Munyasia, you have spoiled your point of order. You have said that: Is it in order for the hon. Assistant Minister to praise those people who steal money from the public coffers and then donate part of it in Harambee? That is not proper. Can you withdraw that remark and then put your point of order in a more respectable manner?

Mr. Munyasia: Mr. Temporary Deputy Speaker, Sir, I beg to drop the word "steal". But he said that those who have been taking money from the public coffers, if they give part of it in Harambee, then they should be congratulated. This is one way of condoning those who would be taking away money from the Government when we are [Mr. Munyasia]

talking about raising money for the Government. Is this hon. Assistant Minister in order?

The Assistant Minister for Education (Mr. Komora): Mr. Temporary Deputy Speaker, Sir, those who heard me properly will agree with me that I said nothing of the sort hon. Munyasia is saying. I have no intention whatsoever of condoning stealing of money from the public coffers. What I am saying is that the Harambee spirit is a very important national force of voluntary taxation by our people in providing common services to our population. It is because of that that Kenya has moved so fast.

Mr. Temporary Deputy Speaker, Sir, more than three-quarters of educational institutions in this country would not be there if there was no Harambee spirit. We must commend this spirit and condemn all evil-doers, but we must not destroy the Harambee spirit because we may not be willing to give whatever we have in support of that Harambee spirit.

Mr. Temporary Deputy Speaker, Sir, there is an issue which affects some hon. Members of Parliament and a limited number of senior civil servants in this country. We have a tax-free car facility which the Minister for Finance authorises and is passed by Parliament. This tax-free car facility affects only hon. Members of Parliament and some senior civil servants, who are allowed to import cars tax-free for their services. I would like to ask the Minister for Finance to look into this matter. In the case of a Member of Parliament in rural constituencies, one car-exemption after every five years is so much inadequate that you would agree with me that a car becomes useless two years after you put it on Kenyan roads, particularly where the roads are impassable. We would like the Minister for Finance to look into this matter and become more sympathetic to those who do need these cars, not for purposes of comfort, or luxuries, but for purposes of being more effective in those five years, and maybe other cases whether in Parliament, or outside for specific people who have this privilege to be considered too. It is not limited to Parliament, but it should be related to the areas covered by these cars, so that more realistic allowances can be made to the relevant areas where the hon. Members come from.

Mr. Temporary Deputy Speaker, Sir, there is another area which Prof. Anyang'-Nyong'o mentioned, that is empowering the average man to earn more money so that he becomes a contributor to the public coffers by paying taxes as an active member of our economy. We have some of the services which appear to be essential. The other day, about 20 people died in Murang'a District for drinking an illicit brew. It is appears to me, although I am not a consumer of alcohol, and I have no interest in it, but it is a reality that we cannot shy away from, that even the average man in the rural area does take some form of alcohol. There is an industry which is not being exploited and if this could be exploited and put on the open, so that those who want to drink a certain brew in their locality can manufacture it openly and thereby become active participants in the economy. These drinks can be standardised and become fit for human consumption so that our average population in the countryside do not become victims of drinking poison when we have the means of encouraging them, if these brews were manufactured openly and standardised. I am sure the hon. Assistant Minister for Finance, Mr. Keah, will be happy to look into the problem of establishing a mnazi factory whereby the mnazi becomes a healthy drink for everybody, standardised and accepted so that people do not die because of drinking these illicit brews. The same thing would apply to areas where our constituents grow sugarcane and bananas, and it becomes an open regular income earning, not only for the local people, but also income earning for the economy through the various taxes.

Mr. Temporary Deputy Speaker, Sir, there are other areas where much more cottage industries can be

established in relation to what is actually required in this country. There are certain simple things like small factories for making basic domestic items, like furniture, cheap for our rural people and schools, dispensaries and health centres. These are areas where I would suggest that the Minister for Finance would, perhaps, consult the relevant Ministries to encourage development of these small industries.

Mr. Temporary Deputy Speaker, Sir, I was fortunate the other day despite what Prof. Anyang'-Nyong'o said that Assistant Ministers are not fully occupied, to represent this country in looking into one country that has developed very fast from poverty level at which we were in 1962 to the present day. They have been listed among the richest nations in this world. There are countries in Africa which we were at par with in 1962, but have still lagged behind, and we are still called developing countries. We are still calling ourselves poor when we have more natural resources than those countries like Korea, Japan, Singapore, Indonesia and so on. These things have taken place in those areas through rapid industrialisation by empowering the average man in the rural areas to become a contributor to the economy.

With these few remarks, Mr. Temporary Deputy Speaker, Sir, I support.

Mr. Ndicho: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity also to contribute to the Finance Bill. It is common knowledge that Kenya would be one of **[Mr. Ndicho]** the richest countries in Africa, because God has blessed us with a lot of resources, if the money we raise is managed well. We could not be having any problem that we currently have.

Mr. Temporary Deputy Speaker, Sir, we raise a lot of money through cash crops we grow in this country, namely, coffee, tea, coconuts and so on. But the problem we have in this country is mismanagement of taxes by Government officers. It is common knowledge that money that goes into Government coffers is spent by the officers in this Government without due respect for this House. The Constitution stipulates so well that any money that is contributed to the Government by the public, when it is time to spend it, it must be approved by this House. We have heard this afternoon that over Kshs10 billion from the NSSF was given to a single contractor to put up flats in some part of this country. When a certain Ministry wants Kshs1 billion or Kshs5 billion, it is brought to this House for approval. But when this kind of money needs to be given to individuals, it is approved through the "back-door" and approved by another House which we do not know about and so on.

Mr. Temporary Deputy Speaker, Sir, people of this country are hard-working and they raise a lot money for the Government. But as hon. Members said here, it is the calibre of Ministers that we have in this Government who are not qualified to man Ministries. In fact, the Assistant Ministers are better placed than Ministers.

(Applause)

The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Ndicho to deliberately ridicule Ministers who are doing a commendable job? Is he not imputing improper motives on the integrity, capability and productivity of Ministers of this Government? Is he in order?

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, all I am saying is that if it is the Minister for Finance, let him be a qualified Minister in that discipline of finance. So that even the person who is assisting him understands that discipline. But today, the case is vice versa, you find the Assistant Minister is more qualified in that discipline than his Minister and that is why you find that there is mismanagement of our economy. Hon. Keah is nodding to that effect in his own heart, he cannot nod physically because he will be whipped---

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to impute improper motive on me and I did nothing about nodding? And can he confine himself to the Bill before this House?

The Temporary Deputy Speaker (Mr. Ndotto): Hon. Ndicho, you are getting into problems. Can you confine yourself to what we are discussing because you are more or less discussing personalities and not real issues?

Mr. Ndicho: Much obliged, Mr. Temporary Deputy Speaker, Sir.

I must say that we are encouraged by this amendment Bill that the Minister has brought to this House and especially when it comes to the reduction of duty on vehicles. But we are a bit scared and somebody drew my attention on whether the Government is genuine by reducing duty on vehicles, or not. We are also suspicious that come the next Budget, the Government is going to scrap this reduction and revert to where it stands now, because it would have imported a lot of vehicles without duty ready for campaign in 1997. We are only hoping that this is not done in that respect. We are happy that the Government is considering reducing some of these duties on these

items.

