

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 9th October, 2002

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.484

ILLEGAL LAND ALLOCATION IN KASARANI

Mr. Muchiri asked the Minister of State, Office of the President, why he has failed to assist the owners of LR 57726 Ex-Kentity Limited, situated at Githurai Zimmerman, and LR 22899 Kasarani (opposite Kasarani Police Station) from the invaders, who are obtaining thousands of shillings under the pretext that the Government has allowed the allocation of the said parcels of land.

Mr. Speaker: Is anybody here from the Office of the President? Nobody! I will come back to that Question later.

Next Question, Eng. Toro!

Question No.192

ELECTRIFICATION OF KARUHIU/IRERA COFFEE FACTORIES

Eng. Toro asked the Minister for Energy:-

- (a) whether he is aware that Karuhiu and Irera coffee factories were earmarked for electrification and that the programme was abandoned in 1999; and,
- (b) when these factories will be electrified.

Mr. Speaker: Is the Minister for Energy here? Not here! Next Question, Dr. Ochuodho!

Question No.303

CRUDE OIL IMPORTATION FROM SUDAN

Mr. Speaker: Is Dr. Ochuodho not here? I will come back to the Question later.

Next Question, Mr. Angwenyi!

Question No.040

REPAIR OF METEMBE-MOSOCHO ROAD

Mr. Speaker: Is Mr. Angwenyi also not here? Next Question, Mr. Anyona!

Question No.314

PROVISION OF WATER TO MADARAKA ESTATE

Mr. Anyona asked the Minister for Road and Public Works:-

- (a) whether he is aware that since the National Housing Corporation (NHC) took over the

collection of rent and the management of Madaraka Estate from Nairobi City Council, the residents are suffering from serious shortage of water in their flats.

(b) between the NHC and the Nairobi City Council, whose responsibility it is to supply water to the residents of Madaraka Estate; and,

(c) whether he could ensure that the NHC and/or the Nairobi City Council fulfils and meets legal and contractual obligation and the responsibility of supplying water to the residents of the Estate.

The Assistant Minister for Roads and Public Works (Eng. Rotich): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that since the NHC took over the collection of rent and management of Madaraka Estate from Nairobi City Council, the residents are suffering from serious water shortage in their flats.

(b) It is the responsibility of the Nairobi City Council to supply water to the residents of Madaraka Estate and, not the NHC.

(c) I have already requested the Minister for Local Government to look into the problem of water within Madaraka Estate.

Mr. Anyona: Mr. Speaker, Sir, the NHC took over the management of Madaraka Estate and it collects rent from the tenants. Now, in the understanding of the tenants, of course, they do not care which way the management goes, as long they get water. But in our understanding also, when the NHC took over the management of the Estate, it also meant taking over the responsibilities, including that of providing water to the tenants. Could the Assistant Minister tell us what arrangements have been made between the his Ministry and the City Council of Nairobi to ensure that the residents have water because there is no water in that Estate?

Eng. Rotich: Mr. Speaker, Sir, I have talked to the Minister for Local Government to see what can be done. When we wanted to take over the supply of water, we were reminded of Sections 178, 179 and 180 of the Local Government Act, Cap.265, which says that it is the responsibility of the local authorities to supply water within their areas of jurisdiction. But, I am talking with them to see what can be done to solve this problem.

Mr. Ndicho: Mr. Speaker, Sir, I think there is a problem here. These are Kenyans who are suffering due to lack of water, and the water that comes to Nairobi is from Thika District, from the Ndakaine, Ng'ethu, and Sasumwa Dams. Half of the water from these dams goes to waste while some Kenyans are going without water in Nairobi. Would I be in order to ask the Chair that this Question be referred to the Minister for Local Government because once NHC puts up an estate, like I could do or anybody else, it is the responsibility of the Nairobi City Council, through the Ministry of Local Government, to ensure that the residents of Nairobi City get clean water all the time?. So, since hon. Anyona has asked and talked about Madaraka Estate lacking water, ever since we came here in 1998--- Now we are closing Parliament in two months' time; five years down the line and the Member who stays in that Estate has been suffering, he has been driving around carrying buckets to look for water. What can this House do in order to resolve this problem?

Mr. Speaker: Mr. Ndicho, that is a very good point, but you see, you are now turning it into a Motion. But you have made a valid a point. What is your reaction, Mr. Anyona?

Mr. Anyona: Mr. Speaker, Sir, the Assistant Minister says that the Local Government Act requires the City Council to supply water; yes, that is so in normal circumstances. But the Housing Act, Cap.117 transfers that normal responsibility from the City Council to the NHC, in the event where they are collecting rent! In any case, what we want is that, in view of the provisions of these two Acts, what will the Ministry of Roads and Public Works do, in conjunction with the Ministry of Local Government to ascertain as to whose responsibility it is to make sure that the tenants of Madaraka Estate get water? Madaraka Estate is one of the many estates in the City which do have the same problem!

Mr. Speaker: Mr. Anyona, you heard the request made by Mr. Ndicho, and that is what I am asking your response on. Mr. Ndicho is asking the House whether this Question can be directed to the Ministry of Local Government, whose responsibility it is to give water. Is that okay?

Mr. Anyona: Yes, Sir, fair enough.

Mr. Speaker: What is your response, Mr. Assistant Minister?

Eng. Rotich: Mr. Speaker, Sir, as far as the issue of water supply is concerned, I agree. I think the Ministry of Local Government should be able to respond to this Question. Thank you very much for that observation.

Mr. Speaker: I think I will re-direct the Question to the Ministry of Local Government. So, the Question is re-directed.

*(Question re-directed to the
Ministry of Local Government)*

Next Question, Mr. Khamasi!

Question No.440

PRISONERS' PARTICIPATION IN VOTING

Mr. Khamasi asked the Attorney-General what measures he is taking to enable Kenyans serving prison sentences to participate in the voting exercise when it is due.

Mr. Speaker: Is the Attorney-General not here? Next Question, Mr. Mbela!

Question No.527

PAYMENT OF MR. CHOMBO'S
INSURANCE POLICY CLAIM

Mr. Mbela asked the Attorney-General:-

(a) whether he is aware that Life Insurance Policy No.0395947 for Mr. Benson M. Chombo underwritten by the Kenya National Assurance Company Limited (under liquidation) matured in November, 1996.

(b) whether he is further aware that several visits to the offices of the Life Policy Manager have not elicited an appropriate solution; and,

(c) when Mr. Chombo will be paid his benefits.

Mr. Speaker: Of course, it is the same, the Attorney-General is not here. Next Question, Mr. Muihia!

Question No.536

ALLOCATION OF LAND TO SHAREHOLDERS

Mr. Muihia asked the Attorney-General:-

(a) whether he is aware that a land buying company, Thome Farmers No.4 Limited, C/O DO's Office, Githunguri, issued share certificates to paid-up members in 1994;

(b) whether he is further aware that the shareholders have not been allocated any land despite several visits to the offices at Githunguri; and,

(c) what immediate action he is taking to ensure that the shareholders are allocated their pieces of land.

Mr. Speaker: I am sorry, Mr. Muihia, the Attorney-General is not here.

Mr. Muihia: Mr. Speaker, Sir, I was with the Attorney-General.

Mr. Speaker: Have you ever heard of the Chinese saying, that, if somebody is not here, he must be somewhere else?

(Laughter)

An hon. Member: No, he is supposed to be here!

Mr. Speaker: Let us proceed to Mr. Muchiri's Question.

Question No.484

ILLEGAL LAND ALLOCATION IN KASARANI

Mr. Muchiri asked the Minister of State, Office of the President, why he has failed to assist the owners of LR No.57726, Ex-Kentity Limited, situated at Githurai Zimmerman, and LR No.22899, Kasarani (Opposite Kasarani Police Station) from the invaders who are obtaining thousands of shillings under the pretext that the Government has allowed the allocation of the said parcels of land.

Mr. Speaker: Is the Minister of State, Office of the Preside, here? Mr. Muchiri, I am afraid, there is nothing I can do. So, I will now have to defer your Question.

Mr. Mwalulu: On a point of order, Mr. Speaker, Sir. Concern was raised here yesterday, by Mr. Angwenyi, that when Questions are deferred because Ministers are not here to answer them, we end up having a backlog of deferred Questions, which hinder us from asking new Questions. So, could you guide the House on what should be done with such unanswered Questions?

Mr. Speaker: Hon. Members, I have addressed this issue time and time again until I am now---

Hon. Members: Tired!

Mr. Speaker: Hon. Members, you know, the Speaker does not get tired. Neither does he get fed up. However, the Speaker is absolutely unhappy that Ministers do not take their responsibilities seriously. Worse of all, they are not even listening to Mr. Speaker.

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. Why do you not take action for only one minute and then you see how the rest of them will behave? Ministers have a tendency of saying that they will come here at 3.00 p.m. because the Questions they are supposed to answer appear towards the end of the Questions appearing on the Order Paper.

We all know that Parliament starts at 2.30 p.m. Why do you not punish the first Minister today?

Mr. Speaker: Which Minister is supposed to answer this Question?

Mr. Ndicho: It is a Minister of State, Office of the President.

Mr. Speaker: Which one?

Mr. Ndicho: Mr. Speaker, Sir, we do not know which one is supposed to answer.

Mr. Speaker: Hon. Members, I am incapable of giving collective punishment.

Mr. Muite: On a point of order, Mr. Speaker, Sir. It is the duty of the Leader of Government Business---

Mr. Speaker: Where is he?

Mr. Muite: If punishment must be handed out, it must be handed out to the Leader of Government Business. He should be named and excluded from the House. The Speaker has powers.

Mr. Speaker: Hon. Members, if we continue like this, we will bring the Chair and the House to disrepute, and I do not think I will let that happen. I would like us to identify the Minister who is responsible for this Question. The moment you see him set foot in this House, bring it to my attention, and we will deal with him under Standing Order No.88. Which Minister of State is supposed to answer this Question?

Mr. Muchiri: Mr. Speaker, Sir, it is Mr. Sunkuli. He promised me that he would be here to answer the Question this afternoon.

Mr. Speaker: When he comes here, bring it to my attention.

