

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 25th October, 1995

The House met at 2.30 p.m

*[Mr Deputy Speaker in the Chair]*

## PRAYERS

## NOTICES OF MOTIONS

### CREATION OF IMPLEMENTATION COMMITTEE

**Mr. Shikuku:** Mr. Deputy Speaker, Sir, I beg to give notices of the following Motions:-

THAT, in view of the fact that this House cherishes the principle of good governance, transparency and accountability, and noting that the Government of Kenya is a Parliamentary System of Government founded on the rule of law, this House resolves to establish a Standing Committee to be designated Implementation Committee to scrutinize the decisions of the House and undertakings given by the Government on the Floor of the House and report on:-

(a) whether or not such decisions and undertakings have been implemented; and

(b) where implemented -

(i) the extent to which they have been implemented; and

(ii) whether such implementation has taken place within the minimum time necessary for the a purpose.

### OPEN DEBATES IN SELECT COMMITTEES

The second Motion, Mr. Deputy Speaker, is as follows:-

THAT, in view of the fact that this House chooses the principles of good governance, transparency and accountability and noting that the Government of Kenya is a Parliamentary System of Government founded on the principle of rule of law, this House resolves that deliberations of all its Select Committees be made public and the necessary amendments to the Standing Orders be effected forthwith.

**Mr. Deputy Speaker:** Next Order.

## ORAL ANSWERS TO QUESTIONS

*Question No.646*

### KANO/NYAKACH BOUNDARY

**Mr. Deputy Speaker:** Mr. Otieno Karani not here; we will skip the Question for the moment.

*Question No. 497*

### TRANSFER OF NAKURU OCPD

**Dr. Lwali-Oyondi** asked the Minister of State, Office of the President:-

(a) if he was aware that the Deputy OCPD, Nakuru, was transferred to Nyahururu on 8th May, 1993, after defying orders from the Provincial Administration to order his policemen to take part in the demolition of over 120 kiosks on the night of 7th/8th May, 1993; and,

(b) if he could assure the House that police officers will not be intimidated for defying orders

which are *ultra vires* the law.

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

(a) What I am aware of is that Mr. Mengo had received instructions to proceed on transfer prior to the demolition of the 120 kiosks.

(b) There are standing regulations that govern all ranks in the force. Officers can be transferred to any part of the country and the question of intimidation, therefore, does not arise.

**Dr. Lwali-Oyondi:** Mr. Deputy Speaker Sir, at least, for the first time, the Assistant Minister has agreed that actually that person was transferred. He is denying that he had not been transferred because of that, but the actual reason was that he was transferred on--- If the Assistant Minister could produce any letter, it could be quite alright but he had refused to destroy and demolish the kiosks on that particular day because he had orders from somebody other than his superior. Could the Assistant Minister now assure us and, this is quite prevalent presently, that police officers will receive instructions from their own superiors, instead of being ordered about by DOs and DCs to do wrong things like we have seen in public rallies.

**Mr. Awori:** Mr. Deputy Speaker Sir, the police are under the Commissioner of Police and cannot be given orders nor directed by District Officers or District Commissioners. In this case, I still wish to emphasise that the gentleman received instructions to go on transfer long before the kiosks were destroyed. I would like to give him further information that no officer can be rewarded for disobeying orders. That officer in Nakuru was a deputy OCPD. Right now, he is a full OCPD in Lamu. He has been promoted for the good work that he is doing.

**Mr. Ruhii:** Mr. Deputy Speaker Sir, during the Nazi regime in Germany, Hitler had centres which were earmarked for persecution of Jews. Is the Assistant Minister aware that Nakuru has now become a centre to persecute and harass and at the same time, torture some of the members of the community in this country?

**The Assistant Minister for Health:** (Mr. Mutiso): On a point of order, Mr. Deputy Speaker Sir. Do you actually, according to your knowledge of these things, accept that insinuation of trying to compare the elected Government of Kenya with the Nazi Government? Is that really proper?

**Mr. Awori:** Mr. Deputy Speaker Sir, first of all, I deny the statement. Secondly, we are lucky to have such a good Government that allows the expression of such incredible opinions as of that man.

**Mr. Shikuku:** Thank you very much Mr. Deputy Speaker Sir. Is the hon. Assistant Minister denying that many of the policemen, and I have seen this twice, once in Mwea and the other day in Limuru, you will find they are being ordered to arrest and to shoot by DOs and this is no secret at all and we must congratulate them since some of them refused?

In Mwea, they refused and in Limuru, also the officer was not all that willing because he saw nothing wrong. Could he assure this House from today, I am told by hon. Wamalwa that it happened in Kisii also, the OCPD's and police officers will only take instructions from the police officers and not DOs who are trying to combine both AP and the regular police and give one order?

**The Assistant Minister of State, Office of the President** (Mr. Awori): Mr. Deputy Speaker, Sir, I beg to answer.

First of all, I reject the comparison between the Kenya Government and the Nazi Germany.

Secondly, being a District Commissioner or a District Officer, one automatically becomes the chairman of the security committee in an area. Anyone who looks after security has got superiority and authority over all who maintain law and order.

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

**Mr. Deputy Speaker:** What is it, Mr. Wamalwa?

**Mr. Wamalwa:** Mr. Deputy Speaker, Sir, the Assistant Minister has completely confused us. In his earlier answer, he stated categorically that police officers will only take orders from their senior fellow officers in the force, and not from the district officers. Now, he has changed that and said that a District Officer or a District Commissioner can give these orders. Could he tell us now what is the right answer?

**Mr. Awori:** Both are correct, Mr. Deputy Speaker, Sir.

*Question No. 561*

#### MOUNTING OF POLICE ROADBLOCKS

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

(a) Whether he was aware that the numerous and permanent road blocks mounted by the police on the Mwingi

-Garissa Road and on all the highways in North-Eastern Province inconvenience motorists using those roads;  
 (b) what was the purpose of those road blocks; and,  
 (c) in view of inconveniences caused by those road blocks, if he could instruct their removal forthwith.

**An hon. Member:** Ooh, ooh! the same man again?

**The Assistant Minister of State, Office of the President (Mr. Awori):** Mr. Deputy Speaker, Yes, I am the same man and I beg to reply!

(a) What I am aware of, is that road barriers and not road blocks have been erected on selected strategic points in North-Eastern Province, and it is purely for security reasons, which are for the benefit of the motorists and people in the affected areas.

(b) The purpose of the road barriers, is as indicated in my answer in part (a), and that is for security reasons.

(c) In view of the reasons stated in (a) and (b), the road barriers cannot be removed.

**Mr. Salat:** Mr. Deputy Speaker, Sir, the Assistant Minister should first of all, know that I am concerned much more than he is, with the security of the motorists and the people of North-Eastern Province. Secondly, whether he calls them roadblocks or barriers, these things are a nuisance to the motorists, because the Government has removed toll stations from all over the country, and the Assistant Minister stands here to legalise corruption. All these are toll stations and no vehicles pass through these barriers before the owners pay something to the police manning them.

Could the Assistant Minister tell the House, what are the benefits that emanate from those barriers or roadblocks? He should not tell us that they are there for security reasons. What security do those roadblocks or barriers provide to the motorists and the people of North-Eastern Province?

**Mr. Awori:** Mr Deputy Speaker, Sir, the area is prone to banditry and, the roadblocks help the security officers to check up on suspicious transport and many times, law-abiding citizens of North-Eastern Province have had their properties saved because there are road barriers.

**Mr. Farah:** Mr Deputy Speaker Sir, in the first place, the Minister did not answer a section of (a) because it says; "the blocks or the barriers that are on the road between Mwingi and Garissa," and that is not in North-Eastern Province. That is Ukasi, all the way from Mwingi up to Garissa and a place called Bangalu. Those roadblocks are there for insecurity. We know of people who were taken out of the bus by the police because they failed to pay some kickback and that, they came with reasons that were not valid on their identity cards and they were not given security that night and they were killed in Bangalu by a rival clan that night. Could the Assistant Minister tell us how many instances or incidents did those roadblocks serve as a security measure? How many were arrested for being in possession of guns irregularly, and how many were arrested for banditry that was done on the road where motorists are using when the tracks were inspected while the bandits go on foot on the road and on the track? Tell us how many incidents of security, that your good police officers offered on those roads?

**Mr. Awori:** Mr Deputy Speaker Sir, there are many, but I do not have the exact number of the incidence here.

**Mr. Farah:** On a point of order, Mr Deputy Speaker Sir. The hon. old Assistant Minister, I think, he is even older than our President, is misleading the House. Could he undertake in this House, to bring us information on what he alleges now, any day even next week? He is misleading the House and I am not trying to say that you are "lying," but you are "misleading" the House, which means the same thing.

**Mr. Deputy Speaker:** Order! Order! Order, Farah please. Please withdraw that allegation that he is "lying!"

**Mr. Farah:** Mr Deputy Speaker, I am not using the word "lie," but I said, I am not going to say that you are "lying," I said you are "misleading" the House, which means what it means. I withdraw the word "lie."

*(Laughter)*

**Mr. Awori:** Mr Deputy Speaker Sir, I will, in the near future, bring cases in the House.

**Mr. Falana:** Mr Deputy Speaker Sir, when we talk of security in northern Kenya, we affected Members really feel offended when the Minister responding, takes it very lightly while these are very serious issues.

Mr Deputy Speaker Sir, the roadblocks are not only in North-Eastern Province, but also in Marsabit, we use the same roads and you will bear me witness. We have roadblocks at Isiolo, Archers Post, Laisamis, Lokoloko and Marsabit town. These six road blocks serve no purpose at all.

Mr Deputy Speaker Sir, I would like to tell the Minister through the Chair, that all that is done at the road blocks is that, if the driver gets out, those people from hideouts of the police or some place, record the registration of

the vehicle. There is no security whatsoever done to the vehicle or the passengers on the vehicle. Nothing whatsoever! Could you, for heaven's sake---, this is a Kanu zone and I am honest when I say that this is a political Government and that is what we are going by. Those roadblocks really inconvenience transporters, travellers, and many others.

Could you consider removing the roadblocks and following the bandits on foot into the bush, but not on the road? There is no insecurity on the road.

*(Applause)*

**Mr. Awori:** Mr Deputy Speaker Sir, every action that the Government takes, is taken into consideration and if we consider any area either in Eastern or North-Eastern Provinces, that it is secure and does not require road barriers, we will remove them.

*Question No.833*

OBSERVANCE OF EMPLOYMENT ACT

**Mr. Raila:** Asked the Minister for Labour and Manpower Development:

(a) whether he is aware that employees of Mothers Favourite Limited of P.O. Box 11860, Nairobi, remain as casual workers even after serving the company for more than four (4) years and are not paid overtime, although they work from 7.00 a.m. to 6.00 p.m. in day shift, and from 6.00 p.m. to 7.00 a.m. in night shift; and

(b) if the answer to "a" above is in the affirmative, whether he could instruct the company to observe provisions of the Employment Act?

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

(a) (i) I am not aware.

(b) (ii) I am aware that the employees are paid their overtime dues.

**Mr. Raila:** Mr. Deputy Speaker Sir, I think it is time the Ministry for Labour and Manpower Development took this House seriously. I have here, a letter written by 45 employees of this company on the 10th of March this year to the Minister for Labour and Manpower Development, listing 24 grievances and asking the Minister to take action. Is the Assistant Minister really in order to come here and say he is not aware when he has been made aware through this correspondence, and even he has given an undertaking in this House that he was going to look into those grievances?

**Mr. Ali:** Mr. Deputy Speaker, Sir, such cases should have been lodged with the nearest offices of the Ministry of Labour and Manpower Development and if detected, they would be dealt with accordingly.

**Prof. Anyang'-Nyong'o:** I did ask a similar question to the Minister for Labour and Manpower Development early in the year and I did lay on the Table a document to that effect. After that, I had discussions with the Minister and the Minister assured me that he would send inspectors to Mothers Favourite Limited to look into the cases of these people and report back. Hon. Raila has raised that Question again. Is it really ethical for the Assistant Minister to stand up here and say that he is not aware when the Minister made an undertaking in this House that they would send inspectors to look into that issue?

**Mr. Ali:** Reporting or discussing with the Minister personally are two different issues. The matter should have been lodged with the nearest labour offices.

*(Several Members stood in their places)*

**Mr. Ndicho:** Mr. Deputy Speaker Sir, I want to ask whether the hon. Assistant Minister is in order to belittle this House and try to equate it with a Labour office. Is he in order to say that this Question should not be brought to parliament and should be taken to a labour office? Is he suggesting that this House should be closed and we all take such Questions to the labour offices in our various districts?

**Mr. Ali:** Mr. Deputy Speaker Sir, I did not say that the matter should not be brought to this House. But as far as the cases of the workers are concerned, such cases should be lodged with the offices of the officers in the district labour offices, where the employer can be taken to task.

**Mr. Shikuku:** On a point of order Mr. Deputy Speaker Sir. I am tempted to draw your attention to Standing Order, I think, No.82---

**The Deputy Speaker (Dr. Godana):** Are you not sure?

**Mr. Shikuku:** I am not quite sure but I think it is No.82. The Assistant Minister is refusing to reply to genuine questions because it has been drawn to his attention that the Minister previously gave assurance to hon. Anyang'-Nyong'o here that he was following up the matter. That matter was not followed up. Now hon. Raila is following up the same thing and he is telling us a different story. Is he not belittling the House as hon. Ndicho has suggested?

We were give an undertaking on the Floor of this House by the Minister in charge of that Ministry and he has done nothing and another question has come. Is it not time that we invoked Standing Order No.80 or 82 which stipulate that a Minister who refuses to give genuine reply to a genuine Question should be named?

**Mr. Ali:** Mr. Deputy Speaker Sir, their overtime dues have been paid, so I have replied.

**Mr. Deputy Speaker:** Next Question, Mr. Mwangi Gichuki!

*Question No. 754*

RECOVERY OF DIESEL ENGINE

**Mr. Gichuki** asked the Minister for Land Reclamation, Regional and Water Development:-

- (a) if he is aware that the diesel engine for pumping water at Oraimutia Water Project was stolen; and
- (b) what steps he is taking to recover the same.

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

- (a) I am aware that the diesel engine for pumping water at Oraimutia Water Project was stolen on 23rd July, 1995.
- (b) The theft was reported to the Ol Joro Orok Police Station, but the diesel engine has not been recovered to date.

Mr. Deputy Speaker Sir, while making arrangements to replace the stolen diesel engine with a new one, I would urge the hon. Member, to ask his constituents to co-operate with the police to have the stolen engine recovered, to act as a standby and I also appeal to them to stop vandalizing such public utilities that are beneficial to them.

**Mr. Nthenge:** Mr. Deputy Speaker, is it not possible that the job was done by those who were concerned and that is why it can never be recovered?

**Mr. Mokku:** Mr. Deputy Speaker, I do not know "those concerned" he is referring to. As far as I know, the engine was stolen and the matter was reported to the police, but it has not been recovered. And I think, the hon. Member, also has an obligation as a Member of Parliament, to appeal to his people, so that those who have taken the stolen engine may return it.

**Mr. Gichuki:** Thank you, Mr. Deputy Speaker Sir. First, the written answer says:-

- (a) Yes, I am aware it was stolen on 23rd July 1995.

That is what the written answer says, whereas, I know it is almost two years since that engine was stolen.

Mr. Deputy Speaker Sir, the engine was used to pump water to the upper part of Ol Joro Orok Location and since that time, those people have been experiencing water problems. In view of this, and the Minister says that he is going to replace the engine, could he tell this House when he is going to replace the said engine, so that we resume pumping water for those people in upper Ol Joro Orok Location?

**Mr. Mokku:** Mr. Deputy Speaker Sir, to begin with, I would like the hon. Member to correct on his answer that it is 23rd July 1994, not 1995. In the second part of his Question, I have said here, that, the Ministry will soon replace that engine.

**Mr. Mutahi:** Mr. Deputy Speaker Sir, could the Assistant Minister confirm whether the allegation that the engineers, in pretext of going to repair the engine, took the engine and it has never been found? Could he confirm or deny that it was stolen by his officers?

**Mr. Mokku:** Mr. Deputy Speaker Sir, I strongly deny that the engine was stolen by my officers.

**An hon. Member:** How do you know?

**Mr. Gichuki:** On a point of order, Mr. Deputy Speaker Sir. I have some information to the effect that, that engine was taken by the Ministry of Water officials for repair and to date, that engine has not been returned.

**Mr. Mokku:** Mr. Deputy Speaker Sir, I would like the hon. Member to be clear; I do not know whether he is referring to the same engine which was stolen or there is another engine he is talking about. I want him to be clear.

