

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 25th April, 1995

The House met at 2.30 pm.

[Mr. Speaker in the Chair]

PRAYERS

NOTICES OF MOTIONS

ESTABLISHMENT OF NATIONAL POLYTECHNICS

Mr. Mak'Onyango: Mr. Speaker, Sir, I beg to give notice of the following Motion:- THAT, bearing in mind the crucial role science and technology play in the social-economic development of a country, this House resolves that there be established in each of the provinces, especially where none exist at present, a full-fledged national polytechnic to offer scientific training and education to many of the Kenyan youths who drop out after the Kenya Certificate of Secondary Education.

ESTABLISHMENT OF AN OMBUDSMAN

Mr. Raila: Mr. Speaker, Sir, I beg to give notice of the following Motion:- THAT, in view of the fact that the Government is committed to the principles of transparency, accountability and good governance in the management of public affairs; and considering the high and egregious levels of corruption, tribalism and nepotism currently rampant in our society; this House urges the Government to establish the office of the ombudsman with autonomy and strength to check these vices.

ORAL ANSWERS TO QUESTIONS

Question No.22

RECLAMATION OF YALA SWAMP

Mr. Mak'Onyango asked the Minister for Agriculture, Livestock Development and Marketing:-

- (a) when the 14,000 hectares of reclaimable land under the Yala Swamp in Alego/Usonga will be reclaimed; and,
- (b) since this project was supposed to have been completed by either late 1970s or early 1980s, what has caused the delay.

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

(a) At the time of implementation the final designs, bills of quantities and tender documents for reclaiming works of the Yala Swamp in 1984, the cost was estimated at Kshs251,300,000. Today, the same works are estimated to cost Kshs750 million. This is due to escalation of costs. Out of the 14,000 hectares earmarked for reclamation, some 2,300 hectares referred to as Area I, which required rehabilitation works, had already been reclaimed in 1979 and are, in fact, being utilised for food production by farmers and also for seed bulking by the Lake Basin Development Authority (LBDA). The area referred to as Area II, measuring 9,200 hectares, is to be reclaimed by gravity while another 3,500 hectares, known as Area III, is to be reclaimed by pumping when funds are secured.

(b) This project has since been taken over by the LBDA as implementors of the construction, who are, indeed, ready to see it completed as soon as the required funds are approved and released for this purpose.

Mr. Mak'Onyango: Mr. Speaker, Sir, would the Minister agree with me that, had this work been

completed at the appointed time, this country would have realised, perhaps, 100 times the Kshs750 million now required to complete it?

Mr. Nyachae: Mr. Speaker, Sir, I do not dispute what the hon. Member is saying. Had funds been found at that time and the project carried out, it would have been much cheaper and a lot of savings would have been effected.

Mr. Raila: Mr. Speaker, Sir, the feasibility study for the entire 14,000 hectares was done at the very same time, that is for phases I, II and III. Why was it necessary for the Government to pay the cost of feasibility study more than 15 years ago when funds for its development were not available? Would the Minister agree with me that had this project been put under the Kerio Valley Development Authority, funds would have been available for its development a long time ago?

Mr. Nyachae: Mr. Speaker, Sir, I agree with the hon. Member that funds should have been found at that time, but they were not found. However, I am not in a position to say what would have happened had the project been put elsewhere. I am talking about a project in Nyanza and not in Kerio Valley, and I am giving the factual position as it is now. I do not think that we are going too far by going back into the history 15 years ago. I have given the position as it is now and, I think the best thing is for us to find ways of proceeding and carrying out the project.

Mr. Mak'Onyango: Mr. Speaker, Sir, would the Minister agree with me that he misled this House when he said that no funds have been found when it is a known fact that the Dutch Government, following an agreement entered between them and the Kenya Government sometime in 1979, had agreed to provide to the Kenya Government a sum to the tune of Kshs850 million to facilitate this project?

Mr. Nyachae: As I have said, there have been various discussions and various plans were worked out. But we have had problems of implementation as well. It is true that negotiations with the Dutch Government went on until it reached a stage where it was to be decided as to who would be the implementor and what time the project was supposed to be handed over to the Lake Basin Development Authority. It was not quite clear whether it was taken over or not, according to my files. All I can say now is that we want to do something about what did not happen and get the project moving.

Question No.171

BENEFICIARIES OF SCHOLARSHIPS

Mr. Speaker: This Question is deferred.

(Question deferred)

Mr. Speaker: Next Question, Mr. Mwiraria!

Question No.125

NUMBER OF TEACHERS AND PUPILS

Mr. Mwiraria asked the Minister for Education to give a table showing the following:-

- (a) The number of primary school teachers in each district and municipality in Kenya;
- (b) The number of primary school pupils in each district and municipality; and,
- (c) The pupil-teacher ratio of each.

(Mr. Mwamzandi stood up in his place)

Mr. Speaker: What is it, hon. Mwamzandi?

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Mr. Speaker Sir, you have "jumped" to Question No.125.

Mr. Speaker: I did not "jump"! I deferred Question No.171. Were you with us?

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Mr. Speaker, Sir, I beg to give the following reply---

(Laughter)

Mr. Speaker: Order! Order! Just for the benefit of hon. Mwamzandi, Question No.171 has been deferred. We are now on Question No.125. Is there anybody here from the Ministry of Education?

The Assistant Minister for Education (Mr. Lengees): Thank you, Mr. Speaker Sir, for sorting out that confusion. I beg to reply.

The number of primary teachers, pupils and the pupil-teacher ratio in each district and municipality is contained in the table which I have the pleasure to lay on the Table.

(Mr. Lengees laid the table on the Table)

Mr. Mwiraria: Mr. Speaker, Sir, let me first of all thank the Assistant Minister for providing the detailed information, but having said that, looking through these figures, I am reminded of an airline negotiator who once said that statistics are like a bikinis, they cover the most vital organs which may be of interest.

Surely, I am not being obscene, but in this case, the way the statistics have been presented, other than showing the fact that each teacher in Baringo has 16 children whereas each teacher in Kisumu Municipality has 40 children, one wonders whether there is a co-relation between the performance of the students in primary schools in the KCPE and the teacher-pupil ratio. I would like the Assistant Minister to comment on that because it is really what I wanted to see come out of these statistics.

Mr. Lengees: Mr. Speaker, Sir---

Mr. Salatt: On a point of order, Mr. Speaker, Sir. We will be unable to follow this Question given the fact that we do not have the reply available to the House. The Assistant Minister has only tabled a list, so how do we ask supplementary Questions? It appears that the Question and the answer will be between the Assistant Minister and the Member who asked the Question, only.

An hon. Member: He can read it to us!

Mr. Speaker: I have no time to give Mr. Lengees to read the whole list because it is very long. The most fair way of dealing with the issue is for him to table it, like he has done. Any Member may not revisit that issue. Mr. Salatt, I do appreciate your problem. Of course, you are unable to participate fully as you would like, but those are some of the hazards that come along our way. I am sorry about it.

Mr. Mwaura: On a point of order, Mr. Speaker, Sir. I agree with what you have said, but I would have thought that the Assistant Minister could at least indicate the number of teachers in the whole country and other figures without going into details. Without that, we are at a loss.

Mr. Speaker: That is a fair request. We can know how many millions of teachers and pupils we have and other things like that.

Mr. Lengees: Mr. Speaker, Sir, the whole information regarding the staffing of Kenyan schools is in this table. If the Members wish to see how many teachers we have in the country and each district, they should refer to the table I laid here.

Prof. Rashid Mzee: Mr. Speaker, Sir, with these statistics that have been presented and tabled in this House, I can now see why Mombasa district is performing very poorly in examinations. The teacher-pupil ratio is one of the lowest: One teacher to 43 pupils, as compared to, for example, Baringo which has a ratio of one to 16. Can the Assistant Minister explain why Mombasa district has the lowest teacher-pupil ratio of one to 43?

Mr. Lengees: Mr. Speaker, Sir, it is difficult for me to tell the hon. Member who has just asked the supplementary question why Mombasa has the lowest teacher-pupil ratio. In reference to the number of teachers in the whole country, I would like to state that we have 1,239,798 teachers.

Mr. Nthenge: On a point of order, Mr. Speaker, Sir. The Assistant Minister has not even attempted to answer Prof. Mzee's supplementary question. His question was: Why should Mombasa district have one teacher for 43 pupils while Baringo district has 16 pupils per one teacher?

Mr. Lengees: Mr. Speaker, Sir, this is as per the enrolment in each particular area.

Mr. Rotino: Mr. Speaker, Sir, is the Assistant Minister aware that last year, more than 100 teachers of Pokot origin were taken to Turkana District while Pokot District has a shortage of teachers? If he is aware of that, when is he prepared to bring those teachers back? We have a problem of shortage of teachers.

Mr. Lengees: Mr. Speaker, Sir, that is a different question.

Mr. Ruhui: Mr. Speaker, Sir, since the Assistant Minister has had time to read the whole schedule, can he tell this House how many primary school teachers there are in Nairobi Province?

Mr. Speaker: But the figures are given on the table, Mr. Ruhui!

An hon. Member: But we have not seen the table!

Mr. Lengees: Mr. Speaker, Sir, I think I can tell him that. We have 4,639 teachers in Nairobi Province.

Mr. Mwiraria: Mr. Speaker, Sir, I asked the Assistant Minister whether there is a co-relation between the teacher-pupil ratio and the performance in examination. I have not received an answer. Hon. Prof. Mzee has, in fact, said that Mombasa performs poorly because each teacher has got to teach too many children. But what is even more important is that these figures hide the fact that some of the classes in my constituency have as many as from 50 to 56 children to one teacher. So what is the Ministry doing to correct this very unfair imbalance?

Mr. Lengees: Mr. Speaker Sir, there is no ratio.

Bishop Kimani: On a Point of order, Mr. Speaker, Sir. I think the hon. Assistant Minister is misleading this House because it is recently we were told that "dirty politics have bad examination results and good politics good results". The ratio used is very ridiculous and misleading because a teacher in a particular school only teaches 16 students whereas in another area a teacher has only three or 50. He should answer the questions and tell us the reasons for these imbalances.

Mr. Lengees: Mr. Speaker, Sir, I think the answer for this Question has been given in this document. We cannot be able to give more than that.

Mr. Nthenge: On a point of order Mr. Speaker, Sir.

Mr. Speaker: Order, Mr. Nthenge. I know that hon. Members are interested in this Question. But nevertheless, we still have a lot of other Questions pending. I think the time for that Question is over.

Mr. Nthenge: Mr. Speaker, the hon. Assistant Minister has used some words which should not be used here.

Mr. Speaker: Mr. Nthenge, which one?

Mr. Nthenge: Mr. Speaker Sir, he has used the words "I think". Since he knows the facts why is he now using the phrase "I think?" How can we accept an answer from an Assistant Minister when he does not know the facts regarding that answer?

Mr. Speaker: I suppose you have to think to answer!

Question No. 165

PAYMENT OF WILDLIFE COMPENSATION

Mr. Speaker: Is Mr. Nyagah nor here? We will leave his Question until the end. Let us move on to the next Question.

Question No. 138

ABUSE OF CODE OF ETHICS

Mr. Galgalo asked the Minister for Health:-

- (a) if he is aware that the Medical Officer of Health in Moyale is abusing the Code of Medical Ethics by refusing to attend to patients;
- (b) if he is further aware that this officer is operating a private clinic and patients are referred there and medical kits for the hospital are being misdirected even when supplies are made available by the Government; and,
- (c) what steps he is taking to rectify the situation.

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

(a) I am not aware that the Medical Officer of Health in Moyale is abusing the Code of Medical Ethics by refusing to attend to patients. Those doctors are seeing patients on routine basis.

(b) I am not aware that any of the two doctors in Moyale Hospital, Dr. Peter Ndegwa and Dr. Ali Abdulahi Ibrahim are operating private clinics; neither, are they directing any medical kits for the hospitals elsewhere.

Investigations carried out by our Ministry have revealed that none of the two doctors runs any private clinic in Moyale, and no Government of Kenya drugs or any other medical equipment were found in any of the

private clinics operating in Moyale.

(c) I have already instituted investigations which have revealed that the hospital is running normally. I am requesting the hon. Member to report any case of theft of medical kits that he might be aware of to relevant authorities for relevant investigations.

Mr. Galgalo: Mr. Speaker, Sir, on behalf of Moyale people, I would like to express my appreciation of the services rendered by Dr. Ndegwa. I met the Medical officer in charge of Moyale Sub-district Hospital who confirmed to me that Dr. Ali Abdulahi Ibrahim owns a private clinic. There is a probability that this clinic is not registered under Dr. Ali Abdulahi Ibrahim's name. But I am telling the Assistant Minister here now that Dr. Ali Abdulahi owns a clinic and runs it together with his senior Clinical Officer in the same District Hospital.

Mr. Speaker, Sir, towards the end of last year, Mr. Abdulahi Aden, one of my constituents, lost his two sons after the nurses had sent for the doctor and the doctor refused to come. After this, he went to the doctor's house to find out why he had refused to come and attend to the sick children. Instead, the father of the sick children was told that he was uncivilised and that is why he knocked on the doctor's door. Since then, the doctor has not rendered satisfactory services to many people in Moyale at this hospital and the people have lost confidence in him. Can the Assistant Minister transfer him elsewhere with immediate effect and take necessary action to investigate the issues that I have raised?

Mr. Criticos: Mr. Speaker, Sir, the Government cannot do that because in the Ministry, we cannot get involved with inter-clan rivalry, and the hon. Member knows what I am talking about.