Mr. Muchiri: On a point of order, Mr. Speaker, Sir. Considering the urgency of the matter raised, and particularly the suffering the owners of this land have undergone, could you schedule the Question to come up again on Tuesday afternoon?

Mr. Speaker: Yes. The Question will come up again on Tuesday afternoon.

Mr. Muchiri: Thank you, Sir.

(Question deferred)

Mr. Speaker: Let us proceed to Eng. Toro's Question.

Eng. Toro: Mr. Speaker, Sir, because you are now showing the Ministers that you are not a toothless bulldog---

Mr. Speaker: Order! Order! Eng. Toro, I am not a dog at all! Could you proceed?

(Laughter)

Question No.192

ELECTRIFICATION OF KARUHIU/IRERA
COFFEE FACTORIES

Eng. Toro asked the Minister for Energy:-

(a) whether he is aware that Karuhiu and Irera Coffee Factories were earmarked for

electrification and that the programme was abandoned in 1999; and,
(b) when these factories will be electrified.

The Assistant Minister for Energy (Mr. Sasura): Mr. Speaker, Sir, I apologise for not being here when the Question was called out the first time.

Mr. Speaker: Mr. Sasura, having heard what I said, you had better take me seriously now. Why are you late? Why am I never late? Hon. Members on the Back Bench, if your Questions are dropped, please, do not come to my office to ask for their reinstatement. For you, Ministers, since the Questioner will suffer if I defer his Question, from now on, I intend to proceed against you, if requested by the House to do so, under Standing Order No.88. It will not be sufficient for any hon. Member to come here after 2.30 p.m. and say: " I was held back." There should be no excuse whatsoever.

Proceed, Mr. Assistant Minister.

The Assistant Minister for Energy (Mr. Sasura): Mr. Speaker, Sir, I apologise for the second time.

Mr. Speaker, Sir, I beg to reply.

(a) The programme to supply electricity to Karuhiu and Ilera Coffee Factories has not been abandoned. The two are among 886 coffee factories scheduled for electrification under the European Union-funded Coffee Factories Rural Electrification Programme (COFAREP).

(b) The implementation of COFAREP is being undertaken in phases, with 158 factories out of the 886 having been selected under Phase I on the basis of least cost for implementation. This phase was further divided into Stages I, II and III. Out of the selected 158 coffee factories, 57 have been supplied with electricity under Stage I, whereas 59 were declared ineligible on the basis of the factories not being operational or having been abandoned. The remaining 52 factories out of the 158 factories selected are earmarked for implementation under Stages II and III, and they are due for completion by June, 2003. The selection criteria for the next tranche of factories for electrification under Phase II of the Programme is scheduled for commencement in the second half of the financial year 2002/2003.

Eng. Toro: Mr. Speaker, Sir, I would like to thank the Assistant Minister for, at least, being positive in his answer. However, since Phase I was implemented, it has taken a long time before the Ministry could continue with the electrification of the coffee factories. The factories in question, together with Kagunduini Coffee Factory, were left out of the electrification programme. The others were electrified, and these two were left out. So, are the two factories included in Phase II of the Programme comprising of the 52 coffee factories going to be electrified in the second half of the current financial year?

Mr. Sasura: Mr. Speaker, Sir, Karuhiu and Ilera Coffee Factories are among the remaining 52 factories earmarked for electrification on condition that they meet the eligibility criteria.

Mr. Angwenyi: Mr. Speaker, Sir, this Ministry is actually dormant; it is not working any more on rural electrification. Could the Assistant Minister table the list of factories that are due for electrification under each phase of the programme, so that we can know which factories are included in the programme?

Mr. Sasura: Mr. Speaker, Sir, I will table the list asked for by the hon. Member.

Mr. Angwenyi: When?

Mr. Sasura: Immediately.

Mr. Mwiraria: Mr. Speaker, Sir, could the Assistant Minister clarify the criteria used in selecting the factories to be electrified in Phase I of the Project? Were they selected on the basis of distance from electricity lines, or was it on the basis of the amount of coffee processed by each factory?

Mr. Sasura: Mr. Speaker, Sir, by the time the programme started, some of the factories had been abandoned. Part of the eligibility criteria was that the factories must be operational and have in place internal wiring. Thirdly, the factories were selected on the basis of the least cost, in order to spread the project across coffee producing areas.

Mr. Speaker: Could you ask the last question, Eng. Toro?

Eng. Toro: Mr. Speaker, Sir, that criteria hardly satisfies me because one of the factories is just two kilometres away from a factory that was electrified, and was quite operational at the time it was left out of the programme. The Assistant Minister has said that he will table the list of the factories which were electrified under the Rural Electrification Programme. I do not know whether he will table it now or at a later stage, so that we could go through it and know which factories are included in the second phase of the programme. Could he tell us whether he will table the list now? If not, when will he table it?

Mr. Sasura: Mr. Speaker, Sir, I have just checked the annexes that I have in my file and I have found that there is one which is missing. I will be willing to table the list on Tuesday afternoon, next week.

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

Dr. Ochuodho: Mr. Speaker, Sir, I apologise for coming late.

Mr. Speaker: Dr. Ochuodho, the next time you are late to ask a Question, you will go home for three days.

Dr. Ochuodho: Mr. Speaker, Sir, I am loyal to the Chair.

Mr. Speaker: Whether you are loyal or not, you have to keep time.

Question No.303

CRUDE OIL IMPORTATION FROM SUDAN

Dr. Ochuodho asked the Minister for Energy why the Government has allowed importation of crude oil directly from Sudan, in view of the on-going civil war in Sudan, forced enslavement of Southern Christians and animists by the Muslim North and subjugation of the majority Southerners by minority Northerners.

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

The Government deregulated the marketing and pricing of petroleum products on the 27th October, 1994. Prior to this period, the National Oil Corporation was mandated to import 30 per cent of the country's crude oil requirement. With the liberalisation of the sector in 1994, this importation quota was abolished, and the Government is no longer involved in the direct importation of petroleum products.

Oil marketing companies operating in the country are free to import their petroleum requirements from their preferred source as dictated by market forces. The Government cannot, therefore, restrict any private company from importing petroleum from any source. It will be noted that Sudan, like Kenya, is a member of the Common Market for Eastern and Southern Africa (COMESA) free trade area. Thus trade within the two countries cannot be restricted.

On the on-going conflict in Sudan, the Government cannot lose sight of the direct negative impact the same has on Kenya's socio-economic development. Kenya is host to over 120,000 refugees from Sudan, and as such, the conflict in Sudan poses a grave threat to peace and stability in the region. It is for this reason that the Kenya Government continues to be fully committed to restoring peace and stability in Sudan, through a just and lasting political settlement, and this will be pursued under the auspices of Inter-Governmental Authority on Development (IGAD) peace initiative.

The Government's position was reiterated in a joint Ministerial Statement by the Ministry of Energy and the Ministry of Foreign Affairs and International Co-operation, issued on 1st August, 2001 which was read out to hon. Members in this House.

Dr. Ochuodho: Mr. Speaker, Sir, I am surprised to hear from the Minister that given that we have a liberalised economy, Kenyan companies can buy crude oil literally from anywhere in the world; maybe, even from Iraq or Libya. But my question, which I also asked about six months ago, is: Since the Government allowed the importation of oil from Sudan, which are the companies which have imported crude oil from Sudan and how much oil have they imported?

Mr. Raila: Mr. Speaker, Sir, I have just answered this Question out of courtesy to the hon. Member. He has asked why the Government has allowed importation of crude oil directly from Sudan. The answer is that there is no crude oil importation from Sudan because the Sudanese crude oil is not suitable for processing in our refineries. It is heavy crude oil. So, no crude oil has been imported into the country at all. I want to say that we have no sanctions, other than the African Union, or the United Nations sanctions that we will implement by imposing on Sudan.

Mr. Muite: Mr. Speaker, Sir, even with a liberalised market, nations are entitled to legislate against trade, or importations, with particular nations for particular reasons. Is the Minister aware that 90 per cent of this oil is geographically in Southern Sudan? The long-term commercial and strategic interests of Kenya as a nation, lie in promoting good relationship with Southern Sudan and not with the Khartoum Government. What is the Government doing to ensure that it does not rub the Sudan Peoples Liberalisation Army (SPLA) wrongly, and that we promote good relations between Kenya and the people of Southern Sudan?

Mr. Raila: Mr. Speaker, Sir, I have said clearly that no crude oil is being imported into this country from Sudan. The hon. Member is also aware that Kenya is at the forefront in trying to find lasting peace in Sudan. The negotiations are taking place a few kilometres away from this august House, in Machakos, and are being chaired by Kenyans. So, all efforts are being made and the SPLA has full confidence in Kenya's Government commitment to having a lasting peaceful solution to the conflict in Sudan.

Mr. Sungu: Mr. Speaker, Sir, the Minister is a very able person and has been able to stop the "project" in

its tracks. I would like the Minister to use the powers available to him---

Mr. Katuku: On a point of order, Mr. Speaker, Sir. Are you satisfied with the line Mr. Sungu has taken? He has raised issues to do with the "project" when we are talking about the importation of crude oil.

Mr. Speaker: Order! Mr. Sungu, today is the fifth day I am warning the House against using derogatory terms against each other. The fourth victim was Mr. Muite yesterday, and he apologised. You will follow the same route!

Mr. Sungu: Mr. Speaker, Sir, I beg to apologise.

This oil is actually used to fuel the conflict in Southern Sudan. Revenue raised from the sale of the crude oil is used to purchase jet fighters and helicopters which are used to kill people heinously. They are used to bomb hospitals, civilians and markets. Whereas the Minister has said that we are not importing any crude oil from Sudan, I would like him to, at least, apply the energy that he has to convince the Government of the necessity to do everything possible to ensure that we are not engaged in any trade that could assist the Sudanese Government to buy weapons to destroy our brothers. I have relations in Sudan.

Mr. Raila: Mr. Speaker, Sir, the Sudanese conflict is as old as Sudan has been Independent. The conflict was on long before oil was discovered in Sudan, and the Sudanese Government has purchased arms without having to export oil. Mr. Speaker, Sir, currently, Sudan exports only 250,000 barrels of oil per day, and most of that oil is already contracted, mainly to the companies that helped to construct the oil pipeline.