**Mr. Gichuki:** What I am saying Mr. Deputy Speaker Sir, is that I was given information to the effect that later, the Ministry officials came and took that engine away for repair and it has not been returned. I would like him to

go and confirm with his Ministry officials if that is correct.

**Mr. Mokku:** Mr. Deputy Speaker Sir, as far as I know, there were two engines at that station. One was stolen and the theft reported. The second engine which was taken to the Ministry's headquarters for repair, was later re-issued to a project in Murang'a called Gaturi. It was not stolen by anybody.

**Hon. Members:** Why? Why? Why?

**Mr. Deputy Speaker:** Order! order! order!

**Mr. Gichuki:** Could the Assistant Minister tell this House when he is going to have a replacement because if it was taken to Murang'a, we equally need it in Ol Joro Orok to pump water for those people? Could he tell this House when we are going to get a replacement?

**Mr. Mokku:** Mr. Deputy Speaker Sir, I have told the hon. Member and the House at large that we are going to do it as soon as possible.

*Question No. 636*

MAINTENANCE OF BAHARI ROADS

**Mr. Mumba** asked the Minister for Public Works and Housing:-

- (a) What plans are there to tarmac the Mariakani-Kaloleni-Mavueni Road which passes through rich agricultural lands of Bahari and Kaloleni constituencies;
- (b) whether he is aware that this year (1995), no roads in Bahari Constituency have been gravelled with additional murrum and as a result, the old murrum has been washed away, rendering the roads impassable; and,
- (c) whether he will ensure that all the roads in Bahari Constituency are gravelled with murrum, so that farmers may harvest and market their produce without difficulty.

**The Assistant Minister for Public Works and Housing** (Col. Kiluta): Mr. Deputy Speaker Sir, with your permission, I would request the Chair to allow this Question to be deferred until next week, so that I can get the correct answer for it.

**Mr. Mumba:** Mr. Deputy Speaker Sir, I am accepting that the Question be deferred until next week, on condition that the answers that will come will give results positively for the Bahari Constituency.

*(Question deferred)*

*Question. 831*

LENGTH OF TARMACKED ROADS

**Mr. Gatabaki** asked the Minister for Public Works and Housing:-

- (a) how many kilometres of tarmacked roads are there in Githunguri Division of Kiambu District, and what plans has the Ministry got of tarmacking other roads, in view of the agricultural potential in this area; and
- (b) whether he is aware that virtually all the tarmacked roads are in poor state of disrepair, with many large sections of potholes.

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

(a) There are a total of 153 kilometres of tarmacked roads network in Githunguri Division of Kiambu District. The Ministry is aware of the importance of roads serving high agricultural potential areas. However, the responsibility of prioritising new roads to be tarmacked lies with the District Development Committee and once proposals are received, they will be considered within the Ministry's ability.

(b) I am not aware that virtually all tarmacked roads in Githunguri Division are in utter state of disrepair. However, I am aware some roads have developed potholes but they will be repaired with a view to improving communication. These roads include the following:-

1. Githunguri - Uplands (C65)

The Ministry has plans to rehabilitate the road this Financial Year (1995/96) and tenders are in the process of being invited.

2. Ndumberi - Ikinu - Githunguri (D404)

Mr. Deputy Speaker, Sir, at present, the repair of potholes and routine maintenance is on-going and it is envisaged that the works will be completed in the course of this Financial Year (1995/96).

**Mr. Gatabaki:** Mr. Deputy Speaker Sir, I am very surprised that the Minister is not aware about the conditions of the roads in Githunguri. No other person than the President of the Republic of Kenya, His Excellency President Daniel Arap Moi, is aware about the condition of roads in Githunguri. Last time he toured Githunguri, about two months ago, his fleet of Mercedes cars were disabled by the condition of the roads. The answer given by the Assistant Minister is the same answer given about the condition of our roads which are the most important infrastructural development. It is high time this Assistant Minister---

**Mr. Deputy Speaker:** Mr. Gatabaki, this is Question Time! Could you get to the point?

**Mr. Gatabaki:** Mr. Deputy Speaker Sir, the people of Githunguri like the people in other places, are fed up.

**Mr. Deputy Speaker:** Mr. Gatabaki, I take it that you do not want to ask your supplementary question.

**Mr. Gatabaki:** Mr. Deputy Speaker, Sir, could the Assistant Minister give a definite answer as to when these roads are to be repaired? Could he tell the House the Government has no intention of tarmacking those roads, so that we tell the people of Githunguri to stop paying taxes and repair the roads?

**Mr. Mwamzandi:** Mr. Deputy Speaker Sir, I have given a definite reply that there are 153 kilometres of tarmacked roads and that the potholes will be repaired within this Financial Year.

**Mr. Kamuyu:** Mr. Deputy Speaker Sir, with regard to part (b) of this Question, the Assistant Minister did concede that indeed there are many large potholes especially in Githunguri - Uplands Road which passes through a very productive agricultural area--- He also said that the tenders will be out soon for these roads.

Could he now tell this House how much money has been set aside for these particular tenders, because tenders have been invited without specific budget?

**Mr. Mwamzandi:** Mr. Deputy Speaker Sir, I will not disclose how much money is going to be spent on these roads because it could prejudice the tendering system.

**Mr. Kamuyu:** Unless the Assistant Minister is going to withdraw what he said a few minutes back, he should answer my question. He said that tenders are going to be out shortly because within this Financial Year, this particular section of the road will be repaired. Unless, he is going to withdraw that, could he tell the House, because he is misleading the House, how he is going to invite tenders without the slightest idea of how much money he is going to spend? That sounds ridiculous.

**Mr. Mwamzandi:** Mr. Deputy Speaker Sir, the current Financial Year ends in June 1996, and the tenders are not yet out. I cannot reveal it, otherwise, it might prejudice the tender.

**Prof. Anyang'-Nyong'o:** Mr. Deputy Speaker Sir, you will notice that several questions have been raised in this House regarding road maintenance generally. Is it in order for the Assistant Minister to keep on refusing to respond to specific questions put by the Members, especially when he should be aware of how frequently those roads should be maintained and what should be regularly contained in the Budget for maintenance purposes? The Ministry is frequently avoiding this issue and Members cannot be certain when maintenance work is going to be done in which road and in which part of the country. Could the Assistant Minister respond to part (a) of the Question, whether the roads are going to be maintained and also part (b), whether the Ministry has a regular budget for maintenance of roads in a special divisionist like Githunguri.

**Mr. Mwamzandi:** Mr. Deputy Speaker, Sir, the money for maintenance of these roads will come from the Petroleum Levy Fund and we cannot give the figure until after the tenders are issued. After that, we can make it public.

**Mr. Deputy Speaker:** Next Question, Mr. Maoka Maore!

*Question No.745*

TARMACKING OF NTONYIRI ROAD

**Mr. Maore** asked the Minister for Public Works and Housing:-

- (a) when the Maili Tatu-Lare-Mutuati Road was last gravelled, and if he is aware that the Government did promise to have this road tarmacked; and,
- (b) how much money it will cost to tarmac the said road and how much has been set aside in the 1995/96 financial year for the project.

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

(a) A three kilometre section between Maili Tatu and the KK Market along the Maili Tatu-Lare-Mutuati Road was last graded in April, 1990 while the rest of the road was regularly maintained. I am aware of the promise

for the road to be bitumenized. However, due to financial resources limitation, the road has not been improved.

(b) At current prices, it would cost Kshs270 million to tarmac the entire Maili Tatu-Lare-Mutuati Road which is 18 Km long. During the current financial year, there is no allocation for the tarmacking of the road in question.

**Mr. Maore:** Mr. Deputy Speaker, Sir, the Assistant Minister says the grading was last done in 1990. Then he goes on to say that the road has been regularly maintained. That is a contradiction of a collapsing bureaucracy.

**Mr. Deputy Speaker:** What is your question?

**Mr. Maore:** My question is; why has it taken five years to grade a road, and why has there been no money allocated for it? The Assistant Minister knows it is among the worst roads in the country, and yet he is not concerned about it. There is money from the Petroleum Levy Fund. Could the Assistant Minister explain why, if the highest office in the land has promised that the road will be graded, the Ministry is not co-operating? Could he also confirm what I was told by the District Works Officer, Nyambene? When I went to inquire about the promise of His Excellency the President about this road, he told me that there was no seriousness by the Government about it.

**Mr. Deputy Speaker:** What is your question, Mr. Maore?

**Mr. Maore:** I want him to confirm what the District Works Officer told me. I want him to tell me whether the President was really serious about the tarmacking of the road or he was only interested in getting cheers. Let him confirm that.

**Col. Kiluta:** Mr. Deputy Speaker, Sir, I do not think I will waste my time on what the District Works Officer told him, but the truth is, last month he---

**Mr. Shikuku:** On a point of order, Mr. Deputy Speaker, Sir. With all due respect to my hon. friend who is an old Member now, was he in order to say; "I do not wish to waste my time"? Do we waste time in this House?

**Mr. Deputy Speaker:** Well, if he wants to waste his time, he is free to do so!

**Col. Kiluta:** Mr. Deputy Speaker, Sir, last month, we went back and reminded the DDC that they had not prioritized this road. Although a directive was given, they did not do it until the 29th of last month. As we talk now, the Minutes of their meeting have not even reached the Ministry. So, we are waiting until your people bring us your priority so that we know where to place the road.

**Mr. Mutahi:** Mr. Deputy Speaker, Sir, is the Assistant Minister telling us that if they got the Minutes before the Budget, they would have raised the Kshs270 million needed for this road? If you got the Minutes earlier, would you have provided the Kshs270 million and, if so, since the Minutes are now on their way to your office, are you going to provide that in the 1996/97 financial year?

**The Assistant Minister for Health (Mr. Mutiso):** On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member in order to address the Assistant Minister directly by saying; "you"? Is he not supposed to address him through the Chair and not directly?

**Mr. Deputy Speaker:** Yes, he is supposed to address him through the Chair.

**Col. Kiluta:** Mr. Deputy Speaker, Sir, if we got the Minutes on time, we would consider that road together with the others from other areas.

**Mr. Maore:** Mr. Deputy Speaker, Sir, could the Assistant Minister undertake to have his men on the ground use the Road Maintenance Levy Fund money, which I know is in Maua and is not being used, to make this road passable? Could he give that undertaking to this House while waiting for the Minutes?

**Col. Kiluta:** Mr. Deputy Speaker, Sir, as I said, the plans for this road are in good hands. Let the hon. Member play his part and we will play our part.

**Mr. Deputy Speaker:** Next Question!

*Question No.646*

KANO/NYAKACH BOUNDARY

**Mr. Deputy Speaker:** This Question is deferred.

*(Question deferred)*

#### QUESTION BY PRIVATE NOTICE

SOLITARY CONFINEMENT OF WAMWERE

**Mr. Icharia:** Mr. Deputy Speaker, Sir, I beg to ask the Minister for Home Affairs and National Heritage the



following Question by Private Notice:-

Why is Mr. Koigi Wa Wamwere and two colleagues being held in solitary confinement at Kamiti Maximum Prison, given that they were convicted of ordinary robbery?

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

Prisoner Koigi Wa Wamwere and his two colleagues are not being held in solitary confinement at Kamiti Maximum Security Prison. They are, however, under segregation along with other prisoners. This is part of administration and management of prisons and there is nothing odd about it.

**Mr. Icharia:** Mr. Deputy Speaker, Sir, the Minister is misleading this House. The lawyers who have visited Koigi Wa Wamwere and his colleagues, and even Koigi's mother, have all confirmed that the three are being held in solitary confinement. They can neither speak to other prisoners nor even to one another. This treatment is given as punishment for breach of prison regulation(s) and even then, it is only given for a short period, ranging from two to three days. Psychologists have confirmed that this type of treatment can leave a person emotionally impaired. Could the Minister confirm or deny that these people are political prisoners and prisoners of conscience, but they are being held under these conditions to stop them from spreading the SAFINA message to other prisoners?

**Mr. F.P. Lotodo:** Mr. Deputy Speaker, Sir, that is not the position. It is normal to segregate prisoners in prisons. I do not know whether the hon. Member of Parliament understands what segregation means. He is putting two different words together. He thinks segregation is the same as solitary confinement.

**Mr. Wamae:** Mr. Deputy Speaker, Sir, the hon. Minister, being a well known jail-bird, should realise how emotionally difficult it is for somebody to be segregated for a long time. It is the worst punishment that somebody can get. Is he in order to keep this prisoners in that condition?

**Mr. F.P. Lotodo:** Mr. Deputy Speaker, Sir, I am not running a social club. I am running a prison which is a Government institution and this is shown under Section 56 of the Prisons Act, Cap 90 of the Laws of Kenya. What is wrong with that?

**Mr. Orengo:** Mr. Deputy Speaker, Sir, the Constitution is very clear that no person shall be subjected to inhuman and indecent treatment. Whether a person is a prisoner or not, he deserves respect. Segregation is a method which was used in the colonial times and people like the late Jomo Kenyatta were segregated. In South Africa, President Mandela was segregated. The Minister may not be aware that Mr. Koigi Wa Wamwere is a political leader in this country and this type of treatment reflects very badly on the record of this country, in so far as human rights are concerned. Could the Minister assure the House that Mr. Koigi Wa Wamwere and his colleagues will not be subjected to additional punishment? The magistrate did not say that in addition to four years imprisonment, Mr. Koigi Wa Wamwere must suffer an additional punishment of segregation or solitary confinement. Is it not this Government that has subjected Mr. Koigi Wa Wamwere to additional punishment which was not part of the court verdict? Could the Minister tell this House where this verdict of additional punishment is coming from?

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

*(jeers and boos from the Opposition side)*

**Mr. Deputy Speaker:** Order! I have given him the Floor. What is your point of order, Mr. Mutiso?

**The Assistant Minister for Health** (Mutiso): Is the hon. Member in order to mislead this House that segregation is a colonial practice when I personally lived in Naivasha Prison segregation block for nine and a half years? I was imprisoned by the previous Government! Has the law used against me been enacted today or has it been there since Independence?

*(Applause from the Kanu side)*

**Mr. F.L. Lotodo:** Mr. Deputy Speaker, Sir, there is nothing the Minister is going to do about it. Mr. Wamwere and his two colleagues will remain there until such a time the Officer in charge, Kamiti Prison, thinks they should mix with other prisoners. There is nothing I can do about it.

**Prof. Anyang'-Nyong'o:** On a point of order, Mr. Deputy Speaker, Sir. Mine is a very serious point of order. The question that the hon. Member asked is: Why is Mr. Koigi Wa Wamwere and his two colleagues held in solitary confinement? Did the Minister answer that question? If I listened to him carefully he only made the distinction between segregation and solitary confinement. However, the hon. Member wanted to know why this is happening, which question has not been answered by the Minister.

**Mr. F.L. Lotodo:** Mr. Deputy Speaker, Sir, the relevant Section 56 of Chapter 90, Prisons Act, reads---

**An hon. Member:** We know it; just tell us why!

**Mr. F.L. Lotodo:** If you know it, then what do you want? They are segregated under that section of the Act!

**Mr. Deputy Speaker:** Order! Order! I think the Minister is within his rights to answer the question. Maybe, after he reads out what the section says, hon. Anyang'-Nyong'o will be satisfied. I do not see why hon. Members cannot listen to it. Proceed, please.

**Mr. F.L. Lotodo:** Mr. Deputy Speaker, Sir, the relevant section reads:-  
"Whenever it appears to the officer in charge that it is desirable for the good order and discipline of the prison for a prisoner to be segregated and not to work; and not to be associated with other prisoners it shall be lawful for such officer to order the segregation of such prisoner".

**Mr. Deputy Speaker:** Next Order.

### COMMITTEE OF SUPPLY

*(Order for Committee read  
being the 12th allotted Day)*

### MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

Vote 23 - Ministry of Commerce and Industry

*(The Minister for Commerce and  
Industry on 24.10.95)*

*(Resumption of Debate interrupted on 24.10.95)*

**Mr. Deputy Speaker:** Hon. Members, who wants to contribute from either side? Yes, hon. Nassir.

**The Assistant Minister for Information and Broadcasting** (Mr. Nassir): Bw. Naibu Spika, kwanza nakushuru kwa kunipa nafasi hii ili nizungumze juu ya Voti hii ya Wizara ya Biashara na Viwanda. Ninatumaini kwamba Wizara hii itafanya kazi yake vizuri. Pia ninaiomba kila Wizara ambayo imepewa pesa ifanye kazi yake. Juzi, tulipitisha pesa za Ofisi ya Rais, na sasa vikosi vya usalama vinafanya kazi ya kuulinda usalama wa nchi hii.