Mr. Ndicho: On a point of order, Mr. Speaker, Sir.

Mr. Salat: Mr. Speaker, Sir, the Assistant Minister has talked of inter-clan rivalry, and here we are talking about a Medical Officer of Health misusing his office and he even goes further to say that the hon. Member knows what he is talking about. However, this House does not know that. So, can we know what the inter-clan rivalry is all about?

Mr. Speaker: Mr. Criticos, what is that?

Mr. Criticos: Mr. Speaker, Sir, I would not want to embarrass hon. Galgalo. However, since the issue is before this House, let me say that on carrying out thorough investigations on this serious allegation against our two officers for having misused drugs and also for having refused to attend to patients, we found out that the hon. Member and Dr. Ibrahim are having an internal problem. Dr. Ali Abdulahi Ibrahim being Somali and the hon. Member being a Boran, they do not see eye to eye.

(Loud consultations)

Mr. Galgalo: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Assistant Minister to impute an improper motive against me as a fellow hon. Member? I have asked a question with regard to this doctor and nothing to do with clanism or tribalism.

Mr. Speaker: Well, I think we have put him into trouble through hon. Salat. He tried to avoid that situation.

Mr. Galgalo: Mr. Speaker, Sir, I think the Assistant Minister had indicated that there is clanism problem which I would like to refute. I would like to inform the Assistant Minister that I am not a tribalist, but an hon. Member of Parliament for Moyale. Can he substantiate his allegation?

Mr. Ndicho: Mr. Speaker, Sir, we are begging your intervention on these matters because when we direct a Question to the Ministry or Health, the Question is taken down to the hospitals and the persons who answer these Questions are the Medical Officers of Health. If the Medical Officer of Health (MOH) is operating a clinic next to a Hospital, there is no way that he is going to give a satisfactory answer. He will only give an answer that defends his activities.

Mr. Criticos: Mr. Speaker, Sir, I am not aware of what hon. Ndicho has said. However, for the information of the hon. Member, the investigations were carried out by the Provincial Medical Officer of Health and not the Medical Officer of Health. Also the Drugs Inspectorate Department investigated the loss of drugs at the Hospital.

Mr. Galgalo: On a point of order, Mr. Speaker, Sir. Is the hon. Assistant Minister in order to impute an improper motive on me? I have asked this Question as the Member of Parliament representing Moyale Constituency and there is no war going on between the Somalis and the Boran in Moyale. Could he substantiate his allegation that there is clan war in that place?

Mr. Criticos: Mr. Speaker, Sir, I was giving the hon. Member and the House as a whole the results of our investigations. I did not talk about clashes; I said there is rivalry between the two groups of people; or you

can say there is a personality clash.

Question No.139

ALLOTMENT OF GOVERNMENT HOUSES

Mr. Speaker: Prof. Anyang Nyong'o not here? Next Question.

Question No.12

SETTLEMENT OF THE LANDLESS

Mr. Mwaura asked the Minister for Lands and Settlement:-

(a) whether he is aware of the landless families who have settled along the railway-line at Kaharati Location (17) Murang'a District; and

(b) whether the Government could consider settling those families anywhere within Murang'a District where there might be Government land.

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

(a) I am not aware of landless families who have settled along the railway line at Kaharati Location (17) in Murang'a District as my Ministry has no record of the families.

(b) If the said families need land, they should submit their applications in the normal way to the District Plots Selection Committee for consideration whenever land becomes available. The Committee is chaired by the local District Commissioner and the other members include the following:-

District Land Adjudication and Settlement Officer who is the Secretary; the District Agricultural Officer, County Council Chairman and the District KANU Chairman.

Mr. Mwaura: Mr. Speaker, Sir, I am surprised by the answer given by the Assistant Minister because this would suggest that the Ministry did not carry out proper investigations into this matter. As far as I know, there about 40 families who have been living along Kaharati railway line and if the Ministry had done proper investigations, they would have given me a positive answer. The Committee has a list of landless people in that area.

Mr. Khaniri: Mr. Speaker, Sir, the land on which these people have settled belongs to the Kenya Railways Corporation; it is private land and my Ministry has nothing to do with private land.

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House? In his reply he said that he is not aware of anybody who has settled on that land but now, he is telling the House that those people have settled on private land and that his Ministry has nothing to do with private land.

Mr. Khaniri: Mr. Speaker, Sir, from the hon. Member's Question, it looks like these people have settled on private land which belongs to the Kenya Railways Corporation.

Dr. Kituyi: Mr. Speaker, Sir, arising from the written reply given by the Assistant Minister, he said that he is not aware that such families exist because he does not have a list of their names in the Ministry. Does the existence of landless families in a given location depend on objective reality or on the presence of a list in the Ministry?

Mr. Khaniri: Mr. Speaker, Sir, my Ministry does not keep a record of people who have settled on land which is not theirs. But---

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

Mr. Khaniri: Just a moment! I am answering your question!

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

Mr. Speaker: What is it?

Dr. Kituyi: Is the hon. Assistant Minister in order to disguise his inability to understand a clear question by filibustering with irrelevancies? In the view of his Ministry, does existence of landless families on land near a railway line depend on the objective existence out there or on the presence of a list of names in his Ministry? Could he just answer that supplementary question?

Mr. Khaniri: I was in the process of answering that question when you interrupted me. I was saying that my office does not keep a list of the landless people in the country. But when a Question is asked about a particular area, we normally carry out investigations.

Prof. Mzee: Mr. Speaker, Sir, in the present era of pluralism, could the Assistant Minister assure the

House that the composition of District Land Allocation Committees will be looked into with a view to removing the KANU chairmen from those committees?

Mr. Khaniri: Mr. Speaker, Sir, I have given the current composition of District Land Selection Committees.

Mr. Mwaura: The Assistant Minister agrees that those people have settled on land belonging to the Kenya Railways Corporation. This means that the Assistant Minister agrees with me that these are landless people whom the Government should settle elsewhere. Could the Assistant Minister assure this House that those people will be settled on Government land?

Mr. Khaniri: Mr. Speaker, Sir, I think I have already answered that question. If these people need land, they should apply to the right Committee for consideration.

Question No.132

REMOVAL OF TRANSFORMER

Mr. Speaker: Mr. Ogeka's Question will be deferred.

(Question deferred)

Question No.169

COMPLETION OF CHEMOSIT-KISII ROAD

Mr. Speaker: Mr. Anyona not here? Next Question

Question No.89

EXPANSION OF BUS STAGE

Mr. Gitonga asked the Minister for Public Works and Housing how much money was spent during the expansion of Kimende Bus Stage on the Nairobi-Nakuru Highway.

The Assistant Minister for Public Works and Housing (Mr. Mwamzandi): Mr. Speaker, Sir, I beg to give the following reply.

A total of Kshs145,000 was spent on the expansion of Kimende Bus Stage.

Mr. Gitonga: Mr. Speaker, Sir, Kimende Bus Stage on the Nairobi-Nakuru Highway has been an accident black spot for a long time and very many lives have been lost on that spot. In an earlier answer to a Question regarding this particular Bus Stage, the same Assistant Minister answered as follows:-

"The major action to be taken will include enlarging the bus stage and installing the necessary traffic and road signs and fencing the roadside to restrict pedestrians to one crossing point."

Mr. Speaker, Sir, a very shoddy job has been done in expanding this particular bus stage. No traffic road signs have been installed there. Also no fencing has been done. Is the Assistant Minister satisfied that the amount spent can be justified?

Mr. Mwamzandi: Mr. Speaker, Sir, we had to do what was necessary. We have not said that we have completed the work. The Ministry will go ahead and complete the remaining portion of the work.

Dr. Lwali-Oyondi: Mr. Speaker, Sir, arising from the answer by the Assistant Minister, and in view of the fact that I have just arrived from Nakuru and I have seen an accident involving a matatu and a Toyota saloon car at this particular spot because the road is very narrow--- I am almost certain that somebody is either dead or very seriously injured, could the Assistant Minister expand that bus stage, so that buses and matatus can be parked without interfering with other road users? Could he just do that to save Kenyans' lives?

Mr. Mwamzandi: Mr. Speaker, Sir, I hope our drivers take a little more care when they are on the roads, but I said the Ministry will see to it that more is done on this area.

Mr. Ndicho: Mr. Speaker, Sir, can the Assistant Minister assure this House that the money being spent by the Government for this public works, there is going to be an inspectorate unit to go and inspect that work because the money is being spent and the work is very shoddy and uncompleted. Like this particular stage, the work is not completed now and Kshs.145,000 is already spent. Can the Assistant Minister tell us whether there is

going to be a follow-up that this particular job is going to be completed to justify this amount of money?

Mr. Mwamzandi: Mr. Speaker, Sir, the Ministry follows up what is being done in a project. In any case, there is also the Office of the Controller and Auditor-General which follows such allocations.

Mr. Speaker: I will give the last chance to Mr. Gitonga.

Mr. Gitonga: Mr. Speaker, Sir, since the Assistant Minister himself appears to admit that they had not completed the works, as he outlined in an earlier answer, can he assure this House that the Ministry will go back and complete the work properly?

Mr. Mwamzandi: We will find out, Mr. Speaker, Sir, what is remaining and then we will check the obligations that must be done.

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

Question No.165

PAYMENT OF WILDLIFE COMPENSATION

Mr. Speaker: Is Mr. Nyagah still not here? We shall defer his Question.

(Question deferred)

Mr. Speaker: Prof. Anyang'-Nyong'o's Question for the second time.

Prof. Anyang'-Nyong'o: Mr. Speaker, Sir, I sincerely apologise for coming late when this Question was called the first time. I was on the road from Kisumu Rural.

Question No.139

ALLOCATION OF GOVERNMENT HOUSES

Prof. Anyang'-Nyong'o asked the Minister for Lands and Settlement:-

- a) whether the Minister could tell the House how many government plots and houses in Upper Hill and Kileleshwa (Nairobi) and Milimani (Kisumu) have been allocated to individuals since 1990 and who these individuals are; and
- b) whether the Minister could also tell the House how many of these houses so allocated were condemned as unfit for human habitation.

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

(a) The Government has been allocating plots since 1963 under the provisions of the Government Lands Act and the copies of these allocations have been circulated to the Administration and the Local Authorities for information. The Act, however, has not been amended to-date and if the hon. Member is interested in a particular case, then he is free to carry out an official search in the Lands Registry. I do not understand why the hon. Member has picked the period from 1990 upto the present time, yet allocation of plots has been going on since Independence.

(b) The Ministry does not allocate houses but plots and once a plot with a Government house is allocated, the relevant Ministry is informed to carry out the necessary inspection in accordance with the established procedures.

Prof. Anyang'-Nyong'o: Mr. Speaker, Sir, you do realise that the hon. Minister has not answered the Question, because the Question says quite clearly, "Can the Minister tell the House how many Government plots and houses in Upper Hill and Kileleshwa, Nairobi and Milimani in Kisumu have been allocated to individuals since 1990, and who these individuals are?". The answer by the Minister is simply an excuse not to answer that Question. Is he in order to avoid answering the Question and give an excuse for not answering?

Mr. Mulinge: Mr. Speaker, Sir, I am prepared to answer this Question, but there are many plots which have been allocated between the periods in question. If the hon. Member has a particular case which he thinks was allocated illegally, then he should quote that one and I will answer.

Mr. Nthenge: On a point of order, Mr. Speaker, Sir. These are specified cases. We are not saying Kenya. The Question specifies a place and the period. So it is specific. What other specification does he want? There are not million of plots in Kileleshwa.

Mr. Mulinge: Mr. Speaker, Sir, I have said there are many of them.

Mr. Omino: On a point of order, Mr. Speaker, Sir. Clearly, the Minister does not wish to answer this Question because he knows that he is at fault. Questions once asked must be answered appropriately. Can you now compel him to answer this Question as asked? If he wants to answer another Question, he can ask it himself, but he should answer this one as it has been asked.

Mr. Mulinge: Mr. Speaker, Sir, I have already answered this Question.

Mr. Speaker: Mr. Orengo, the Floor is yours.

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

Mr. Speaker: Order, Mr. Mulusya. I have already given somebody a chance. Order, Mr. Mulusya! This is Question time.

Mr. Orengo: Mr. Speaker, Sir, I find the period mentioned in so far as this Question is concerned to be very important. Between 1989 and 1990, the late Dr. Ouko was making enquiries concerning illegal allocation of plots in Kisumu, and two months thereafter, he was dead. Since then, we are interested in knowing how many other plots have been allocated

since the late Dr. Ouko was killed or whether the Minister is getting the message that people are concerned about illegal allocation of Government plots to individuals.

Mr. Mulinge: Mr. Speaker, Sir, I did say that if the hon. Member has a particular case like that one of the late Dr. Ouko, you better say so, and then I will give you the right answer. The number of the plots allocated in Kisumu and Nairobi are many, and unless the hon. Member proves that the allocation was done illegally---

(Loud consultations)

An Hon. Member: Sit down, Mr. Minister!

Mr. Speaker: Order! Order!. If you insist that he sits down, who will answer your Question?

Mr. Murungi: Mr. Speaker, Sir, it is quite clear that the Minister does not understand the Question which has been put to him, which is this one: one, "how many Government plots?" So it is one, two, three, four or five.

(Applause)

2. "How many Houses?" One, two, three, four or five. Then you go in the same way for Upper Hill, Kileleshwa and the same way for Milimani, Kisumu. Then when you finish that, you answer who are the individuals who have been allocated these plots, for example, Onyango, Mwangi or anybody like that.

(Applause)

So, Mr. Speaker, Sir, this is the way the Minister is required to answer this Question.