I know that most of this oil is found in Southern Sudan, but our effort should be to try to find a lasting peaceful solution to the conflict in Sudan. Trade between Kenya and Sudan stands at the ratio of 5:1 in favour of Kenya. Sudan imports a lot of building materials from Kenya. She also buys our tea and coffee, and in exchange Kenya only imports sugar from Sudan. Hon. Members have been talking about "blood oil"; why do they not talk about "blood sugar", which is also being imported from Sudan? I want to say that the Government is committed and will continue to be committed to trying to find a solution to the problem in Southern Sudan.

Mr. Speaker: Next Question, Mr. Angwenyi!

Mr. Angwenyi: Mr. Speaker, Sir, I apologise for being one minute late and I beg to ask the Question No.040.

Question No.040

REPAIR OF METEMBE-MOSOCHO ROAD

Mr. Angwenyi asked the Minister for Roads and Public Works:-

- (a) whether he is aware that Metembe-Rioma-Gesieka-Nyamututa-Mosocho Road (E1070) is completely impassable;
- (b) whether he is further aware that Getiongo and Mosocho bridges have been washed away; and,
- (c) what steps he is taking to repair the bridges and roads.

Mr. Speaker: Where were you? Just for the benefit of the House, all the time when Ministers are late, you Backbenchers make a big issue out of it. I am also unhappy with Backbenchers who come late. So, everybody must keep time. Ask your Question!

Mr. Assistant Minister, proceed!

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. When you were issuing your orders, hon. Raila just woke up and passed you as you were speaking. Tell him that even when you are speaking it is as if you are standing and everybody should freeze.

Mr. Speaker: Yes, indeed. I think he is hearing from wherever he is. Who was answering this Question?

The Assistant Minister for Roads and Public Works (Mr. Mokku): Mr. Speaker, Sir, I beg to reply.

- (a) I am not aware that Metembe-Rioma-Gesieka-Nyamututa-Mosocho Road (E1070) is completely impassable.
- (b) However, I am aware that Getiongo and Mosocho bridges were washed away during the rainy season.
- (c) Road E1070 has been improved by grading the entire 13-kilometre stretch, bush clearing, drainage improvement during the last financial year and Mosocho-Getiongo culverts were rehabilitated.

Mr. Angwenyi: Mr. Speaker, Sir, I really do not know what to say when an Assistant Minister comes here and gives a false response. I challenge this Assistant Minister to accompany me tomorrow, since it is a holiday, and we drive through this road which he says is passable. If we pass through it even with a 4-wheel drive

vehicle, I will come here and resign from being a Member of Parliament. The answer we have been given is false. That road is completely impassable. The culverts he is talking about are not there. You cannot cross those two rivers.

Mr. Speaker: Mr. Mokku, would you like to take the offer that you go for a ride in his vehicle and if you go through the road he resigns?

Mr. Mokku: Mr. Speaker, Sir, I do not want the hon. Member to resign. Although the information I have on the ground is what I have given to the House, I want to assure the hon. Member that I want to arrange with him and also see this road myself.

Mr. Obwocha: Mr. Speaker, Sir, the Assistant Minister says, in part "b" of his reply, that he is aware that Getiongo and Mosochi bridges have been washed away. What is he going to do about them? Are you going to repair them or what is going to happen?

Mr. Mokku: Mr. Speaker, Sir, I said that Getiongo and Mosochi bridges were washed away during the *El Nino* rains and the information I have is that the rehabilitation work on these two culvert structures is complete.

Mr. Angwenyi: Mr. Speaker, Sir, we have got this Ministry and we do vote, for it, a lot of money. Could the Assistant Minister order his department to embark on that road to make it passable and could the work start on Monday?

Mr. Mokku: Mr. Speaker, Sir, I think we have agreed with the hon. Member that we should see the site together and so before I see it and come back, I cannot order anything.

Mr. Speaker: Mr. Angwenyi, is that okay with you?

Mr. Angwenyi: Can we go there tomorrow Sir? On which day can we go there with you? Can we go there on Friday?

Mr. Speaker: Could you make it a private arrangement?

Mr. Mokku: We can go there next week, Mr. Speaker, Sir.

Mr. Speaker: He says that you can go there with him next week.

Mr. Angwenyi: Could we go there on Tuesday next week?

Mr. Speaker: Mr. Mokku, when do you want to go there?

Mr. Mokku: Mr. Speaker, Sir, I want to sit and organise with the hon. Member when we shall go there.

Mr. Speaker: Then you can make your personal arrangements.

Eng. Toro: On a point of order, Mr. Speaker, Sir. Would I be in order to ask the Assistant Minister, when they make the visit with hon. Angwenyi, that he tells this House the disciplinary measures he will take against the officers for misleading him by bringing a false statement in the House?

Mr. Mokku: Mr. Speaker, Sir, as of now, I am not sure whether I will discipline or promote the officers because we are yet to go and see the site.

Mr. Speaker: Well, at least, let us get a report on what you will see.

Next Question for the second time, Mr. Khamasi!

Question No.440

PRISONERS' PARTICIPATION IN VOTING

Mr. Khamasi asked the Attorney-General what measures he is taking to enable Kenyans serving prison sentences to participate in the voting exercise when it is due.

The Attorney-General (Mr. Wako): Mr. Speaker, Sir, I sincerely apologise for coming in late.

However, I beg to reply. If the elections are held under the current Constitution, Kenyans serving prison sentences are not allowed to participate in the voting exercise. Section 32, Sub-section 2 of the Constitution states that persons detained in lawful custody shall not be entitled to vote. If the elections are held under the new Constitution and unless Clause 78 of the draft is altered, then persons under custody will have the right to vote as the said clause gives a Kenyan citizen who is over 18 years, the right to vote without any qualifications. That is why in anticipation of the new Constitution being enacted, the National Assembly Presidential Elections Registration of Electors Regulations drafted by the Electorate Commission of Kenya (ECK) and the Attorney-General and laid on the table of this House, do not have the phrase "being detained in lawful custody" as this qualifies them from registering as a voter or voting in an election.

Mr. Khamasi: Mr. Speaker, Sir, the Attorney-General's first part of the reply given to me is in public domain and we know that is the position. What I would like to know from the Attorney-General is: How many Kenyans are you talking about who are unable to vote because of the provision in the Constitution? Could you roughly tell us how many Kenyans you are talking about who will be ineligible to vote?

Mr. Wako: Mr. Speaker, Sir, I thought the Question was about the steps I am taking to enable Kenyans serving prison sentences to participate in the voting exercise? In my reply, I have answered that Question. The

Attorney-General is a Commissioner of the Constitution of Kenya Review Commission which has drafted the new Constitution. Clause 78 had an input of the Attorney-General and the Electoral Commission of Kenya. The Attorney-General has assisted the ECK also in drafting the regulations which the Attorney-General has laid on the table of this House. Those election regulations in anticipation of what may come does not include the words "being in lawful detention" as a disqualification. So, the Attorney-General has done his best to enable Kenyans serving prison sentences to participate in the voting exercise. Now, the rest is up to this House to enact the new Constitution.

Mr. Munyasia: On a point of order, Mr. Speaker, Sir. The Attorney-General was asked: "How many Kenyans are serving prison sentences under the old Constitution who would be denied the right to vote?" He has not answered it. Could he now answer the question that Mr. Khamasi has asked: "How many Kenyans are serving prison sentences at the moment?"

Mr. Wako: What I heard is: "How many people are serving prison sentences?" But the question is: "What measures is the Attorney-General taking to enable Kenyans to vote?" It does not really arise--

Mr. Speaker: I think it is a legitimate question, because of the current provisions in the law. How many Kenyans are likely to be denied the right to vote because of their being in prison? How many are they in prisons?

Mr. Wako: I do not know the number of people who are in prison, but at the last count, they were more than 40,000; serving prison sentences.

Mr. Sungu: Thank you, Mr. Speaker, Sir. In many countries now, prisoners are even allowed to exercise their conjugal rights. In Uganda, next door, this has helped to reduce the occurrence of new HIV/AIDS cases because they are allowed to be with their wives. This matter should be taken seriously. Since the Attorney-General says that there are provisions in the new proposals of the new Constitution, what steps will he take to ensure that the Draft Constitution is brought to the House so that we can pass it before we go for the elections?

Mr. Wako: Mr. Speaker, Sir, the Attorney-General has done his job. He has drafted the Constitution. The Constitution of Kenya Review Commission (CKRC) is already sending out notices for the National Constitutional Conference to take place. So, the steps under the Act passed by this Parliament are already being taken which will lead ultimately to the enactment of the new Constitution.

Mr. Khamasi: Thank you, Mr. Speaker, Sir. The Attorney-General being the principal legal adviser of the Government and, indeed, of the Head of State, what measures is he taking to make sure that, at least, we sympathise with these Kenyans in order for us to make it possible for them to take part in the coming elections?

Mr. Wako: I did not quite follow that question, but I think the duty is on all of us, hon. Members of this august House, and all those who will participate at the National Constitutional Conference, to ensure that a consensus does emerge and that we can be in a position--

Mr. Khamasi: On a point of order, Mr. Speaker, Sir. I asked the Attorney to tell the House what advice he is providing in order to make sure we go into the general election under the new Constitution.

Mr. Wako: Mr. Speaker, Sir, hon. Members are well conversant with the provisions of the Constitution of Kenya Review Commission Act and we passed amendments just the other day, which provide the time limit within which various stages in the process have to be completed. I am glad that the Commission has already published a report and a Draft Constitution. The next stage is for the Commission to call for the National Constitutional Conference.

Mr. Speaker, Sir, as I know, the National Constitutional Conference is being called for on 28th October. We shall follow the procedures and if at that National Consultative Forum, the hon. Members of Parliament are with one accord and a consensus can emerge on the entirety of the Constitution, the next stage will be for the Conference to hand over the document to the Attorney-General. Within seven days, the Attorney-General will bring that Draft Constitution to this House for debate and enactment.

Mr. Speaker: Next Question, Mr. Mbela!

Mr. Mbela: Mr. Speaker, Sir, before I ask my Question, I would like to state that it was postponed to today because the Attorney-General was not available.