Ninasikitika kuona kwamba Wabunge 23 wa Upinzani wamesema kwamba mambo yanayofichuliwa na vikosi vya usalama ni ya uongo, na kwamba Ofisi ya Rais inajaribu kuwaogovya Wakenya; pengine wao wenyewe wanaogopa lakini--

**Mr. Munyasia:** On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Assistant Minister to discuss the Vote of the Office of the President when we should be dealing with the Ministry of Commerce and Industry?

**The Assistant Minister for Information and Broadcasting** (Mr. Nassir): Bw. Naibu Spika, mhe. Munyasia atapata nafasi ya kutoa maoni yake. Ninaongea juu ya Wizara zote. Ninasema kwamba ingawa Ofisi ya Rais inafanya kazi yake, watu wengine wanailaumu na pia wanasema kwamba inawaogovya watu. Rais amefanya vizuri kuzungumzia hatari iliyoko badala ya kungoja na kisha ikitokea aulizwe kwa nini hakuwaambia Wakenya juu yake. Ni kweli tuna uhuru wa kuzungumza, ikiwa ni pamoja na uhuru wa kuzungumza hapa Bungeni, lakini uhuru wa kusema mambo mengine inafaa uangaliwe sana. Ni vibaya kumwambia Rais wa nchi akome kuzungumza. Wale wanaosema hivi, wanafikiri hatuwezi kuwaambia viongozi wa vyama vyao wakome kuzungumza? Mnafikiria kuna mtu ambaye hapendwi na mtu mwingine? Kuwadharau watu wengine hapa Kenya kutaleta balaa kubwa hapa nchini!

**Mr. Obwocha:** On a point of order, Mr. Deputy Speaker, Sir. Could you save this House from hon. Nassir by requesting him to stick to the Motion. The Vote on the Office of the President has been passed. We are debating the Vote of the Ministry of Commerce and Industry!

**An hon. Member:** Haelewi!

**The Assistant Minister for Information and Broadcasting** (Mr. Nassir): Bw. Naibu Spika, ninazungumzia Voti hii na ile nyingine kama hii. Sasa, ikiwa watu hawataki kuambiwa ukweli, mbona ninyi mkisema ukweli watu wananyamza? Kwa nini ninyi mkiambiwa, hiki kisu si kichungu kwa binadamu tu, bali hata kwa nguruwe ni kichungu hamtaki kusikia? Kwa hivyo, nilikuwa nikisema mambo kama haya ya kupitisha Voti ili kazi ifanywe na kazi

ikifanywa, nikitoa ripoti, watu wengine wanakasirika na kutoa maneno machafu. Ninawaambia leo na nikifa mtakumbuka, maneno haya machafu mnyatoa hayana maana. Mhe. mmoja amesema kwamba Koigi "is the leader of this country". Is President Moi not a leader? Kwa nini hamheshimu Rais? Mnamheshimu Koigi na hali yuko gerezani. Kwa hivyo, madharau---

*(Loud consultations)*

**The Deputy Speaker:** Order, hon. Nassir!

**The Assistant Minister of Information and Broadcasting** (Mr. Nassir): Haya, waambie wanipatie nafasi niwaambie ukweli.

**Mr. Nyagah:** On a point of order, Mr. Deputy Speaker, Sir. With due respect, I think you need to control hon. Nassir. We have a specific Ministry that we are discussing. We are interested in discussing this Ministry and he has nothing to contribute on it. Would you order him to sit down. What he is saying has got nothing to do with the Ministry.

**The Assistant Minister of Information and Broadcasting** (Mr. Nassir): Bw. Naibu Spika, kama amani, mapenzi na heshima haziko, hata hiyo commerce tutaipeleka vipi? Lazima tueleze ukweli. Tunataka tuheshimiane. Sio wengine kudharau wengine. Maneno yalioandikwa katika magazeti na wabunge 23 wa Upinzani siku nyingine yatafanya watu kupigana. Leo mnasema kwa midomo lakini mwatafuta wengine kuja kuambizana kwa mikono.

**An hon. Member:** On a point of order, Mr. Deputy Speaker, Sir.

**The Assistant Minister of Information and Broadcasting** (Mr. Nassir): Hata hiyo point of order ni ya nini? Nitawaambia tu.

**An hon. Member:** This man is too old!

**The Deputy Speaker:** Order, Mr. Nassir! Please bear in mind the wording of Standing Order No. 87 - the rule of relevance.

**The Assistant Minister of Information and Broadcasting** (Mr. Nassir): Bw. Naibu Spika, tunataka kujaribu kuiongoza nchi hii na hatutaki kuambizana maneno machafu mengi. Tunataka vitendo. Kesho kutwa nina Harambee Mombasa ya watoto maskini wa vyuo vikuu na ninawaomba mje mnisaidie. Maneno mengi ya Bunge hayatawasaidia kuendesha Kenya, wala hayatamtoa Moi. Hayatamtoa hata mkisema maneno gani.

Kwa hayo machache, naunga mkono.

*(Laughter)*

**Mr. Mwaura:** Mr. Deputy Speaker, Sir, thank you very much for giving me this opportunity to contribute to this important Motion and also to support it.

Before I take too long speaking I would like to say that for any country to develop properly and to attract investors, the political climate of that country must be conducive. The Minister for Commerce and Industry, when introducing his Budget yesterday, said that by the year 2010, which is only 25 years away, this country should be industrialized. If we have to achieve that target of the Ministry, which I do not think is possible, we must ensure that our political climate in the country is conducive. When hon. Kibaki spoke here yesterday, he said that for any new investor to come to a country, and this is fact, they usually would try to find out how the political climate of that country is and how other investors in that country are doing and being treated. I would like to tell the Government that for us to attract investors, we must avoid making political pronouncements that tend to frighten the investors. When we continue to say that the country is on the verge of being attacked by foreign mercenaries or that our neighbours are not friendly, such statements would not make investors come to this country to invest because any investor who goes to a country must be sure that his investment will be stable.

*[Mr. Deputy Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, the other area that I think is equally important is that of being friendly to our neighbours. We know that globally even the super powers are creating a climate that enable their nations to invest in their neighbouring countries. In our region, as we know it, the former East African Community, is where this country market commodities sell very very well and unless we are committed to the revival of the East African Community,

where Kenyan commodities sell in large numbers, I do not see how the question of industrialization by the year 2010 is going to be achieved soonest as we expect.

I believe that we must show commitment to COMESA because, as we know, Southern Africa has become a free independent state. South Africa, as a country, is highly industrialized. Unless we become very transparent in our expansion of our commercial sector policy, we are going to turn this country into a dumping ground for products from countries like South Africa. Earlier on yesterday when other speakers spoke there was a question of informal sector. I believe that the informal sector in this country is where most of our people who are not employed depend solely for their survival and must be supported very strongly. When the Minister spoke yesterday, he said that his Ministry does have sources of giving small-scale businessmen loans. As we know, this country has so many university graduates who are roaming the streets without employment. I would urge the Minister to ensure that his Ministry will introduce some loans which should be directed to help these young educated Kenyans who should not be left on the streets to be roaming without sources of income. I am sure that if these people are given Kshs 30 to 40,000 in form of loans they will be able to start some small-scale businesses.

The other area that I would very strongly like to dwell on is that of industrialization. I urge the Ministry to look into the issue of industrialization in this country that we are talking about. For whom are we trying to create a business community? Are we doing it for our indigenous people who after 32 years of Independence do not have a stake in our economy? I would like to urge the Minister to ensure that the indigenous Kenyans are given facilities to enter into business. I counted, when other Members were speaking here yesterday and unless I am wrong, the current Minister for Commerce and Industry was ninth. We have had Ministers like hon. Kiano, hon. Kibaki, hon. Osogo and many others. These Ministers must look back on the many years of their stay in the Ministry for them and the people they lead, to find out what people will say when the history of this country is written. What will the people say they have created or done for the industrialisation of this country, to allow the indigenous Kenyans to become part and parcel of the economy of this country? In Europe, after World War II, it was the Marshall Plan that was introduced by the super powers, especially America that transformed a country like Germany to be highly industrialised. We need to have committed Ministers and officials in the Ministry, and I am told that the current Minister appears to have some commitment to make sure that our people and our economy really takes off. I am sure there is nothing that other countries have done that we cannot do as human beings.

The Minister yesterday talked about other countries like South Africa. He also talked about Madagascar which is a country with a small population but which appears to be doing very well in terms of enabling its own people to dominate their country's economy. I urge the Minister to ensure that with his officials not to tire to labour to create some conducive environment to ensure that our people share the benefits of our economy.

Some Members who spoke here mentioned the Nazi of Germany. All we are trying to say is that the indigenous majority must be allowed to be part and parcel of our economy.

With those few remarks, I support the Motion.

**The Assistant Minister for Commerce and Industry** (Mr. Osogo): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to come in at this stage and make remarks on the Motion. I would like to begin with the remarks that were made by the hon. Member for Kangema, when he said that the Ministry should do all it can to cause balance of payment to be reduced. He was right in saying so but he is a person whom I have a lot of respect for, because when he moved from the Ministry of Commerce and Industry as Permanent Secretary with the Member for Othaya who moved from there as the Minister for Finance, I moved to that Ministry as the Minister for Commerce and Industry and he should have done a bit of research to find out whether there was a bit of improvement in our performance in exporting our goods. He knows exactly where to find these figures, having been in that Ministry and I would like to inform them and the hon. gentlemen across that Kenya is performing very well in exports.

The Government has started Export Promotion Council that should be appreciated, for it is encouraging Kenyans and Kenyan manufacturers to export goods to overseas markets. If I may give an example of the few figures; in 1990 we exported to Britain which is our biggest market overseas about K£218 million worth of goods and it has improved up to last year when that nearly doubled to K£496 million and so is the case with West Germany where we exported about K£137 million worth of goods and last year, it had trebled to about K£332 million. It goes on even to Uganda, we exported in 1990, K£64 million worth of goods and last year, it had gone up to K£544 million. So, we should be given some credit as a Government for this performance because there is improvement and when the Government decided to start Export Promotion Council to try and enhance exports from this country to overseas markets, it was in an effort to try and improve the earning of foreign exchange for our country. Apart from that, the hon. Member again brought up the question of goods coming in without paying duty. This has been happening. There is no crime in admitting sins that have been committed but it is only recently that this House passed the Revenue Authority Act in an effort to try and stop the kind of happenings that were there, where goods could come in and the Customs officers could not collect revenue. So, we enhanced as the Government, the collection of revenue, including the duty on

imported goods. We should be given credit for doing this and we should also give the Authority time to see how it is performing. I think the hon. Members were very unfair to the Government, where they should have at least congratulated the Government for having initiated such moves which are trying to curb the wastages that have been there. The other department which was started in my Ministry is the International Liaison Department which is manned by various experienced security people to take care of the situation where goods which are being imported---

**Mr. Shikuku:** On a point of order! Mr. Temporary Deputy Speaker, Sir. Do you realise that you have got several Members on their feet?

*(Several Members stood up in their places)*

*(The Members sat down)*

**Mr. Osogo:** The department started in the Ministry.

The aim of that department is to see that goods coming in from overseas or neighbouring countries are not off-loaded in Kenya duty free. This unit is doing a lot of good by making sure that such goods are not released into the Kenya market duty free. What used to happen was that those goods would come in destined for Rwanda or Uganda, but end up being sold in Kenya, but this unit is now curbing that because it is following closely, how the goods are moving across the country until they reach their destination. I think the Government should now be given some credit for having established that unit.

Mr. Temporary Deputy Speaker, Sir, attracting investors is one of the point that was raised by the hon. Member for Kangema. He said that there were concessions being given by the Government when he was a Permanent Secretary. Those concessions are still there. They are still there in that, those who are willing to bring in machinery and raw materials and they are putting up industries in rural areas import machinery duty free. We know it from the Financial Act that they are imported duty free. I remember when I was the Minister for Commerce and Industry, that was when Raymond Woollen Mills started. We had to give them a tax holiday for five years, and so was the Pan Paper factory in Webuye. We also gave them tax holiday. These facilities can only be given by the Government to attract investors if the utterances of many politicians in this country can be curbed from both sides of this House. These utterances are scaring away investors. They are emanating from some of the hon. Members of this House. This is not happening because the Government is not giving concessions because is it prepared to give concessions even on electricity. The Government occasionally requests the Kenya Power and Lighting Company to lower electricity rates for those who are investing in the rural areas. Let us not cheat ourselves by pretending that when we say anything that would scare away investors, we are not doing more harm to this country. There is this culture of everybody saying anything and goes away scot-free. Even on the side of the Government, frightening utterances are made and one wonders whether the Government has spokesmen. You find even a KANU leader saying something on behalf of the Government which is very dangerous and that must be curbed and stopped from both sides of the House.

Mr. Temporary Deputy Speaker, Sir, having said that, may I now give a bit of advice to hon. Mungai from Molo who said that the Government is not protecting Kenyans. This is not true because it will be remembered that when I was the Minister for Commerce and Industry, the Government had areas called General Business areas which were degazetted. For example, the industrial areas, River Road and Biashara Street were earmarked for Africans. That was during the period when businesses were being Kenyanised in this country. The Government did that. After a year, the people we had given shops on River Road and Biashara Street sold them back to the Indians. The Asians or Indians took over those shops again. When I go there, I get upset so much that I think I did no job at all by trying to Africanise that area.

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

**The Member for Kipipiri** (Mr. Githiomi): Mr. Temporary Deputy Speaker, Sir, my name is Paul Githiomi Mwangi the new hon. Member for Kipipiri.

Mr. Temporary Deputy Speaker, Sir, this being my first time to have a chance to speak in this House, I would like to thank the Kipipiri constituents for having elected me their representative against all odds.

*(Applause)*

I say against all odds because the whole Government machinery was set to work against me, but through the grace of God I beat them all. I will never forget to thank the Opposition Members of Parliament for the sleepless nights they spent and for their hard work to see me through to this House. I would not also forget to thank the KANU MPs for having been inefficient, deficient and disorganised with their campaigns, making it easy for me to come to this House. They should repeat it in future.

Mr. Temporary Deputy Speaker, Sir, I hail from a constituency which has been surrounded by districts with good roads. Unfortunately, it is like we are in an island which has been surrounded by developed world. I urge this House to consider developing the roads in Kipipiri and particularly, to consider even tarmacking one road.

Mr. Temporary Deputy Speaker, Sir, it is important to mention here that powerful politicians and senior civil servants have been dishing out land in Kipipiri the way they like, leaving impoverished members of the society without land, and yet we are talking of industrialisation here. We are talking about people who are supposed to be agriculturalists but they have no land and yet, they are expected to produce raw materials to be used in those industries.

It hurts me to sit in this House and hear Government Ministers asking for funds while in Kipipiri, Government's funds were being used to campaign for the KANU candidate. They were using senior civil servants; PCs, PSs and DCs to campaign for the KANU candidate and yet those civil servants are paid from public coffers. I urge this House to stop this practice because it is going to make all communities poorer and poorer in the future.

Mr. Temporary Deputy Speaker, Sir, during the last campaigns in Kipipiri, several tractors and motor graders were taken there to grade the roads. Unfortunately, all the motor graders were withdrawn when the KANU candidate was defeated. I urge this House to consider taking the graders back. I hope the same graders are not going to be used as a ploy to lure the people of Siakago to vote for the KANU candidate during the forthcoming by-election. I also hope that they will not be taken to Nyatike Constituency because this is a pure ploy to lure voters to vote for KANU.

There was also an electrification project that was being initiated but all the poles were retrieved by the Government when KANU failed to secure the seat. It is my hope that the Minister will consider taking them back to Kipipiri for the electrification purpose.

On the issue of industrialisation, I request that we do not think only of industrialisation in those big towns. I suggest that the industrialisation be spread all over the country. By doing that, the rural community will get electricity and that is why I am saying that those poles should be taken back to Kipipiri so that they can be used for that purpose.

The rural community should also be given incentives, so that they can be able to embark on industrialisation projects. Industries are vital for this country because they create jobs. When you walk on the streets of Nairobi, you find so many jobless people. It is not because they cannot work, if given a chance to work; it is because the economy of this country has been looted and it is in the hands of very few powerful politicians who are not more than 20. When we are in this House, we should seek ways of curbing this practice of looting Government funds. Thank you.

*(Applause)*

**The Assistant Minister for Local Government** (Mr. Walji): Thank you Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I have heard the hon. Minister, saying that K£15 million will be used to give loans to 39,000 small-scale traders. Yesterday, we had a lot of arguments against the members of Asian community by some of the hon. Members and I would like to reply by saying that Asians, if those hon. Members do not know, are born businessmen. It is no use fighting these Asians but I suggest that we should try and ask them to help us on how we can encourage the local people, so that they can join them in business ventures. If we continue spending K£15 million for 39,000 traders, if you calculate, that is K£384 which is about KShs7,500 per trader out of which you have to pay licences first. I am wondering what help is that to the ordinary small-scale traders. You cannot even start a kiosk with KShs.7,000 today.