(Laughter)

Mr. Speaker: Order! It is quite disorderly for an hon. Member whose point of information has been rejected to try and give it through the back-door. Hon. Members must respect this House and if your point of information has been rejected by the hon. Member on the Floor, you have no alternative but to sit down with your information and keep it to yourself. Proceed Mr. Mulinge.

Gen. Mulinge: Mr. Speaker, Sir, I do understand the Question and I do not need any further information.

I have informed the House that many houses have been allocated and if any of them has been illegally allocated, I would ask the hon. Member to give me the relevant details and I will look into the case.

Prof. Onyang'-Nyong'o: Mr. Speaker, Sir, you do realize that the House is very much concerned about this question and indeed when Members of Parliament met the Provincial Commissioner in Kisumu yesterday, this question did come up and the Provincial Commissioner expressed concern about the rate at which these plots and houses are being allocated to the detriment of the interest of the civil servants. This Government must be concerned about the interests of its own civil servants. However when we put a question like this to the Minister and he deliberately refuses to answer it, could you, Mr. Speaker, Sir, assist us by compelling the Minister bring an adequate answer to the House?

Gen. Mulinge: Mr. Speaker, Sir, I think I have adequately answered that question.

Mr. Speaker: For a second time, can we move to---

Hon. Members: No! No! No!

Mr. Speaker: Order! Order hon. Members! You must know that it is not the business of the Chair to direct an hon. Member what Question to ask and how to ask it, nor is it the business of the Chair to tell a Minister of this Government how to answer a Question. Any hon. Member who is aggrieved by the way a particular Question has been answered in this House knows the procedure to follow. You know there exists Standing Orders No.17 and 18 which direct you what to do under such circumstances. However, we are not going to spend the whole day on one Question.

Mr. Orengo: On a point of order, Mr. Speaker, Sir. At least, I think the Chair should protect and safeguard the dignity of this House. If the House is allowed to be used as a chatter-box, then the Constitutional responsibility of this House cannot be met. So, if a valid Question is put to the Government and an adequate answer is not given to that Question, surely, it falls on the Speaker to demand that an adequate answer be given to that Question. There is precedence for this in the HANSARD of other Parliaments where a Minister who fails to answer a Question adequately, the Speaker can demand that the Minister answers the Question adequately and this has been done before.

Mr. Speaker: Order! I think with all fairness to Mr. Orengo, I think he is, as a matter of fact, misleading the House because it is not the business of the Chair to know what is or what is not an adequate answer. The proper judge is the House and not the Chair. There is, in fact, a provision in our Standing Orders 17 or 18 which allows an hon. Member who is aggrieved by a reply he has received to move a Motion for Adjournment in this House to discuss that particular Question. That avenue is open, and therefore, if the Speaker directs hon. Members on how to ask questions, then that Standing Order would be irrelevant. Therefore, if the hon. Anyang'-Nyong'o, or any other hon. Member is not satisfied with the answer given by a Government Minister, he can proceed under Standing Order No.17 to have the matter discussed further in this House under a Motion for Adjournment.

Dr. Otieno-Kopiyo: On a point of order, Mr. Speaker, Sir---

Mr. Speaker: Not on that issue, Dr. Otieno-Kopiyo!

Dr. Otieno-Kopiyo: I am not standing on that issue but on Standing Order No.17 to say that last year, there were Motions for Adjournment touching on very important issues, which were submitted by hon. Members, but up to now, those Motions have not come before the House. What are we supposed to do then?

Mr. Speaker: Order Dr. Otieno-Kopiyo! I think I told you last week that sometimes, you just rise on a point of order and make a very serious claim which you cannot substantiate, for benefit only known to God. As an hon. Member, you should go back to the HANSARD to find out if there were, indeed, Motions for the Adjournment that did come before this House. You must understand that the Standing Orders only allow one Motion for Adjournment to discuss such Question, per week and there is nothing more the Chair can do to enlarge the week. Next Question!

Mr. Michuki: On a point of order, Mr. Speaker, Sir. Mr. Speaker, Sir, I am rising on a point of order to seek your guidance regarding the refusal to answer a legitimate Question by a Government Minister in this House. Under Standing Order No.88, such conduct of a Minister should be declared disorderly. Can you, Sir, give us some guidance on this?

Mr. Speaker: Shall we move on to Questions by Private Notice.

QUESTIONS BY PRIVATE NOTICE

DELAY IN RECEIVING PRESIDENT MANDELA

Dr. Ombaka: Mr. Speaker, Sir, I beg to ask the Minister for Foreign Affairs and International Co-operation the following Question by Private Notice:-

Why did Kenya Government officials delay in receiving State President H.E. Nelson Mandela of the Republic of South Africa when in transit at the Jomo Kenyatta International Airport on April 8, 1995 and failed to receive Foreign Minister Mr. Alfred Nzo of the same country on April 11, 1995 at the same Airport.

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Manduku): Mr. Speaker, Sir, I beg to reply.

Government officials did not delay in meeting the South African Head of State, Mr. Nelson Mandela on 8th April, 1995. President Mandela was on transit at the Jomo Kenyatta International Airport and although the Presidential plane arrived 30 minutes ahead of the notified time of arrival, the Director of Political Affairs, who deputises in the absence of the Permanent Secretary, was already at the Airport and escorted President Mandera to

the Presidential Pavilion. The Minister for Foreign Affairs of South African was met on the 11th April, 1995 on the arrival by an officer from the Minister passing through the normal protocol requirements.

Dr. Ombaka: Mr. Speaker, Sir, is the Assistant Minister telling this House that the normal protocol or diplomatic practice is for a Head of State to be met by a departmental head in the Foreign Affairs Ministry?

Dr. Manduku: Mr. Speaker, Sir, if a Head of State is on transit, then there is the limitation as to who meets him. But in this case, the question of who met him is very clear. He was met by a Minister who was acting as Minister for Foreign [Dr. Manduku]

Affairs. But the predicament here is that the President's plane arrived 30 minutes before schedule and by the time of his arrival and on his way to the Presidential Pavilion, the acting Minister for Foreign Affairs arrived and received him. He took Mr. Mandela to the Presidential Pavilion and escorted him further on his journey.

Mr. Mwaura: Mr. Speaker, Sir, what happened at the airport has caused this country a lot of embarrassment. Is the Minister aware that during the focus on Africa BBC news, that this matter is being referred to as "diplomatic goof"? According to protocol worldwide, there must be a standing list of Ministers who ought to be at the airport at any given time. And for the Minister to come and tell the House that the arrival of President Mandela was 30 minutes earlier, is no excuse. The Minister should have known before that, the President was arriving and he should have been there even an hour or two hours earlier. Is he aware of that?

Dr. Manduku: Mr. Speaker, Sir, I do not think we have caused any embarrassment to anybody in this country because when message comes that a President is arriving at 10 o'clock, it is commonsense that the Minister receiving him ought to be there just a few minutes to 10 o'clock. In this case, the Minister acting as Minister for Foreign Affairs arrived there 15 minutes before the scheduled time of the arrival of the plane of the President.

Dr. Otieno-Kopiyo: Mr. Speaker, Sir, could the Minister declare, on behalf of the Government, what is the current state of diplomatic relations between the ANC-led Government and the KANU Government?

Dr. Manduku: It is fantastic!

Dr. Kituyi: Mr. Speaker, Sir, assuming that the Minister is correct in claiming that a Minister receiving a President in transit needs to be there only a few minutes before the scheduled arrival of the honourable guest, can he explain to the House why this Minister was at the airport two hours before the arrival of President Mandela on his return trip?

Dr. Manduku: Mr. Speaker, Sir, I do not think that is true. He was there in time before the arrival of President Mandela.

Mr. Maore: Mr. Speaker, Sir, just following on Dr. Otieno-Kopiyo's question, can the Minister confirm or deny that the apparent delay was a deliberate attempt to embarrass President Mandela?

Dr. Manduku: Mr. Speaker, Sir, I deny that allegation.

Dr. Ombaka: Mr. Speaker, Sir, can the Minister tell the House what was the rank and name of the officer who met the Foreign Minister, Mr. Alfred Nzo?

Dr. Manduku: Mr. Speaker, Sir, the officer who met the Foreign Minister is a very senior officer and head of African Department of the Ministry of Foreign Affairs.

Prof. Mzee: On a point of order, Mr. Speaker, Sir. The question was very clear. We want to know the name and rank of the officer who met the Foreign Minister?

Dr. Manduku: Mr. Speaker, Sir, Mr. Kaiga is the Deputy Head of the African Department of the Ministry of Foreign Affairs.

Mr. Obure: Mr. Speaker, Sir, Kenya is a country that is supposed to maintain its dignity and a country with a Government. Now, if this Government has failed, is it in order for the Minister to mislead the House? We know very well that the Minister has already sidelined the Assistant Ministers and put a very junior officer to come and represent the protocol.

Dr. Manduku: Mr. Speaker, Sir, I think what is important here is for the hon. Member to know the protocol of receiving guests who are visiting, transiting and so on. So, I think, the two big guests were met according to protocol.

Mr. Speaker: Next Question, Mr. Maoka Maore.

KILLING OF CONSTABLE KOOME

Mr. Maore: Mr. Speaker, Sir, I beg to ask the Minister of State, Office of the President the following Question by Private Notice.

(a) Could the Minister give a comprehensive report on the killing of Constable Henry Koome by

members of the security forces on 3rd April, 1994, in Eastleigh, Nairobi, which was reported to Pangani Police Station?

(b) Can the Minister state what action he has taken to ensure that justice is done?

(c) Can the Minister undertake to constantly overhaul the staff at Pangani Police Station because they have been accused of complicity in the frequent robberies in Eastleigh area?

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

(a) Investigations into this matter are still in progress and, therefore, it is not possible for me to give a comprehensive report at this point in time.

(b) As soon as investigations are complete, appropriate action will be taken in accordance with the Kenyan law.

(c) My Office has not received any report implicating the staff at Pangani Police Station and, therefore, I cannot take any action in the absence of evidence to support this allegation.

Mr. Maore: Mr. Speaker, Sir, I did not really ask a question about a comprehensive report, but about the killings. Now, the Minister wants to run away from answering the question which is likely to put this House into ridicule where a Minister is challenged to try to cover up an issue that we are asking, the circumstances under which Constable Koome was killed. Now, since the Minister knows very well that the police he is talking about did actually pickpocket and rob many people, including the deceased before he was shot dead, and the civilian witnesses who have already written statements have one man who shot the deceased to death, how long does the Minister need to sort out and decide to arrest this man and take him to court? We know him by name!

Mr. Awori: Not very long, Mr. Speaker, Sir. The person who was killed happened to be a police constable on leave and the person who shot him will soon be charged with murder.

Mr. Maore: Mr. Speaker, Sir, what investigations is the Minister talking about? He knows the man who did it and there are witnesses, including policemen. Who does he need to name Inspector Rono as the man who did it?

Mr. Awori: Mr. Speaker, Sir, I really do not know what advantage the hon. Member will gain in my going into details about the investigations. I have just volunteered the information that the person who shot this constable will soon be charged with murder and a lot of information will come out of the case.

Mr. Mwiraria: Mr. Speaker, Sir, given the fact that the Minister in reply to part (c) of the Question stated that he is carrying out investigations before he can establish whether policemen are carrying out robberies in Eastleigh area, could he assure the House that he is not using the same policemen who look after Eastleigh to carry out these investigations because he will get a negative answer?

Mr. Awori: Mr. Speaker, Sir, I did answer part (c) of the Question that no reports have been received by us that the policemen at Pangani Police Station are involved in robberies in Eastleigh area.

Mr. Murungi: Mr. Speaker, Sir, constable Henry Koome was shot through the head by a certain Inspector Rono and he is still at his place of work behaving as if nothing happened. Would the Assistant Minister inform this House what specific steps he is going to take to make sure that these trigger-happy policemen who have no regard for human rights in this country are brought to book?

Mr. Awori: Mr. Speaker, Sir, the hon. Member who is an eminent legal person heard me state quite clearly that Inspector Rono is about to be charged with murder. Murder is a capital offence and, therefore, there will be no cover-up. The person will meet justice under the Kenyan Law.

Mr. P.N. Ndwiga: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to treat this House as if it is a play-acting theatre? When somebody is being charged with murder, it is known and it is common practice that they are not left alone to sleep in their wives houses. They are first of all arrested and put in custody and then charged with murder. How dare the Assistant Minister tell this House that! Even hon. Biwott was first put in! How dare the Assistant Minister tell this House that the man is about to be charged with murder?

Mr. Speaker: Order! Order, hon. Ndwiga! Mr. Biwott was never charged with any murder. You are totally out of order.

Mr. P. N. Ndwiga: My point of order is that the Assistant Minister is misleading this House. Is he in order to tell this House that the man is going to be charged with murder and the man is at home and is going to the office? Really, must he treat this House like a kindergarten?

Mr. Awori: Yes.

Mr. Speaker: The last question, Mr. Raila.

Mr. Raila: Mr. Speaker, Sir, the Assistant Minister has not adequately answered part "c" of the Question which was asking him whether he could undertake to constantly overhaul the staff at Pangani Police Station because they have been accused of complicity in the frequent robberies in Eastleigh area. Is he in order

not to answer that question because a similar situation applies in Kibera where police from Pangani Police Station constantly commit robberies and rape of residents in that area?

Mr. Awori: Mr. Speaker, Sir, I very adequately answered part "c" of that Question. The police do not work on hearsay unless there is evidence that police officers from Pangani Police Station have been involved in robberies in Eastleigh, we certainly cannot take any action.