The Assistant Minister for Finance (Mr. Keah): On a point of information, Mr. Temporary Deputy Speaker, Sir. At this juncture, it is important for me to inform the hon. Ndicho that the reduction of duty on motor vehicles is on the complete kits and not on imported vehicles. The duty on ready made imported vehicles remains at 35 per cent. I needed to inform him that so it is not misunderstood.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, all I was saying is that somebody informed me that the Government used to have Land-Rovers (Four-Wheel Drives) and the users of complete knocked kits would be the beneficiary of this kind of thing. All we are saying is that we are congratulating you for that reduction of duty on motor vehicles and I hope it is not for the campaign purpose and then come next Budget we go back to where we were.

The Government of Kenya will be popular with its people if it dispenses its budgetary proposals appropriately. But what we get here during the main Budget proposals is what is promised by the Minister. We get half or even nothing and that is why KANU keeps on losing votes and popularity. What it promises in the budgetary proposals in June is hardly received by the citizens of this country. They will only consider this Government to be genuine if it gives them money and services which are approved by this House. But what do we get? We come here and give the Ministry of Health gets a lot of money for drugs and yet Kenyans go to the district hospitals and get no medicine. And yet the Minister stood here with the Budget of his Ministry and this House approved. You find people making long queues outside chemist shops with doctors' prescriptions for medicine and other drugs, yet this Government had given the Ministry of Health a lot of money.

As far as money is concerned, it is commensurate with the political success of the Government in power. Many Governments become unpopular because what they promise people in writing is never delivered to the people on the ground.

We also allocate some funds to the Ministry of Land Reclamation, Regional and Water Development, a lot of money and you wonder where this money goes to. It is the Government officers in the field who are making this Government unpopular. I gave an example here of Thika where this House has approved Kshs3.8 million since 1993/94, 1994/95, 1995/96 and 1996/97 financial years for Juja Water Project. That project is as it was in 1992 and yet according to the books, this Government has allocated Kshs3.8 million for that project every year and people do not get water. And people contribute money to this Government through taxes so that the Government may run its affairs without begging for money.

Mr. Temporary Deputy Speaker, Sir, more often we have been told that the money that I cost-share with Government goes to supplement the services I expect from the Government. We are saying that if the Government insists that we should cost-share, the people of this nation should also demand that they cost share the taxes they pay to the Government. If we are paying 15 per cent in form of VAT, the citizenry of this country demand that we share that burden with the Government so that we pay 7.5 per cent and the Government also pays 7.5 per cent, so that it totals up to 15 per cent. But there is no point for the Government to demand 15 per cent from the people and the people pay it and yet we do not get those services.

When you go to ask for more services, you are told to dig more into you pockets and get more money to supplement what you have already given. So, it is my honest proposal to this Government that the money we give to the Government should be used properly. People should not drive on very bad roads. We should allow the coffee farmers to deliver their coffee because, after all, they have paid money in form of cess. Let the Rift Valley farmers who are producing a lot of milk benefit from their milk because, before the money reaches them back, a lot of taxes will have been deducted and paid to the Government. The people would be very happy and consider to give you votes if you motorise all the immotorable, roads especially in Nyandarua. So, all we are asking the Government to do is to make sure that the money that goes to it is properly utilised.

Mr. Temporary Deputy Speaker, Sir, I want to thank the Ministry of Transport and Communication for putting up a bridge at Ruaraka which is under construction. The people who are travelling along that road everyday are saying that the foot bridge is being constructed there to avoid accidents and people being killed. Are they very happy? There is a sign post there which reads: "This foot-bridge is being constructed by Petroleum Levy money." So, when the driver goes to put petrol in his vehicle and he is told to pay Kshs2 per every litre, and he sees that kind of job being done, he feels proud. So, we are very happy with the Ministry of Transport and Communications. I equally ask that Ministry to put such a bridge at Githurai round about and Ruiru where a lot of people have been killed by speeding motorists along that highway. If you continue doing that along Mombasa road, along Nairobi-Nakuru road, you are going to be considered. But if you do not, then we are going to look for an alternative leadership in this country which can use money properly for the benefit of the people. Otherwise, this country is the richest, yet poverty is crippling the citizenry in a very big way. Soon we are going to see people going without shoes and with tattered clothes. People are the best units of production. If people are not

looked after well, their level of production is going to go down and then we are going to be a poorer nation.

I want to give an example of the Administration Policemen (AP). These are the people who are supposed to protect people after they have come from work very tired and need to sleep well so that they are productive the next day. But APS are the most underpaid policemen in this country. If you look at the Act that talks about APs, it was amended in the 1950s and APs who were enlisted during the colonial times were called tribal policemen. There was no white man who was an AP or a tribal policeman. It was only the natives. So, the Act ought to be amended because those people are underpaid and frustrated. That is why when people are transferring about Kshs5 million from Nyayo House to another place, the money is stolen while the APs are just watching. That is why you hear people talking about inside jobs because those working there are demoralised. APs must be remunerated well and their conditions of service including their salaries. In fact, APs have got no commissioner. You find they have all the ranks up to the superintendent of AP, but there is no top man that they report to at the top. The chain of command gets lost some where because after all, they do not report to Mr. Kiruki, the Commissioner of Police. So, this is another lot that should be considered by the Government because they are also important units of production of this country. You find that an AP reports to a chief, a subchief---

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): On a point of order, Mr. Temporary Deputy Speaker, Sir. As much as I would like not to interrupt the hon. Member, is the hon. Ndicho in order to mislead this House that the Administration Police Force has no head at the top, when in fact, they have one commandant who has an office at Harambee House.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, I am saying that the APs should be treated like the regular Police Force. I was saying that at independence the white man was only deployed in the regular Police Force. He could not be enlisted as AP because their conditions and terms of service were deplorable; it was meant for the natives. I am saying that there should be a Commissioner of Administration Police so that this commissioner could be articulating or looking into the affairs of his force, like what Mr. Kiruki does. All I am saying is that they might have a PS, or somebody but the chain of command from the top, as is the case in the regular Police Force, does not exist. They are so demoralised and the area that they are supposed to contribute---

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): On a point of information, Mr. Temporary Deputy Speaker, Sir. APs have got a commandant who gives the sort of orders that the hon. Member is talking about and also, their terms of service are the same as those of the regular police in terms of salaries.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, I do not want to engage my friend into a war of words. But he knows that the commandant that he is talking about is somebody who is much junior than the Commissioner of Police; even the regular policemen have commandants. The OCPD is a commandant; the OCS is a commandant and so on. We are only asking that there should be a commissioner for APs. When a commissioner is appointed, he is going to look into the affairs of his force, but currently these people are neither here nor there. They have no person to whom they can report to as far as their profession is concerned. The Commandant also goes to beg from another person, but before he could reach the apex of the ladder, he gets lost somewhere there.

The Temporary Deputy Speaker (Mr. Ndotto): Order! Hon. Ndicho, I think you are mixing the whole issue. The point of information is there---

(Mr. Saina walked towards the Bar)

Hon. Saina, you are a long-serving Member of this House; how can you walk when I am speaking?