Mr. Temporary Deputy Speaker, Sir, another issue I would like to talk about is on the Export Promotion Council. We have seen that they are giving extra benefits to the foreigners to come and invest in this country when there are many local people, who have money stashed away in overseas countries and can bring the money back to Kenya. If they are given incentives like tax-free trading for 10 years, the way the Export Promotion Council gives to the foreign investors, this can benefit our local traders. Why not give those incentives to our own people in Kenya.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, regarding the Rent Restriction Tribunal for which the Ministry has requested funds, local Africans cannot afford to rent premises in the centre of towns because of the huge goodwill which is demanded by the landlords. Not only goodwill, but the rents are very high and I am sure, if a local trader pays rent for one month, then he goes bankrupt immediately.

I suggest and urge the people concerned to look into the issue of bringing rents down on the business premises. This should not only be restricted to business premises but also to residential houses. This is because you have to remember that any businessman who spends about Kshs.50,000 on rent for a three bedrooomed flat or maisonette, then obviously, he is going to charge that money from the ordinary mwananchi so that he can succeed in

his business. I suggest that the authorities should implement recommendations of the Rent Restriction Tribunal, so that the local traders can really benefit because that is how we can bring them up step by step.

One hon. Member asked how many African traders are there in India. I would like to say that those Asians who are in Kenya are all citizen of this country and I suggest that we should not bring in any racism or tribalism among ourselves. I, as a Member of Parliament, would very much want to help any African to develop his skills in business, and I mean it.

Regarding the trade licences provided by the Ministry of Commerce and Industry, they should publicise the requirements in the newspapers, instead of people running around at Nyayo House, trying to give bribes to the ordinary Trade Officers so that their licences can be processed fast. To stop this illegal practice, I suggest that the Ministry should, all the time, advertise in the newspapers what the requirements are for any small-scale trader or an industrialist to acquire trade licences from those places.

Mr. Temporary Deputy Speaker, Sir, with those few points, I beg to support the Vote.

**Mr. Shikuku:** Asante sana Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii. Jambo la kwanza ningependa kuuliza wazi, kama mmoja wa wale waliokuwa wakipigania Uhuru, ni kwa nini tulitaka Uhuru. Tulitaka Uhuru kutoka kwa utawala wa ukoloni wa Mwingereza, kwa sababu tulitaka tuwe na Uhuru wa kujitawala; Uhuru wa uchumi na Uhuru wa kijamii, ili tuwe huru kabisa.

Bw. Naibu Spika wa Muda, tumepata Kitu kimoja na nusu. Uhuru wa kujitawala tumepata, sawa. Bendera zinapepea hata kwa magari ya Mawaziri na katika nyumba kubwa kubwa hapa. Lakini Uhuru wa uchumi hatujapata. Mimi nitasema haya na nitarudia mwaka huu, mwaka ujao mpaka nife kwa sababu Uhuru ---

**The Minister for Home Affairs & National Heritage (Mr. Lotodo):** Bw. Naibu Spika wa Muda, Mhe. Shikuku amesema kwamba bendera zinapepea kwa magari ya Mawaziri na hata kwa nyumba zao. Ni nyumba gani ya Waziri ina bendera juu yake? Bendera hupepea tu katika Ikulu na nyumba nyingine za Serikali.

**Mr. Shikuku:** Bw. Naibu Spika wa Muda, huyu Waziri asichukue muda wangu. Nimesema kwamba bendera ya Kenya hupepea kwa magari ya Mawaziri na pia katika Ofisi za Serikali. Huu ndio ukweli mchungu. Uhuru wa uchumi bado tunausia. Yule Mwafrika aliyekufa na yule aliyepata taabu, mpaka leo hajapata lolote isipokuwa dhiki na taabu. Uhuru huo nitaauliza hata ikiwa nitarudia mara ngapi kwa sababu nimechaguliwa kuja katika Bunge hili kusema maneno ya watu wangu.

Sikuchaguliwa kufanya Harambee! Uhuru huu haupo, fedha zetu zinachukuliwa na nimesema hapa katika Bunge hili, zimechukuliwa na rafiki zetu ambao ni Wahindi. Nimesema katika Bunge hili na nikathibitisha. Hata juzi katika gazeti la *East African Standard*, walionyesha kiasi cha pesa zilizochukuliwa. Shilingi 460,565,000.00 zimeenda nje ya nchi hii na zimepelekwa na ndugu zangu Wahindi.

**The member for Kipipiri (Mr. Githiomi)** The rural community should also be given incentives so that they can be able to embark on industrialisation projects. Industries are vital for this country because they create jobs. When you walk on the streets of Nairobi, you find so many jobless people. It is not because they cannot work, if given a chance to work, it is because the economy of this country has been looted and it is in the hands of very few powerful politicians who are not more than 20. When we are in this House, we should seek ways of curbing this practice of looting Government funds. Thank you.

(Applause)

**The Assistant Minister for Local Government (Mr. Walji):** Thank you Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I have heard the hon. Minister, saying that K£15 million will be used to give loans to 39,000 small-scale traders. Yesterday, we had a lot of arguments against the members of Asian community by some of the hon. Members and I would like to reply by saying that Asians, if those hon. Members do not know, are born businessmen. It is no use fighting these Asians but I would suggest that we should try and ask them to help us on how we can improve the local people, so that they can join them in business ventures. If we continue spending K£15 million for 39,000 traders, if you calculate, that is K£384 which is about KShs7,500 per trader out of which you have to pay licences first. I am wondering what help is that to the ordinary small-scale traders. You cannot even start a kiosk with KShs.7,000 today.

Mr. Temporary Deputy Speaker, Sir, another issue I would like to talk about is on the Export Promotion Council. We have seen that they are giving extra benefits to the foreigners to come and invest in this country when there are a lot of local people, who have money stashed away in overseas countries who can bring the money back to Kenya. If they are given incentives like tax-free trading for 10 years the way the Export Promotion Council gives to the foreign investors, this can benefit our local traders. Why not give those incentives to our own people in Kenya.

(Applause)

Mr. Temporary Deputy Speaker, Sir, regarding the Rent Restriction Tribunal where the Ministry has asked for funds, the local Africans cannot afford to rent premises in the centres of town because of the large goodwill which is demanded by the landlords. Not only goodwill, but the rents are very high and I am sure, if a local trader pays rent for one month then he goes bankrupt immediately. I would suggest and urge the people concern to look into the issue of bringing rents down on the business premises. This should not only be restricted to business premises but also to residential houses. This is because you have to remember that any businessman who spends about Kshs50,000 on rent for a three bedroomed flat or maisonette, then obviously he is going to charge that money from the ordinary mwananchi so that he can succeed in his business. I suggest that the authorities should implement recommendations of the Rent Restriction Tribunal, so that the local traders can really benefit because that is how we can bring them up step by step.

One hon. Member asked how many African traders are there in India. I would like to say that those Asians who are in Kenya are all citizen of this country and I suggest that we should not bring in any racialism or tribalism within ourselves. I, as a Member of Parliament, would very much want to help any African to develop his skills in business, and I mean it.

Regarding the trade licences provided by the Ministry of Commerce and Industry, they should publicise the requirements in the newspapers, instead of people running around at Nyayo House, trying to give bribes to the ordinary Trade Officers so that their licences can be processed fast. To stop this illegal practice I suggest that the Ministry should, all the time, advertise in the newspapers what the requirements are for any small-scale trader or an industrialist to acquire trade licences from those places.

Mr. Temporary Deputy Speaker, Sir, with those few points, I beg to support the Vote.

**Mr. Shikuku:** Asante sana Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii. Jambo la kwanza ningependa kuuliza wazi, kama mmoja wale waliokuwa wakipiginia Uhuru, ni kwa nini tulitaka Uhuru. Tulitaka Uhuru kutoka kwa utawala wa ukoloni wa Mwingereza, kwa sababu tulitaka tuwe na Uhuru wa kujitawala; Uhuru wa uchumi na Uhuru wa kijamii ili tuwe huru kabisa.

Bw. Naibu Spika wa Muda, tumepata Kitu kimoja na nusu. Uhuru wa kujitawala tumepata, sawa. Bendera zinapepea hata kwa magari ya Mawaziri na katika nyumba kubwa kubwa hapa. Lakini Uhuru wa uchumi hatujapata. Mimi nitasema haya na nitarudia mwaka huu, mwaka ujao mpaka nife kwa sababu Uhuru ---

**The Minister for Home Affairs & National Heritage (Mr. Lotodo):** Bw. Naibu Spika wa Muda, Mhe. Shikuku amesema kwamba bendera zinapepea kwa magari ya Mawaziri na hata kwa nyumba zao. Ni nyumba gani ya Waziri ina bendera juu yake? Bendera hupepea tu katika Ikulu na nyumba nyingine za Serikali.

**Mr. Shikuku:** Bw. Naibu Spika wa Muda, huyu Waziri asichukue muda wangu. Nimesema kwamba bendera ya Kenya hupepea kwa magari ya Mawaziri na pia katika Ofisi za Serikali. Huu ndio ukweli mchungu. Uhuru wa uchumi bado tunausia. Yule Mwafrika aliyekufa na yule aliyepata taabu, mpaka leo hajapata lolote isipokuwa dhiki na taabu. Uhuru huo nitaauliza hata ikiwa nitarudia mara ngapi kwa sababu nimechaguliwa kuja katika Bunge hili kusema maneno ya watu wangu. Sikuchaguliwa kufanya Harambee! Uhuru huu haupo, fedha zetu zinachukuliwa na nimesema hapa katika Bunge hili zimechukuliwa rafiki zetu ambao ni Wahindi. Nimesema katika Bunge hili na nikathibitisha. Hata juzi katika gazeti la *Standard*, walionyesha kiasi cha pesa zilizochukuliwa. Shilingi 460,565,000.00 zimekwenda nje ya nchi hii na zimepelekwa na ndugu zangu Wahindi. Wahindi walikamatwa na Judge Guy Muli akasema; "*nolle prosequi*" na iko hapa katika gazeti hili la *Sunday Standard* la tarehe 22, na ukiisoma unaweza kulia na huku Mwafrika anaambiwa "kaa hivyo, hivyo na Mungu akusaidie."

(Laughter)

Bw. Naibu Spika wa Muda, sisi tulitaka Uhuru wa uchumi. Afadhali nisipewe bendera lakini niwe na uhuru wa uchumi. Saa hii wakiniuliza, "wataka namna gani na hii bendera?" Nitawaambia, "chukua bendera lakini nipe uhuru wa uchumi". Lakini Serikali yetu haioni hilo ni jambo la maana. Ninakumbuka mhe. Osogo amesema hapa kwamba nilikuwa Waziri Msaidizi katika Wizara ya Mambo ya Ndani wakati Mtukufu Rais alipokuwa Waziri wa Mambo ya Ndani. Wakati huo tulifanya Africanisation, tukajaribu kuwapa Wafrika madaraka ya kuendesha biashara na tukawapa Wahindi "quick notices", na Biashara Street ikachukuliwa yote na Wafrika, tukaingia hata Tom Mboya tukachukua yote.

Bw. Naibu Spika wa Muda, ajabu ni kwamba wakati huo, watu wote hawakuwa na ujuzi wa kuushika uchumi wa nchi hii na kufanya biashara. Walipewa na wakashindwa. Halafu wale Wahindi wote wakarudi, wamejaa sasa na hata River Road, ukipita huko, humuoni Mwafrika. Na huku tunaambiwa, "Uhuru uko, Uhuru na demokrasia ziko", lakini ni watu wachache tu ambao wameshika uhuru wa biashara na sisi wengine ni



kuusikiliza tu. Hatuoni. Hii ni hatari.

**An hon. Member:** Hatari kabisa!

**Mr. Shikuku:** Bw. Naibu Spika wa Muda, hata tukienda kanisani kuomba ati haya mambo yakae hivyo, hivyo, hayatakaa hivyo, hivyo; yatatokea matata mwisho wake. Hii ni kwa sababu hawawezi kuendelea kula na sisi kuangalia tu. No way!

Ninakubaliana na mhe. Walji aliposema na pia mimi nimesema hivyo katika Bunge hili - kwamba wakati umefika ambapo Wahindi wale wanasema ni wananchi wa Kenya, waanze kuwafundisha Wafrika biashara ili waende pamoja. Lakini wakikataa, na vile wanavyoenda kukataa, hiyo ni hatari kwao. Hata ukiwa na ndugu yako na wewe unakula na yeye hali, yeye, siku moja atachukua hiyo chakula kutoka mdomoni wako.

Ningependa kuuliza jambo hili: Saa hii Mwafrika akijaribu kufanya biashara kidogo, Serikali hii tukufu inavunja, vunja hizo kiosks zote na yale mali yao kidogo yote yanaharibiwa na hawajali hao watu watakwenda wapi. Hii, ni Serikali ya Wafrika, na inafanya hayo kwa Wafrika wenzao, na huku tunaambiwa "tingisha kidole, tingisha, tingisha".

*(Hon. Shikuku addressed the House  
raising his finger)*

*(Laughter)*

Hicho kidole hakiwezi kukulika. Na unatingisha nini?

**An hon. Member:** Juu, juu zaidi!

**Mr. Shikuku:** Bw. Naibu Spika wa Muda, sasa umefika wakati wa kuanza Africanisation nyingine. Ninasema hivyo kwa sababu wale Wafrika wale wameshaendesha biashara ya kiosks wameshapata ujuzi. Sasa wapewe maduka na wataendesha, lakini wakati ule hawakuwa na ujuzi. Kama Serikali haitafanya hivyo, tunakalia a time bomb.

Hii habari ya kuvunja, vunja viosks, inaleta umaskini zaidi. Watu wanakosa kazi na wakijaribu kupata kitu kidogo kutoka kwa viosks, vinavunjwa, wanaachwa hivyo, hivyo, halafu watoto wao wanakosa karo ya shule. Hii ni "improvement policy" ya Serikali ya Kanu ni mbaya sana na wananchi wayajua hivyo.

Jambo lingine ni hili: Ukiwa mwananchi wa Kenya, usiwe msaliti. Nina ushahidi hapa kuhusu wengine waliopewa citizenship na hali ni wasaliti. Nilisema hapa siku moja katika Bunge hili kwamba Assistant Minister for Tourism and Wildlife, mhe. Jan Mohamed alikuwa "paper citizen". Bw. Njonjo alikuwa karibu kuniua hapa, lakini baadaye, ukweli ulitokea. Bw. Mohamed alitoroka na pesa chungu nzima na akaenda.

**An hon. Member:** Mpaka wa leo!

**Mr. Shikuku:** Mpaka leo hajarudi. Akiwa huko ngambo, akamuandikia marehemu Mzee Kenyatta akamwambia; "sitaki citizenship na hata Assistant Minister" na akaenda na fedha zetu. Kuna wengine hapa, hata washapewa EBS ambao wananyonya nchi hii. Wanachukua fedha kutoka Kenya kupeleka ng'ambo. Mimi ninamuunga mkono, Ambassador wa United States, aliposema: "Since you want us to invest in Kenya, how about bringing back your money that you have stacked outside your own borders? Kwa nini tunataka investment, kama sisi wenyewe tumeiba pesa zetu na tumeziweka ng'ambo? Wakati umefika, na hatujachelewa, ili wale waliopoleka pesa ng'ambo, warudishe pesa hapa vile Mhe. Walji amesema, warudishe pesa hapa ili watu wa nje nao walete pesa hapa. Hawawezi kuleta pesa hapa ikiwa sisi wenyewe tunaiba pesa zetu na kuweka nje.

*(Applause)*

Hata Mungu amechoka na watu wa Kenya, hasa wale matajiri wanaopeleka pesa nje, Mungu amechoka na nyinyi. Mnaua watu wenu wenyewe. Kwa hivyo, turudishe pesa zetu kwanza. Kuna mmoja ambao alipewa citizenship, akaenda akafanya agreement na actors na actresses kutoka India waje hapa to shoot a film. Ajabu ni kwamba tikiti ambao walivyotumia hawakutoa hata ndururu. Not a single foreign exchange earning came into the country as a result of their visit to Kenya. Walitumia shillingi za Kenya kupanda ndege, tena wakauliza Wizara ya Fedha iwape waiver. Halafu wakaja hapa Kenya na hawakutumia hata ndururu moja. Na ajabu ni kwamba huyo mwana Kenya ambao amepewa citizenship, alifanya film hapa, hoteli ililipwa kwa shillingi za Kenya na walipomaliza, wakaenda ng'ambo na akafanya agreement na hao wakasema, hakuna haja ya kuleta pesa zozote, hata ndururu hapa Kenya. Na huyo ni mwana Kenya. Anaitwa Ajay Shah.