BILL

Second Reading

THE KENYA REVENUE AUTHORITY BILL

(The Minister for Finance on 20.4.95)

(Resumption of debate interrupted on 20.4.95)

I think we had Mr. Ndwiga on the Floor. Which Ndwiga was on the Floor?

An hon. Member: He was saying nothing. He did not know what he was talking about.

Mr. P.N. Ndwiga: I am happy, Mr. Speaker, Sir, to continue my contribution on this [Mr. P.N. Ndwiga]

Bill. I am now better informed than I was on Thursday. I almost supported this Bill on Thursday but after the events of the weekend, I now have to oppose this Bill. My reason is that we are being asked here to help consolidate a den of thieves. What is being proposed here is that we put all these institutions under one roof which is untenable. We know that this Government is acting under pressure from the World Bank and there are certain things that they should be able to resist. The reason why they are doing all these things is because Uganda has already established a similar Authority. But our situation is different in Kenya because already, the Income Tax Department alone is bigger than a few ministries. It is bigger than the establishment in the Ministry of Lands and Settlement. Indeed, Customs Department is another one. Now, how do you put all these institutions under the same roof? I find that I have difficulties in supporting this Bill because although the Minister for Finance has done a good job in the last two years, my heart bleeds for him because most of these things contained in this Bill show that this Government has no goodwill. The money will be collected but how will it be used? Look at the events of this weekend. On Sunday, we saw how some of our tax money is being used by policemen. We saw the District Officer (DO) for Kinangop amassing 100 policemen, all of them carrying tear gas, to harass wananchi. Does this Government know that the tear gas they use to harass wananchi is bought with their own money? We are being asked in this House to legitimise the formation of this Authority so that they can effectively collect revenue such as taxation from wananchi. How is this money being used? We do not see development in this country. There is none. Indeed, the Government is on record as having said that only Kanu Zones would be developed, while we know that the majority of tax payers in this country are in the Opposition. I wish to speak briefly on the issue of misuse of tax money. While we have complained in this House about the misuse of public funds by arms of this Government, we will continue to castigate this misuse because we, as the tax payers, are seeing things that could only be read in horror novels. For example, this morning, an hon. Member of this House who should be here, the hon. Njehu Gatabaki was arrested. Forty policemen went and surrounded his house today. That man is a tax payer and the only crime the hon. Member seemed to have committed is to publish this magazine for Kenyans to buy and read.

*(The hon. Member displayed a copy
of the Finance Magazine)*

When Kenyans buy this magazine there is nothing inside it that is not common knowledge; the succession problem in Kanu is common knowledge. That there is a letter in this magazine that implicates hon. Nicholas Biwott to the murder of Ouko is common knowledge. This has been said everywhere.

(Applause)

This is not news. We all have this magazine and everybody here has read it.

Mr. Speaker: Mr. Ndwiga, is what you are saying part of this Bill?

Mr. P.N. Ndwiga: Yes, it is part of it. That is why I am saying that there is misuse of income tax. We are being asked in this Bill to legalise the constitution of this Revenue Authority which will help this Government to collect taxes from people and we are saying we know what they do with this money. They harass the same people who are paying taxes to this Government.

(Foot thumping from Opposition Benches)

Time has come when this House, and this nation, must learn to live with the truth. That, this Government is bankrupt of ideas, is not news.

Mr. Speaker, Sir, I said earlier that I sympathise with the Minister for Finance. This is because while his intentions may be good, we are building a pyramid in which a lot of money will be put but somebody else will come in through the back door and collect it. Yes, the Minister will be effective in collecting taxes but somebody will misuse the money. The money which is being collected from the citizens of this country is also being used to harass the same citizens. At the conclusion of debate on this Bill, we will ask for Division over it and then, we shall go round those constituencies to tell the people: "Look, your Member of Parliament has been legalising--"

Mr. Ruhii: On a point of information, Mr. Speaker, Sir. I want to inform hon. Ndwiga that so far, 250 policemen with 25 vehicles have been mobilised to arrest hon. Gatabaki. Surely, this is a waste of tax payers' money! One or two policemen could be assigned to hon. Gatabaki!

The Assistant Minister for Health (Mr. Mutiso): On a point of order, Mr. Speaker, Sir. Could the hon. Member substantiate beyond any doubt that 250 policemen and - I do not know how many vehicles - have been mobilised, only to arrest that particular hon. Member? Can he prove that?

Mr. P.N. Ndwiga: Mr. Speaker, Sir, we are saying--

Mr. Speaker: Order, Mr. Ndwiga! We cannot have both of you standing here. Mr. Mutiso also has a right to put his point of order. What were you saying, Mr. Mutiso?

The Assistant Minister for Health (Mr. Mutiso): Mr. Speaker, Sir, I am asking my hon. friend to substantiate that 250 policemen and - I do not know how many vehicles - have been mobilised to arrest hon. Gatabaki.

Mr. Ruhii: Mr. Speaker, Sir, I would like to substantiate by saying that when I heard about hon. Gatabaki's imminent arrest, I drove to his house and saw with my own eyes 250 policemen and 25 cars!

The Assistant Minister for Health (Mr. Mutiso): On a point of order, Mr. Speaker, Sir. We are supposed to be hon. Members and so, any word we utter here must be honourable also. I have a lot of doubts about the hon. Ruhii's statement. How can he see 250 policemen at a glance? Did he count them?

Mr. Speaker: Order, hon. Mutiso! First of all, you should have risen on a point of order and not on a point of doubt. Next, for all of you, can we become relevant to this Bill? I want to draw the attention of the hon. Members to the rules pertaining to relevance. So, Mr. Ndwiga, if you are not relevant to the Bill, at hand then I am afraid I may have to discontinue your contribution. So, you have the first warning to be relevant to the Bill.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, we are talking about--

Mr. Speaker: Order, Mr. Ndwiga! This is not a general debate. This Bill has clauses which you are being asked to say whether they should become part of the Bill or not. So, can you be relevant? I think it is a misguided notion that you can talk about misuse of public property. Every hon. Member has been given a copy of this Bill and you are expected to intelligibly contribute to it. I think Kenyans are better off if we direct our debate to the contents of the Bill.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, in moving this Bill, the Minister told the House that the purpose of establishing this authority is for the collection of taxes from Kenyans. The Minister said that the authority will also monitor the use of the funds so collected. So, it is quite relevant to talk about misuse of money. I read verbatim what the Minister said here in moving the Bill. What we are saying is that use of 250 policemen and 42 vehicles outside one household is immoral, wasteful and satanic. Here we also have the Value Added Tax (VAT) Department. I would like the Minister to know this department is now popularly known by Kenyans as "very annoying tax". The unfortunate thing about this tax is that many of the collectors, the Asians, do not remit it to the authorities. That is one area which the Minister ought to look into. This Bill has come here at the wrong time. We are asking the Attorney-General to give us a constitutional Bill, so that all these things can be discussed within the context of a new constitutional order. That is why we want to oppose this Bill. Mr. speaker, Sir, the monies being collected as tax are not landing in the right hands. Tax money in this country is being misused for political purposes. I have in mind state visits where you see huge motorcades and as they drive along, school children who sing are given Kshs50,000 each. Where is this money coming from? This is money which ought

to go to the Ministry of Education, so that they subsidise school expenses and also help non-teaching staff in schools. It is sinful to see tax money being dished out to buy political popularity. Misusing public funds is sinful and satanic. I also wish to take issue with the composition of the board members of the proposed authority, most of whom are civil servants. So far, this Government has been discredited in terms of fiscal management. We would have liked to see a provision in the Bill that the Minister will interview professionals from outside the Civil Service for Membership of this board. However, that will not be done because there is a silent Government policy not to recruit Kikuyus and Luos and yet, they happen to be the people who are professionals in this area. It is their---

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Speaker, Sir. Is hon. Ndwiga in order to say that it is the official Government policy not to recruit Kikuyus in the Civil Service? Is he in order to mislead this House and the nation with that kind of presentation?

Mr. P.N. Ndwiga: Mr. Speaker, Sir, I sympathise with my friend, the Assistant Minister, because he is also targeted and he does not know. I said: "Silent Government policy". Which Kikuyu has been recruited? They are only being sacked! Not one senior Kikuyu or Luo has been recruited in the Civil Service. They are being sacked instead.

The Minister for Labour and Manpower Development (Mr. Masinde): On a point of order, Mr. Speaker, Sir. Is the hon. Member in order to mislead this House? If anything, he is preaching tribalism instead of discussing the Bill. Can he substantiate?

Mr. P. N. Ndwiga: Mr. Speaker, Sir, I think some of these things are to be ignored, because when you hear a Minister like the hon. Minister for Labour and Manpower Development defending everybody else while there is also an outcry in the Luhya camp where he comes from, you begin to wonder where we are going.

The Minister for Labour and Manpower Development (Mr. Masinde): On a point of order, Mr. Speaker, Sir. Is it in order that the hon. Member should be given the opportunity to continue preaching tribalism here and stating things that are not factual? Can he substantiate what outcry there is in Luhyaland?

Mr. P.N. Ndwiga: Mr. Speaker, Sir, this man will have to face the electorate back home and---

Mr. Speaker: Order, Mr. Ndwiga, order! You should know the rules by now. You will address the Chair. You will not address a Member across the Floor and above all, you will use, in this House, civil language. Proceed!

Mr. P.N. Ndwiga: Thank you, Mr. Speaker, Sir. Now, let us get back to the Bill.

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Speaker, Sir. My person has been touched by hon. Ndwiga. He said I am targeted and I do not know about it. Can he substantiate how I am targeted?

Hon. Members: You are targeted for promotion!

Mr. Speaker: Order! Order! This is why I said hon. Members must know what they are contributing to and, hon. Ndwiga, you must know from now on that if you are going to be irrelevant, the targeting or otherwise of the hon. Assistant Minister has nothing to do with this Bill. If you become irrelevant any more, I will have no choice but to discontinue your speech.

Mr. P. N. Ndwiga: Mr. Speaker, Sir, when people are targeted, they are supposed to take cover. Now,

QUORUM

Mr. Mutere: On a point of order, Mr. Speaker, Sir. We do not seem to have a quorum in the House.

Mr. Speaker: Yes, it is true that we do not have a quorum. Can you ring the Division Bell?

(The Division Bell was rung)

Mr. Speaker: Order! We now have a quorum. Proceed, Mr. Ndwiga.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, the other issue which is causing concern to Kenyans is this Road Maintenance Levy Fund. There is a big rumour which we want the Minister to touch on when he replies. We want the Minister to assure Kenyans that the amount of money now collected through this levy--- the rumour is that the money has been used---

Mr. Speaker: Order! Did you say "rumour"? I have ruled many times that rumour shall not be a basis for debate in this House. Will you withdraw the use of the word "rumour" and proceed?

Mr. P.N. Ndwiga: Mr. Speaker, Sir, I withdraw the word "rumour" and substitute it with the words

"unconfirmed reports". There are unconfirmed reports circulating in the country that part of this money is being used to build the airport in Eldoret. We hope that the Minister, when replying, will touch on that because it is rather serious. Our roads are impassable in this country. Even roads to hon. Mutiso's place are impassable and he is on the wrong side of the House.

The Assistant Minister for Health (Mr. Mutiso): On a point of order, Mr. Speaker, Sir.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, I want you to protect me from hon. Mutiso. He is going to face the electorate back home if he does not join me to say that money must not go to Eldoret before roads in this country are repaired, particularly those roads in Yatta. Of course, those roads in Yatta will only be repaired after those in Runyenjes.

Mr. Speaker, Sir, on the issue of tax collection, it is common knowledge that the economy of this country is not in the hands of indigenous Kenyans, and that the Asian business community does not pay tax according to what they should pay. That they actually keep two sets of books is common knowledge. The Minister must find a way of reaching these people who milk the country and send this money out of the country. At the end of the day, the indigenous African is left to suffer lack of facilities in the country. The other area where Kenyans pay other taxes is in levies like tea and coffee cess. While we are talking about management of tax money under Income Tax, Value Added Tax (VAT) and the rest, these other funds are being misused all over the country.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, in areas where farmers pay tea and coffee cess, it is only DCs who determine the use of that money. A good example is in Embu where the former DC was a one man-tender Committee. He would decide on who was to be given what tender. As a result, in Embu farmers have lost more than Kshs15 million from the tea and coffee cess.

An. Hon. Member: Are you sure? Notwithstanding the intervention from hon. Mutiso---

Mr. Speaker: Mr. Ndwiga, ignore everybody and continue to address the Chair.

Mr. P.N. Ndwiga: Thank you, Mr. Speaker, Sir. We therefore, need total liberalisation of the agricultural sector. This, therefore, will mean that farmers will have a say in utilising whatever monies that they pay in form of levies. Farmers would like the Board to sit and determine how the money is going to be used. Right now, Kenya Tea Development Authority (KTDA) is on the verge of collapsing. Any minute from now, that institution will go down. That is sad to imagine how much of the farmers money will go down with that institution. It is painful and we want the Government to address itself to this very serious issue. As some of these levies are paid through the Ministry of Agriculture, Livestock Development and Marketing, the Ministry must be serious more than it is at present. There is liberalisation in most other sectors except in the sectors of tea and coffee. We do not know why farmers should be overtaxed and yet they are not being asked to run their own institutions. For example, what is the relevance of the Coffee Board of Kenya?