The Temporary Deputy Speaker (Mr. Ndotto): Hon. Ndicho, hon. Muchilwa was saying that the regular police's and the AP's terms of service are the same. Secondly, although the Commandant may not be high enough, at least they have an end. There is somewhere where they report for final decisions to be taken. I am told the commandant sits somewhere in Harambee House. I hope that is correct. Perhaps that is the information he was giving.

Mr. Mulusya: On a point of information Mr. Deputy Speaker, Sir. What I want to inform the hon. Ndicho is that the fact that there is an established chain of command does not necessarily mean that this is a force which is established under a certain Act of Parliament where they have regulations governing how they administer their affairs. It is done haphazardly by the Office of the President and it just lies within. They have the Commandant but what is the difference between the salary of a new AP recruit and that of a regular policeman? That is what the position should be.

The Minister for Home Affairs and National Heritage (Mr. Lotodo): On a point of information Mr.

Deputy Speaker, Sir. Did you hear hon. Mulusya saying that the Administration Police is not established under any Act of Parliament when Chapter 85 is about APs?

The Temporary Deputy Speaker (Mr. Ndotto): Order! Order! I think, as hon. Members, before you say anything in this House, it is important to check your facts properly because that is why there is this question of "Is it in order?" or "you are misleading the House" and so on. If you say something, you must be sure that it is backed by facts so that we avoid these points of order because, now hon. Mulusya is giving you information that the Administration Police is not established by any Act of Parliament and yet the Minister is talking of Chapter 85. Now, you can keep on arguing. I would like everybody to check his facts before you make an allegation in this House.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, yes, indeed, there is an Act of course, that has established that force. All we are saying is that if you look at the Act that has established the Administration Police and the Act of the regular police, you will find that they are totally different. Even their scales of salaries are totally different. It is there for everybody to see and all we are saying is this; the army has got their top man as the Chief of General Staff. The Police has got the Commissioner. But as concerns this particular Force, when you go to the village, you find that the sub-chief gives commands to an AP. The DO comes and gives him commands. The DC and the PC also give him commands. And, now finally when the President [**Mr. Ndicho**] comes he freezes and he salutes. All we are saying is that let there be a chain of command to see that this Act is reviewed. And this particular Force plays a very, very important role in the rural areas. This is the Force that operates in the North Eastern Provinces and in the Arid and Semi-Arid Lands (ASAL). They are sent there because their training is much harder than that of the police. They should be encouraged and when they are encouraged, they are also going to ensure that the security of this country is also guaranteed. You have heard people talk about the current wave of crime in the country and here people are saying "Oh, the police is involved in the insecurity." If they are involved in the insecurity of the country, then it is because surely they are a frustrated lot. Even the salaries of the regular police should be reviewed and we give the Government a lot of money so that they also give the Civil Servants good salaries and the level of corruption would be greatly reduced if police officers, the APs and other civil servants are well remunerated. The Government has got no reason as to why it should not give good salaries to these people.

Mr. Temporary Deputy Speaker, Sir, I would like to wind up because I also want my colleagues on that side to say something. But, let me finish by saying that the Government must formulate a policy or a strategy where every district gets or generates its own money. It should not only be waiting for money from the Treasury and take it to the District treasuries. By this I mean to say that in a district like Thika where we have got the biggest dam called Ndakaini which is supplying Nairobi with all the water that we drink here and which also supplies Kenya Breweries Limited with all the water that it manufactures its beer with --- I am only saying that the district should also benefit from the money that is collected by the Nairobi City Council. This is because once Nairobi City Council harvests that water from Thika, it goes retailing it to people and making billions and billions of money from a natural resource of a district like Thika. All that we are saying is that we should be given part of that money or a very big metre should be installed at the source of that water so that we also measure it and we are given a certain percentage of that water that is sold to Nairobi by the City Council. This will enable Thika District to generate its own revenue which will be used to tarmac our roads and to provide other services and to supplement what the central Government will finally give us in the budgetary provisions. There are other districts which have that kind of natural resource. They should also be compensated by the Government. Otherwise it is very bad for the Government to harvest water and sell it to the people for a lot of money and yet it does not care about the source of this water.

Mr. Temporary Deputy Speaker, Sir, finally, I would like to ask the Government to consider the issue of power interruptions; that is electricity rationing. It is affecting production in a very, very big way and we cannot understand why. We have got a lot of water along Athi River that flows into the Indian Ocean and yet we are told that the dams that we have along Tana River dry up, necessitating the rationing of electricity. The Government can tap this water that goes to the Indian Ocean and re-channel it to those dams so that there is enough water all the year round to generate electricity so that that commodity is not rationed.

Mr. Temporary Deputy Speaker, Sir, I had to suffer where I print my newspaper since it was not printed for three days. This is because there was no electricity. I suffered a lot and *Thika Times* was delayed so much and the losses that I have incurred are immense. So, the Government must ensure that even the electricity that President Museveni is threatening to cut off should be paid for. We can pay for that electricity. We can raise that money from the production and from the work we do so that Museveni does not cut off that very important commodity. At times we have had to adjourn our discussions in this House and close it down prematurely because electricity has gone off. So, when we adjourn the deliberations of the House prematurely because of electricity

blackouts, you can see that our production is affected.

Mr. Temporary Deputy Speaker, Sir, I would have liked to speak more but let me give more time to my colleagues and with those few words, I beg to support.

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): Thank you very much for giving me an opportunity to say a few words in support of the Finance Bill. The Finance Bill is very important because it is the Bill that spells out the taxation measures that Government intends to take in order to raise revenue for its operations in the next financial year.

Mr. Temporary Deputy Speaker, Sir, the raising of that revenue is supposed to go hand-in-hand with encouraging growth in all sectors of the economy. The Printing Industry in the current Finance Bill has been very adversely affected. One could even say that the Printing Industry was discriminated against in this particular Finance Bill. This is so because, whereas in other industries, the cost of raw materials and the tariffs were reduced, in the Printing Industry, the import duty on raw materials were increased to the maximum. For instance, if you take tariff No.48101200 which is for paper and board used for printing and writing, the duty is 35 per cent, tariff No.48109900 which is Other Paper and Board Coated in Rolls or Sheet, the import duty is 35 per cent.

Mr. Temporary Deputy Speaker, Sir, while overtaxing imported raw materials for printing, the same Finance Bill has reduced duty on printed materials and items which is wrong, because we are in effect supporting the Printing Industry elsewhere at a time when we really want to employ our people. For instance, item No.49111000 - Trade and Advertising Material, Commercial Catalogues etcetera, the import duty is 15 per cent. This is 15 per cent on those advertising materials which have been printed elsewhere when in fact, we can print them here. Another example is item No.49011000 - Printed Books, Brochures and Leaflets, the import duty is 15 per cent. Leaflets can be printed here in Nairobi. We have very many good printers. Why should we encourage leaflets to be printed outside Kenya and be brought to Kenya when we have fully trained printers and good printing factories here in Kenya? Even instruction charts, diagrams and so on, the duty is 15 per cent. It should have been the other way round. The imported raw materials should be attracting lower duty while the printed items which are finished items for consumption, for example, calendars, diaries and so on, should attract higher duty.