Question No.527

PAYMENT OF MR. CHOMBO'S INSURANCE POLICY CLAIM

Mr. Mbela asked the Attorney-General:-

- (a) if he is aware that Life Insurance Policy No.0395947 for Mr. Benson M. Chombo underwritten by the Kenya National Assurance Company Limited (under liquidation) matured in November, 1996;
- (b) if he is further aware that several visits to the offices of the Life Insurance Policy Manager have not elicited an appropriate solution; and,

(c) when Mr. Chombo will be paid his benefits.

The Attorney-General (Mr. Wako): Mr. Speaker, Sir, now I am available. But let me, first of all, apologise for being late today. On the previous occasion, I was not available and I had duly informed the House. However, I beg to reply.

(a) The Attorney-General is aware.

(b) The Attorney-General is aware.

(c) A new company called the Kenya National Assurance 2001 Limited which is wholly owned by the Government through the Treasury has taken over all the assets and business of the Gross Fund which include actual liabilities such as life policies. The Board of Directors has already been appointed and it is expected that payments of all liabilities of life insurance policy-holders, including Mr. Chombo, will be met soon.

Mr. Mbela: Mr. Speaker, Sir, the Kenya National Assurance Company went under because of mismanagement by some well known personalities. The Attorney-General has the power to order investigations against those individuals who caused this damage. Could he state what action he is taking, and also confirm when he expects Mr. Chombo to be paid?

Mr. Wako: Mr. Speaker, Sir, as to the last bit of the question, the Board of Directors was appointed by the Minister for Finance on 26th July, 2002. A manager has just been appointed and money is being made available by the Treasury to the tune of Kshs1.7 billion through the budget. So, we expect payments as soon as the Budget is passed by this Parliament.

Mr. Mwalulu: Mr. Mbela has stated clearly that the Kenya National Assurance Company went down as a result of theft by well known people. Could the Attorney-General tell this House when he will bring these people to book because they are crooks and thieves? They have caused suffering to Kenyans---

Mr. Speaker: Order, Mr. Mwalulu! You may be new here, but I think the period you have been here is sufficient for you to know the words that are acceptable to Parliament and the ones that are not. Certainly, the word "thieves" is not acceptable. Will you withdraw?

Mr. Mwalulu: Mr. Speaker, Sir, I withdraw, but the principle remains the same---

Mr. Speaker: Order! Order! Mr. Mwalulu should not play around with the Chair. You obey the orders given to you by the Chair without conditions.

Mr. Mwalulu: Mr. Speaker, Sir, I have withdrawn.

Mr. Speaker: Very good! Now, proceed!

Mr. Mwalulu: When will the Attorney-General bring to book these people who were implicated in the fall of the Kenya National Assurance Company Limited?

Mr. Wako: I will bring such an action within 14 days of the investigation file reaching my desk and I am satisfied that there is sufficient evidence to prosecute.

Mr. Mbela: Mr. Speaker, Sir, I requested the Attorney to order an investigation because he has the powers to do it, but he has not said anything about it. Could he order that investigation to be done?

Mr. Wako: From what I have said to the hon. Member, it must be implied that already investigations are going on and I may say so. Many times we have said that all those cases that have been mentioned in the Public Accounts Committee (PAC) and the Public Investments Committee (PIC) were all handed over to the defunct KACA for investigation. When the defunct KACA could not proceed because of the court ruling, they are now being handled by the Anti-Corruption Police Unit.

Mr. Speaker: Next Question, Mr. Muihia!

Question No.536

ALLOCATION OF LAND TO SHAREHOLDERS

Mr. Muihia asked the Attorney-General:-

(a) if he is aware that a land buying company, ThomeFarmers No.4 Limited, c/o D.O's Office, Githunguri, issued share certificates to paid-up members in 1974;

(b) if he is further aware that the shareholders have not been allocated any land despite several visits to the office at Githunguri; and,

(c) what immediate action he is taking to ensure that the shareholders are allocated their pieces of land.

The Attorney-General (Mr. Wako): Mr. Speaker, Sir, again, I apologise on this one. I have not been able to answer this Question because the major Question really belongs not to the Attorney-General's Office, but to the Provincial Administration and the Commissioner of Lands. My office has already written to the Permanent Secretary in charge of Provincial Administration and Internal Security to draft the answer for this Question for the relevant Minister to come here and answer.

Mr. Muihia: Mr. Speaker, Sir, I do not know why the Attorney-General wants to evade my Question,

which hinges on fraud. The farm in question, Thome Farmers No.4 Limited, was formed some time in the early 1970s under the advice of a former MP hon. A.K. Magugu. The shareholders who have been issued with certificates have written to the Attorney-General's office, and there has been correspondence from the Attorney-General telling the directors that they have failed to furnish resources in the annual returns, and they have not held any annual general meeting. There are about 800 shareholders with certificates which have already been laid on the Table.

Mr. Speaker: What about the ownership of the Question? Because it is the Question that---

Mr. Muihia: Mr. Speaker, Sir, I am asking about the fraud because unsuspecting land buying individuals have been defrauded of their money, and there is no land. So, I am asking: What is the Attorney-General going to do to tackle the fraud and have the money returned to the owners or the land be given to them?

Mr. Wako: Mr. Speaker, Sir, my difficulty is that, if that was the intended Question, then, if it had been asked in that manner, then, I would have told him: "Go and report immediately to the police." But the way it has been asked is: Since the share certificates have been issued, when would the buyers be allocated their land? Regarding the question of land buying companies, when it comes now to the allocation of the land in accordance with the share certificates and so on, is a matter that is dealt with under the leadership of the Office of the President, closely involving the Ministry of Lands and Settlement. That is where the Question ought to be addressed to.

Mr. Muchiri: Mr. Speaker, Sir, thousands or millions of Kenyans have been defrauded a lot of money through the Attorney-General's office by companies registered as land buying companies. The question that the Attorney-General is being asked here is: Since Thome Farmers No.4 Limited has defrauded Kenyans of money, what action is he going to take, now that he has been informed that they have defrauded over 800 people of millions of shillings? Mr. Wako, could you answer the question that you are being asked?

Mr. Wako: Mr. Speaker, Sir, the question that I am being asked is that this company, way back in 1974 - of course, I was a senior partner in Kaplan and Stratton Advocates and Company--- I am going to read out the Question, the way it was phrased. If it was phrased in a manner in which it comes within my province, I would have answered it. But the main question here is: Why have they not been allocated the land? That is the issue. Allocation of land in accordance with share certificates in a land buying company is an issue that is dealt with by the Office of the President and the Commissioner of Lands.

Mr. Muihia: Mr. Speaker, Sir, I think the Attorney-General cannot run away from this Question. I am saying that people have been defrauded. There is no land and, therefore, the Commissioner of Lands cannot allocate or help in the allocation of non-existent land.

Mr. Speaker: Why then did you ask the Question when you knew that it was impossible? Why do you ask a hypothetical Question?

Mr. Muihia: Mr. Speaker, Sir, I asked the Question because there has been correspondence between the office of the Attorney-General and the shareholders. So, the Attorney-General knows that they have been looking for either the land or their money. This is going on even today in Gatundu. There are people collecting money in the hope of getting that money from the shareholders when there is no land. Mr. Wako, what are you going to do to those companies which are defrauding people indiscriminately?

Mr. Speaker: Very well, Mr. Muihia, you can see that time is not on our side.

Mr. Wako: Mr. Speaker, Sir, if I may say, if the Questioner knew that there was no land whatsoever, then, why is he asking me to take immediate action to ensure that these people are allocated the land?

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. The hon. Member has persistently invoked a matter of law; that, there was fraud involved in this matter. I think the Attorney-General should pick enough from that particular point, the issue of fraud, because there he now comes in. If somebody defrauded Kenyans' of their money, it falls under his portfolio to initiate investigations and find out truly whether there was fraud or not. If truly there was fraud, he should take legal action. This is what we are asking you, Mr. Attorney-General.

Mr. Wako: Mr. Speaker, Sir, you see, I go by the Question asked. If there was fraud and the Question was asked in those terms, then, I would be asking: "When did the hon. Member report this fraud to the law enforcement officers to enable them to investigate so that they can prosecute?" But the way it is asked, he is asking me to take action to ensure that they are allocated the lands that they were entitled to, which they have not received up to now. That is a matter for---

Mr. Speaker: Order! First of all, the Question as framed by Mr. Muihia is not what he wanted; he wants a different thing. But I thought also the Attorney-General, as the public prosecutor, any time he smells of a possible crime, including fraud, proceed with due speed and haste without being prodded to investigate and find the veracity of it. Mr. Wako, are you not "smelling" something?

Mr. Wako: Mr. Speaker, Sir, that is why I was saying that it is not now--- Since it was not a Question in this House and it is now for the first time he is raising a question of fraud, it is not for this House now--- If he came and lodged a good complaint with me, I would move with due speed.

QUESTIONS BY PRIVATE NOTICE

COLLAPSE OF MISSION HOSPITALS

Dr. Kulundu: Mr. Speaker, Sir, I beg to ask the Minister for Health the following Question by Private Notice.

(a) Is the Minister aware that mission hospitals and health units are on verge of collapse due to lack of adequate funds?

(b) Is he further aware that these health units provide 50 per cent of all the health services in the country?

(c) What urgent steps is he taking to ensure that these units do not collapse, to the detriment of people especially in the marginalised areas?

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

(a) I am not aware that mission hospital health units are on the verge of collapse due to lack of adequate funds.

(b) I am aware that mission hospitals and other health care providers account for 42 per cent of health service in the country.

(c) The mission hospitals are privately managed by various religious organisation, and I can only appeal to them to improve their operations to save them from the collapse.

Dr. Kulundu: Mr. Speaker, Sir, that is an answer that completely lacks compassion. Mission hospitals are private institutions with a difference in that they do not make any profit. They supplement Government efforts in providing health care services throughout the country and especially in marginalised areas. It is for that reason that when the Kenya Government used to be an effective and good Government, it used to give some funding to mission hospitals, up to 1995.