Mr. Speaker, Sir, the last issue which I wish to touch on is accountability with regard to the funds collected by this Authority. In the past and every other day as we ask questions in this House, the answer that we continue to get always "When funds become available is:" Yet, we are seeing a lot of Government wastefulness in terms of public expenditure. So many vehicles are lying outside Afya House while we do not have ambulances or vehicles to serve our hospitals and dispensaries. Kenyans would like to know how the monies collected by this Authority are going to be spent. They would like to see it being put into proper use. As to what parties Kenyans belong to is irrelevant. Kenyans are dying. They pay VAT and Income Tax in the morning and die in the evening or the following day, due to lack of drugs and facilities in our health institutions.

Mr. Speaker Sir, we only hope that the very serious unconfirmed reports that our Government is hosting Hutus in this country do not turn out to be true.

Mr. Keah: Mr. Speaker Sir, hon. P.N. Ndwiga is actually fond of making wild allegations which he cannot substantiate. Can he substantiate that these Hutus are here and are being hosted by the Government to some Departments in the country? Can he tell us how many they are and who they are?

Mr. P.N. Ndwiga: Mr. Speaker Sir, yes, I did say that we have Hutus in this country who are being hosted by this Government after they have killed their people back home. If the hon. Member wants substantiation, I will bring it here on Thursday afternoon. He should also not forget that this is why this Government has kicked out the Rwandan Ambassador after he complained about the complicity of this Government in the murders taking place in Rwanda.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, the allegation by the hon. P.N. Ndwiga is an extremely serious one, namely that the Government is hosting the Hutus who have committed mass murders. It is not enough for the hon. Member to tell this House that he is going to substantiate that allegation on Thursday afternoon. The allegation is of serious and grave

magnitude. It is important that the hon. Member substantiates today or withdraws---

Hon. Members: No! No!

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, he should withdraw that allegation until he is ready to substantiate because it is a very serious allegation.

Mr. Speaker: Order! In spite of my previous warnings to Mr. P.N. Ndwiga about non-sticking to the subject, he has veered until he has got himself into a situation where he is being asked, in Accordance with Standing Order No. 76 to substantiate an allegation. Your claim that you are going to do that on Thursday afternoon is not acceptable to the Chair. I believe you have your brains with you here because Hutus are not documents that you want to go and fetch. I also believe that you will not bring any Hutu to lay on the Table! Since you have made that claim here and since you are being asked to substantiate, you must do it now or you withdraw.

(Laughter)

Mr. P.N. Ndwiga: Mr. Speaker, Sir, yes, I understand the magnitude of the statement I have just made. I agree with the Vice-President and Minister for Planning and National Development that this is a very serious statement which is hurting Kenyans both locally and internationally. We are getting embarrassed with the actions of this Government. Yes, Hutus are being hosted in this country by this Government to the total embarrassment of every Kenyan because taxpayer's money is being used to sustain them both in Nairobi and in Mombasa. As I said earlier on, I want to bring evidence to this House on Thursday, but evidence---

Mr. Speaker: Order, Mr. Ndwiga!. You have already heard my ruling.

Mr. P.N. Ndwiga: Yes, Mr. Speaker, Sir, part of my substantiation is in here.

(Mr. Ndwiga laid a paper on the Table)

And I will bring further substantiation because I want every Kenyan to understand this matter.

Mr. Speaker, Sir, with those few words, I beg to---

Mr. Speaker: Order! I have not finished with you as yet. This is just a magazine you are laying on this Table. It is not a legally authorised authority, neither is it a textbook nor a work of scientific recognition. That is not a document in the view of the Chair, that you can lay on the Table to substantiate. You do not seem to realise the gravity of this matter, and unless you do better, then I will probably ask you the easiest the way, that is, to withdraw your statement and apologise.

Mr. Speaker: Order, Mr. Mwaura, I cannot have a point of order when I am dealing with an hon. Member.

Mr. Mwaura: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, Mr. Mwaura! I have ruled that hon. P.N. Ndwiga has not satisfactorily substantiated his allegation.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, I said earlier on that the hon. Member for Kajiado Central has an equal status with me in this House and you agreed that I can substantiate on Thursday. I gave an undertaking---

Mr. Speaker: Order, Mr. Ndwiga! Since you are unable to substantiate---

Mr. P.N. Ndwiga: I am not unable to substantiate. I have given an undertaking to---

Mr. Speaker: Order, Mr. Ndwiga! You have no business interjecting when I am speaking!

Mr. Nyanja: But he is an hon. Member!

Mr. Speaker: Because of that, Mr. Nyanja, you are disorderly and you must withdraw from this Chamber under Standing Order No.88.

Mr. Nyanja: Mr. Speaker, Sir---

Mr. Speaker: Order Mr. Nyanja! You are now a stranger in this House.

Mr. Obwocha: Mr. Speaker, Sir---

Mr. Speaker: Order, we will have to see Mr. Nyanja out first.

(Mr. Nyanja withdrew from the Chamber)

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

Mr. Speaker: Order! I will have none of that, Mr. Obwocha. I have already told Mr. Ndwiga that I

am not satisfied that he has substantiated his claim. I therefore order Mr. Ndwiga to withdraw and apologise.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, it is unthinkable to withdraw the obvious. That is a statement of fact.

Mr. Speaker: Very well. That being the position, and you having been asked to substantiate and in the opinion of the Chair not being able to do so, and having refused to withdraw, I am afraid you will have to withdraw from the Chamber for the balance of the day.

(Mr. P.N. Ndwiga withdrew from the Chamber)

Mr. Mwaura: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Order! I am giving the Floor to Mr. Obwocha. We have finished that issue. Let us now debate the Bill before the House.

Mr. Obwocha: Thank you, Mr. Speaker, Sir, for giving me this opportunity to also contribute very briefly to this Bill. This is something we have been looking forward to, if Kenya has to survive. This is because all along, the revenue collected from these three departments has been very unsatisfactory in the sense that when the public has the view that money is coming, we do find that the Government at the other end is saying they do not have the money and yet, these three departments exist to collect revenue from the taxpayers. First of all, I would like to say that the Income Tax Department has a lot of problems in terms of the legislation that has been brought to this House. We do remember that from the year 1989 when the Finance Act introduced the Value Added Tax and---

Mr. Mwaura: On a point of order, Mr. Speaker, Sir. With all due respect to the Chair and with regard to the ruling the Chair has given regarding the earlier speaker---

Mr. Speaker: Order! Mr. Mwaura, you cannot revisit a ruling that I have made. Can you?

Mr. Mwaura: That is a very serious allegation and---

Mr. Speaker: Order! If you do wish to make that allegation and prove, you can do so when I give you the Floor.

Mr. Mwaura: I do not want to prove it but it is---

Mr. Speaker: Order! Once I have punished a Member, I will not do anything about the matter again. It is finished. I will not revisit that issue under any circumstances. A sentence has been metted out to the Member and there is nothing else I can do about it. Continue, Mr. Obwocha!

QUORUM

Mr. Muite: On a point of order, Mr. Speaker, Sir. I am not sure the House has a quorum.

Mr. Speaker: I think I almost agree with you.

Mr. Muite: We are not sure that the Chair's conduct is not contributing to the lack of quorum.

Mr. Speaker: Hey! Order! What are you saying, Mr. Muite?

Mr. Muite: Mr. Speaker, Sir, I noticed many hon. Members walking out when you gave your ruling and so---

Mr. Speaker: Order, Mr. Muite! I quite honestly would like you, Mr. Muite, to have respect for once for some form of institution. It does appear that you honestly cannot entertain the thought that you can respect any other form of authority. I have no power to hold any Member in this House. Members come into the Chamber at their own pleasure; they leave at their own pleasure. It is the greatest show of disrespect to the Chair for you to make that kind of insinuation. I take that very unkindly.

Mr. Muite: Mr. Speaker, Sir---

Mr. Speaker: Order! Order! Let us give the hon. Member on the Floor a chance to make his contribution.

Mr. Obwocha: Thank you, Mr. Speaker, Sir.

Mr. Speaker: Order! Order! Sorry! First of all, do we have a quorum?

Hon. Members: No.

Mr. Speaker: We have no quorum. Ring the Bell.

(The Division Bell was rung)

Mr. Speaker: Order! We have a Quorum now.

Proceed, Mr. Obwocha.

Mr. Obwocha: Thank you Mr. Speaker, Sir. I was going to take issue with the Income Tax system but before I do that, this Bill intends to amalgamate the three departments of the Income Tax Department, Customs and Excise Tax Department and the V.A.T. department into a parastatal. Now, we would have expected that in view of the performance of parastatals in this country, that the Ministry would have come up with a system of getting these three departments together but within the Government. This should have been done so that the money collected can be properly accounted for and used by the Government in the manner prescribed in the Constitution and other Acts. Because as we know, most parastatals have been or were established with very good intention but they have ended up doing very poor job on behalf of Kenyans.

So, Mr. Speaker, Sir, I would like to take issue on that particular paragraph that, these three departments are going to merged in form of a parastatal whereas we know parastatals have performed very poorly. They have swindled this country a lot of money. The money they have collected has never gone into the Treasury. We have many examples of existing parastatals which collect revenue on behalf of Government or which collect revenue that they are supposed to account to Treasury and yet, they do not account for this money.

Mr. Speaker, Sir, let me start with the Income Tax Department and say that the 1990 Finance Act introduced the instalment tax system which at that level started with 15 per cent. Then for the year 1991, it went up to 30 per cent. For the year 1992, it was 45 per cent. 1993, it had risen to 60 per cent and finally 1994 it has risen to 75 per cent.

Mr. Speaker, Sir, for those of us who are tax consultants, we way have a lot of problems or have had a lot of problems with our clientele on this issue. First, the penalties that the Treasury has enacted in this Finance Act have been very excessive or are very high. First of all, the current Finance Act has 15 per cent per annum tax penalty on overdue tax. Then thereafter, they have an overdue tax of 2 per cent per month, for overdue tax which has not been paid by any taxpayer which comes up to 24 per cent per year. Now, if you compound it, that is another 3.6 per cent per year. In total, the Act as it is at the moment has a penalty of 42.6 per cent penalty. Even banks do not charge this kind of interest on any money that has been borrowed or any money that is outstanding. If indeed, this Bill is going to help in collecting any money, this kind of penalty will not help in the tax collection. We do know that the problem in this country amongst our businessmen, traders and everybody else is the question of records keeping and the Government knows, that the records keeping of all our businessmen is very poor. Yet, they want a system where the tax falls due immediately. Not only that. This kind of penalty is inhibitive of business expansion by any standard. We would like to warn the Government that as long as these kind of penalties are imposed on taxpayers, then you are bound to have false declarations from taxpayers and then you are not going to achieve your objectives.

Mr. Speaker, Sir, I would like the Minister - and I can see the Assistant Minister for Finance, who is also a tax consultant listening very carefully - to basically takeover, re-examine the whole system and bring the appropriate amendments in the Budget this year.

Mr. Speaker, Sir, the other issue I would like to mention about the Income Tax is about the rates that are being charged on the taxpayers particularly on the sytem of PAYE, because as we know, most employees do fall under this system. If, indeed, the Government is going to realise the objectives it has set under this Bill, then we expect that the rates should be reduced considerably because the Kenyan tax payers are some of the most highly taxed in the world. I would like to say that on the Clause that deals with the appointments on the Board, this is very unsatisfactory. That is Clause 6 which says:-

"There shall be established a Board of Directors consisting of the governing body of the Authority. Consisting of a) The Chairman appointed by the Minister. b) The Commissioner General. c) The Permanent Secretary in the Ministry of Finance. d) The Finance Secretary---"

Dr. Lwali-Oyondi: On a point of order, Mr. Speaker, Sir. I think the Chairman should be appointed by the President and not by the Minister.

Mr. Obwocha: Mr. Speaker, Sir, I was just reading the composition of the Board.

Mr. Speaker: I think Mr. Obwocha you are right. There has not been any amendment to the Bill and therefore, it is exactly the way you are saying. If the Minister has expressed any intention of amending the Bill, it remains an intention which has not been effected. So, I think you are right, Mr. Obwocha in saying that the Bill stands the way it is until it is amended.

Mr. Obwocha: Thank you, Mr. Speaker, Sir, for saving me from the claws of hon. Lwali-Oyondi. I was going to question the composition of the Board and that is why I was saying that the Board consists of (a) the Chairman, who is appointed by the Minister as contained in the Bill, (b) the Commissioner General, (c) the Permanent Secretary, Ministry of Finance, (d) the Financial Secretary, Ministry of Finance, (e) the

Attorney-General or his representative, (f) the Governor of the Central Bank, (g) three other persons with knowledge and practical experience in accountancy, commerce or law, appointed by the Minister.

Mr. Speaker, Sir, my contention here is that the first five representatives in the Board are very busy people. If indeed this Board is going to oversee revenue collection in this country, then these people have no business being in this Board. In fact, what I think the Minister should have come up with are specialized people in these areas. I am saying this because the Commissioner General, the Permanent Secretary, the Financial Secretary and the Attorney-General are very busy people and they will not get time to sit in this Board. This is a very important Board which is charged with reviewing the collection of taxes and the administration of taxes in this country from time to time and appointing such busy people is most unacceptable.

Mr. Speaker, Sir, the other issue in that Bill which I also find unacceptable are the appointees to these Boards by the Minister. As we know, people appointed to these boards in various parastatals owe allegiance to some of the Government Ministers or whoever appoints them to these boards. Those appointed by the Minister will continue to owe allegiance to the Minister and therefore, instead of being impartial in carrying out their duties without fear or favour, they are going to do certain things that are unacceptable in the eyes of the people of this country. In this Bill, we are removing the entire revenue collection from Government and putting it into the hands of a Board and I find that to be extremely dangerous. I would have expected these people to be appointed by the Board as it is, so that they become responsible to the Board and not to the Minister.