Mr. Temporary Deputy Speaker, Sir, I would suggest, in fact, recommend that when handling duty for items of this type, the Ministry of Finance should consult the Printing and Paper Manufacturers Association, so that it can help them in sorting out some of those technicalities. It is important that the Printing Industry be supported because, right now, the emphasis of this country is to produce items whose value has been added. Instead of selling raw materials we should be able to manufacture goods, package them and then sell them so that they have higher value. It is only that way that the country can become rich. Now if the packaging side which is going to assist the manufacturing side at the point of sale and in terms of making the products attractive is going to be discouraged, that is going to be very bad. Similarly, printing not only spreads, but also conserves knowledge. If duty on the raw materials is going to be high, it is going to discourage the consumption of that particular item, and that in effect leads to illiteracy and the spreading of knowledge would be disastrous.

Mr. Temporary Deputy Speaker, Sir, having said that, I would also like to touch on the agricultural sector. When one imports a tractor or an agricultural implement that has got tyres on it, the whole assembly is duty free; the tractor plus tyres are duty free. Similarly, if you import a trailer and it has got tyres, there is no duty charged on it. If you now want to manufacture a trailer for carrying, for example, a haulage of sugar cane - and there are many companies that do that here - you have to use tyre that attracts 35 per cent duty. This is not encouraging manufacturing of those equipment here. I would like to plead with the Minister for Finance to work out a system so that those companies that manufacture agricultural implements are able to import their tyres and components duty free. Because, it is after doing that, that we will encourage them to manufacture not only for local consumption, but also for export. I do know there are companies, for example, in Kisumu which have exported a lot of trailers to Uganda and we would like that sort of thing to continue instead of discouraging them.

Mr. Temporary Deputy Speaker, Sir, while on the question of agricultural tyres, in this country because of high duty charges, tractors are using ordinary tractor tyres which are narrow instead of the wide agricultural tyres. The wide tyres do not compress the soil because of their width and therefore, the farmer is able to harvest better yields. That particular soil is also not eroded because of the compaction. But because this duty is high and the farmers, especially those who carry cane and so on, are using narrow tractor tyres; thus, our soils are being damaged and eroded and our harvests are being reduced. I would like to recommend to the Ministry of Finance to remove duty altogether on the huge agricultural tyres. After all, you cannot fit these ones on lorries. After all you cannot fit these ones on lorries. They can only be fitted on agricultural tractors. In that way we shall be helping the farmers. These duties are supposed to assist all sectors of the economy.

Mr. Temporary Deputy Speaker, Sir, in conclusion I want to talk about the Kenya Revenue Authority

(KRA). I would like to compliment the Commissioner-General and his staff for doing a very good job, particularly in these days. I would single out the Income Tax Department staff who have done a very good job. I support my hon. colleagues who have said a lot about Value Added Tax (VAT), the problems at the port of Mombasa and so on. It is time the Ministry of Finance had another look at, and a very serious one, the method, or modalities, of collecting the VAT. It is just not good enough sitting and saying that people are "eating" this money. Something has got to be done. What is more, this august House should enact laws that ensure that economic saboteurs are punished adequately.

There is no point in a person smuggling goods worth Kshs100 million into the country, and then we dilly-dally with him and maybe just fine him, maybe, Kshs2 million, Kshs3 million or Kshs5 million. If penalties were such as to discourage such economic saboteurs---These are people who make sure that they flood the market in this country with commodities and then farmers cannot sell their sugar and other farm products, so that they die of hunger. Factories close down and sent away workers because a particular fat-stomached tycoon has done what he wants. These are the economic saboteurs that I am talking about. Personally, I would not mind to see a Bill providing for hanging of such people coming to this august House. In fact, I would be one of the first hon. Members to vote in support of it.

With those few remarks, I beg to support.

Mr. Muluya: Mr. Temporary Deputy Speaker, Sir, in fact, I would like to start off from where my friend, hon. Muchilwa, has let off in respect of economic sabotage. The Attorney-General himself has promised that the task force he appointed, which is headed by retired Justice Lutta, is supposed to provide him with recommendations and a draft Bill for tabling in this House soon, so as to deal with economic saboteurs. I have personally asked the hon. Attorney-General at several fora, including the Public Investment Committee meetings, why it has taken that task force that long to come up with recommendations and a draft Bill for introduction into this House so that we can deal with economic saboteurs.

The problem afflicting this country is nothing more than economic sabotage by a few people who, after enriching themselves, do not care whether the rest of the Kenyans die or not. There are some communities in this country which consider theft of cattle by a man a manifestation of manhood. This is what is happening in this country. There are some people who think that by stealing from Government coffers and making Kenyans poorer and poorer they are showing that they are more of men than the other Kenyan men. The Attorney-General is the only person who can salvage this country from the likes of those people. It is very unfortunate that when we are seeking assistance from the Attorney-General you will find him at times wining and dining with some of the people he is supposed to be investigating.

Mr. Temporary Deputy Speaker, Sir, the role of the Commissioner of Police and the Director of the Criminal Investigations Department (CID) is to take cue from recommendations which are made in this House. But you will find that the Attorney-General, the Commissioner of Police and the Director of the CID in Harambees with people like Mr. Elijah Wasike Mwangale. Yet Mr. Mwangale has been accused by a special report of a committee which looked into the affairs of Nzoia Sugar Company of colluding with foreigners to loot a lot of money from that company. That is one of the people who should today be behind bars. That report came out almost three years ago, and yet no action has been taken against him. Today Mr. Mwangale is a District KANU Chairman, and wherever there are functions involving the Government he is in the frontline. What does the poor Kenyan, whose money was looted through shady transactions in Nzoia Sugar Company, say about the Government? It is for the Government to protect its image by making sure that immediate action is taken against people like Mr. Mwangale.

Recently, I and other Members of Parliament went to Germany. Out there, we were told that it is only this country whose laws are so badly enacted that they do not provide adequate mechanism for following economic saboteurs and people who take money from this country and keep it in other countries. We have billions and billions of shillings stashed away in Switzerland. These people are moving their money from Switzerland to the Bahamas. That money belongs to this country. If our law was strict enough it would force the people involved to bring that money back here. If that money came back here our economy would grow very fast. We would not need to send the Ministers for Finance and Planning and National Development and a whole team of Permanent Secretaries and other specialists to the Paris Club and other donor fora to borrow money for this country. We would not be taxing our people at the current rate. Today, Kenyans are among the most taxed people in East African and even in Africa. We would like to see Kenyan leaders behave the way a former Tanzanian Minister for Finance behaved, when he was accused of being involved in shady activities. The Minister for Finance in Tanzania found it fit as a gentleman to resign, when he was accused of scandals related to evasion of tax. But if you complain that a Minister in Kenya has been involved in corrupt practices, it is as if all you are telling the Minister is that he is wearing three more trousers over and above the other men. It is like you are telling him that

he is more of a man than other men that have been born in this country. This is very bad. We should be able to change our attitudes. But before these men can change their attitudes, it is incumbent upon the Attorney-General to bring to this Parliament, a Bill so that a law can be enacted to deal specifically with economic saboteurs. We should have an Act of Parliament which allows for the impeachment of those people who are found guilty of stealing public money. Over and above that, the law should provide that whatever one has stolen should be repatriated back to the country. This is what we should look into. Unless we do that, the future generation will keep on thinking that we were doing nothing.