Mr. Speaker, Sir, so, this Question seeks to reinstate that funding to mission hospitals in view of the escalating poverty and rampant HIV/AIDs that would make Kenyans unable to pay for certain mission hospitals.

Dr. Wako: Mr. Speaker, Sir, it is true that at certain times, the Ministry was providing certain amount of help to the mission hospitals. But due to Budgetary constrains, the Ministry is struggling to make ends meet and, in that light, the current Ministry's Budget is not able to finance the health-related facilities of the mission hospitals.

Mr. Munyasia: On a point of order, Mr. Speaker, Sir. Could this Assistant Minister be asked to apologise to the House for misleading it in the first Question where he says that he is not aware that the mission hospitals are on the verge of collapse? Then, in part (c) of his answer, he says that he is urging them to do something to save themselves from complete collapse. Does that not mean that he is aware that they are on the verge of collapse? So, why should he mislead this House?

(Applause)

Dr. Wako: Mr. Speaker, Sir, I did not say that. I said: "I am not aware of any which has collapsed." We know that they have budgetary constraints like any other institution. We are saying that they should improve so that they can save themselves.

Mrs. Ngilu: Mr. Speaker, Sir, due to poor services that the Ministry of Health is giving to these dispensaries and health care units in the rural areas, you will find that most health centres have now been turned to small dispensing units where almost every household have a place where they go for health services.

Although we have a law that states that we should not have unqualified people dispensing drugs, this is being done as a result of their failure, could the Assistant Minister advise people on where they should get assistance? Could the Ministry also ensure that these health centres that are registered get proper drugs so that they can administer the right health care?

Mr. Speaker: Order! I am afraid Question Time is over! Next Order!

Dr. Kulundu: On a point of order, Mr. Speaker, Sir. Is my Question, therefore, deferred?

Mr. Speaker: Yes, partly!

(Question deferred)

TERMINAL BENEFITS FOR RETRENCHED CIVIL SERVANTS

(Mr. Kihoro) to ask the Minister for Finance:-

- (a) Is the Minister aware that all the 669 civil servants in Nyeri District who were retrenched by the Government two years ago have not been paid their benefits?
- (b) Is he further aware that many of their children have dropped out of school for financial reasons?
- (c) When will the benefits be paid to the retrenched and to all the others who have been retrenched?

Mr. Speaker: Mr. Kihoro's Question is deferred to next week!

(Question deferred)

Mr. Speaker: Next Order!

COMMITTEE OF SUPPLY

(Order for Committee read being 14th Allotted Day)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

Vote 12 - Ministry of Local Government

(The Minister for Local Government on 8.10.2002)

(Resumption of Debate interrupted on 8.10.2002)

Mr. Speaker: Mr. Otula was on the Floor! Proceed, you have nine minutes!

Mr. Otula: Mr. Speaker, Sir, yesterday I was saying that the councillors who are elected by wananchi are supposed to be responsible for the running of our councils. But you find that, in the Ministries, more authority has been given to the chief officers who mismanage our councils. It is a pity that the running of these councils---. The management of finances cannot be supervised by councillors who have been elected to run these particular councils. In most cases, you find that councillors go without allowances while money is being collected from our markets. I would suggest that these councillors be paid by the Central Government, to make sure that they are able to maintain the councils.

Mr. Speaker, Sir, secondly, employment of our chief officers is done from the headquarters, and the responsibility of running these councils is left in the hands of the chief officers. It would have been better if the councils were left in the hands of councillors. The employment and the firing of the Chief Officers should be done by the Chief Officers to make sure that the Chief Officers do not mismanage our councils.

Mr. Speaker, Sir, with regard to LATF, it has been said by the previous speakers that there is a lot of mismanagement of LATF money. I would like to appreciate or congratulate the chief officers in Oyugis Town Council and Rachuonyo County Council for doing good work. They have done good work using the LATF money which was given to them. I wish to request the headquarters to make follow-ups; of how this money is being used. Though good work has been done, there must be certain shortfalls within the council. If these loopholes are tightened, I am sure our councils will be run most effectively.

Mr. Speaker, Sir, there is very poor planning of roads and buildings within the councils. I would like to request the chief officers at the headquarters to make sure that if a council is to be started, there must be proper planning, and the council should make proper use of district planning officers, to enable them do good planning within the council. In most cases, you find that people encroach on road reserves, resulting in the demolition of kiosks. Before this is done, planning should be effectively done to avoid having demolitions in our councils.

Mr. Speaker, Sir, there has been a lot of mess in the council boundaries. So many councils have actually encroached on other councils' boundaries. For example, the Gusii County Council in Nyanza Province has encroached on the running of markets within the other councils. At the moment, Ruga Market in Oyugis Town Council is being run by the Gusii County Council and they are collecting revenue from these councils. At the headquarters, directives have been sent to PLGO to solve the matter, but up to now, the PLGO has taken very little notice to resolve this particular problem. I would like to request the officers at the headquarters to take up this matter and resolve the problems which we are encountering within the council boundaries. Ruga Market in Rachuonyo was gazetted on 17th May, 1966 as a market within Kasipul Location, and Kasipul Location is within

Rachuonyo District but, at the moment, the market is being run by the Gusii County Council. If the Government is serious, this issue should be resolved, and the market returned to Oyugis Town Council so that they can be able to collect revenue from this particular council.

Mr. Speaker, Sir, there is a lot of corruption in our councils, particularly from the PLGOs and the chief officers. In most cases, a PLGO will go to a council to look for money. This is evident, and I would like to request the Ministry to look into this issue by posting proper chief officers who can be able to assist them run the local authorities effectively. There is need for provincial auditors to assist in auditing the funds collected by the councils. It has been said that, in every council, you will find that there is an official receipt book and another receipt which has been printed by the workers to collect money and pocket it. It is prevalent, and I think the Ministry of Local Government should come up with a proper system of revenue collection through issuance of receipts which can determine proper collection within our councils. Water shortage is a problem in most of the county councils. As has been said privatisation of water services should be done within our councils to make sure that residents get proper, clean water, fit for human consumption. If this is not done, it will be very difficult for our people to get clean water within the councils.

I would say that there is a lot of discrimination going on in the markets here from the Ministry of Local Government. You will find one town council having a very good market while another does not have a proper market. The Government should come up with a proper policy on how these good markets can be distributed all over the country.

With those few remarks, I support the Motion.

Mr. Speaker: Is the Official Responder, Mr. Maitha, ready now?

Mr. Maitha: Yes, Mr. Speaker, Sir. Let me, first of all, thank the Minister for Local Government for his spirited address in this House yesterday where he talked of various things in the local authorities. While the Minister tried his best to address most of the issues affecting the local authorities, I must say that the Ministry has failed in various areas where the local authorities are to be directed. The Minister yesterday dwelled very much on cosmetic issues just to show that everything is okay in the local authorities. He never told the world, and maybe Kenya, why the Ministry of Local Government has failed to move before this House the Local Government (Amendment) Bill. We laboured a lot over this Bill and made sensitising moves in various areas. We discussed this Bill with stakeholders and Kenyans had a lot of expectations on the role of local authorities in Kenya.

The failure by the Ministry of Local Government to introduce amendments to the Local Government Act, Cap.265, has really disappointed Kenyans, especially at this time when they are yearning to elect mayors and chairmen of local authorities directly in the next general election. The Ministry ought to know that most mayors in this country are stooges of rich people. The collection of revenue in local authorities will be enhanced and will address what the Minister read yesterday. He gave about six points which could be the improvement factor of local authorities, namely; the strengthening of financial management capacity, accounting control and audit-mechanisms, the review and amendment of the Local Government Act, the implementation of a citizen-driven planning process through individual local authority service delivery action plan, the development of the decentralisation policy and the integration of local government finance into the Medium-Term Expenditure Framework (MTEF) and implementing a more focused monitoring evaluation system of local authority activities.

Mr. Speaker, Sir, if we have a Ministry which does not focus on, or protect its Act of Parliament which it works on, then everything comes loose. Everything which is not done correctly becomes flawed. However, may I congratulate most of the officers in the Ministry who are working very hard to see that most of these things are implemented. It is so prudent to ensure that every local authority in the country is living up to the standards of serving its citizenship. The Minister spoke widely and in fact showed in his speech that he wanted to curtail the activities of most town councils in the 174 municipalities that we have. He wanted to curtail them to work in a system which is corruption-free and in a manner which will enable them to serve the public in accordance with the Act. It is so disheartening to see that while the Minister read a very good speech, what is happening is contrary to what he was talking about.

Let me talk about the demolition of kiosks in the country. Many questions were brought to this Parliament as to why the Minister allowed other Ministries to take charge. The Minister for Local Government has allowed the Office of the President, DCs and DOs to demolish kiosks which had been licensed by the local authorities under the Local Government Act, in total disregard of the suffering inflicted on the common wananchi. These demolitions are being effected by departments other than the local authorities. Citizens are given the assurance that they can do their business under the Local Government Act; they are given licences to operate. Later, you find another department interfering with the Local Government Act. You wonder where the Ministry of Local Government comes in. That is why I am saying that the local authorities have failed in their role. They never told the Executive what should be done or what needs to be rectified like the demolition of kiosks in town.

The Minister gave a very good address. However, if all his restructuring policies were to be followed, then everybody would have failed in the local authorities. Everybody would have found that the directions given by the

local authorities are in accordance with the Local Government Act. The Minister ought to know that he is the one in charge of that Ministry and nobody should stand in his way as it happened in this country. It was so shameful to find that the Minister for Local Government could not even control whatever was happening in this country. It even gave this country a very bad name. News of these demolitions was beamed all over the world. The demolition of kiosks left very many people suffering. It left vacant road spaces. Right now the Ministry of Local Government is very much aware that those open spaces left after the kiosk demolitions are now being allocated to rich people. I am saying that the open spaces are being allocated to rich people because in my area, for example, where the demolitions took place, plots are being dished out. They are being given to rich people to construct shops. Why do you chase away a poor man and give the plot to a rich man? That is failure on the part of the local authority. They had the obligation of demolishing the kiosks because they said that they were making the town clean. But why did they allocate such portions of land to the rich people, so that they can use them? That is contrary to---

Mr. Kamolleh: On a point of order, Mr. Speaker, Sir. Is it in order for Mr. Maitha to speak about plots being dished out to rich people, when he is actually a beneficiary of such plots in Malindi? Is he also a poor man?