The most terrible part of that agreement inasema kwamba hatarudisha ndururu yoyote hapa Kenya na yeye bado ni mwana Kenya na alipewa medali ya EBS. Agreement inasema: "Kenya side has understood and agreed and accordingly undertakes that income derived in India from the said film,

under no circumstances would be repatriated abroad"

Yaani pesa hizo zote zimewekwa huko, hatukupata hata ndururu, na yeye ni mwana Kenya. Huyu mutu, lazima ang'olewe, na apelekwe kwao.

**An hon. Member:** Table all that!

**The Temporary Deputy Speaker** (Mr. Wetangula): Mr. Shikuku, your time is up!

**Mr. Shikuku:** Na hii makaratasi yote, ninaweka hapa.

*(Mr. Shikuku laid the documents on the Table)*

**Mr. G.G. Kariuki:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to say a few things on this particular---

**An hon. Member:** Speak loudly. We want to hear you!

**The Temporary Deputy Speaker** (Mr. Wetangula): Mr. Kariuki, speak from here.

*(Mr. G.G. Kariuki moved to the microphone on the Table)*

**Mr. G.G. Kariuki:** Mr. Temporary Deputy Speaker, Sir, although I have been here for many years, I never used to talk from there.

**An hon. Member:** Pole sana!

**Mr. G.G. Kariuki:** That is why I am very grateful for allowing me to come forward and give my contribution.

Kenya could be among the industrialised countries before the year that the Minister has mentioned That can only be achieved if several things are going to be done.

**Mr. Obwocha:** On a point of, Mr. Temporary Deputy Speaker, Sir. Under Standing Order No.172, the Front Bench is reserved for only Cabinet Ministers and the Assistants Ministers. There was a ruling from the Chair, the other day about hon. Biwott addressing this House from there. Now, is the nominated hon. Member in order to address this House from the same forum when he is a Back-bencher?

**The Temporary Deputy Speaker** (Mr. Wetangula): Have you read that Standing Order Properly?

**Mr. Obwocha:** Yes.

**The Temporary Deputy Speaker** (Mr. Wetangula): Do you understand the English language?

*(Laughter)*

**Mr. Obwocha:** Maybe, it is the interpretation that I do not understand.

**Mr. G.G. Kariuki:** Mr. Temporary Deputy Speaker, Sir, it is a bit unfortunate that we are joking even about matters that should not be joked about. I have been in this House for many years and I did not have to look at the Standing Orders to know that an hon. Member can speak from anywhere in this House.

**The Temporary Deputy Speaker** (Mr. Wetangula): Order, Mr. Kariuki. The Standing Order says: "All seats on the front benches of the Chamber shall be reserved for the exclusive use of Ministers". It does not mention microphones. Carry on!

**Mr. G.G. Kariuki:** Thank you, Mr. Temporary Deputy Speaker, Sir.

**An hon. Member:** On a point of order, Mr. Temporary Deputy Speaker, Sir!

**The Temporary Deputy Speaker** (Mr. Wetangula): If that is on the same issue, then you are out of order. Carry on, Mr. Kariuki.

**Mr. G.G. Kariuki:** Mr. Temporary Deputy Speaker, Sir, I am grateful for your decision. What I am trying to say, although my time is being played about with, is that if we want this country to be industrialised in the next several years to come, a lot has to be done. We have to revolutionize our concepts as far as business and commerce are concerned, if we want to get where we are talking about. However, if we just come here every year and give promises like the one we gave, that by the year 2000, everyone would have piped water in his own house, this will not be possible. Even this one may not be possible unless we take serious decisions, regardless of what foreigners will say about Kenya. This is where we call upon all the Members of Parliament, including the Opposition, to join hands with the Government and make sure that by the year 2010, something will have been done, as already promised.

Mr. Temporary Deputy Speaker, Sir, quite a number of things must be done. We have to change our concept

on the education system of this country. We have to decide whether we want graduates to be on the streets without jobs or we want technicians who will be helping the few graduates that we will have in the years to come. What we are lacking today is decisions to be taken and to be implemented. This House has almost degenerated into a "talking house". It is very unfortunate if what we are saying here will not be implemented in the next few years because, one thing we must do is to decide. The other day, when the President came back from Malaysia, he said that we need to review our education system again. I think this should penetrate people's ears, so that they can understand, especially, those who are in charge of implementing decisions of the Government. If we want to succeed, we have to forget about having white people here doing business. Let us get those successful Indians who are in this country and who have done quite a lot of work before. Those successful ones should be encouraged to get into joint ventures with people from the Far East, especially---

**Mr. Obwocha:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Under Standing Order No.78---

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Obwocha, are you going back to that issue?

**Mr. Obwocha:** Yes. Under Standing Order No.78---

**The Temporary Deputy Speaker (Mr. Wetangula):** Order! You are totally out of order!

**Mr. G.G. Kariuki:** Mr. Temporary Deputy Speaker, Sir, it is unfortunate that the House is composed of hon. Members who do not take others seriously. This is not a joking house. Let us be serious. Even if I am out of order, let me finish my point.

What I am trying to say is that, if we want to industrialize this nation, we have to get people from Malaysia, Indonesia and all those other countries to come and do business with the Kenyan business people who understand businesses. We should not eat our cake and have it. We do not want foreigners to occupy certain businesses and, at the same time, we want our people to be employed. We have to be serious. We should say to our Asian friends, if you are able to bring a certain industry to this country with the support of your brothers and sisters at home, you will also have our support. All we want here is generation of income and employment and also to be able to re-export. There are countries like Japan which do not have raw materials, but they import raw materials and process them for re-export. As a result, it has become a super-power in terms of business. That is why I am saying that if we have to make a decision to achieve what we intend to achieve in the next many years to come, we have to be different people from what we have been. We have to be able to discharge our duties without fear because, presently, we rely on exporting to Britain. In 1994, we exported goods worth K£496.61 million but we imported from the same country goods worth about K£757 million. These are countries which can never make another country survive in terms of trade. Their goods are very expensive and not purchasable by the African countries. Why do we then not turn to other countries? We should use our resources to sell our name in the Far East and South East Asia and so forth and import from them things like medicine. If you import medicine from China or India and then compare with imports from Britain and Germany, the difference in costs is colossal.

The Ministry of Tourism and Wildlife is spending a lot of money going to Europe and other overseas countries to sell Kenya's name in the tourist business. Why do we not do the same with the Asian countries in relation to exports? This is the business that the so called Export Promotion Council should be doing. They should get enough money from our Budget and sell our name overseas, but even that will not be enough. Even here at home, we must create an environment which is acceptable to the external supporters of our business. Now, they do not know who will come into power in 1997 because of our local and international bickering, since everyone of us wants to become the President. Do you expect them to import from us? I think we should also change our attitudes as Members of Parliament. I am glad that hon. Odinga is nodding because he is among the people who need to support this country.

I wish to support.

**Mr. Busolo:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion.

I rise to support the Vote of this Ministry, but with a few remarks, nonetheless. We all know that in the current period of world history, we are dealing with a transnational economy, which economy requires, for countries like ours, access to capital, technology, markets as well as knowledge.

Mr. Temporary Deputy Speaker, as a small country, we need to be in a position to understand what level we occupy in this transnational economy. We need to understand this because we have moved [**Mr. Busolo**] historically from competitive trade to complimentary trade, to a level where those in commerce and industry are talking of adversarial relationship within the world economy.

At the stage of adversarial relationships in the world economy, the relationship among the world economies is one of wiping out each other. If that is the stage that we are in, it means we require huge volumes of scale in order to operate. That means that for a country like ours, we need to unite with the other countries like Tanzania and Uganda, we need to participate in COMESA, and the Preferential Trade Area (PTA). It is through such volumes of scale that

we can acquire a critical mass of volume of export which can organize our economies and industries. So, it is important that this Ministry considers the question of regionalizing and entering into regional blocks, so that these countries can become a big economic power just like NAFTA, EEC and such other bodies.

Mr. Temporary Deputy Speaker, I also think this Ministry requires to look into the question of the policy in the area of taxation. It seems to me that when most of our small businesses are just beginning, they are subjected to a lot of taxes. I would like the Ministry, in this area, to liaise with the other relevant Ministries or departments to do with taxation, to look into this taxation regime, because we know that for a small business, the first few years, really, profits are an accounting fiction. I think the Ministry requires to liaise with the taxation regime so that perhaps, small businesses could be exempted from the taxation regime to arrive at the stage where they can gain more profit and in that way, probably, they will even provide more profit and even yield a higher tax base for this country.

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

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

Similarly, Mr. Temporary Deputy Sir, I think that small businesses, in as much as they are taxed, and I am suggesting that the Ministry needs to look into this matter so that they are exempted; if that is not possible, they should be allowed to charge the Government a certain fee, because in the first place, they are small businesses, but then they have to employ somebody to look into the area of taxation like VAT and NSSF deductions from their workers. These kind of people also eat into these small businesses' profits, and I think if that continues, they should be allowed to charge the Government a certain fee beyond their income.

Mr. Temporary Deputy Speaker, I would also like to touch on the question of foreign policy. In the kind of world we are living in, in as much as this is not a Vote on the Ministry of Foreign Affairs and International Co-operation, trade needs to be the corner stone of the foreign policy of this country. If that was the policy, then this Ministry would become more active. Commercial attaches would be well trained. I have had the opportunity of living for four or five years in the United States and I only have very grim comments to make about some of our commercial attaches because they have no idea of what they are doing. I think this is an area that this Ministry needs to look into, so that in the kind of world we live in, trade should be the corner stone. That is what will determine which country we should relate to and which area of the world we should relate to. In that way, this Ministry will have a lot to contribute and I think we will leave it to their staff and other people to organize the Ministry in that area.

Mr. Temporary Deputy Speaker Sir, when it comes to the domestic level, most of the trade, commerce and industrial enterprises of this country are monopolised by very few people. Just to give an example, in the area of freight, clearing and forwarding, you cannot count many names but just one or two names of very powerful figures. If this continues, particularly with the state connection that those kind of fellows enjoy other clearing kind of ventures, then it means many other people who could be in this area and perhaps employ other people are suffering. So, I think it is high time that we removed monopolies in areas of that kind, so that anybody can have access to them instead of people who have very strong links to the State monopolising them.

Mr. Temporary Deputy Speaker, also at the domestic level, in my district, Bungoma District, when you look at the Government Development Plan, for the past five years, this Ministry ought to have constructed through the Government of Kenya funds, a sifted maize milling factory in Bungoma Town, stone crushing for building industries, soap manufacturing, printing press for education purposes, brick and tile making, horticultural products processing and packaging industries. However, they just remain on the paper.

In as much as I support the Vote, these things that appear on paper with the development programme for Bungoma within this Ministry also need to be implemented, so that this Ministry can move into Bungoma and say; yes, the Government is doing something. If those kind of programmes are not implemented, then the Government has no business telling the people in Bungoma, that they are doing something there.

Mr. Temporary Deputy Speaker, Sir, there is the question of Jua Kali. In as much as it is good Government policy to support Jua Kali, the Jua Kali sector in Bungoma district has no sheds. Yes, it is really Jua Kali, and if the Government cannot organise to construct sheds for them, if it cannot even go to the foundations like the Asian Foundation and other foundations to give this Jua Kali some sheds, then, really, we cannot talk about the Government supporting Jua Kali.

Mr. Temporary Deputy Speaker, Sir, finally, there is the question of the Asians and business. I think the problem here is the question of Kenyanization. Asians were integrating with each and everybody in this country, but the Africanisation and Kenyanization policy took Asians and segregated them in urban areas and thus, they became

urban dwellers. Secondly, the question of Asians should be looked into terms of the social agencies of businesses and the economy. If we are talking about business, we must have a business club. If Asians are in the business, let them do business. If other communities are in business, let them do business because nature seems also to have endowed us. Some people are good at herding cattle, other people are good at fishing. They are endowed by God to do different Services. It does not mean that they have to limit themselves to those practices alone, but I think sometimes, we have been unfair to the Asian community. In fact, it is we Africans who are the conduits for some of these Asians who do some of the things they do. So, I think the wholesale policy of condemning the Asian business community is not correct.

Mr. Temporary Deputy Speaker, Sir, I will end there and support the Motion so that I give time to other people to speak.

**Mr. Nthenge:** Ashante sana, Bw. Naibu Spika wa Muda. Mimi nataka kusema hivi: Nchi hii ilikuwa mikononi mwa wakoloni.

### QUORUM

**Mr. Nyagah:** On a point of order. Mr. Temporary Deputy Speaker Sir. Could we have some quorum in this House?

**The Temporary Deputy Speaker (Mr. G. G. Kariuki):** Ring the Bell:

*(The Division Bell was rung)*

**The Temporary Deputy Speaker (Mr. G.G. Kariuki):** We have a quorum now. Proceed Mr. Nthenge.

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

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

**Mr. Nthenge:** Asante sana Bwana Naibu Spika wa Muda. Nimeona nizungumze kwa Kiswahili kwa sababu Kiswahili ni chetu na mtu asiyeheshimu chake, ana kasoro mahali fulani. Pamoja na hayo, nisemalo ni kwamba biashara na uchumi wa nchi hii, pia ni zetu, na hapa ni kwetu. Mtu yeyote ambaye amekata kauli kuishi Kenya yuko huru kuishi na kule kuwapendelea wageni wanaokuja kufanya biashara na ikiwa Walji na Nthenge wameomba leseni na hawapigi magoti, na wanadharauliwa na huyo mgeni anapewa, hiyo si haki. Ingekuwa tumekosa mtu wetu anayetaka hiyo leseni, basi inaweza kutolewa kwa huyo mgeni ambaye amekuja. Nataka kuambia Waziri wa Biashara na Viwanda kwamba awe na mpango wa kusema kama mimi nina pointi kumi na mimi ni Mwafrika, mimi ni Mkenya na yule Bwana mgeni Mzungu ana pointi kuniliko, kwanza mimi nipewe, kwa sababu hapa ni kwetu na sina makao mengine. Nimeulizwa mara nyingi; "Je, Mwafrika maskini atafanyaje?"

Bwana Naibu Spika wa Muda, wakati wa ukoloni, tulipotaka kuchukua mashamba ya Wazungu tulisema; "Wafrika hatuna pesa". Lakini tulikusanya pesa watu wengi pamoja na tukanunua shamba moja. Kwa hivyo, nataka kumueleza Waziri suluhisho ni kuwaunganisha watu katika makundi, ili waweze kuanzisha viwanda. Hii ni kwa sababu kuanzisha kiwanda ni jambo linalohitaji pesa nyingi na Mwafrika hawezi. Mwafrika ni lazima aingie katika biashara hata hizo kubwa. Badala ya kwenda peke yake, inafaa aende na wenzake.

Jambo lingine ni hili lililoanza wakati wetu. Mimi nina shida kidogo kwa sababu mimi huzungumza mambo ya zamani. Tulikuwa tumepanga kwamba Mhindi na Mwafrika, waungane pamoja ili mmoja afundishe mwenzake, ili waweze kwenda pamoja sababu wote ni wananchi wa Kenya ambao wataishi hapa maisha yao yote. Basi, tunaanza biashara pamoja na baada ya miaka kadhaa, huyo Mwafrika atakuwa amepata ujuzi. Kwa hivyo, huwezi kujua kitu kama ujajifunza. Huwezi kujua kitu kama hukifanyi. Huwezi kumuambia mtu "Nakufundisha gari" na humpatii steering. Lazima umwachie gari ajaribu, aende kombo kidogo na mwisho, atazoea kuliendesha vizuri. Kwa hivyo, nasema kwamba Mwafrika lazima ashirikishwe katika biashara wageni wapende wasipende. Wageni wakiulizwa watasema: "Tunataka nafasi ya kwanza." Na siku hizi kumekuwa hata wageni wengine wanakwambia: "Hata nikitaka kumwuona nani Kenya, nitamwuona mbele yako". Kwa sababu gani? Ni kwa sababu yeye ana pesa za kuhongana akisema ni za harambee. Ikiwa Walji na Nthenge wanaenda kuzungumza tu kama watu, Wabunge wawili wa Nairobi na hawabebi pesa na mwingine anakuja na Kshs20,000 za "chai", sisi tutaambiwa: "Ngojeni aonane na yule mgeni". Sasa hiyo ni haki kweli? Mambo yanafanyika na ndiyo sababu wageni wamekuwa wajeuri. Nataka Waziri asikize kwa

makini. Tuliwalazimisha kisiasa wageni kuwapa Wafrika nafasi. Miji mingi kama Meru, Machakos na sehemu nyingine za Nairobi zilitengewa Wafrika. Punde si punde, huo mpango ukaanza kutiwa "maji". Ukienda River Road, utakuta Mwafrika ameondoka, nenda hapa Biashara Street karibu na kwangu, na utakuta maduka ya Wafrika ni machache. Nenda Digo Road, utakuta maduka ya Wafrika ni mawili tu.