Mr. Speaker, Sir, there is another point I would like to raise regarding this Board and this about the Commissioner General. As we all know, this will be the top man in the area of revenue collection in the country and we can easily say that if, for example, Kshs1 million is being demanded from hon. Mutiso, he will have to pay that money whether he likes it or not. The question I find intriguing is that if this man is not protected by the Constitution or any other law, then I can assure you that he is not going to discharge his duties without fear or favour. I am saying this because when a powerful man in this country is told to pay Kshs10 million for Income Tax, he will tell the Commissioner General: "I am going to sack you before I pay that money". Due to fear, the Commissioner General will just issue a review on the assessment and say to the man, "Look, you only owe the Income Tax Department Kshs100,000. So, I think the Minister should consider giving the Commissioner General, the same powers as those given to other constitutional officers like the Controller and Auditor-General, the Attorney-General and so on.

Mr. Speaker, Sir, we hope that the Central Government will not interfere with the running of these boards. As we know, there is a lot of bureaucracy in the Government which has caused a lot of problems when implementing decisions. I do notice from the Act, that they have given the board the leeway to spend 1.5 per cent of the amount of money they have collected on behalf of the Government. Indeed, this is a very unacceptable situation because the Constitution is very clear regarding how money collected on behalf of Government is going to be spent. Once money is collected from taxes, it must be paid into the Consolidated Fund. So, if these boards have to function properly, they should get their allocation in the normal way like other Government Ministries, Departments and parastatals. I think this is what ought to be done, so that the Board is not given a freehand to use the money collected on behalf of the Government in the manner prescribed by the Act.

Mr. Speaker, Sir, the other thing I would like to talk about is the question of the board hiring and firing employees in this parastatal. We know there is a disease called "TKK" these days which has spoilt many Government Ministries, Departments and parastatals. Now, if we need people with commitment and honesty; people who are professionally competent in this area, then other methods should be devised and incorporated in a subsidiary legislation indicating how these employees of the Corporation are going to be hired and fired. One thing that we still do not know is whether the Income Tax Department and Customs and Excise Department have computerized their systems or not. What we have been told is that the Personal Identification Number system is gradually being introduced but if you asked for the details of a certain taxpayer, it will take you many days before you can get that information. When some of us visited the Customs and Excise Department in Mombasa, it is a pity that we found out that computers which were bought a long time ago, have been lying in the longroom in Mombasa for over five years. This longroom in Mombasa is the centre of corruption in this country and although Mr. Shikuku said that the headquarters of corruption in this country is at Treasury Building, I think the longroom in Mombasa is. I am saying this because after filling in clearance forms for goods from the port, you have got to wait for two or three weeks before you have your goods cleared because all the operation in that place is done manually. If this is the case, could somebody please tell us why these computers were bought in the first place?

Mr. Speaker, Sir, we should be told why were those computers, in the first place, bought? They were bought because somebody looked at the commission and saw it was good. As we know, to instal computers, you need to get the system first working. You need to know the system from A to Z, so that when you get the

computers, the software can fit in so that it can produce the required results. You do not just bring a computer and say "Look, Customs and Excise, here is a computer; go ahead". It cannot bring out the results. You need to get the system up to the end and then buy the computer. So, we hope the Minister will take seriously, the question of non-operational computers in the Customs Department in Mombasa and, of course, in Nairobi because the systems have not been fully computerised. We need those things because I believe that the Department would like to get to the root of where the tax is. There is no point of chasing the small-Kenyan businessmen. The tax is with the big fish and this is the person we should get to.

Mr. Speaker, Sir, there is "an animal" called VAT which I would like to comment about. When VAT was introduced, we thought it was the right method because most people in the world are apprehensive about direct taxation. They do not want to pay money directly to Income Tax since they feel hurt. So, since VAT is money or tax collected at source, where goods are produced, the tax element is included in the price and so on, so that no person feels the effect of that direct taxation; I do not think that tax has worked. First of all, the businessmen are keeping two receipts, one, for actual VAT and the other for trading purposes. What is the Ministry doing to rectify that kind of anomaly? It is very sad that you pay this tax. You go for a sparepart and you are told it costs, say, Kshs10,000.00 including VAT and yet, the proportion for the VAT is not remitted to the Government. I would like the Minister to address himself to that issue. We would like him to re-examine the private individuals who enjoy political protection from tax liabilities because these are the people who owe this country money and yet, the small man is the one who they normally go for.

Mr. Speaker, Sir, I do not know how the Act intends to collect money from the notorious arm of the Local Government. As we said here, most Local Government Authorities have not prepared their accounts for a long time. Now, their revenue collection is in a mess; their rating systems are also in a mess. So, in general, the tax collection of the Local Authorities is very poor and I suppose the Minister will address himself to that factor so that money is not lost in this area.

Mr. Speaker, Sir, I would like to conclude my contribution by saying that some of the clauses here and provisions of this Act have very good intentions, but the implementation of this Bill or Act will matter very much as to whether the Kenyans will get benefits from this intended legislation. The Act says that the accounts shall be prepared within three months and shall be audited by the Controller and Auditor-General. Fine, we agree with that. But as we know, it takes about six months before some of these parastatals prepare their accounts and forward them. What penalty is there if this particular parastatal will not prepare its account and account for the money it has collected? What penalty has the Minister incorporated into this Act? You are the Government or the people who need the money to build the roads, to pay wages and salaries and do all those things that the Government is supposed to do. So, if this money is not remitted to the Treasury, what precautions have you taken in this Bill or Act to make sure that this money is remitted to Government? That is for the Minister to inform or tell us because we do not want a situation whereby an Act is passed here and the authority is passed on to a board that has no "teeth" and cannot bite. So, the same Government will come back and say: "Look, this Act cannot work; we need these amendments A, B, C, D". So, this is an important matter and people are anxious to know whether this Bill will indeed, rectify the problems that have been facing revenue collection in this country.

With those few remarks, Sir, I beg to support.

Mr. Mwaura: Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to contribute to this very important Bill for our country.

Mr. Speaker, Sir, in contributing to this Bill, it will be difficult not to relate it to a recent Sessional Paper No. 1 of 1994 which was issued by the Ministry of Economic Planning and National Development, particularly because it talks about recovery and sustainable development to the year 2010. We know that there is no country anywhere in the world that can develop and sustain its citizens, create education, security to its own people or development without taxation. But there is a worrying situation in our country which happens to be in the African Continent where over the years, the whole world continues to think that the African countries cannot maintain themselves because they cannot manage their own economies, securities and because they mismanage the taxes that they raise with their systems. An earlier speaker whom I regard as an expert in matters of taxation and revenue, hon. Obwocha, has talked in detail and I do not want to repeat what he has said. He is an expert here.

Mr. Speaker, Sir, some other speakers spoke earlier, on matters of security of this country. We know that insecurity cannot be created with empty hands. These people who create insecurity use money or taxes that is raised by citizens of a given country. But let me warn that as we speak about raising revenue, which we intend to use for the sustenance of our nation, for the education of our children and for looking after the health of our nationals, let us not overlook the fact that in the African Continent, there are six countries which have no governments. Some of them are Sierra Leone, Liberia, Somalia and Rwanda. As we speak today, there is no Government in Rwanda. We are talking about a massacre in that country. Earlier on, an hon. Member made what

I consider a very serious allegation which I do not want to dwell on. It is very serious that an hon. Member can stand here in this august House and say that Hutus are being protected in this country. Who can protect criminals?

The assumption is that perhaps, the Government can do that. I will only tell the Government that this is a serious allegation and it would be better if it would come up with a statement to exonerate itself because we are talking about maintaining stability of this country and raising taxation. We want that taxation to help the children of this country. We want that taxation to go into maintaining dispensaries and hospitals of this country. We want that taxation to be used for proper security of this country. Proper security does not mean intimidating the citizens of this country but giving them proper security. Any allegation that is made by an hon. Member that the citizens of this country are being intimidated and that the money we raise from taxation is being used for intimidation is a serious matter and I think it is up to the Government to look into it because for many years, we have been talking of Kenya being an island of peace. In view of what has been happening in the Continent of Africa within the recent past, within the last seven or ten years, we have seen total collapse of Governments and we should not take it for granted---

QUORUM

Dr. Otieno-Kopiyo: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: What are you saying Dr. Otieno Kopiyo? Are you on a point of order?

Dr. Otieno-Kopiyo: Yes, Mr. Speaker, Sir, it seems to me like we do not have a quorum. We have only half the required number and the Government Bench is nearly empty.

Mr. Speaker: I understand there are only 16 hon. Members in the House. Ring the Division Bell.

(The Division Bell was rung)

Mr. Speaker: Order! Proceed now, Mr. Mwaura. There is a quorum.

Mr. Mwaura: Mr. Speaker, Sir, taxation is a very vital component of any Government. At Independence, the policy was that the Government of the day was going to ensure that poverty, ignorance and disease were eliminated from the midst of Kenyans.

[Mr. Speaker left the Chair]

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

In the past, we have seen misuse of public funds. Within the last one month, we have discussed the Public Accounts Committee (PAC) Report, where we saw how public funds were misused. The other day, I heard an hon. Member here saying that the corridors of the Treasury are full of thieves. I want the Treasury to ensure that no fingers are pointed against them or any other Government Ministry, for lack of capability to properly use this nation's taxation.

Dr. Otieno-Kopiyo: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that the Treasury should ensure that the word "corruption" is not used against them when the Treasury is not responsible for ordering corruption to take place, and when occurrence of corruption is being ordered from somewhere else?

Mr. Mwaura: Mr. Temporary Deputy Speaker, Sir, these are my views. When we say that this country is an island of peace we should not take things for granted. If those charged with the management of our finances are not careful, a lot of things can go wrong. In 1991, this country repealed Section 2A of our Constitution which had legalised a single party system. Before that time everybody in this House was expected to say what the Government wanted said. There was no question of anybody disagreeing with the Government. Let me tell Kenyans that without the current multi-party system, a lot of things we discuss in this House would not exist. The misuse of public funds which we discussed in the PAC Report the other day would not have been allowed.

As for my constituency, I wish to inform the Minister for Finance that tea and coffee growers there pay to the Treasury every year, substantial tax amounts. Yet, the roads there are impassable. Also health centres in Maragwa, Kigumo and Sabasaba have no medicines. I would like the Government to ensure that tax proceeds that we approve in this House are fairly distributed in the whole country. It is no use for the House to approve every year, collection of revenue which is not subsequently fairly distributed. I would want tea and coffee growers in

the country to be given good road infrastructure. Sugar cane growers in Western Kenya should also be supported. They can only be supported if sugar factories continue to function and do not break down because of mismanagement.

Not too long ago, doctors in this country went on strike. They were appealing to the Government to raise their salaries. At that time, the Government could raise neither the doctors' nor university lecturers' salaries because, it said, it did not have enough funds. However, we have already seen in the Public Investments Committee (PIC) Report, cases of mismanagement of investments in some state corporations. We cannot continue to raise money from tax payers and give it to state corporations which are not properly managed. We want the Government to raise revenue through VAT, income tax and other taxes but we want to see our institutions being managed well. We want competent people to be appointed to run this authority. We do not want tribalism, nepotism or incompetent people to be appointed to run this very vital component of our economy.

Mr. Temporary Deputy Speaker, Sir, earlier on when I spoke, I said we cannot really talk about raising taxation without reference to Sessional Paper No.1 of 1994. I would like to read a paragraph of this Paper which is referring to an area that talks about countries like Korea. It says:

"There is increasing evidence of the type of policy framework needed to accelerate a sustained development. From 1965 to 1990, income per capita in South Korea, Taiwan, Hong Kong and Singapore grew by six per cent per year."

This is Probably, the fastest sustained growth rate in history. If you look at the African continent and the African Government management, it is disappointing to note that there is not one single country in Africa which can claim to have sustained its development in this kind of manner. If we talk about creating a development growth of four per cent, let us see that growth sustained. Let us not just talk about producing Sessional Papers and blue prints which cannot be supported by those who produce them. If countries like Taiwan, South Korea and others can really sustain their development, so can we because they are just human beings like ourselves. The problem with us is that our people in the Government want to become rich millionaires overnight and instead of serving their own citizens, they turn to oiling their own pockets. This means that instead of the tax payers money going to develop the country, it goes to the pockets of a few individuals. This is where African Governments are making mistakes. I want to support the Bill by the Finance Minister, but caution him and the Government that, with the multi-party system here to stay, mistakes that have been made in the past by the Government will not be tolerated.

We are going to educate the Kenyan tax-payers to ensure that their money is not stolen and that those people who steal tax-payers' money are exposed. In addition to that, the question of the security of this country is a matter which must be safe-guarded. We do not want to see the tax-payers' money go to help or sustain a security system that intimidates the citizens and does not care about them.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I wish to support the Bill.