Mr. Speaker: But, Mr. Kamolleh, is he poor?

Mr. Maitha: Mr. Speaker, Sir, I am not aware of what Mr. Kamolleh is talking about because he is not understanding my version. Listen to me properly! I am saying that in recent months, the local authorities ordered the demolition of kiosks throughout the country. That way, they cleaned the towns. But the same plots, where kiosks belonging to the poor people, were demolished, are being allocated to rich people. That is why I am asking: Is the Ministry in control? They tell the citizens that they want to make the towns clean, but at the same time, allocate the same plots to the rich people! I am sure Mr. Kamolleh is trying to protect somebody who is sitting there!

Mr. Speaker: Order, Mr. Maitha! Will you address me? You will address the Chair and not the Member across! Will you do that?

Mr. Maitha: Mr. Speaker, Sir, I have been long enough in this House!

Mr. Speaker: Order! Not longer than the Chair!

Mr. Maitha: I am addressing the Chair!

Mr. Speaker: Order! You have not been here any longer than the Chair! Now, please, follow the rules! Remember, you are a shadow Minister!

Mr. Maitha: Mr. Speaker, Sir, I am a very able shadow Minister! That is why I am saying that the restructuring of the Local Authorities Act would have given the citizens of Kenya powers to run their local authorities. We are looking at the areas that the Minister addressed yesterday; where local authorities are supposed to make sure that finances collected from the public are used properly. You will find that in most local authorities, almost all the money that is collected is misappropriated. We have had a lot of problems with the local authorities. Most local authorities do not reveal their budgets to the taxpayers. The local authorities are supposed to publish their budgets, so that the local people could know how much money they have paid for the whole year, and how it will be spent. While we know that the Minister has been very busy, the Ministry ought to take control of many things.

For example, we have problems in procurement where, instead of following the Local Authorities Act, it is controlled by another department. You have a committee of Permanent Secretaries which directs the local authorities to procure, and they give the mandate to the town clerks to report directly to another office, rather than the one prescribed in the Act. Why do we have an Act and yet, we are controlled by another department, which does not fall within the docket of the local authorities. According to the Local Authorities Act, we have a chairman of finance. We have a committee which supervises the procurement in local authorities. They procure according to the direction of the committees concerned. Why do you allow procurement to be done by another authority? That has brought a lot of problems in the local authorities. It has made members of the local authorities who are elected councillors and custodians of the people to be irrelevant to the electorate. They do not even know how purchasing of items is done. They are not answerable to the electorate. They cannot give an account of how tenders are given. Why do we have local authorities with councillors who cannot even tell their own people how a road tender is given and how some items are bought in the councils? They are only there as rubber stamps. They are only there to be told that a certain type of tender has been given, just because of a legal notice. I am yet to understand which is superior; a legal notice or an Act of Parliament! If a legal notice is more superior than an Act of Parliament, then the Executive should be well informed that there is no need to have a Parliament, which will be receiving reports of all Ministries. That is why we have the Minister for Local Government coming to the House to present his Estimates.

Mr. Speaker, Sir, it is my prayer or maybe, let me put it this way. The Ministry of Local government should tell the Executive that it was wrong to take the procurement procedures to another department, whereby councillors are not part of that procedure. It was very wrong and if that was right, then the Local Authorities Act should not be used in the Ministry. The Ministry should not be subject to other Ministries' decisions.

Mr. Speaker, Sir, yesterday, the Minister pointed out how they had helped various areas. I want to point out some areas which he had mentioned yesterday. I want to mention the Kenya Urban Transport Infrastructure Programme (KUTIP), whereby we would like to see some urban areas which have benefited from the programme. We are yet to see the Ministry of Local Government being barred by other Acts of Parliament from interfering with some areas. A good example is on repair of roads in towns. We have got the District Roads Board, which was established under an Act of Parliament. You will find that hon. Members of Parliament are members of that Board. You will also find that an engineer in the Central Government is a member of that Board. But you will find that the money which goes to the DRC, where there is a local authority, cannot be used by that local authority. I said that the Ministry should review the Local Government Act so that it can be in harmony with other Acts so that local authorities can find it easy to work with other departments of the Government.

We require the money which is given under the Fuel Levy Fund in the local authorities. It is not necessary to have a department in the Central Government which performs the same duties as the one in the Local Government. This is duplication of duties. I would like to give an example of the Education Department that is found in the Nairobi City Council (NCC) where you find City Education Officers. Such officers are also found in the Central Government. Why do we duplicate duties? Why does the Executive not allocate all the budget to the local authorities concerned? Why do you have a Medical Officer of Health (MOH) in the NCC, and yet we have a MOH in the Central Government? If the Ministry of Health feels that it can do a very good job in Nairobi, why can we not send all the money to that department in the Local Government and then we supervise it?

That can happen to every department, be it in the Ministry of Education, Science and Technology, Ministry of Health, Ministry of Roads and Public Works and Ministry of Transport and Communications. We have the mechanism in place to ensure that good work is done in local authorities. If it is about roads, we have road engineers who are employed by local authorities. These engineers are in the same rank as those in the Central Government. Why do we not centralise everything within the local authorities? That is the reason why we cannot achieve the objective of making local authorities work efficiently. That is the reason why we should ensure that local authorities are the basis of public service. That is when we can achieve what the Minister said yesterday. But without having those things in place, the Minister can talk whatever--- That is the reason why I said his speech was very good, but it does not really give the true picture of how the local authorities can be revamped.

While we are looking at the areas which the Minister pointed out, on corruption, we should make sure that he stops this vice in local authorities. This should not happen at all. The Minister for Local Government who is a presidential candidate in this country, has been talking tough on corruption, which is very good. I would like him to portray his image by making sure that corruption is a thing of the past in local authorities. I would like to cite one very good example. If the Minister will allow local authorities vehicles to be used in campaigns, that is corruption. That is the reason why most of our chief officers sign huge amounts of imprests in the name of attending public rallies that are organised by the Executive. Where in the Local Government Act can we find this? That is why we want the Minister to be tough on corruption and stop the stealing of money in local authorities. Stealing of money from local authorities is bad.

Mr. Speaker: Order, Mr. Maitha! You told me that you are experienced now. So, can you show the experience practically?

Mr. Maitha: Mr. Speaker, Sir, let me withdraw the word "stealing" and substitute it with "embezzling" money from our local authorities.

I would like the Minister to note that when local authorities use their money, we are assured that members of the public will get good services. All confidential minutes brought to the local authorities are void. There is nothing confidential when it comes to making decisions in local authorities. The Minister should not accept any minute which is confidential. We have the case of Mombasa where it was found in the minutes which the Minister received recently that a whole park which had been allocated to a rich man had to be returned to the Government after paying a sum of Kshs200 million. That is corruption.

[Mr. Speaker left the Chair]

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

If he is accepting confidential minutes, it is very wrong. Using Kshs200 million to pay somebody because he was allocated the council's land is wrong. The local authorities should be free of corruption. It should be noted that members of the public would like to know the amount of money that is allocated to the local authorities and how much is spent. Nobody should make a fortune from the local authority money. It is my humble request that the Minister helps this country by clearing the mess in the local authorities.

We do not need an advisory body in the NCC. This is duplication of duties. We have elected councillors who are capable of making decisions. The people who elected those councillors are the ones who mandated them to go, sit and make decisions. Why should the Government put in place another body to supervise the same local authority? We are contravening Cap. 265 by establishing another body within a council. This is wrong. The Minister can authorise an inspection of any local authority thought to have misappropriated money, but running a parallel body is wrong.

Mr. Temporary Deputy Speaker, Sir, we have got room where, if a local authority does not offer services, we can dissolve it and appoint a commission to do its job. So, why should we establish other bodies to supervise local authorities? Whatever was said by the Minister was nice. In fact, it really gave a clear vision of the local authorities, but the Ministry failed for five years to put this into practice. There should be a capacity building on these issues to ensure that our local authorities are run properly.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Capt. Ntwiga: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Motion on this very important Vote. First of all, I would like to take this opportunity to congratulate the Minister for having so eloquently presented the Vote of his Ministry, yesterday. I take this opportunity to wish him well and success in his endeavour to be in charge of the Central Government.

Mr. Temporary Deputy Speaker, Sir, the allocation of approximately Kshs6 billion for this Ministry is too little money. I am saying so because so many urban centres, especially Chuka Town Council, which is a district headquarters, has no sewerage system. It has no permanent water system, nor a single tarmacked road. Therefore, this money is too little for this Ministry to provide services to *mwananchi*.

Mr. Temporary Deputy Speaker, Sir, I must point out that this Ministry - I hope the Minister will correct this position before he becomes a big person in this country - in conjunction with the Ministry of Roads and Public Works, is very notorious in misusing funds meant for rendering services to the people. For example, the Local Authority Transfer Fund (LATF) money is left to the councillors and the staff of the Local Government to manage it. We have seen that the misuse of this money--- Just like hon. Members are supervising the District Roads Committees (DRC) money from the Ministry of Roads and Public Works, I would wish to advise the Minister to involve hon. Members because they are very particular when it comes to the delivery of service to *wananchi*.

The Minister should make sure that monies which are sent to urban centres and town councils are used properly, or, at least, hon. Members are involved, in order to monitor the use of such money, such that, if there is a project, before the money is used, the area Member of Parliament should be consulted on a very serious note. Auditing and supervision must also be done, for that matter, by hon. Members. I am strictly saying this because hon. Members are very effective in as far as delivery of services to *wananchi* is concerned. But if you leave these affairs to the councillors and the staff of the local authorities, we shall never come out of this corruption in this Ministry.