Hata labda ni moja sasa. Kama kitu kilifanywa kisiasa, lazima kiondolewe kisiasa. Hatujapitisha tukasema tumepindua. Hawa watu walikuja wakimuambia Mwafrika: "Nitakupa laki". Mwafrika ambaye hajaona laki moja akasema: " hii nitachukua". Wakarudi tena pole pole. Nataka Waziri achukue hatua na watu ambao hawaogopi mtu kama akina Nthenge, awatumie; hata kama ni mkutano gani, nitahutubia. Najua wengine wenu bado mna ule ubichi, mimi sina. Nitawaambia wazi kwa sababu nimetembea kidogo na mimi sio kama wengine wenu. Lakini si jambo la kawaida kukuta kwamba kuna wadhaifu kiuchumi. Sisi tumekuwa na wadhaifu kiuchumi. Kama hatuna maana kwetu, tutakuwa wa maana Uingereza? Tutakuwa na maana India? Tutakuwa na maana Korea? Tutakuwa na maana wapi sasa? Inatulazimu tuchukue hatua kwa sababu hapa ni kwetu. Mimi nataka kuwaambia kitu kimoja. Ukipiga ngoma sana Waswahili husema hupasuka na ikipasuka, hakuna mchezo tena. Hii ni kujaribu kuwaeleza hivi. Hili ni fumbo, hawa maskini wetu tunaowakanyaga sisi tuna o kula kwa uma na tunakula mara tatu kwa siku na tuna vaa nguo nzuri, siku moja wakichoka, tutakuwa taabani. Hii ni kwa sababu wao ni wengi kuliko sisi. Mliona mkutano moja hapo Kamkunji. Tulikuwa tukichezea watu sita lakini tukawaambia: Raia njooni?" Mambo yakawa ni lazima tukubali. Sababu ya kusema hivi ni kwamba tukiwashirikisha katika biashara, watakuwa wakijihisi wako nyumbani na ile dharau itakwisha. Na tuzipokubali kuziba ufa, tutajenga ukuta. Na hili ni fumbo. Ukitaka nikufumbulie zaidi, niko tayari kufanya hivyo lakini wakati hauniruhusu. Usipoziba ufa, utajenga ukuta. Kujenga ukuta ni kazi ngumu na kuziba ufa ni kazi rahisi. Sasa nataka tuzibe ufa kwa sababu umetokea.

**The Temporary Deputy Speaker** (Mr. Wetangula): Bw. Nthenge, zungumza mambo ya biashara na sio methali za Kiswahili.

**Mr. Nthenge:** Nasema kama wananchi hawashirikishi biashara ndani ya biashara, wageni watakuja kuleta balaa katika nchi hii. Tutaonana na sitaki "maonano".

Bwana Naibu Spika wa Muda, kuna jambo lingine. Wakati Wizara inapowachagua watu, yafaa ichukue watu walio na ujuzi kidogo ambao wamefanya biashara. Kitu kinaitwa kwa Kiingereza, "experience". Ule ujuzi umefanya nini? Sio kuchukua mtu kwa sababu ana jua kufunga tai au amepata Bachelor of Commerce. Usimpe kazi ambayo hajaelewa. Hii ndiyo sababu amefanya mashirika ya serikali yakaharibika. Watu ameteuliwa kwa sababu wanajulikana na wako wengine wenye uwezo mwingi. Mashirika yanasimamiwa na watu ambao hawana ujuzi. Ni kama mimi sasa nikiambiwa niende nikacheze mpira wa "First eleven". Hata kama nimekuwa mchezaji wa namna gani, je nikiwa na umri wa 70 nitaweza huo mchezo? Mimi na Moi na Awori, wale wazee, tukiambiwa tuende tukacheze mpira tutaweza? Baada ya nusu saa, tutaketi kwa sababu tutakuwa tumekwisha. Ujuzi ni kitu cha maana. Chukua watu katika biashara wale walio na ujuzi. Hata mkienda kuuza Kenya nje, pelekeni watu wenye kipawa cha kuuza. Kama ni M'Mukindia, peleka M'Mukindia. Wacha kuchukua Nthenge eti kwa sababu unampenda. Nia ni kushinda na wala si kuonyesha eti una watu. Ikiwa tutapeleka watu kukimbia, tutapeleka Kipchoke Keino. Tutapata sifa na Kenya itajulikana. Lakini wakati wa biashara msichague watu wakaone London, Vancouver na kadhalika. Hili ni jambo mbaya.

Jambo la tatu ambalo nataka kuwaambia ni kwamba, wakati pia watu walipokuwa wakiambiwa washikane pamoja na wenye mali, usitafute yule mtu ambaye ni ofisa mkubwa Serikalini kama tulivyofanya makosa wakati ule. Duka zinapewa mabibi wa Makatibu Wakuu na Mawaziri ambao hawaelewi biashara. Chukua wale ambao wana vioski vidogo uwangizana na wale ambao wana viwanda, na wenye vioski watoe asilimia kumi na wafanye kazi pamoja. Wakiendelea hivyo polepole kwa miaka 25, watoto wao watakuwa wakijua biashara kama Wahindi. Kwa hivyo, nataka kusema wakati unapofanya hivi, funza wale ambao wanaweza kufunzwa. Fundisha wale wanaoweza kujua. Mimi nataka kusema ukweli utafutwe.

Kwa hayo machache, naunga mkono. Ahsante sana.

**Mr. Raila:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Motion. I would like at the outset, to correct one myth that this country can industrialise along the path of the South-East Asian countries. Those countries are now called the Asian Tigers. Those countries developed at a different era, under very special conditions and circumstances. That was the time of the cold war and super-power rivalry. When the West, in order to prove the superiority of market economy or planned economy, deliberately decided to eject a lot of developmental capital to facilitate easy transfer of technologies to those countries. Those conditions do not obtain today. Today, the enemies of the West have become allies and are, in fact, recipients of more aid today than Kenya.

It was very interesting to hear the Minister speak about the Kenya Government's determination to reach the stage of new industrialised countries by the year 2010. All of us would wish our country to get there. But one tends to think that the Minister is suffering from the common Kenyan disease, called wishful thinking. This is wishful

thinking in the sense that he says one thing and does exactly the opposite. If we are going to reach the stage of new industrialised countries by the year 2010, then we should not be busy killing the very same industries which are the vehicles to propel us to that stage. Industries are dying by the day in this country. For example, the textile industry has collapsed because of cheap imports of used clothes flooding this country duty-free. The labour industry is tethering on the brink of collapse. The motor vehicle assembly industry can no longer compete with the imported makes. This is not because these industries do not have the capacity to compete, but it is because of the unfair conditions that make the local industries unable to compete.

The economic landscape of this country is dotted with white elephants like the Nyayo Bus Complex, Ruaraka, the Nyayo Car Manufacturing Project, the Provincial Commissioner's headquarters, Kisumu, the Lake Basin Development Authority headquarters, Kisumu and last, but not least, the giant Molasses Complex situated in Kisumu. These are not examples of a country that is committed to attaining the stage of newly industrialised countries by the year 2010.

Mr. Temporary Deputy Speaker, Sir, a lot has been said about the Kisumu Molasses Complex. The Minister for Transport and Communication did make a statement saying that, that project was not viable and that a firm of consultants had been commissioned by the Government and found it unviable. I have to refer to this report by FC Shaeffer and Associates. I am a consulting engineer and I have read this report very carefully. If you read this report, you cannot come to a conclusion as the Minister did, that this project is unviable. Further to this, other studies have been done about that project.

What we are saying is that this project is viable. Are you saying that it is the responsibility of the Government to sink over Kshs 1.5 billion of taxpayers money on a project which is not viable, and then to dump it there? What we are now saying is that if the Government is unable to proceed with the project, it should allow local people who are Kenyans who have money and are willing to take it over and continue to complete it. This is all we are asking from the Government. The Government should allow Kenyans to take over this project and complete it, but not to negotiate through the back-door with some South African companies over the disposal of that project.

About the privatisation process, we have said time and again that the Government should come here with a Sessional Paper on privatisation, so that there are clear guidelines on how privatisation is going to take place. This is how it is done even in the United Kingdom. Parliament should be updated on a regular basis about the process of privatisation. We should be made aware of which corporations have been privatised, and what were the terms and conditions of the sales. We also want to say that we should have a legislation passed by this House to regularise the work of the Parastatal Reform Committee. It enjoys too much powers.

About our relationship with other countries, because this is very important, if we are going to try to industrialise, we must have markets where we are going to dispose the goods that we are going to manufacture here. It is very important that this Government cultivates good relations with its neighbours because our neighbours are our biggest markets. These are countries like Uganda, Tanzania, Ethiopia, Somalia, Rwanda and Burundi.

The Government must realise that its actions do hurt the business community in this country. That is why we would like this Government to tell us why they have refused to appoint a Secretary General for the East African Common Market in Arusha? Why have they not? Why have they forced the Government of Uganda and Tanzania to say that they are going to go it alone until Kenya is ready at a future date? Why is this Government harbouring criminals who are guilty of genocide in Rwanda? Why are they refusing to allow the international officials to come here and interrogate these people.

**The Vice-President and Minister for Planning and National Development (Prof. Saitoti):** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker (Mr. Wetangula):** What is it, Prof. Saitoti?

**The Vice-President and Minister for Planning and National Development (Prof. Saitoti):** Mr. Temporary Deputy Speaker, Sir, hon. Raila is misleading this House, that the Kenya Government is refusing the International Tribunal to come and collect the people who are associated with the genocide. The position of the Kenya Government is very clear, and what has been stated is that we are going one step further and we want a comprehensive investigation on all the people. We will not harbour any murderers in this country.

**Mr. Raila:** Mr Deputy Speaker, I do not know whether that is a point of order or that is a statement, but what we are saying is that, it is not the work of this Government to tell the international community how to carry out its investigations.

*(Applause)*

We are saying that the international community is very much entitled to determine the course of their own investigations. We should not, therefore, say that we will only allow people on condition that they investigate how the

President Habyarimana and President of Burundi were killed. Nobody has ever said that investigation---

**Mr. Temporary Deputy Speaker** (Mr. Wetangula): Order! Mr. Raila, your time is up. Mr. Minister, proceed to reply.

**Mr. Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Speaker, Sir, before I reply on that one, I wanted to rise on a point of order to ask hon. Raila to name the criminals that he is talking about?

**Mr. Temporary Deputy Speaker** (Mr. Wetangula): But you are no longer on a point of order.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Speaker, Sir, I thank all the hon. Members for the contributions that they have made on this Motion.

Mr. Temporary Deputy Speaker, Sir, except for hon. Raila alone, all the other Members of this House have supported the Vote on my Ministry. I do not know why---

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

**Mr. Temporary Deputy Speaker:** (Mr. Wetangula): Order, hon. Raila! Order! The very fact that your name was mentioned does not really solicit a point of order. Carry on Mr. Minister. Order Mr. Raila! You are getting grossly disorderly.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Speaker, Sir, now that hon. Raila supports the Vote, I agree that he also supports---

**Mr. Mulusya:** Mr. Temporary Deputy Speaker, Sir, my point of order is that the hon. Minister has made a very categorical statement, accusing hon. Raila as the only Member of Parliament who has spoken and not supported his Vote. Is he in order, when in his opening remark the hon. Raila actually supported the Vote? Is he in order to make such a categorical statement? Where were you?

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

*[Mr Deputy Speaker took the Chair]*

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Deputy Speaker, Sir, if hon. Mulusya listened carefully, I have just said that I am now very happy that hon. Raila Odinga, actually supported the Vote of my Ministry, and I do thank him very much.

Mr. Deputy Speaker, Sir, indeed, all the comments that were made by all the hon. Members of this House have been extremely constructive in general, and I do thank them very much for taking a great interest in my Ministry.

Arising out of the discussions by hon. Members of this House, there seems to be some general agreement in the way that we ought to handle commerce and industry in this country. There is a general agreement by hon. Members that Kenya needs to industrialise and that it is necessary to industrialise, in order to create jobs for our people. We all recognise that this is where jobs lie. We have also recognised and Members of Parliament have supported this, that we have, so to speak, as a country.

Right from the beginning in 1963, we took the correct steps and policies which have helped this country to grow, both commercially and industrially. Therefore, Kenya today, has not only the infrastructure, which we are continuing to improve, but also more important, we have the manpower capability to enable us to industrialise effectively. For that reason, Mr Deputy Speaker, all that it requires really, is to continue to improve the investment climate in this country to ensure that we do have an industrial take-off.

Mr Deputy Speaker, Sir, hon. Members have also pointed out the fact that we need paper and more technical education, technical entrepreneurial education in this country and in this respect, I do thank His Excellency, the President, for his recent pronouncement that indeed, technical education is going to be emphasized in colleges of technology, technical secondary schools and polytechnics as well as the universities because without technological training, it will not be possible for us to really take-off industrially.

Mr Deputy Speaker, Sir, Kenya's aim to be an NIC by the year 2010, is not unrealistic and I am very grateful to the hon. Members because they have supported this view. Like I said, only hon. Raila has pointed out that he does not believe that we can be able to do so. I think, and hon. Members have supported this, that actually we can achieve it.

A number of things, of course, would be needed for us to achieve that goal. But in terms of being a realistic goal, there is no reason why within 15 years, we cannot be a newly industrialising country. There is a technical difference between a newly industrialised country and a newly industrialising country. In other words, we are just starting the process of industrialising to that level, and we are not claiming that we must be totally industrialised to the level, for example, of America or other countries in the West by 2010. But we must achieve a relative level of industrialisation,



for example, as Mauritius, by that year, where we have a situation of very low unemployment levels and where most of our population in this country, are actually employed, where they are assured of a basic standards of living.

Mr. Deputy Speaker, Sir, it has been pointed out by hon. Members that our *per capita* income today is quite low. It is quite true because we are a poor country, and we are a developing country, at around \$270 per person in this country and it has been pointed out that we need to increase this by about 10 times by the year 2010 in order for us to claim that we would be an NIC by 2010. I think this is achievable and we must commit ourselves to this objective.

Mr. Deputy Speaker, Sir, I wanted hon. Raila to give us an alternative, if he has one, because the question is that our agriculture has grown to levels of 4% at best, and our population growth is about 3% at the moment. This level of growth, 4%, is not enough to absorb the already unemployed as well as the people who are turning into the job market. If we want to eradicate unemployment in this country, we must grow by about 7-10% consistently, for 10-15 years. But if we cannot do that, then, we would be forcing part of our population to continually live under poverty conditions which hon. Members have pointed out. So, therefore, we must have a goal, an objective that would absorb our people and which will encourage them or ensure that our economy grows by 7-10% per year over the next 15 years or so.

Hon. Members have also pointed out the fact that there are a number of issues which need to be tackled in order for us to realise this national objective. The first thing that hon. Members have pointed out is that we must have a vision. Kenya, as a whole, must have that industrialisation as a vision, and we must have a national consensus cutting across political lines and political philosophies, and going throughout Government, that is between Government as well as the private sector. In other words, all of us Kenyans, wherever we are, or whatever we are, we must be committed to this national vision. Without this commitment, we shall not be able to achieve it and, therefore, I would encourage and I am encouraged by all hon. Members of this House, by the fact that they have supported this and I believe that we need to encourage all Kenyans to support this national vision. If we do so, and have a national consensus that we need to industrialise, there is no reason why we cannot achieve this major objective.

Obviously, in a situation where we have a national vision, there would be certain sacrifices; we shall need to undergo certain sacrifices. I have in mind, for example, what hon. Awori pointed out; the fact that our working hours per week have come down to about 45 hours. In the countries that have industrialised recently, like in South-East Asia, the working hours are about 60-65 hours. If a poor man or a woman for that matter wishes to be rich, he cannot afford to sleep. Kenya is a poor country, and if we Kenyans wish to sleep, there is no way we are going to achieve this national objective. We must, therefore, request our trade unions to share in this vision and to support an increment in the number of hours that we work per week. That is the kind of sacrifice that I am talking about. There may be others, and there would be many others, but we must look afresh at the way we work. We must look afresh at our attitude towards work and without these changes, we would not be able to achieve this and then, of course, we will relegate some of our population to poverty for years and years to come. This is not what we ought to do as leaders, and it is really our responsibility to tell wananchi exactly what they need to do or what we all need to do in order to ensure that we eradicate poverty from our midst.