Mr. Mulusya: Thank you, Mr. Temporary Deputy Speaker, Sir. This is a very vital Bill which has been presented to this Parliament. For a very long time, every Kenyan has been interested in knowing whether it is true that the Government is making utmost effort to collect revenue from all the possible sources. The departments of Income Tax, VAT, Customs and Excise are very important. Many Kenyans have seen, for instance, the Minister waiving duty for luxury vehicles for Kenyans who do not do anything which is directly beneficial to this country. We cannot afford not to collect every penny available. If the ordinary person who is buying a bicycle has to pay duty, why can a person who is buying a mercedes 300 not pay full duty? We have had cases of persons importing vehicles in the name of Non-Governmental Organisations (NGOs) and these vehicles end up being used by people who are not working for any organisation. There are many loopholes which have been left in the collection of VAT and the powers given by the Minister to the revenue collection officials to exempt duty are sometimes misused or selectively used to benefit certain individuals. It is this selective collection of duty and taxes which every Kenyan is interested in and also the proper management of the tax once it has been collected. For instance, now, we are on the verge of enacting a law to create an amorphous institution when the current institutions and departments in the Ministry are not being properly managed. What we are asking is that the Income Tax Department be run efficiently. For example, when it comes to the appointments of senior officers and those officers qualified in particular areas, there is a lot of selectivity in terms of an officer's district of origin and in most cases, individuals are usually promoted on the basis of their area of origin. We want this Government to be able to select and appoint officers on the basis of ability, professionalism and experience. I can give examples in this house of cases where officers who have been in the Ministry for a very short time have been promoted to very senior positions, leaving very highly experienced persons who have been in the Ministry for a long time. The result has been lack of morale for those very highly qualified staff. It is very bad when a vacancy has been created, may be, for the Commissioner of VAT or even Income Tax, and a very junior officer is promoted to fill up this vacancy while there are others better qualified. It does not augur well for every other officer who is

there because they will develop the feeling that they will not be promoted because of their region of origin. This is something which we must be able to look into. We must consider academic qualification and work performance. Many civil servants in the Income Tax department are busy walking around in industrial area instead of working in the offices. They are interested in finding out those people whose files are not up-to-date. Instead of calling such people to their offices, you find an officer, without authority from his seniors, going out to talk to the tax-payer. Why do you have to leave your office without the file? You walk into the office of a chief executive of a certain firm and start talking to that officer about how he is evading tax.

Mr. Temporary Deputy Speaker, Sir, this is what has been happening. There is a lot of corruption being practiced by officers of income tax. This must end. That is why we say that computerisation of the tax assessment section must be done as fast as possible. Many developing countries which have reached the same level as Kenya have computerised their taxation assessment systems and it is not necessary for an officer to visit the taxpayer's premises, unless there is a major query. He can only go there purely for investigative purposes. In such a case, it is not one officer who should be sent there; it should be a team. Another alternative is for the taxpayer to be summoned to the income tax offices to clarify the query. The Income Tax officers should not leave their offices without authority from their seniors or without even the relevant file to go and start negotiating on how much the company or individual ought to pay because that encourages corruption.

Mr. Temporary Deputy Speaker, Sir, it is common knowledge to all of us that this corruption is being encouraged and practiced by the Asian community. If an officer from Income Tax Department goes to an Asian's office today, he will ask: "Where is the letter?" And he will get the following reply: "Oh, wewe Bw. Mkubwa umefanya vizuri sana kuja, kwa hivyo kwanza pata chai; msichana lete chai"; "Bw. Mkubwa utanisaidia kwa njia gani; unataka nikupatie nini? This is what has been happening and this has been robbing this country of a lot of revenue. Some very successful businessmen who are controlling the economy here do not have the economy of this country at heart. They do not care whether they use our children as cheap labour, our land and any other available resources to enrich themselves. The worst part of it is that all their profit is repatriated to their mother countries. These are the same people who will say: "Oh, you Africans are very corrupt. Siku ile nyingine mwingine alikuwa hapa nikampatia Kshs50,000 za harambee. Yes, we shall continue getting harambee contributions of Kshs50,000, or more but what happens to the economy? Senior civil servants are the ones contributing to this corruption. They receive Kshs50,000 for harambee but what about your children? The following day, they go back to the same Asian for more Harambee donations and employment for their cousins and brothers. Instead of asking for favours now and again from this Asian, why do you not ask him to create more employment opportunities? The issue of tax evasion is a major crime that should not be punishable by imposition of meagre fines on the evaders by the courts. A fine of Kshs5,000 or Kshs10,000 is not enough. The law must be stringent enough. If you are found to be deliberately evading tax payment, you should be fined heavily or have your licence withdrawn. The Government does not want to talk about the powers the Board is going to have in this regard. There should be a common Act to specify particular ways of punishing VAT or Income Tax evaders.

Mr. Temporary Deputy Speaker, Sir, you cannot talk of ending corrupting when you are paying a very highly experienced accountant between Kshs8,000 and Kshs10,000 per month. Then, instead of housing the same accountant in a good house somewhere in Kilimani or Upper Hill, the Government evicts him and sells those plots and houses to individuals and lowering the status of that senior civil servant. How do you expect a civil servant who is supposed to collect millions and billions of money from taxpayers to stay in a flat somewhere in Eastleigh with all those Somali refugees around him? How do you expect him to behave? For him to afford rent for a better house than the one he is occupying in Eastleigh, he will tell an Asian: "Lete kitu kidogo ndiyo ulipe income tax kidogo". And this is being encouraged by this Government. The Government should build good houses for these officers. It is obvious that any employer who does not take care of his staff is simply not looking for profit. A corporation like the one we want to create by passing this Bill should act like a private enterprise where it is supposed to be able to expand everyday, maximising output. If it is a question of updating the records held by the Income Tax Department and there is no reason why you cannot tell an officer: "Work overtime; let us see your results; let us make sure that all files under you are up-to-date". Anyone who works that way should be compensated. Civil Servants should be encouraged to work over the weekend instead of just drinking on Saturdays. They should not copy the employees of say the Kenya Posts and Telecommunications Corporation who only want to work on Saturdays, so that they can earn overtime. All the work that they are supposed to do from Monday to Friday is kept pending until Saturday. This is something which should be checked.

Mr. Temporary Deputy Speaker, Sir, it is the responsibility of the Government to make sure that we do not lose a chance of getting into a better future?

Mr. Temporary Deputy Speaker, Sir, many foreign investors in this country are finding it difficult to submit accounts to their head offices abroad. If your file has not been cleared by the end of the year and you are

supposed to give returns, what do you do? Their head offices abroad are asking why we in Kenya are never up-to-date. We should improve our status so that foreign investors will not be at pains to explain to their bosses somewhere outside the country, why they are having these problems. Most of the foreign investment is going to our neighbours because we in Kenya are not able to meet our obligations in good time. There is too much bureaucracy; too much paper work. Even after giving all the necessary information in your application, it takes a century in Kenya for the authorities to respond. If somebody wants to invest US\$300 million in this country and it takes him six years to get the certificate of approval from the Ministry of Commerce and Industry, that person will go where he is wanted. The young generation is impatient. We are impatient and we cannot sit back and watch people working in a retrogressive manner. We are on the run but we have a Government which is sleeping like the Minister here.

An hon. Member: He is taking a short nap!

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, his people have heard what I have said. He should wake up. Even if you are taking a nap, you are sleeping; there is no difference. The Government should lead the way. The investor, whether big or small, will move at the pace at which the Government moves. If you submit an application to the Government seeking permission to set up an enterprise and the Government gives its approval before you are ready, then you will know that you are the one punishing yourself and not the Government. But you will find that everybody is ahead of the Government; the Government is following behind. The Government is never in a hurry. The Government is only in a hurry when it is arresting its citizens. If you criticise the Government, they will wake up very early in the morning and send policemen to come and arrest you.

At 8.00 a.m., you will find policemen at your door and they will tell you: "Hon. Mulusya can you wake up and accompany us to the Provincial CID headquarters?" We are only telling the Government that since it has collected revenue, it should use it so that we can generate more returns. Unless we create an atmosphere that will be conducive to further investment in this country, we will get nowhere. We will continue talking about unemployment year-in-year-out. It is very unfortunate that the Government goes to an international forum and say it has put in place a mammoth programme for the creation of jobs but when you try to find out how many jobs it has created, you will find that there is nothing. The Minister for Labour and Manpower Development should be able to tell us how many people have been employed; how many graduates have been released from our national universities and how many of them have found jobs.

The Minister for Labour and Manpower Development (Mr. Masinde): On a point of information, Mr. Temporary Deputy Speaker, Sir. I have that information and if the hon. Member wants it, I can bring it to the House in the proper manner.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, when we form the government, that information will be on our fingertips. At that time, I will be in charge of the Ministry of Labour.

We cannot afford to have a lax Government. The price of soda in this country is Kshs15 per bottle and out of that amount Kshs8 is tax. Where is that Kshs8 going? That is the question the people are asking. Not a single road has been constructed in the whole of Ukambani in the last ten years. We have been paying tax and no single road has been built by the Government in that area. We gave a lot of votes to this Government and gave it the mandate to go and collect taxes from us. What have we received from the taxes the Government has been collecting from us? Those of us who come from Ukambani will have a very difficult time in 1997 trying to convince the Kamba community to give the same Government another mandate to collect taxes from us. Not a single new water pipeline has been laid by this Government in Ukambani since 1993. We are now even giving the Government more powers to collect more revenue and that revenue is supposed to benefit every person in this country.

On agricultural and industrial inputs which are imported, I would like to say that this whole area should be looked into, so that farmers and industrialists may produce more for the country. Duty on agricultural and industrial inputs should be lowered so as to allow more indigenous people to invest in agriculture and also in industry. There are some figures regarding economic development which are being given but they are not accurate. This is because the figures that come from the private sector, especially from management consultants, are not being taken seriously by both the Office of the Vice-President and Ministry of Planning and National Development and the Ministry of Finance. They can only relate to the information given to them by the IMF and World Bank. Most of it comes from the Private Sector because they are concerned about the growth of the Private Sector. When we talk about roads, how do you expect an industrialist in the Industrial Area who is driving through potholes to be happy that a new Corporation is being created to collect tax? That tax should be used to repair those potholes. If the potholes are not there, he is able to transport his goods to the final destination. He is paid and then the tax man comes and collects his tax, and this is what we are looking for. The other thing is that if we are creating one unit for tax collection, we must also try, as much as possible, to centralise those units.

It is not fair when we have one office somewhere in Wilson Airport, another office somewhere in the City Centre like Uchumi House and another office somewhere else. We must try and centralise the collection centres so that when we talk about computerisation, it is also cheaper when all those units are working from a central point. We are not encouraging you to work in terms of investments, the way National Social Security (NSSF) money is being used. We are not telling you to go and build new office blocks. The NSSF Building is not fully let, and you come and find here on Uhuru Highway, a structure which should be costing about Kshs360 million in the open market, that is View Park Towers, sold to NSSF for Kshs900 million. Who is eating the difference, and whose money is it? If we are talking about centralisation of the operations of the new Authority being created, at least let the public not lose revenue just because you want to have a central position. It is easier to move one department; it is Maji House, it can be moved from one point to another, or any other Government office so that whoever is administering the tax collection must be near so that if he wants to summon an officer and ask him: "Why are you not performing?", he does not need to cross roads or get into his car to drive to the Head Office when these offices are all in Nairobi. That is what we want.

Mr. Speaker, Sir, the other thing is that a new Authority like this one we are being asked to create, must be given enough mobilisation facility. You cannot operate a department like this one when there is insufficiency of vehicles. One officer wants to go on duty to Industrial Area, the other one wants to go, maybe to Limuru and you go to the motor yard to find there is only one vehicle. These officers are going to different directions and they must be able to perform their duties. You will find one vehicle would be assigned to go and inspect something in Athi River, and it is this same vehicle which has to move another officer to Limuru. This is the only way we can create efficiency. We want to have the latitude to spend enough so that it can be able to create mobility efficiency.

Mr. Speaker, Sir, what we are asking is that we do not want a Corporation which is created and it does not create any impact in the tax collection system. It should be able to create some change, and there must be tangible change. We do not want just to create it for the purposes of giving one individual a job or other people jobs. There is no way you will give limited authority to the Chief Executive of a Corporation of this nature. It is because if you limit him, especially when it comes to the initial spending and the budget, it must be proper. We do not want to go to that Corporation and find there is no stationery. This is one of the problems. You will find the computer papers are the ones which are used by officers to draft letters asking for hundreds of millions of money. An officer has to buy his own pen. Why? He is doing so much for the Government, to collect money, and the Government should be able to see that this person is comfortable. We also need to see a good desk for an officer. At least, if you are going to do that work, the chair you are sitting on must also be comfortable, and it is part of the encouragement we are talking about. Most civil servants are sitting on very, very old chairs, the ones which were left by the Government which was chased from here by His Excellency the late Mzee Jomo Kenyatta. Some of them are in the offices. A desk which nobody has ever bothered to apply varnish on it, Assistant Secretary is the one who is sitting on it. If you look at the chair, it is so hard and this is somebody who wants to work for long hours. This is part of the encouragement we are talking about, because we must be able to compare very favourably. Your working environment must be able to compare very favourably to that of the private employer and of that employee who is in a private company, so that when you walk out or when you call somebody to your office, it should look like an office.

Mr. Speaker, Sir, what I have noticed is that it is only the officers who are nearer to the Permanent Secretary and the Ministers who have very good offices which are sound proof, even those of their secretaries. You go into an officer's office and find that it is in an awkward situation. That office is of a very senior person. If he drafts a letter, it goes to a typing pool where secretaries/typists do not even care. He is a senior officer and he must have somebody assigned to him so that when he wants a letter typed, that letter goes out immediately, and not when a caller comes and tells you: "Yes, I have come for my letter. Then you will tell him: "You know I drafted your letter yesterday. It went to the typing pool but it has not been typed. Can I call?" Then he calls. You know what answer he gets? "No! No! No! Hiyo bando mkubwa. Tutatengeneza. Naona wewe ukuje kesho ndio uchukue barua yako". This is wastage of time, and there cannot be efficiency when we are working that way. Please, we need to revolutionize operations systems everywhere, in all sectors.