Mr. Temporary Deputy Speaker, Sir, another issue is with regard to the urban road network system in various councils. When tendering is done at the Ministry's headquarters, it becomes very difficult to make a follow-up. I would like to advise that tendering be done at that local authority's headquarters in the districts. At the same time, hon. Members should be involved; if not hon. Members, any stakeholder. I am advising the Minister that a stakeholder, apart from the councillors and the staff of the local authorities, should be appointed. Something must be done for somebody who is in charge at that urban centre; an interested party; a stakeholder who should be making a follow-up and monitoring the use of money for the benefit of the residents of that place. So, the tendering system must change. If that money is meant for Chuka, Runyenjes or Embu, that money must go there and the tendering process must be done locally. It should not be done at the Ministry's headquarters, here in Nairobi, because this is where corruption is done, hence lack of delivery of the services. I am referring to this tendering process because urban centres, municipal councils and town councils should become the centres of development so that the Central Government gives the Ministry some money for certain project in urban centres, and then money is taken there directly and the tendering process takes place there.

Otherwise, I do not have much to say, except that I would like to conclude by advising the Ministry that, the Department of Water should be privatised so that the people can get services. By so doing, I think the Ministry will develop its sectors. Before the Minister becomes the Head of State, I hope he will rectify these issues.

With those few remarks, I support the Motion on this Vote.

Mrs. Mugo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute and support the Motion on this Vote.

From the onset, I would like to thank the Minister and congratulate him for effectively handling the Woodley Estate matter. The Woodley Estate issue had been a thorn in the flesh of this House. Many Ministers before him tried to handle this matter--- I hope they tried; we had brought this matter before this House and it was never sorted out. A resident was even killed over the same saga.

On behalf of the people of Woodley Estate, I would like to thank the Minister for handling that matter

quickly and annulling the sale of houses. I would like to ask the Minister to speed up the regularization of the same so that he can gazette the matter---

QUORUM

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

The Temporary Deputy Speaker (Mr. Musila): Yes, indeed, there is no quorum. I order that the Division bell be rung.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Hon. Members, we now have a quorum. So, could you proceed, Mrs. Mugo?

Mrs. Mugo: Mr. Temporary Deputy Speaker, Sir, before the interruption, I was thanking the Minister for the speedy manner in which he sorted out the Woodley Estate problem. I now request him to regularise the new status by publishing the necessary Gazette Notice, so that the people of Woodley Estate can acquire the houses. Residents of the estate have already organised themselves into a property buying company. So, I request the Minister to sort out the matter before the House is dissolved.

Mr. Temporary Deputy Speaker, Sir, I would also like to comment on the issue of hawkers. While we thank the Minister for stopping the demolishing of kiosks that caused a lot of problems to small-scale traders, we would like him to ensure that the exercise is not re-started. While presenting the Budget, the Finance Minister promised that hawkers in Nairobi would be allocated certain areas to carry out their business. We continue to witness running battles between the hawkers and the police, as if the police do not have enough criminals to arrest in the City.

So, as the Minister replies to this debate, I would like him to tell the House what he is doing to ensure that City Hall allocates certain areas in the City for hawkers to carry out their business. He should give us a time frame within which that is going to be done, because the hawkers issue has for a long time been a very serious problem in the City. As we all know, in the absence of formal employment in the country, many jobless people within Nairobi eke out a living through hawking of wares.

I also call upon the Minister to ensure that the administration at City Hall, and the police, stop harassing hawkers. We do not understand why City Hall *askaris* and police engage hawkers in running battles in the City. We should be more organised than that. Since the Minister has already shown by example what he is capable of doing for the people, I believe that he will act on these requests. I am particularly talking about the Woodley Estate issue.

Mr. Temporary Deputy Speaker, Sir, on behalf of the traders of Kenyatta Market, I would like to thank the Minister for stopping the City administration from demolishing traders' kiosks. The traders are now going about their business as usual. However, I urge the City Council's Cleansing Department to stop harassing the people by closing down their businesses at will. We are not against the observance of high standards of cleanliness at business premises, but business people are being harassed on the pretext that they do not observe that requirement. So, I would like the Minister to ensure that unnecessary harassment of traders by City Hall is stopped.

I am happy to say that we, the people of Riruta, now get water in certain areas. There has been improvement on water supply, but there is still a lot to be done. Now that the Ministry's budget for this year is higher than that of the previous financial year, we hope to see a bit more improvement in this area. City Hall continues to cut off water. I believe that there is some business interest here. Probably, the officers concerned cut the supply so that water vendors can do business. We do not want that practice to continue. We would, therefore, like the Minister to ensure that his staff are disciplined. In particular, Muslim Primary School in Kawangware must have water. I do not know whether City Hall expects school children to buy water from vendors.

Mr. Temporary Deputy Speaker, Sir, Dagoretti is one of the constituencies which suffer a great deal from a poor road network. Whereas we have had a bit of improvement from the constituency roads funds, we still do not have much input from City Hall. Therefore, I request the Minister to also ensure that City Hall allocates some money to Dagoretti Constituency for road rehabilitation. The roads in that constituency are badly dilapidated, and the rainy season is almost on.

I would now like to say something about City Hall's Education Department. Dagoretti Constituency is completely lacking in pre-primary education facilities. Children cannot be expected to perform well in their subsequent years of education without having received pre-primary education. Therefore, I hope that the Minister is going to look into this issue, especially given that he is also a young father. Really, this country stands to benefit

by having young parents managing our policies.

Mr. Temporary Deputy Speaker, Sir, land grabbing still continues in my constituency. Badly affected by this problem are members of the Muslim community in Kawangware, who have been residing there for more than 50 years without title deeds. Some people calling themselves "trustees" are now trying to take away the rights of some of the residents in that area. I have just seen a letter by which City Hall purports to have cancelled the consent to sub-divide the land occupied by those people. It is the right of these people to have title deeds for their land, so that they can develop it.

I hope that the Minister will also look into this matter and ensure that these people are issued with title deeds for their plots. The problem with City Hall is that whoever does not part with "*kitu kidogo*" is not served. So, everybody is crying about the corruption that has bedeviled the Ministry of Local Government. We know that the Minister found the problem in existence when he joined the Ministry. We are asking him to clean the Ministry, and then we will appreciate it very much.

Mr. Temporary Deputy Speaker, Sir, I want to talk about street lights. For example, along Tom Mboya Street, street lights went off about four months ago. This has caused a lot of insecurity to the people who use the street. Could the Ministry provide security to Nairobians? Another big thorn in our flesh is the sewerage system and the environment. The cleaning department in the estates is not doing its job the way it is supposed to. Also, when new buildings come up, nobody sees to it that sewerage systems are constructed, and sometimes raw sewage mixes with clean drinking water at some level. When replying to this debate, the Minister should tell us how far the Ministry has gone with the plans to construct sewerage systems in the estates, for example, Kawangware Estate and other estates. We still do not have running water and sewerage facilities.

With those few remarks, I beg to support.

Mr. N. Nyagah: Mr. Temporary Deputy Speaker, Sir, thank you for giving me an opportunity to contribute to this Motion.

Let me start off by saying that I told the Minister right outside the door to this House that he had inherited a Ministry that was going to be problematic and difficult to manage, going by past experience. Let me also say that the Government promised to amend the Local Government Act, but has not amended it. We hope that there will be another Government that will amend this Act. Let me also go on to say that there has been no separation of powers between the Local Government and the Provincial Administration (PA). You have on one hand a Ministry that licenses all businesses, and on the other hand, you have a Ministry that has given up its responsibility and has let the PA take it over.

Having said so, I want to concentrate on three things that have happened in Nairobi. First, I have written many times to the City Hall and the Ministry, and the best I got was an acknowledgement of one of my letters. That shows seriousness on the part of the Ministry. Normally, you do not get any response to any letter that you write to City Hall. Let me also say that I have spoken on many occasions with the commander of an airforce base, where land has been grabbed by a councillor from Eastleigh South Ward, but no action has been taken. I have spoken with the lady in charge of the PA and the Provincial Commissioner. I have written many letters to the Minister, the Permanent Secretary in the same Ministry, and the Criminal Investigations Department (CID), but nobody has cared to respond to any of my letters. Eighteen acres of land have been grabbed. This is a tragedy. It is not a joking matter and the Minister should listen to me. These are facts.

We do not raise issues here for the sake of it. I have come from Gikomba Market just now because of the seventh fire incident in my constituency. Is it a coincidence that all these seven fire incidents have taken place in Kamukunji? Fire broke out again this morning at the Machakos Bus Stop, and Mr. Ntwiga thinks that this is a big joke. I have just sought assistance from the Red Cross Society of Kenya, and we have just conducted a Harambee at the scene of the fire incident.

Capt. Ntwiga: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is Mr. N. Nyagah directing that statement to me? I have heard him mentioning the name "Ntwiga" which is mine.

Mr. N. Nyagah: Mr. Temporary Deputy Speaker, Sir, we need to be told about the land scam in Chuka, where a prominent person is putting up a building.

(Capt. Ntwiga stood up in his place)

I have not mentioned the name of this person. Is Capt. Ntwiga guilty of an offence?

The Temporary Deputy Speaker (Mr. Musila): Order! What is it, Capt. Ntwiga?

Cap. Ntwiga: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is Mr. N. Nyagah the Chairman or the Speaker of this House? He mentioned my name and I wanted to know whether he was referring to me.

Mr. N. Nyagah: Thank you, Mr. Temporary Deputy Speaker, Sir, for your ruling. The Minister for Lands and Settlement stood up before this House and said that, the airport land should not be taken by the Nairobi City Council. Councillor Kiragu of Nairobi City Council and very senior provincial administrators in Nairobi have

sold that land to very many people. I want to urge the Minister for Local Government to ensure that this land, which has got beacons all over, reverts back to the Government. Why should I take so much time fighting for Government land to be reverted to the Government?

I have just come from Gikomba Market, where two years ago, the Nairobi City Council promised to give Ksh2 million to renovate the market after it was burned down. The former Vice-President promised some assistance from the Government. I hope that this time, when the whole market has been razed to the ground, we will get some help from the Ministry of Local Government. We would appreciate that. Why are you young if you cannot think straight? We are looking forward to getting the assistance.