The Assistant Minister for Finance (Mr. Keah): On a point of information, Mr. Temporary Deputy Speaker, Sir. There are two Assistant Ministers here. There is another one seated right there and the hon. Mulusya can give his points anytime he wants.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I do not give information to Assistant Ministers who are hiding behind the desk. I can only give the one who is upright!

When Kenya National Assurance went under receivership, there were those people who had insured their motor vehicles with the Company. Some of those vehicles which were insured with the Kenya National Assurance were involved in accidents before the Company went under receivership. Some of them are matatus while others are private vehicles. Kenya citizens who were victims of those accidents, and I have facts, were 1,731 throughout the country; they include private individuals who have sued the owners of those motor vehicles which had insurance covers with Kenya National Assurance. Out of those cases which are in Kenyan courts, 256 cases have already been heard and determined by the courts. Now that Kenya National Assurance is under receivership, those cases after they have been heard and determined, orders were issued against the owners of those vehicles. Kenya National Assurance must have re-insured itself with Kenya Re-insurance Corporation. Those people have their properties auctioned because they are not able to pay and yet, they had valid insurance covers with Kenya National Assurance before it went under receivership. Some of these cases were determined before Kenya National Assurance went under receivership or immediately after it went under receivership. Most of those people whose cases have been determined and those whose cases are going to be determined by the courts in the near future, are not able to pay amounts the courts have awarded. What is going to happen to those people?

There are intentions to declare some of these people bankrupt because they cannot pay these amounts. They had insured with the Kenya National Assurance which was a Government institution and it went under receivership because of poor management by those who had been appointed by the Government. Kenya National Assurance had re-insured with the Kenya Re-Insurance Corporation which is another Government institution and yet, it is not coming to the rescue of these people. A decision has to be made. This Government has to make a decision and I am addressing the Minister for Finance under which Kenya National Assurance falls. What is going to happen to those cases that are pending before the courts, which Kenya National Assurance was a party but nothing can be done to it, because it is already under receivership and these cases have not been determined? What is going to happen to these people? There are so many cases before the courts.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, for your information, under the law, when a company is under receivership, it does not mean that it cannot honour its obligations. Those who are managing the company in receivership have a duty to pay.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, that is why I brought this issue here. The Government has to come up and rescue those people who are victims. There are so many cases that have been determined in that manner.

The Temporary Deputy Speaker (Mr. Wetangula): The receiver collects the assets, preserves them and pays the debt.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, with all due respect to the Chair, the lawyers who are handling those cases are assuming that though the law does not act that way because their intention is to go and auction the properties of those people who had taken insurance cover with the Kenya National Assurance. It is putting many people into problems. One individual whose vehicles had been auctioned because of one accident is now in Mathari Hospital because he has gone amok. He cannot understand what is happening. The world has gone wild! It is only very fair when a Government which purports to be a Government ruling people does what it is supposed to do.

Let me comment on the issue of the construction of roads, water provision and so on. We have a big problem in these areas. Most of the people who have been given contracts to either construct roads or build houses for the Government are doing extremely shoddy work - that is below accepted international standards. There are two reasons why this is being done. One, is that the civil servants who are supposed to supervise these contractors have either lost morale or have been bribed by these contractors to make sure that they overlook the

standards which are required. The contractors are also saying the only way to get profit is to adhere to lower standards. Whatever the case, this country cannot afford to have low quality work from contractors for example, road contractors, building contractors, water engineers, electrical contractors and so on. I can give an example of a road which was re-carpeted about one and a half months ago and it has started cracking. Then you ask yourself: Why? Where was the Road Inspector when work was being carried out on this road? The Road Inspector is the person supposed to oversee and make sure that the contractor who has been awarded that job, does it to the required standard. The Ministry of Public Works and Housing is supposed to oversee all this. But it is not doing it. This poor workmanship is going to cost this country and the taxpayers a lot of money. It is bad to accept this type of thing to continue and the relevant Ministry must change. The Ministry of Finance must also insist and state categorically that: "We are releasing money but work must be done to the required specification." Also, the Kenya Bureau of Standards (KBS) should periodically keep on reviewing the standards of buildings and road construction. There is a recently constructed bridge and it already has cracks before even the six months liability period elapses. When the final inspection is supposed to be done for the final fee notes to be paid, the crack is visible, but the contractor is eventually cleared to be paid his final bill. We cannot accept this sort of thing.

Mr. Temporary Deputy Speaker, Sir, the other problem we have in this country, and which is the main reason why we are not able to meet our projections is that of uncompleted projects. These uncompleted projects are very many in this country. We also have fictitious projects which are being brought here in our budget and read and we are told: "This is going to be done". At the end of the financial year you find that money was released, but no project was ever carried out. A good example is what was brought here yesterday by the Vice-President's Office and Ministry of Planning and National Development. They said that Kshs930 million has been spent on various projects in the Coast Province under the Coast Development Authority. We are aware that, that Authority has been unable to pay even its workers for a very long time, leave alone financing any projects. The people who come from Coast Province have not seen any projects financed by this Authority going on. Personally, I have toured that province with other hon. Members of PIC. There is not a single project under Coast Development Authority going on or already completed. If there is any project going on at all, then work must have started on Monday this week. Yet here, we are told that Kshs930 million has already been spent on various projects. On what projects was this money spent?

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. First, I would like the hon. Member to substantiate the figure of Kshs930 million being spent. Secondly, when he says the Coast Development Authority has carried out no projects, what kind of projects is he talking about? We have had quite a number of projects, including schools, and I can quote one. For example, there is Kwademu Primary School which has been built and he has never been there. That is just one project among many which I can quote. I can also quote a few others.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Keah, I think he was purporting to be quoting a Minister. Mr. Mulusya, which Minister were you quoting?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I am quoting the Assistant Minister in the Office of the Vice-President and Ministry of Planning and National Development. Yesterday there was a Question here. Read the HANSARD.

The Temporary Deputy Speaker (Mr. Wetangula): What did he say?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, he said that projects worth Kshs930 million have already been completed in the Coast Province. I also raised a supplementary question requesting him to name the projects, but he did not name any. Read the HANSARD. Secondly, the Assistant Minister for Finance should be able to know which projects have been done on harambee basis and those entirely done by a Government corporation like the Coast Development Authority. You are in the Ministry of Finance, you come from Coast Province---

The Temporary Deputy Speaker (Mr. Wetangula): Address the Chair.