Mr Deputy Speaker, Sir, therefore, I would support strongly, what hon. Awori said about increasing working hours in this country and trade unions, as well as employers and all leaders, must look afresh on our attitude towards work. It was also pointed out by hon. Members that the financing of industrialisation and commercial development needs to be looked at afresh.

It is true that we need to look at our banking procedures afresh and ask ourselves: "Do we have the correct banking procedures?" Do we have the banking philosophy in this country that will actually support our efforts in industrialisation? A situation where interest rates, like the hon. Members pointed out, rates between 20 and 26 per cent, is not an environment that is conducive to industrialisation because it is not possible really, to make profit beyond 25 to 30 per cent and meet your expenditures and still have a profit to pay the banks. So, we must reduce our effective interest rates to a maximum level of between 10 and 15 per cent. This has been the case in all those countries that have industrialised. We have to ensure that our interest rates come down. Otherwise, these efforts will not be realised. I would, therefore, encourage the Governor of the Central Bank of Kenya to look afresh at some of the regulations that persist in the banking system to ensure that our effective interest rates actually come down, so that we can be able industrialise faster, people can borrow money, be able to pay and be able to finance their various commercial and industrial activities.

Mr. Deputy Speaker Sir, hon. Members have also pointed out that we need to look at our infrastructure. It is true that Kenya has the most developed infrastructure in this part of the world but it needs to be improved further. It is quite clear to everybody that we need to do this. Recently, hon. Members must have noticed from the Press that we are getting more money to put into roads, energy and other infrastructure.

My understanding also is that the Kenya Posts and Telecommunications Corporation is being looked at afresh and various changes are in the pipeline, to ensure that these major organisations in the Government, or parastatals,

really react positively and in a good way towards this effort of commercial and industrial development. I can, therefore, assure the hon. Members that the Government is very sensitive to what they are saying about infrastructure. If we did not have the political hullabaloo that went on in this country and scared away donors of this country, we would not have this problem of energy today. Hon. Members, and especially the ones on the opposite side of the House, must remember that only two or three years ago, they were the ones who claimed and who encouraged foreign donors not to give us money to put into energy. These are the fruits we are now reaping. The fruits of people from this country, encouraging foreigners not to support Kenya. It is a very short-sighted policy any time and I am happy today, because the Opposition has changed and realised that it is hurting people to ask donors not to support Kenya. We can put energy, water, roads and so many other things---

**Mr. Ndicho:** On a point of order Mr. Deputy Speaker Sir.

**The Deputy Speaker** (Dr. Godana): Are you sure that you have a genuine point of order?

**Mr. Ndicho:** Is the Minister not misleading the House that the Opposition has told donors not to support Kenya? We have never said that and I would like to challenge the Minister to point out one Member of Parliament from this side---

**The Deputy Speaker** (Dr. Godana): Order! I think you have made your point.

**Mr. Ndicho:** But he is misleading the House. Could he really get away with it? It is because you misappropriated the money!

**The Minister for Commerce and Industry** (Mr. M'Mukindia): I am happy that hon. Ndicho has changed the philosophy and to quote an hon. Member from the opposite side, it is not necessary for me to substantiate the obvious; that is a famous saying by hon. Shikuku.

**Mr. Ndicho:** The Minister has said that I have changed the philosophy. Whose philosophy? Nyayo philosophy or whose philosophy are you talking about? Which philosophy?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Deputy Speaker Sir, I was talking about Ndicho's philosophy which was always to oppose donor support for Kenya. I am happy that we seem to have reached a consensus that we, as leaders of this country, must support Kenya because supporting Kenya does not mean supporting KANU. It means supporting that mwananchi in Juja to ensure that he does not die of starvation. To deny that person the possibility of living a good life, whatever political reasons one might have, is not moral. It is totally immoral. I am happy that the Opposition has realised this and now that they are supporting us, we will move together and the infrastructure in this country will be improved because we are getting the necessary support all round.

We need to have political will across the two sides of this House to ensure that we achieve this major national objective. Like I said earlier, I am happy that I have had great support by all hon. Members in this Motion. Other issues that have come up from the hon. Members include the question indigenisation or Africanisation. In itself, indigenisation is not a dirty word. I think we ought to confront this issue squarely. But the way we do it must be in conformity with our Constitution. We cannot in this august House, stand up and make proposals that are unconstitutional, for example proposals that discriminate against a section of Kenyan Community. We cannot really stand up in this House and do that, without breaking the rules of this House or even breaking the provisions of the Constitution. Therefore, while we recognize as a Government, that there is need to support indigenous Kenyans to ensure that they go into businesses successfully, we do recognize that, a lot of money is being channelled through KIE and the informal sector, to the weakest people in this society. We are doing that. The way forward really, is not to take away from the Asian community only to give it to the Africans. The way forward is to ensure that this economy grows at a fast rate, so that the growth can go to the Africans. I would urge hon. Members to ensure that we support this process, so that we increase the cake as it were, rather than sharing the small cake we have. We must ensure that we enlarge this cake and the enlargement should go to the people who needed it and that is the Africans. I would like to inform hon. Members that; in the re-organization of my Ministry, we have a unit now that is looking at how to promote women and the youth entrepreneurs, specifically because women are the weakest people in our society. We are assisting them. Therefore, we hope that during this process, through financing them and training them, we shall enlarge this national cake of our wealth to ensure that the Africans in this country do have a major stake in the economy of this country. We recognize that, in order to ensure long term stability of this country politically and socially, we cannot have one small group that is rich and a mass of poor people. Such a situation is not sustainable. We know that and therefore, we have put measures into place to ensure that Africans come up economically.

The other item that was mentioned by hon. Members is taxation on capital goods as well as raw-materials. I am very sympathetic to this and hon. Members will notice that the Minister for Finance has been reducing the taxation levels through his recent Budget. In terms of the philosophy of taxation, I think it makes a lot of sense not to have heavy tax on capital goods as well as raw-materials. We can tax the finished products rather than taxing the inputs and I am encouraging my colleague, the Minister for Finance, to look into the possibility of not taxing capital goods at all, because we are taxing something that is not here yet. It something that is yet to come. For that reason, we should

not put barriers in front of investors. If we have any barriers at all, they should be after, not before. For that reason I do share hon. Members' views and I think we need to look again at the taxation of capital goods. The Government is very committed to ensuring that all revenues due to it are collected.

Mr. Deputy Speaker, Sir, this is already becoming quite effective, I must say, and hon. Members know that the amounts of revenue that are being collected, have increased substantially as a result of this. Mr. Deputy Speaker, Sir, obviously, there is some way to go and the Government is working extremely hard to ensure that all revenues due to it will be collected. In this respect, since this impact is very strong on our industrialization effort, we in the Ministry of Commerce and Industry are, of course, extremely interested to ensure that these taxes are collected, because they have an impact on whether our industries survive or not. I can assure hon. Members that we have effective tariff protection to our industries. Industries, through KAM, are asked from between 30 and 40 per cent of protection for the next five years or so. This is in place, but the problem has been that some of the revenues due to Government have not always been collected and we recognize this problem. The Kenya Revenue Authority is doing the best they can and we sure, within a very short time, we will be able to close most of these loopholes.

Mr. Deputy Speaker, Sir, in this respect, hon. Ndicho mentioned the things that have been practised worldwide for many, many centuries. Looking at the history of trade, it is quite obvious that there never used to be any taxation, say, two to three centuries ago in most ports of the world. It is only when Governments were organized that they started taxing goods to collect Government revenue. In a way, we are going back to that, to encourage trade.

I know, hon. Members are worried that there would be the loophole of the shipment of goods into the custom market. I can assure the hon. Members, that a free-port idea is not different from a custom-bonded warehouse.

We have had custom bonded warehouses for centuries, and if we were able to control those, there is no reason why we cannot control a free port, in case, Mombasa is made a free port. It is a good idea, it should be able to attract a lot of businesses, a lot of industries, bringing bulk goods, re-export of goods and so on and so forth. Instead of Kenyans going to Dubai, Hong Kong or Singapore, they can actually do their shopping here and create great employment for our people.

**Mr. Ndicho:** On a point of information, Mr. Deputy Speaker, Sir. Thank you, very much and I want to inform the Minister that, we are not opposed to the idea of a free port at Mombasa, but all we are concerned about, and that is what hon. Kiliku raised yesterday, is the capacity of Mombasa port to handle imports. So, what we are suggesting, and the idea we would like to give to the Government, is to make Mombasa town a duty free town. The entire part of the whole town, because the port of Mombasa is too small in comparison with other ports like Dubai, Singapore and the rest. So, if we can make the whole of Mombasa duty free, we appreciate that.

**The Minister for Commerce and Industry (Mr. M'Mukindia):** Mr. Deputy Speaker, Sir, I think I agree with hon. Ndicho. But, the port really, is just the terminology but, in terms of the geographical area, it is not even practicable really, to just constrain it to the port. It has to be much larger than that. We are hopeful, personally, I am hopeful that, we will be able to cover the whole of Mombasa District. Even a larger area, but, the question is how to implement this; you have to first create it slowly, stage by stage, but, that is being looked into, and I agree with hon. Ndicho that we need to look into this area.

However, methods of control and other ways will have to be looked at; they all have to be looked at, but it is a good thing that we are all supporting this very good idea.

Mr. Deputy Speaker, Sir, on hon. Members' list of other things, a major point of concern was the land compensation for Kokotoni EPZ. I want to assure hon. Members, that indeed, the Government is going to properly compensate people once land is taken.

Another issue that came up was about the fishing industries in Mombasa. I agree with hon. Badawy, that, fishing is an industry just like any other and it ought to be supported. It has to be financed by the Ministry, by the banking sector, and so on and so forth. That way, we shall support the fishing industry at the coast, especially now, in the light of the fact that the law of the sea, giving Kenya a 200-mile economic zone, has come into effect and, therefore, we shall need to see how to exploit that. I will need to put in money - we need to put in major support for the fishermen and so on and so forth. It is one area of our country's economy which has run idle and which we have to work on, and special effort should be put into this by us and all the Ministries concerned.

We are committed to regional co-operation. We recognize that COMESA and the East African area present major sources of trade for us Kenyans. For that reason, we shall continue to support the regional co-operation spirit. The Government is looking into that, and as soon as we are ready, that will be done, but, it is something that we are committed to. We recognize the economic importance of East African region as well as the COMESA region to our trade and to our industry.

Mr. Deputy Speaker, Sir, another point that was raised by hon. Members, is that, we need to change our society to some extent instead of it being consumptive - that was by hon. Ligale - we ought to be more productive. I could not agree with him more and I think we need to look into the possibility of really ensuring that, we are a

productive society, not a consumptive society.

The textile industry has been mentioned on several occasions. I want to assure hon. Members that my Ministry is taking the issue of the textile industries very seriously, and indeed, as hon. Members would know, some tax was levied on second-hand clothing a few months ago by the Minister for Finance and this has the effect of straining in the coming of the second-hand clothes. Hand in hand with that, we have to develop our local industry. The Government has been selling off ginneries to private individuals in this country and the cotton industry is now beginning to come up again. So, while we want to regulate the inflow of textiles from outside, at the same time, we must ensure there is growth of the textile industry in this country so that, at one point they meet, and then, there will be no longer any need for us to import clothing and textiles on a large scale like we do at the moment.

Mr. Deputy Speaker, Sir, finally, the other thing that we need to do, is that Members have mentioned that, we need a Civil Service at work, a committed Civil Service. I agree, but, I also think that, it is not just the Civil Service, it is all the leadership. Politicians as well as civil servants must be committed to this. If only civil servants are committed, it will not work and if only politicians are committed, it will not work; it has to be that, we work together to ensure that the objectives that we have set for this country are actually achieved. For that reason, we ought to expand the area of responsibility not just to the civil servants, but also to politicians as well as leaders, even people in the private sector.

Hon. Raila, mentioned about the Kisumu molasses Plant. Nobody has refused hon. Raila Odinga or anybody else to organize himself to buy and operate the molasses plant. Hon. Raila, is constantly trying to get "political capital" out of this, which is wrong. If he wants to organize his people to do so, they can buy it tomorrow, and the Government will support him fully in these efforts. For that reason, I think we should let this one lie from now on; let us not try to make "political capital" out of the molasses plant, that is finished.

With those remarks, I beg to move.

*(Question put and agreed to)*

*[Mr. Deputy Speaker left the Chair]*

IN THE COMMITTEE

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

Vote 23 - Ministry of Commerce and Industry

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a sum not exceeding K£23,335,885 be issued from the Consolidated Fund to complete the sum necessary to meet the expenditure during the year ending 30th June, 1996 in respect of:-

Vote 23 - Ministry of Commerce and Industry

*(Question proposed)*

**The Temporary Deputy Chairman** (Mr. Ndotto): Hon. Members we now turn to page 1157 of the Estimates of Recurrent Expenditure.

### VOTE R23 - RECURRENT EXPENDITURE

SUB-VOTE 230 - GENERAL ADMINISTRATION AND PLANNING

*Head 742 - Rent Control Tribunal*

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, Sir, I want the Minister to turn to page 1158 of the Estimates of Recurrent Expenditure. The Minister knows that the Rent Control Tribunal is not working properly because it does not have sufficient funds. Under Item 650 he is raising K£300,000 while for all the tribunals, he has budgeted for a total of K£322,472. Why has he done this when this is a vital department? It only sits three times a year. Why does the Minister have to request for only what he will be able to raise from the fees the landlords and

tenants pay?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, it is not true that we asked for only what we are able to raise. Indeed, there are Treasury limits on this, otherwise we could have asked for a lot more. But I want to assure the hon. Member that my Ministry is taking serious action as regards the rent tribunals as part of our efforts to ensure that business is done more effectively.

We will ensure that these cases do not remain in our books for long. For that reason, as I said earlier, we have increased the number of sittings in Nairobi and we are going to have provincial sittings very soon. That is the plan of the Ministry. We believe that with this money, we will be able to implement some of these programmes. However, this is an on-going process, so that in the next financial year, we will be able to see what we can do depending on whether budgetary provisions will allow.

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, Sir, I wish to draw the attention of the Minister to page 1158 of the Estimates of Recurrent Expenditure, where we have Head 741, Item 110 - Travelling and Accommodation. In order to further commercial activities, I think a lot of travelling is involved. In the last financial year, K£100,000 was set aside under this Item for travelling, but this year, the amount is only K£61,000. Could the Minister explain why this big difference between the figures.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, my Ministry is always working very hard to ensure that we are more efficient but certainly, we are not going to merely spend money for the sake of it. We think that with the new changes that we have effected like setting up of trade and industrial centres in various parts of the country, some of this travel amount will be reduced. We must constantly ensure that we use less money as we go along. For that reason, we believe that K£61,000 this year really ought to be enough, rather than pushing it up to K£100,000.

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, Sir, I am satisfied with that, but for curiosity's sake, I would also go to Item 198 on page 1157. I am just curious to know what K£10 is for, which the Minister is asking every year! Is it even worth the cost of printing it?

**The Temporary Deputy Chairman** (Mr. Ndotto): This is where we have a token allocation of K£10 for Compensation and Ex-Gratia Payments.

**Dr. Lwali-Oyondi:** Yes, Sir, what can K£10 really do in the present Kenya? This amount is asked for every year!

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, some of these are token allocations. For example, we do not need money for compensation and ex-gratia payments this year, but we have to put in a token allocation. So, it really means that we do not need any money for that Item, but we have to put some amount under it for budgetary purposes. So, if in the next financial year we will require money for payments to people who retire or who are on contract, then we can put in money for those purposes.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, Sir, under Head 740, Items 361 to 368 are contributions to various organisations. There is a contribution to General Agreement on Trade and Tariffs (GATT), which I believe Kenya is a signatory to. But we continue to subsidise our products. What is the justification for this money when we are subsidising our products?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, I do not understand the hon. Member's question. However, as far as GATT is concerned we have been in arrears in payments. As you can see, last year we had exactly the same provision as we have this year. These are some of the limitations that are imposed on us, but we need a lot more in order to ensure---

**Temporary Deputy Chairman** (Mr. Ndotto): Hon. Minister, I think that is not the question. The question is that we are a member of the GATT and GATT rules stipulate that you should not subsidise your exports. So, what is happening here? I think that is what the hon. Member is asking.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, the hon. Member is not right. We are not subsidising any products. But just to explain, under GATT rules, countries are allowed to say whether they are ready to implement all the rules as at 1st January, 1995 or whether they want to declare some

inability to enforce the rules and give themselves some time in order for their industries to catch up with those of other countries, which is what Kenya has done. For that reason, we have got a bit of time before we can enforce all the rules. For the next five years, I think we are relatively safe.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, I would like to challenge the Minister because Cap. 482 provides for export compensation at an agreed level as given by the law. What was abolished is over and above the 20 per cent. So, the Minister should be clear in his reply whether the provisions in Cap. 482 still exist or not.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, the hon.