Mr. Temporary Deputy Speaker, Sir, when it comes to revenue collection on exports, we have had a lot of problems in that, this Government has not been able to collect the maximum revenue. This is where the Wazungu and Asian businessmen have been cheating the Government. What they indicate in the CD3 form to have exported is not what is contained in the invoice. That means what is passed through customs is different from what they declare and this is why I am saying that the Minister must devise ways and means of ensuring that things are done in the proper manner. Whatever has been declared must be confirmed by the customs officers to bear the same value as indicated in the invoice. This is the only way in which the Government maybe able to get

back the equivalent foreign exchange. At the moment, most of the traders who are not indigenous Kenyans are taking away money from Kenya by cheating the customs officers.

The other area that I would like to touch on is the declaration of the value of the items being imported in the form of raw materials. If ten per cent duty ought to be paid for a certain item, the Minister must make sure that the ten per cent duty is actually collected and not five per cent. I am saying this because most of the industrialists in this country are foreigners and they collude with their brothers in other countries to evade paying tax. They have a language they use which even the C.I.D officers cannot comprehend. They can say whatever they want but you cannot understand a thing even if you tried to tap it. One of them tells the other: "I am ordering 20 tons of such-and-such an item and the price will be \$20 per ton, but when it comes, indicate the price to be \$10 per tone". That is done in Gujarati language and although today the Government has employed police reservists who happen to be Asians, it is unfortunate that they have failed to employ some of these foreigners in the C.I.D. to assist in the interpretation of some of these strange languages. How can you trade with people whose language you do not know?

Mr. Temporary Deputy Speaker, Sir, this Government must take its work seriously. Today if you went to Japan, you would find that the Government---

Mr. Nthenge: On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that hon. Mulusya is contributing to the Bill before the House?

The Temporary Deputy Speaker (Mr. Wetangula): Thank you very much, Mr. Nthenge. I was just about to caution Mr. Mulusya that he is breaching the Standing Order of No.87 this House which relates to irrelevancies in the House.

Mr. Mulusya: Mr. Speaker, Sir, the Government must at least be woken up. If I knock at your door---

The Temporary Deputy Speaker (Mr. Wetangula): Can you tell us how you can wake up the Government by saying that you cannot trade with people whose language you do not know? That is what I am calling irrelevant.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I am speaking about tax collection. Today, the Wahindi want to evade paying tax by talking a language which our customs officers cannot understand.

The Temporary Deputy Speaker (Mr. Wetangula): You have already said that, Mr. Mulusya, and you are now repeating yourself.

Mr. Mulusya: I am not repeating myself, Mr. Temporary Deputy Speaker, Sir. After all, you were busy reading the Standing Orders to have taken note of what I was saying.

(Laughter)

Mr. Temporary Deputy Speaker, Sir, I would like to talk about the issue of appointment of chairmen to parastatals. We have found cases where a medical practitioner has been appointed to head a Corporation which is dealing with the production of milk, an area which is quite foreign to him. This is a very specialized Corporation and I would like to see the Chairman, all the directors and the Permanent Secretary to be appointed into the Board, being people who have the relevant knowledge about this Corporation.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member on the Floor in order to mislead the House by saying that doctors do not know anything about milk when it has a lot to do with health?

Mr. Mulusya: I know that the hon. Member is a veterinary doctor but it is unfortunate that he has left that noble profession to join politics. He is, in fact, the kind of person I would not recommend to be appointed into the Board, heading this Corporation. It would be best if a Minister who is a practising accountant would be asked to resign his post to head the Corporation because I know he would perform very well. Hon. Matthews Keah, for example, would be best suited to head this Corporation, if it was not for his political involvement in this Government.

The Assistant Minister for Finance (Mr. Keah): Mr. Temporary Deputy Speaker, Sir, is the hon. Mulusya in order to mislead this House by saying that I am not delivering the goods to the people as a Member of Parliament for Kololeni and that I would be better off elsewhere. Is he in order to make such an improper representation about me?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I have no intention of maligning the hon. Assistant Minister. However, it would be best when he goes back to his constituency over the weekend if he would tell the people of Kaloleni, what he has done for them for the period he has worked as an Assistant Minister in this Kanu Government?

The Temporary Deputy Speaker (Mr. Wetangula): Order Mr. Mulusya! What has that got to do with the Bill?

Dr. Kituyi: On a point of information, Mr. Temporary Deputy Speaker. Research has shown that the hon. Assistant Minister has been for a period of five years, the principal proprietor of Keah Management Services which gave a false report to the Ministry of Finance about the liquidity of Access Insurance Company, which matter was being received by Mr. Keah.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, that is irrelevant to the Bill.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, that point of information was through "mistaken trust". What I am trying to put across is that let professionalism be the guiding factor in the choice of who is going to head the various departments in this very vital organ we are trying to create. It will belittle us at this point in time - almost 30 years after Independence - if we cannot recognise professionalism and place it appropriately.

Mr. Temporary Deputy Speaker, Sir, imagine a P2 teacher being a chairman of a parastatal or an organisation like this one which is collecting so much money! It is not fair. There are no children here but simply collection of money. All the people he is going to meet from morning to evening are all knowledgeable in this area. You cannot go into the office of a chief executive of an organisation and while you are trying to explain your problems, the officer tells you: "Can you give me time to consult?" What consultation? He is supposed to be knowledgeable in that area or field of that office he is holding. Kenya has such highly learned and qualified personnel everywhere. This Government also has enough resources to buy the services of such high calibre personnel. But when we buy the services of the middle cadre personnel at high prices, I do not see the rationale. In any case, the chairman of a parastatal like this one can be transferred from one parastatal to another, and I would really encourage that. Imagine the present chairman of afforestation programme heading such a corporation; what a disaster! I would hate to think about that, but I do not say he cannot be. But let him not be!

Mr. Temporary Deputy Speaker, Sir, this country has been recognising the mediocre type of personnel. Somebody who has stolen a lot of money from his employer and is able to contribute a lot of money in Harambee is going to get such type of appointment simply because he has contributed over Kshs1 million in one month. Look at the Kenya Bureau of Standards (KBS). What are the credentials of the chairman? The only credentials that may be acceptable and probably understandable to an old man in Kangundo is that he is the present KANU chairman in Narok and---

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mulusya, can we hear more about the Revenue Bill?

Mr. Mulusya: Yes, Sir. I am talking about appointments so that this money we are trying to collect, may be appropriately collected. We do not want somebody to walk into the chairman's office and give him misleading information simply because the chairman does not understand these things.

Mr. Temporary Deputy Speaker, Sir, we shall resist Harambee and I think this is the time when we need some appointments to be effected by this House. You will find some people with dubious character and a criminal record, behind heading a corporation and there are many. For instance, somebody who had stolen from his employer or who had been sacked from his job due to misappropriation of money should not be appointed to this body. This country would be gaining a lot of mileage if such appointments were vetted here, so that when we go to sleep, we know who is managing the country's money.

The other issue, Mr. Temporary Deputy Speaker, Sir, is that when we talk about collection of our taxes, we say let it not be done as a punishment. There are so many people who have been crippled by the Department of Income Tax through deliberate over-assessment of Income Tax. For instance, you will find that somebody whose operations are very low but just because he does not agree with the powers that be, is told: "Raise additional assessment for that person".

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Though I have been trying to stomach it all along, is the hon. Member in order to keep on speaking in both Kiswahili and English languages at the same time?

The Temporary Deputy Speaker (Mr. Wetangula): He is totally out of order and I am sure he knows that!

Mr. Mulusya: I am sorry, Mr. Temporary Deputy Speaker, Sir. Departments like the Income Tax should work fairly and should not look at an individual and ask "whom does he support or which party does he belong to", so that you are guided on how much income tax you are going to raise for him/her. This has happened to very many people and they have had to go to great lengths to pledge "forced loyalty", so that their income tax may be revised. Who does it help?

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. This arises out of the allegation by the hon. Mulusya that there are so many people who have had to go and pledge "forced loyalties" so that their income tax assessments may be revised or reduced. Apart from being malicious and misleading the House and nation, could the hon. Mulusya actually substantiate his allegation?

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, we know of some big companies which have gone into liquidation due to over-assessment of income tax. For some time, we have been paying appropriate tax, but when there is a change of government system, you are told "Oh, this person is very rich because he was not being properly taxed". Can you ask the former KANU Chairman, Nairobi, Mr. Clement Gachanja, and ask him what happened to Benham Holdings?

The Assistant Minister for Finance (Mr. Keah): Mr. Temporary Deputy Speaker, Sir, that is not a substantiation. He has said so many persons. I would like a proper substantiation here so that he can prove his allegations, otherwise he must withdraw and apologise to the House.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, this is an issue I know very well. It would have been very good for this House if hon. Shamalla was here. If hon. Shamalla was not busy contesting for his elections in Kakamega he would---

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Mulusya! You know the rules of this House. You cannot debate the conduct of hon. Shamalla without a substantive motion. Secondly, do not use the Floor of this House as a guise to hurl abuses and allegations against people who cannot come here to defend themselves.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir what I am saying is that I will---

The Temporary Deputy Speaker (Mr. Wetangula): If you have dried up, give an opportunity to somebody else.

Mr. Mulusya: I will stray from that because the rules of this House are very clear but it is very important that the Income Tax Department should be able to work very fairly so that everybody feels free to contribute what has been assessed. At the same time, we do not want to see cases where people, who are very close to the Government, are levied less taxation. Tax me on what is appropriate to me and I will pay it.

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Mulusya is dilly-dallying on the point of order I earlier raised. I would really want to ask him, through you, that he withdraws and apologises to this House because it is totally unfair for an hon. Member to attack a department wholesale and get away with it. It is not really becoming on the conduct of hon. Members, for us to be attacking people who are not here to defend themselves. So, I would like the hon. Mulusya to withdraw his allegations, otherwise, he substantially produces a list of the very many persons who have gone to pledge false loyalties to have their Income Tax Assessments revisited and reduced.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, one thing I would hate to do is to embarrass this Government. It is not fair when hon. Members---

The Temporary Deputy Speaker (Mr. Wetangula): Have you understood him?

Mr. Mulusya: Yes, I have understood him. What I am saying is that it is not fair for the hon. Assistant Minister to ask for that kind of substantiation. I am talking generally. Now, if it is---

The Temporary Deputy Speaker (Mr. Wetangula): Order! Order, hon. Mulusya! There is no provision in the Standing Orders of this House for you to stand here and talk generally. You have to be responsible for each and every word you utter here. You have said that you know many people who pledge false loyalties to have their Income Tax Assessments revised. The Assistant Minister is demanding that you substantiate or withdraw and those are the only two options open to you.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, I am prepared to bring documents to this House to prove what has been happening. If I may tell the Assistant Minister that personally I am a victim of that, what would he say? I insist on that! We are asking for fairness. We are asking for fairness in this because it is the duty of every citizen to pay tax. We are not telling people not pay tax. We are saying that it be done on the level of performance. If a company has performed well in a given year, let it be charged what is appropriate.

The Assistant Minister for Finance (Mr. Keah): On a point of order, Mr. Temporary Deputy Speaker, Sir.

(Several hon. Members booed down hon. Keah)

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Keah!

Dr. Otieno-Kopiyo: On a point of order, Mr. Temporary Deputy Speaker, Sir. Are we turning this into

a dialogue between the hon. Keah and hon. Mulusya?

Mr. Nthenge: That is a good question.

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Keah! Hon. Mulusya, carry on.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir the issue we are talking about is that Kenya citizens should be treated fairly when this Bill goes through because we are going to pass it.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. We would like the conduct of the debate to be quite orderly. First, there was a point of order raised by hon. Keah for hon. Mulusya to substantiate his allegation that there were quite a few people who are pledging loyalty so--

The Temporary Deputy Speaker (Mr. Wetangula): He substantiated. He said he is one of them.

Mr. Mulusya: That is the cost of not being able to listen to debates in this House.

An hon. Member: Okay, go on.

Mr. Mulusya: What I was saying is that when we create an institution like the one we are creating, we are creating it for the purpose of every Kenyan to benefit. Let every child who knows that we are going to pass this Bill start with an optimistic note. Let it not be that we are moving from worse to worst. We should be able to be expecting that whatever is collected goes to benefit Kenyans and it is supposed to be for Kenyans and not for a selected few.

With those few words, I beg to support.

Dr. Lwali-Oyondi: Thank you, very much Mr. Temporary Deputy Speaker, Sir. Probably, time will not allow me to say much on this Bill but I hope to continue speaking in the next Sitting. This Bill has been brought forward for us to approve. First, I must say that I am one of the most privileged Members of Parliament because of the Bills that have been brought here during my time and those that have been brought here before I came to this Parliament. There is always an aim when these Bills are brought here. There is usually an aim of swindling money in this country legally. That is why the infamous Goldenbeg was brought here. That is why there was creation of those political banks through which our money was collected. That is why there were creations of systems such as 8-4-4 which have emasculated our educational system and so on. I am imagining this is another way of creating a parastatal through which money will be syphoned out of the tax payer without any benefits on it. I think I will elaborate on that because whenever these apparently very good Bills come in, there is usually an ulterior motive behind them and the results are usually devastating when it comes to their actual operations.

ADJOURNEMENT

The Temporary Deputy Speaker (Mr. Wetangula): Order! Hon. Members. It is now time for interruption of business. The House stands adjourned until tomorrow, the 26th April, 1995 at 9.00 a.m.

The House rose at 6.30 p.m.