Mr. Mulusya: That is what I am doing, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister should be able to know where a Government Ministry gives Kshs100,000 as part of its contribution in the entire construction of a project. When we look at virtually every district headquarters in this country---forget about those created recently. In almost each district, there is a project which has been started under this Ministry or another Ministry and abandoned. The affected project could be a district headquarters, hospital or something else. All these projects are uncompleted. You find that only 80 per cent of the work has been done while 20 per cent remains uncompleted. Today, we require almost Kshs293 million to complete those projects throughout the country. We are not talking about those projects which are under some parastatals, we are only talking about Ministry projects. In this budget, there is not a single allocation of money for completion of those projects. But

when an allocation is made, you find that those projects are still not completed. A good example is Makueni District Headquarters which requires Kshs59 million for completion. This financial year, only Kshs8 million has been allocated and last year there was Kshs9 million allocated. Not even a single cent out of the Kshs9 million allocated to this project last year was spent. Today I can vouch here that next year, same time, we will be here and that district headquarters will be uncompleted. Just walk out here and get to Industrial area, next to Industrial area Police Station. There are structures which were built there. The ground-breaking ceremony was done with pomp. You know what I mean when I say "pomp". It means the women dancers, and all other singers and dancers entertaining the guests.

The Temporary Deputy Speaker (Mr. Wetangula): You do it with pomp, not in pomp.

Mr. Mulusya: Thank you, Mr. Temporary Deputy Speaker, Sir. The ground-breaking ceremony was done with pomp. A certain Haban Singh was given the contract of building those flats. The super structures have been completed, but the internal work has not been done. The policemen who were supposed to occupy those flats on completion are staying in those old colonial *mabati* houses in the centre of Nairobi. If you ask those policemen how they manage in those houses which they are sharing, now that it is raining in Nairobi, I am sure they have a sorry tale to tell. It is the end of the month and, maybe, the wife has come from the rural area to pay a visit. Definitely, there is a lot of disturbance. When it rains, there is a lot of noise; paaa paaa, and yet, there are houses which were supposed to have been completed for them and they are not completed.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, how do you want that one to be recorded?

An hon. Member: How does it rain?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I am saying the rain is pouring out there, papapa paaaaa. It is a shame for the Government. Let us complete the projects we have started instead of embarking on new ones. Why start new projects when the other projects are stalled? Eventually, it is the taxpayer who will bear the cost. We have a big problem and that is why the Government is not running as it should.

Mr. Temporary Deputy Speaker, Sir, I would like to point out that some of these Ministers are very good people *per se*. They are very good hearted, and hard working Ministers who do not want to steal anything from the Government because there may be nothing to steal. However, supposing a Minister has a team of very arrogant civil servants in his Ministry, what is he expected to do? I am saying "arrogant" to the extent that they will not obey the Minister's orders. They are arrogant to the extent that they do want to listen to the Ministers. Junior officers in state corporations do not want to take orders from their Chief Executives. Some of the things we are hearing are done with the knowledge of the Permanent Secretaries, their deputies and Chief Executives of parastatals. You can blame the Minister but things are done behind his back by these people. The Minister is only given answers to come and answer here but he does not get to know what goes on. That is why you find that most of these answers have such phrases as: "I am not aware or when funds are available". When you look at it, the Permanent Secretaries are responsible for non-completion of many projects. That kind of Permanent Secretary is richer than the Minister and he does not see why the Minister should insist on asking him to do his work.

Mr. Temporary Deputy Speaker, Sir, if you are a Minister and you summon a Permanent Secretary into your office and he fails to appear with the excuse that he had another engagement, what do you expect the Minister to do? Mhe. mwingine hapa anasema kwamba nina wazimu---

The Temporary Deputy Speaker (Mr. Wetangula): Nani amesema hivyo?

Mr. Mulusya: Hon. Mathias Keah amesema hivyo.

The Temporary Deputy Speaker (Mr. Wetangula): Hon. Mathias Keah, did you say that?

The Assistant Minister for Finance (Mr. Keah): Bw. Naibu Spika wa Muda, nilisema kwamba wengine wana wazimu. Sikumwambia yeye ana wazimu. Nilikuwa ninaongea na mhe. Lotodo. Sikumtaja yeye wala sikusema mhe. Mulusya, ana wazimu. Kwa hivyo, hayo ndiyo majibu yangu.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I take his word.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, rest assured that your sanity is not an issue.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I would have told him to accompany me to Mathari Mental Hospital for both of us to be examined and a report produced to Parliament.

The Temporary Deputy Speaker (Mr. Wetangula): In any event, if you are insane, you will ineligible to be here.

Mr. Mulusya: What I am saying is that there should be respect for elected and presidential appointees in form of Ministers and Assistant Ministers. What is happening in today's Civil Service is such that they have

no respect for the Ministers. That is why from the Floor of this House, we will give a Minister information which is very embarrassing to him and yet he has already presented an answer. We do not want to talk about what happened, but it is for the benefit of this country that those who are given such responsibilities are accorded due respect by their Permanent Secretaries and Chief Executives because they are answerable to the President. The issue of Permanent Secretaries doing things behind their Ministers at State House should stop. I am very serious that, that should stop. They should brief their Ministers all the time. It is not a question of a Minister coming to know what is happening in his Ministry through the Press or from the Floor of this House.

When I was talking about poor workmanship, there is one case of a road which connects Machakos to Kangundo. That road had been murramed. First, work was done and completed four months ago, but today the rainy season has started and by December the road is going to be impassable. The workmanship on this road is very poor. The person who did that work should be told to re-do it. We cannot be told that Kshs28 million has been spent to murram about 20 kilometres of road. When you look at the road now, it is already wearing out and yet, there have not been any rains. Since that road was murramed, the rains started on Tuesday this week, but the road is already in a very bad state. So, we would like that one to be done.

Mr. Temporary Deputy Speaker, Sir, yesterday, we spoke about the Higher Education Loans Board (HELB). You saw what happened to the person who is heading the HELB. His effigy was burnt and he was shouted down. It is very embarrassing to the Government, when we bring a Bill here to be enacted into an Act of Parliament, to establish a Higher Education Loans Board, to basically assist the children of poor parents, who cannot afford to pay fees for university education. These are the parents who have exhausted their resources in educating their many children in lower education levels. It is only the children of the poor who are not given even half of the loan they have applied for. They are supposed to be given the full amount, that is Kshs42,000, and even some bursaries.

But, Mr. Temporary Deputy Speaker, Sir, it is to the contrary now. As we talk, I have 142 cases of children who have been given only Kshs25,000. Apparently, we do not know how the Board was selecting only the children of the poor. The children of rich parents from Machakos, Kangundo and Nairobi here, whose parents have very well paying jobs, and some of them are businessmen, have been granted the full amount. I have promised the Minister that I will go and get him the list of the children, so that he can go and find out how the Board operates. Was it established to protect the children of the rich, so that the children from poor families do not end up getting university education?

Mr. Temporary Deputy Speaker, Sir, I am a beneficiary of the university loans. I have repaid my loan in full. We would like to see children of poor fathers and mothers like me, benefiting. What is happening is that such people like the Professor, whose effigy was being burnt yesterday---And I wish he was the one who was burnt alive by those students because he has caused a lot of damage. So many children are going to drop out of the universities because of that Board.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Dr. Misoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Apart from the hon. Mulusya paying university loan, is he in order to wish that a Kenyan be burnt alive? Is that really in order to wish somebody death in this National Assembly?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, if wishes were horses, all beggars would ride. I am only wishing that it is so, but his effigy was the one which was burnt. But it had a lot of smoke.