Member knows that it is not true that we are giving any export compensation. We are not giving any export compensation. That was left out with the advent of the liberalization process. As you know, we have been implementing liberalization process for quite some time now, and therefore, we are not subsidizing our exports.

Indeed, this is one of the problems we have with countries such as South Africa; the fact that they have continued to subsidize their exports to our country and we are not. Therefore, we have this problem with them. I would like to assure hon. Members that Kenya is not subsidizing her exports.

*(Heads 740, 741 and 742 agreed to)*

*(Sub-Vote 230 agreed to)*

SUB-VOTE - 231 - DEPARTMENT OF INTERNAL TRADE

*Head 745 - Trade Development- Field Services*

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, I wish to draw your attention to item 650. Nyamira District is covered under this item. They have only provided K£44,173 and yet, that Office in Nyamira does not have a vehicle. Now, Mr. Minister, can you tell this House when you are going to provide a vehicle to make sure that the Nyamira office functions?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, as I mentioned in my earlier presentation, this year, my Ministry is purchasing 15 new vehicles of a calibre that we can sustain. They are ten small ones but 4WD and we are hopeful that Nyamira District is one of those that might benefit from this. I want to inform hon. Members that indeed, these are not enough. These vehicles are not enough and therefore, perhaps next year we shall be asking for more funds.

*(Heads 731, 744, 745, 746 and 750 agreed to)*

*(Sub-Vote 231 agreed to)*

SUB-VOTE 232 - EXTERNAL TRADE SERVICES

*Head 752 - Foreign Trade Services*

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, page 1185, Head 752, item 181 - Payments of Rents and Rates - Residential. Last year, there was no provision for this. This year, the Minister is asking for K£672,000. Now, where were all these people living, because all of a sudden, the Ministry is now asking for money to give them premises.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, the hon. Member will notice that in my provision for the whole Ministry last year, the rental figure was much higher than it is this year. What we have done is to separate this item, so that it goes in the proper department. Therefore, this was provided for but in another item last year.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, could he be more comprehensive? Which items is he talking about because if you look at the one we have just passed, where it says "Payments of Rents and Rates - Non-Residential item 182, on Head 740 it is K£1.05 million and this year, you are asking for the same amount. So there is no difference. So which one, and where was this provided for last year?"

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, it was provided for under that item. I would like to inform the hon. Member that in that year, we are going to have a few more commercial attaches going to various parts of the world. For example, last year we did not have one in Uganda but this year we are going to take him back to Uganda.

Last year, we did not have one in Tanzania but this year we are going to take him back there. For that reason, that figure has not changed but the reason why it was not provided for under this Item is because it was included in the Headquarters Sub-Vote.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, that is not satisfactory but let me just ask a question on the next item which is just there. Last year under item 182, Head 752 they requested for K£435,000 for payments of Rents and Rates - Non-Residential; that means those are offices. This year they are asking only for K£50,000. Have they closed those offices? How are they going to pay for the offices?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, I thank hon. Obwocha for his very sharp eye. The hon. Member will notice that in fact, what has happened this year is that, we separated the residential from the non-residential but if you lump them together, then you have the correct figure. For this year, we have separated item 181 from 182 whereas last year, they were all lumped together and that is why this figure has come down.

**Mr. Obwocha:** Now you are right.

*(Heads 751 and 752 agreed to)*

*(Sub-Vote 232 agreed to)*

SUB-VOTE 233 - INSPECTORATE OF WEIGHTS AND MEASURES

*(Heads 755 and 756 agreed to)*

*(Sub-Vote 233 agreed to)*

SUB-VOTE 234 - INDUSTRIAL DEVELOPMENT AND PROMOTION

*(Heads 737, 754, 768, 786, 787,  
788, 790 and 796 agreed to)*

*(Sub-Vote 234 agreed to)*

SUB-VOTE 235 - INVESTMENTS AND LOANS TO COMMERCE

**The Temporary Deputy Chairman** (Mr. Ndotto): Mr. Obwocha, are you not with me?

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, I have a question on Head 796.

**The Temporary Deputy Chairman** (Mr. Ndotto): We are dealing with Heads 791, 792 and 793.

**Mr. Obwocha:** It is okay.

*(Heads 791, 792 and 793 agreed to)*

*(Sub-Vote 235 agreed to)*

*(Vote R23 - Agreed to)*

**VOTE D23 - DEVELOPMENT EXPENDITURE**

SUB-VOTE 230 - GENERAL ADMINISTRATION AND PLANNING

*(Head 740 agreed to)*

*(Sub-Vote 230 agreed to)*

SUB-VOTE 231 - DEPARTMENT OF INTERNAL TRADE

*(Heads 731, 744, 745 and 746 agreed to)*

*(Sub-Vote 231 agreed)*

SUB-VOTE 232 - EXTERNAL TRADE SERVICES

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, I would like the Minister to give us a bit of clarification because when I look behind here, I do not see any details of item No.171 - EC and I think he means the

EU.

**The Temporary Deputy Chairman** (Mr. Ndotto): Where are you?

**Dr. Lwali-Oyondi:** I am on page 898. Head - 751, item No.171. I wanted---

**The Temporary Deputy Chairman** (Mr. Ndotto): I am not with you yet Dr. Lwali-Oyondi.

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, Sir, in the second Item on that page, under Head - 751. There is the EC cross border programme trade initiative. I hope the Minister means the EU. It is no longer called the EEC, it is the European Union and apart from that, there is K£1,650,000 which has been allocated and there is no detail anywhere in this book. I was wondering whether the Minister could elucidate exactly what this means.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): The hon. Member may remember that yesterday when I was moving my Votes, I thanked the EU for supporting my Ministry to this extent. If you look at the next page, 899, you also realise that the EU is also giving us some substantial amount of money to support our trade, especially external trade promotion service. I mentioned certain areas yesterday that are going to be covered by this programme although the cross boarder initiative - Item Nos. 901 and 902--- The full programme has not been agreed yet between the Government and the EU. It should be finalised this November so that we have to put the money in the budget. It has been given but it will not be spent until the programme is agreed on between the Government and the EU.

Yesterday, I mentioned a number of areas that are going to benefit, for example, the areas of trade liberalisation; their institutional development. There is cross-border initiative and payments and other exchange systems as well as investment promotions. When we have to go out for example to Europe to do investment promotion, some of this money will come from here but the actual programme has not been agreed upon. Items 901 and 902, the Kenya Export Development Programme will cover a number of areas, some of which are product development and adaptation trade information systems development, market development for Kenya products and human resource development. That is going to be covered as well under that programme.

There is also quite a bit of money for the micro-enterprises development programme which is again under the EU financing. That is going to assist in improving the regulatory framework of our country to enable the micro-enterprises to flourish. It is going to facilitate information gathering and market research within the country itself and the dissemination of that information to the would be entrepreneurs and improving access to market opportunity by the small-scale industries products. We also have improved the delivery of financial and non-financing support programme to these micro-enterprises. Like I said, hon. Members would be able to review the whole programme once it is agreed on an item by item basis but at the moment, we are very grateful to the EU for giving us this major support and we will bring the actual details.

**Dr. Lwali-Oyondi:** In other words, the Minister is telling us that we are passing this money but on as-yet-to-be-agreed programme. In other words, how soon would these programmes be agreed upon? Will it be within the financial year or will it flow over to the next financial year? If so, it will mean that we are passing money to be used when it may not actually be used.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): In fact, the Vice-President and the Minister for Planning and National Development has just informed me that this money comes under Lome Convention. That, the agreement will be signed at the end of this month or early next month in Mauritius. So, that programme is being worked on and the agreement will be signed and then that money will be spent. I can assure the Members that we cannot touch this money until we agree on a programme with the EU.

*(Head 751 agreed to)*

*(Sub-Vote 232 agreed)*

SUB-VOTE 233 - INSPECTORATE OF WEIGHTS AND MEASURES)

*(Head 756 agreed to)*

*(Sub-Vote 233 agreed to)*

SUB-VOTE 234 - INDUSTRIAL DEVELOPMENT AND PROMOTION

**Mr. Obwocha:** I have got two questions and the first one relates to Head 788 - Kenya Bureau of Standards. Could the Minister update this House on what level the KBS laboratories are now because he is asking for K£4.3



million for the construction of the laboratory in Nairobi? Secondly, on Head 796, Item No. 525 - Land Compensation in Mombasa K£1 million. Could he also update this House how far that particular Item has gone?

**The Minister for Commerce and Industry** (Mr. Mukindia): Mr. Temporary Deputy Chairman, as regards that item, I heard the first question correctly to finalise the construction of the radiation laboratories and I can assure the hon. Members that this money should go to KBS. So, it has a two-year construction project and this money should go to finalise it.

Could the hon. Member repeat the other question?

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, the second one is that we have heard a lot of noise from Mombasa about the EPZ zones which the Ministry intends to create establish in Mombasa. They are requesting for K£1 million; how far has the Ministry gone in this scheme?

**The Minister for Commerce and Industry** (Mr. Mukindia): Mr. Temporary Deputy Chairman, it is true that we are asking for this year K£1 million. The total amount of money that we estimate that we shall need is well over K£7.5 million. However, the Commissioner of Lands is still assessing the exact compensation that would be required.

I would like to assure hon. Members of this House and especially those who come from the Coast and more so, those from Kilifi that, indeed, the Government is committed in ensuring proper compensation to the wananchi in the area. We are even going further and trying to support the people who are on that land to ensure that they have basic infrastructure like roads, water, electricity and so on. We are going to ensure that the people there are happy about this development.

On the other hand, we need support from hon. Members because if we do not have heavy industries at EPZ in Mombasa, we would be forced to move it elsewhere. This country has to move ahead, and therefore, if it cannot be at Mkokoteni we have to put it elsewhere.

*(Heads 788, 790 and 796 agreed to)*  
*(Sub-Vote 234 agreed to)*

#### SUB-VOTE 235 - INVESTMENTS AND LOANS TO COMMERCE

##### *Head 792 - Director of Industries*

**Mr. Nyagah:** Mr. Temporary Deputy Chairman, if you look under Head 792 - Assistance to small Business Sector; you will see that there is an item on a very big funding that has been done by ITF and EEC, but it is surprising to note that the Government does not find it necessary to create enough money for the sector. In the year 1994/95, they allocated it K£100,000 and this year they have not found it necessary. Could the Minister explain why the Government has not taken it into consideration?

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, this amount was budgeted for last year to carry out a study on small-scale sectors in the country which have enabled us to be given this money by EEC. So, we do not need it again this year. As you can see, the study that was carried out in 1994 cost about K£100,000, but this year we do not need that money.

**Mr. Nyagah:** Mr. Temporary Deputy Chairman, I agree with what the Minister has said. However, he did say that this was allocated by EEC. I was asking particularly why under item 531, no money has been put aside for this particular item.

**The Temporary Deputy Chairman** (Mr. Ndotto): I think he has already answered that; he said that this money was meant for a study which they have already done, and therefore, they do not need that money any more.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, under Head 791 - Kenya Industrial Training Institute, in Nakuru, item 295, we can see the institute was transferred from the old site which is on General Stanley Mathenge Street to another site. You are now requesting money for construction of new buildings. Why do you need K£100,000 to renovate the old site and yet the institute was moved to the new site.

**The Minister for Commerce and Industry** (Mr. Mukindia): Mr. Temporary Deputy Chairman, I would like to inform the hon. Member that we shall continue to use the two locations, but even today, the old site is still in use. However, we do have most of the work transferred to the new site, but we need to renovate this old site because it is going to continue to be partly in use.

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, could the Minister deny or confirm the notion in Nakuru right now that this particular site has either been sold to somebody or is being prepared to be sold to somebody? If that is true, could he assure us that after spending this colossal amount of money K£1 million, that it is

not going to be given to somebody at Kshs50,000.

**The Minister for Commerce and Industry** (Mr. Mukindia): Mr. Temporary Deputy Chairman, we are asking for K£100,000 not K£1 million, and it is for renovation as well as for fencing of the plot to ensure that nobody can take it.

**Dr. Lwali-Oyondi:** Mr. Temporary Deputy Chairman, we would like to be assured that this particular institute remains a Government project because we need more people to be trained. We need to be assured that the two places would be used at least by the Government and that it is not going to be given to an individual and that the fencing is not being prepared for somebody to come and buy it at a throw away-price?

**The Minister for Commerce and Industry** (Mr. Mukindia): I can assure the hon. Member for Nakuru Town that indeed, this will remain Government property, and we shall ensure that we have all the correct papers to ensure that it remains Government property.

*(Heads 791 and 792 agreed to)*

*(Sub-Vote 235 agreed to)*

#### SUB-VOTE 236 - INVESTMENT LOANS AND GRANTS TO INDUSTRIES

##### *Head 792 - Loans to Kenya Industrial Estates*

**Mr. Nyagah:** Mr. Temporary Deputy Chairman, I notice a big Government loan under Head 795, item 538 to the tune of K£1 million. Could the Minister explain as to why KIE is not accepting new people who are applying for loans?

**The Minister for Commerce and Industry** (Mr. Mukindia): Mr. Temporary Deputy Chairman, as I mentioned yesterday, the capacity for KIE to give out loans is well over Kshs500 million per year. Unfortunately, the amount of money, for example made available to us last year was Kshs80 million which was less than what was required for that purpose. The money we are still getting is far from enough. We would like to have more money being given to KIE because the capacity to give these loans is there and loans are popular with wananchi, and that is why we are asking for K£1 million this year. We hope under EEC, the Vote that we have just passed, you notice that we have asked for an additional K£5 million to ensure that also goes with KIE.

**Mr. Nyagah:** Mr. Temporary Deputy Chairman, as a great concern, could the Minister explain to us why many companies under KIE have gone under receivership? I know of six new companies that have gone under receivership. Is this because the feasibility studies were not properly done before giving out the loans?

**The Minister for Commerce and Industry** (Mr. Mukindia): I am not aware of the specific cases that the hon. Member is referring to, but I can assure the hon. Members that KIE as an organisation, is trying to improve its management structure to ensure that more details and deeper studies are carried out in evaluating the various projects. However, obviously, there could be mismanagement by the owners, but it is an area that is of concern to us because we do not want bad loans; we want successful stories.

For that reason, we shall continue to work very hard to ensure that we do detailed studies and more importantly, provide support services to the entrepreneurs.

**Mr. Obwocha:** Mr. Temporary Deputy Chairman, under the same Head 795, the Minister is requesting this House to approve K£386,100 being miscellaneous loans. Could you give the details of that? What are these miscellaneous loans under Item 535.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, on what page is it?

**The Temporary Deputy Chairman** (Mr. Ndotto): It is on page 901, Head 795, Item 535.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, Sir, the hon. Member will notice that under these categories, we are categorising the industrial sector that this money will go to. However, it is not restricted to only this. For example, various other industries that will not come under these categories are then put under miscellaneous ones.

**An hon. Member:** But it is not miscellaneous loans!

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Chairman, it is loans to miscellaneous industries.

**An hon. Member:** That is a good explanation.

*(Heads 794, 795 agreed to)*

*(Sub-Vote 236 agreed to)*

*(Vote D23 agreed to)*

*(Question put and agreed to)*

*(Resolution to be reported without amendment)*

*(The House resumed)*

*[Mr. Temporary Deputy Speaker*

*(Mr. Ndotto) in the Chair]*

### REPORT

Vote 23 - Ministry of Commerce and Industry

**Mr. Ndotto:** Mr. Temporary Deputy Speaker, Sir, I am directed to report that the Committee of Supply has considered the Resolution that a sum not exceeding K£23,335,885 be issued from the Consolidated Fund to complete the sum necessary to meet expenditure during the year ending 30th June, 1996, in respect of Vote 23 - Ministry of Commerce and Industry, and has approved the same without amendment.

**The Minister for Commerce and Industry** (Mr. M'Mukindia): Mr. Temporary Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Resolution.

**The Minister for Labour and Manpower Development** (Mr. Masinde) seconded.

*(Question proposed)*

*(Question put and agreed to)*

### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Ndotto): Hon. Members, it is now time for interruption of business and the House will rise early and stands adjourned until tomorrow the 26th of October, 1995 at 2.30 p.m.

The House rose at 6.15 p.m.