The Assistant Minister for Finance (Mr. Koech): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Mulusya not inciting the students to do a lot of damage when in this House, we should be hon. Members and we should do things which will build this nation, but not destroy it?

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, you should avoid using inflammatory language.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I apologise and I would not wish to incite those students. But in the same vein, I would like to see some sense in the leadership of the Higher Education Loans Board (HELB). I am sure every hon. Member of Parliament, even the Assistant Minister who answered one of the Questions yesterday is a victim. Today, I know he has more than 16 appeals from the parents of these students, and he is sitting here with us. But when they come here, they come and purport that all is well.

The Assistant Minister for Education (Mr. Komora): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Mulusya to mislead this House and this nation, in the first instance, that hon. Members of this House would wish the citizens of this nation to die? Is it in order for the hon. Mulusya to inform this House of things which have not happened, for instance, that I have received 16 appeals? I have not seen any appeal to-date.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I just recollect that the Assistant Minister said earlier that he is unable to finish his work because there is a lot of work the Minister is doing. He is so busy with the Headquarters affairs that he has been left to do the rest. If he goes home this week-end, he will find those appeals there waiting for him.

The Assistant Minister for Finance (Mr. Koech): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is misleading the nation. While it might be true that [**The Assistant Minister for Finance**]

some students might not have received the loan, I think the data system which we may have at the moment may not be so accurate. What I know is that, because I had even talked to the HELB myself, if some students from poor families did not get loans, they have opportunities to reapply and that one is done. I have seen quite a good number of students who get the loans. But to come to this House and say that it is only children from rich families who are getting the loans without substantiation, I think it is really misleading.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, to start with, this is something I have done a lot of research on. Last week on Thursday, that is when the list of those students who qualified for the loans was released, for example, at the University of Nairobi, the same day the Academic Registrar himself told the students not to appeal to the HELB, because there is no possibility of any enhancement. Then the students sent a delegation to see the Vice-Chancellor, and they impressed upon him on the necessity to make appeals. Then the Vice-Chancellor reversed his earlier decision and advised them to reapply to the HELB through the University. That is exactly what they are doing. During the last academic year, those students who qualified for low amounts than the full amount and appealed, never got the results of the appeals. There was no communication either to the university, or to the students themselves. It is not until one week before they were ready to sit for the examinations, that they were told that they could not sit for the examinations because they owed the university a lot of money which they had to pay first before sitting for the examinations.

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. In the interest of good governance in our deliberations, would I be in order to suggest that we restrict ourselves to the debate on the Finance Bill?

(Applause)

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, first and foremost, we are collecting money through the Finance Bill to educate our children. What is the money for? We are not going to give it to hon. Keah. That money is going to Treasury and from Treasury, some of that money will be given to the Ministry of Education which will give some of its share to universities. They will also give out loans and bursaries to needy students. What we are asking for is acceptable rationale in awarding university loans. That is all we are asking.

With those few remarks, I beg to support.

The Assistant Minister for Tourism and Wildlife (Mr. Kisiero): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to support this Bill.

Indeed, we should thank our Kenyans for being so good that they develop their country through taxation. And that being the case, it is not surprising, all they want to see is that the taxes they have paid create an impact in their standards of living; they would like to see their standards of living improving from year to year; they would like to see that the roads are improved and would like to see that the economy in general is growing steadily, because they have agreed to be taxed. Therefore, it is our hope and everyone's hope that those who collect taxes and those who spend those taxes should be as honest as possible, so that we may achieve and satisfy aspirations of our people.

We have heard many times that some of our taxes are not used properly. We have heard this every year from reports of the Public Investments Committee and Public Accounts Committee that money in question may not have been used very well. That is discouraging to all of us.

Every Kenyan would like to see that the morality of those responsible for collecting and spending taxes improve, because we cannot go on without developing our country or without proper improvement in every sector of our economy.

I mentioned roads in this country. I have been in Nairobi for years, in fact, I came to Nairobi probably in 1950s. One of the roads that I know of that has remained the same is Langata Road. The Langata Road and many other roads in Nairobi are not only full of potholes, but traffic congestion at the moment is just too much. It takes us more than two hours sometimes to go from here to Langata. We should have seen some difference if those involved in allocating money in the City of Nairobi or in any other part of the country had spent it well.

They should have created some impact; they should have ensured that the roads show some signs of improvement, but what we see is the same road we saw since we were young people.

I think our people should be more serious because we want to see Kenya developed. We want to develop through encouraging investors to come to this country. We cannot manage to encourage them or convince them if they have to take two hours from their homes to industrial area. We cannot encourage them when they see that the potholes are just too many and their vehicles and equipment gets destroyed. We can only encourage them if they see that we are taking serious steps in improving our roads. With investors around, then we are assured that our economy will grow better than yesterday.

Mr. Temporary Deputy Speaker, Sir, the same problem on the roads affects our improvement of attracting the tourist. Indeed, the other day, some foreign Members of Parliament travelled from here to Maasai Mara, and when they came back, they were not very happy. They were asking that we should do everything possible to make sure that the road is passable because there is no way they are going to help us to tell their countrymen to come to this country when they know very well that they will go through hell over roads.

So, those dealing with funds and our money, should see that if they do not improve the roads, then they would not get the tourists, the investors and, therefore, the economy will not move; and as a result Kenyans would not improve their standards of living because they will just be stuck and probably the standards of living could even drop. So, we appeal to those looking after our money to be honest and do what they are told to do for the good of our country.

Mr. Temporary Deputy Speaker, Sir, one thing I know that could be affecting the Kenyans is that when you look around, we seem to have forgotten that there is God. In fact, we have abandoned the Christian ethics and the Ten Commandments because we want to live very comfortably and we want to enjoy the life of this world and sometimes, we think that when we die because we have made money through this way and that way, we think that we will ask the priest or rather we will ask our relatives to bring priests and pastors to pray for our souls and to move our souls from the Korogocho of Heaven to Muthaiga of Heaven. I think some of us have got a misconception because we think that we will enjoy and use the money when we are dead. We may think that we will use the money we may have made through this way and that way, to bribe our way to Heaven. We may be living under the impression that even if we get money from here and there, we will be able to ask our relatives and friends to be able to get protection and there will be no more judgement. We might think that we have completed the judgement in Heaven. Judgement will wait for us and we would have to answer for everything because when God says: "You gave me water when I was thirsty, you gave me bread when I was hungry," it means you did good things and you improved people's lives, their well being or, you ensured that if they had no shoes, they were able to buy shoes. I think Kenyans should become Christians or Muslims. We should know that at the end of the day, we will answer for our misdeeds.

Mr. Temporary Deputy Speaker, Sir, when you go to some of these countries in South Eastern Asia, where there are so many gods, the Hindus and so on, they look after their gods so much. They feed the gods for every few hours and they pray their gods for every few hours and that way they cannot be doing anything funny.

The Assistant Minister for Lands and Settlement (Mr. Sumbeiywo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Do you think it is in order for the hon. Member for Mt Elgon to give that chance to hon. Wanjiru because she is better placed and she understands religion more than he does?

The Temporary Deputy Speaker (Mr. Wetangula): There is no evidence that Wanjiru understands christianity more than hon. Kisiero.

The Assistant Minister for Wildlife and Tourism (Mr. Kisiero): Thank you Mr. Temporary Deputy Speaker, Sir. We are all christians and you are quite right in advising my friend and we must all help each other. Probably, we have fallen into this trap of ungodliness and being ungodly, we do not care about anybody else. We have probably fallen into that trap because our custodians of our morals, that is the pastors and priests, have abandoned their duties to preach to us. They have left the goal and they have decided to go and play football in front, in the wings and so on. And in the process, the devil has taken advantage; he is taking the ball all the way; smiling all the way to an empty goal. Our preachers should---

The Minister for Home Affairs and National Heritage (Mr. Lotodo): On a point of order Mr. Temporary Deputy Speaker, Sir. Are you not satisfied that the hon. Member for Mount Elgon has digressed from the Bill to something else? He is preaching instead of telling us something to do with the Bill.

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): Mr. Temporary Deputy Speaker, Sir, I was on the same line. I was seeking a clarification as to whether it is in order for the hon. Member for Mount Elgon to convert this august House into a church.

The Assistant Minister for Education (Mr. Komora): Mr. Temporary Deputy Speaker, Sir, is it not in

order in reply to the last two points of order that the hon. Kisiero should inform this House that, the currency of this earth has no convertibility with the currency in Heaven?

Ms. Wanjiru: Thank you Mr. Temporary Deputy Speaker, Sir. I think it is good to listen to what hon. Kisiero is saying because unless you know where the problems are coming from, you will not be able to have a solution.

The Assistant Minister for Wildlife and Tourism (Mr. Kisiero): Thank you hon. Wanjiru. I was only trying to say let us do good to others. We just want to see that our people do good for the good of the country and I was arguing that one reason why we have fallen into a pitfall is that we have abandoned religion. We have abandoned Christianity, Islam and so on.

Mr. Temporary Deputy Speaker, Sir, another area that I thought I should mention is that it is good that there are so many parastatals, managing directors, supporting staff and so on. But, sometimes it happens that when one of them is relieved of his position, retires or passes away, his tribesmen insist that he must be replaced by somebody from the same tribe. If somebody from another tribe is appointed to replace him, everybody from that tribe of the former incumbent cries blue murder. They say that "our tribe is being finished". We should not have that notion. These positions should be open to every Kenyan who is capable of holding those positions. No tribe should insist that its members must occupy certain positions when a member of its tribe dies. If that continues to happen, then what about those tribes who have nobody in those parastatals; not even a messenger; nobody at all? What will happen to them? Do they not also have "matakos" to sit on a chair and become a chairman or to hold a post? Must they stand for ever just because the big tribes or certain tribes must insist that they should be the only ones? I think we should be fair and considerate to ensure that those positions are spread out and held by other people other than your own tribesman.

Mr. Temporary Deputy Speaker, Sir, there is the question of taxation on seed maize; what they call presumptive tax. That tax was introduced a few years back, then it was removed. Then after about two years, it was brought back. This tax is punitive to the seed grower because seed maize is just like ordinary maize, but one spends much more to produce seed maize. To tax a maize grower and leave the other growers is not fair in my view. I appeal to the Minister for Agriculture, Livestock Development and Marketing and the Minister for Finance to look into that issue afresh. By taxing that maize seed, although the seed grower is punished because he has to pay tax, but that tax is definitely passed to the seed buyer; to the man who grows the ordinary maize that we eat. So, by taxing the seed grower, we are definitely directly taxing the seed grower and therefore, making seed more expensive when we should be making it affordable.

Mr. Temporary Deputy Speaker, Sir, I do agree with one colleague who yesterday mentioned that for VAT, as far as possible, we should tax it at source. Because by taxing it through dukawallas and so on, we are giving a few crafty people an opportunity to enrich themselves. They cheat the buyer, incase he wants a receipt or not. But at the end, the poor man pays the price that includes VAT. Therefore the Minister should really look into it and see if it is possible to tax it at source and forget the dukawallas.

Mr. Temporary Deputy Speaker, Sir, I know at the moment, we have electricity supply problems and there is a project which I am sure you are aware of, since you come from that region that had been recommended by the United Nations. A study had been done on terrain river. There is a big falls and a big river in that region where a study was done and it was proved that it was viable. It was to produce mini hydro electric power. I am appealing to the Government to see to it that we do not waste that water because the rivers are still there and I am sure that, if we could embark on that project we should be able to get some more power rather than leaving the country to go into several periods of darkness.

With those few remarks, I beg to support.

Mr. Ogeka: Mr. Temporary Deputy Speaker, Sir, the Finance Bill is the most significant Bill which is the determining measure of the welfare and ability to meet our obligations in terms of development projects. In supporting the Bill, I wish to say that our country, Kenya, is so advantaged. It is a naturally very rich country. If it were to be exploited, by the time of independence we could have got nothing because the Colonialists were up in arms to loot all the resources and to get the best out of it; the only rescue was that we were able to get something to start on. Much as we came into being, the question that still remains is: Have we really got the best out of the natural and human resources to be able to pay for the various requirements of the people in this country?

Mr. Temporary Deputy Speaker, Sir, one major issue that we should address ourselves to in this august House is the insanity and our belief as leaders that the end justifies the means. This is why the gap between the haves and have-nots is wide. While our resources are abundant, their distribution is horrible. The poor are increasing while we have a few privileged rich people. Poor distribution of resources and revenue in this country is a big barrier to the generation of adequate revenue to cover our day-today requirements. I want to address myself particularly to revenue sources that are still left idle. If these are explored adequately, the Kenyan citizen

will be a very happy person.

First and foremost, we have an idle human resource because of unemployment. We are denying ourselves tremendous amounts of tax and revenues because of unemployment. We have tied our resources to areas which have no multiplier effect. If we generate a lot of income, we will meet our many needs and even be able to deal with crime in the country. The issue of unemployment should, first and foremost, be uppermost in our minds when we are trying to prioritise areas of investment. Once an individual is employed, he will satisfy his needs and the Government will also benefit in form of direct and indirect taxes from him. When there is unemployment, the dependency ratio is very high and hence, social instability tends to dominate. It is very important that as we nurse our existing revenue sources, we look at idle ones.

I want to come to a second point. We should be able to tap our land, water, forests and tourism resources. These resources have no limitations in terms of regions, tribe, race, religion or political parties. When evaluating them, we should look at the common factor, which is the Kenyan citizen. Areas like tourist reserves, lakes and seas in which we have invested very little should receive maximum attention for exploitation so as to generate employment. Earnings from these areas would pay for our badly needed projects in this country. You will find that much as we have not done

much in the Maasai Mara Game Reserve, we have continued year after year to gain a lot from it. It is a shame that, not even a road through that area has benefited from the revenue that has been realised from the reserve. You can never milk a cow day and night without making sure that it feeds well. The same thing applies to a lake. In this regard, take the example of Lake Victoria which currently---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Watangula): Hon. Ogeka, you will carry on Tuesday. Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until Tuesday, 12th November, 1996 at 2.30 pm.

The House rose at 6.30 p.m.