The other message that I would like to send to the Minister of State, Office of the President, Mr. Nassir, who deals with disaster management, is that traders in Gikomba have lost all their money. Many times, I have visited Mr. Nassir's office and he has talked very well. He cannot kick you out of his office, but he does not act. We hope that this time, he will act and give some foodstuffs to the victims of the Gikomba Market fire.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Local Government will find it very difficult to operate in Nairobi City Council, where 90 per cent of its revenue goes into recurrent expenditure. It is used to pay salaries. A way must be found for us to have a big revenue base. The Minister should find out from the City Hall why M/s Howard Humphreys has continued to be awarded contracts by City Hall, despite the fact that Ndakaini Water Project was completed many years ago. Chief officers at City Hall have continued to award consultancy work that never seems to come to an end to M/s Howard Humphreys. The Minister should look into this issue.

I spent some time with some officers of the Ministry of Local Government in South Africa and Argentina during a seminar on water management. Let me remind the Minister that many years ago, Nairobi City Council used to collect Kshs150 million a month from water revenue. Today, the collection has gone down to between Kshs80 million and Kshs100 million. The figure is oscillating around that figure. Something is wrong. The population of meters in Nairobi has gone up to 300,000. You will all remember that a young Kisii man and the former Town Clerk, Mrs. Wandera, bought many meters and 50,000 of them are still lying idle in one of the depots. Ways must be found to provide water to the whole population of Nairobi.

Let me also tell the Minister that for the last one year, I have been buying water, yet I get bills from Nairobi City Hall. You are required to pay Kshs5,000 so that City Hall can give you a tanker. City Hall has changed. You are not provided with water, yet you are charged at the end of the month. Something has gone terribly wrong and this must be corrected. That is why, if I had any say, irrespective of my friendship with the Minister, I would have denied money to this Ministry. I will give the Minister a lot of trouble when we go into the Committee Stage. I am going to give them hell when we go to the Committee Stage because this Ministry needs that sort of thing. We come here and talk about censuring officers, but what does it do after this? These chief officers will continue being there. No action will be taken against them. The time has come for seriousness to be taken. We talk with bitterness because of what we are going through.

Mr. Temporary Deputy Speaker, Sir, a man called Githongo did audit work in City Hall and he found out through a report that every single day, the Nairobi City Council is losing Kshs900,000 through 14,000 accounts. What has happened to that report? Resolutions have continued to be passed by the council. What has happened? Many of the chief officers in City Hall must go because they are the source of corruption through this Ministry. So, those are the loopholes. The report still exists and Githongo was paid a huge sum of money in trying to come up with this report.

Mr. Temporary Deputy Speaker, Sir, the last point that I want to talk about is, again, about water. The Kenyatta Avenue Pumping Station has not been finished although it is 90 per cent complete - It is situated between Serena Hotel at the Armed Forces Headquarters. The delay is due to wrangling between the water engineers in the Nairobi City Hall. They should be sacked because we have young blood that can work there.

With those few words, I am not sure whether to support the Motion or not.

Eng. Toro: Thank you, Mr. Temporary Deputy Speaker, Sir. The Minister moved his Vote yesterday and told us what he wants to do and we wonder why what he told us he is going to do has not been done over the years. A lot has been said about corruption and I remember the Minister pointed out that Members of Parliament should be involved in the affairs of county councils, municipalities and Nairobi City Council. However, any time any hon. Member of Parliament goes with any complaint to the Minister there is no response. In actual fact, you never even hear any follow-up.

Mr. Temporary Deputy Speaker, Sir, it is very sad because, in particular, for Maragwa District, hon. O. Kihara, the Member for Kigumo and I had time to go and see the Minister about Maragwa County Council which had been mismanaged, and up to now nothing has been done. There is no need of telling Members of Parliament to take an active role in the affairs of the county councils, and yet any corruption reported is never followed. In particular, LATF money in Maragwa County Council has been misused. We have a clerk by the name of P.M.G. Kamau who ran down Kiambu County Council when he was there. He was jobless for two years and then he found his way to Maragwa County Council, and he is doing to Maragwa County Council what he was doing to Kiambu

County Council. We have complained severally and he seems to be above the Minister for Local Government. Nothing can be done against him. Of late, he is even boasting that before the end of the year, he will be a Permanent Secretary. So, how come that the Minister is rewarding corrupt people? Does it mean that the money from Maragwa County Council somehow finds its way to the offices of the Ministry of Local Government, and people are prepared to compromise on the affairs of Maragwa County Council?

Mr. Temporary Deputy Speaker, Sir, we have severally demanded for the removal of this clerk from Maragwa District. We have been told many times that there is no officer who can be found to head Maragwa County Council. I wonder why. Where are the senior officers? Could we have another clerk taken there, even on an acting capacity, at least, to run the affairs of the county council? There are two official receipts for the county council and the clerk and his officers, whereby the money collected does not go to the treasury of the county council.

I would implore that hon. Chege Mbitiru should stop talking to the Minister so that he can be able to reply to us. I do not know what hon. Chege Mbitiru is doing there.

Mr. Mbitiru: I am the Minister's aide!

Eng. Toro: He is saying that he is his aide. I did not know he has reduced himself to that level.

Mr. Temporary Deputy Speaker, Sir, I feel very aggrieved on the issue of Kandara Town Council because the people of Ithiru Location where Kandara Town Council is situated have said for the last four years that they do not want it. Petitions have been sent to the Minister. The Minister has heard from me. The Electoral Commission of Kenya (ECK) has come there. So, all efforts have been made to scrap Kandara Town Council. The President came to Kandara last year and said that if people do not want the town council, then it should not be imposed on them. So, as far as the people of Kandara are concerned, Kandara Town Council does not exist, and the ECK, in its wisdom, replaced the eight wards with two wards in the county council. We have that write-up that the ECK sent on the representation of wards to every constituency. It is very sad to note that two weeks ago, the Minister for Local Government wrote a letter to the ECK saying that Kandara Town Council should exist. It is very sad because the people of Kandara will have to fight for their rights.

Mr. Temporary Deputy Speaker, Sir, when we were making the new Constitution, which is people-driven, we said that the "Wanjikus" should be able to say how they want to be governed and, therefore, anything that they do not want should not be imposed on them. Kandara Town Council should not be imposed on people who do not want it. The reason why the Minister wrote a letter to reinstate the town council is because when Maragwa District councillors were defecting to KANU, they gave him that as one of their conditions for defecting. That is what they did and after that was effected, they defected to KANU. We warn the Minister that he should not play politics with the lives of Kandara people.

Mr. Temporary Deputy Speaker, Sir, the Minister sent his Assistant Minister, Mr. Kiangoi, as the chairman of a commission that came to Kandara Town Council and he was told categorically that the town council is a burden and people do not want it. I am sure that report is out. So, what was the use of **[Eng. Toro]** the Minister setting up a commission to come to Kandara if the findings cannot be implemented? So, we would like the Minister to use his good offices and comply with the wishes of Kandara Town people.

Mr. Temporary Deputy Speaker, Sir, we all know that when hon. J.J. Kamotho was in that office, he finalised the draft for the amendment of Cap.No.265. It was very good and hon. Members of Parliament were waiting for it to be tabled in Parliament. However, what happened? It has not seen the light of day. Why? Again, when there was change of guard, whereby the current Minister assumed office, he was confused by the councillors who were not happy with the amendments which were contained in Cap.No.265. One of the issues that the councillors were opposed to was that the standard of education for councillors should be Form IV level. I am sure that for over 50 per cent of the sitting councillors, their level of education is below Form IV. So, they made sure that when the new Minister assumed office, he would comply with their request that Cap.No.265 does not come to Parliament, so that we do not pass the Bill stipulating that councillors should not have an education that is below Form IV level.

Mr. Temporary Deputy Speaker, Sir, a lot has been said about county councils, but we would like the Ministry to take note that there will be no development in the local authorities. I do not understand why the Ministry has been unable to recruit senior officers, even from other Ministries, to take over the work of those clerks to the county councils and municipalities. That is where the problem is. Again, if we talk about the issue of land allocation, at one time, we went to see the Minister for Lands and Settlement to find out why certain public land had been allocated to private developers. We were surprised when the Minister simply told us that he complies with what the Minister for Local Government tells him. If the Minister for Local Government asks him to process a lease or title deed, he goes ahead. So, it is not right for the Minister for Local Government to say that he is not responsible when councillors are allocating public land. He cannot wash his hands and say those are Democratic Party of Kenya councillors, or Opposition councillors, who are grabbing public land. Opposition councillors cannot allocate land if the Minister for Local Government refuses to forward the documents for

allocation to the Minister for Lands and Settlement. So, the buck stops at the Minister for Local Government as far as public land allocation is concerned. I would request the Minister to take up the challenge and save public land.

Mr. Mboko: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute on this Vote of the Ministry of Local Government. This Ministry has a heavy responsibility. It is supposed to tackle the problems affecting our communities, but it has fallen short of our expectations as a country. Local authorities have failed Kenyans because even in the colonial days, the local authorities were running schools and health centres. They were also in charge of cleanliness in our markets, but currently, there is nothing which is running well. Everything is going from bad to worse. Everything is being closed down because the administrative arm of the Ministry of Local Government has gone to the dogs.

Mr. Temporary Deputy Speaker, Sir, Nairobi City Council is not the only area we have to look into. We have to look across the country where the small town councils, county councils and municipalities are. If we take an example of Nairobi City Council, how many housing units has it developed for the last five years? On the other hand, the council has lost some housing units to private developers. This is contrary to what we, as a Government, are looking for. Instead of the council developing more housing units, it is destroying what was there. It is now up to the Minister to take the responsibility and assure Kenyans that he is capable of running the Ministry. That will test his future ambitions. If he cannot run a single Ministry, I do not see how he can face responsibilities ahead.

Mr. Temporary Deputy Speaker, Sir, let me now turn to the question of hawkers. These hawkers are not there because they want to be hawkers. Local authorities have refused to develop markets for these people. The population of our nation is growing and also the rate of unemployment has gone up, and yet the local authorities are not expanding markets for us to sell our goods. Kenyans need to be self-employed and we need to create jobs for our people. But when a council is not able to establish a market, what do we expect? We expect local authorities to establish new market centres for their own people because that is their only revenue base. Who is in charge of this revenue? Who benefits from the revenue? You will find that employees of various local authorities go for months without salaries. Who is taking away our revenue; is it the workers, or the councillors?

According to Cap.256, councillors have no access to matters relating to revenue. The only people who have got access to revenue are the chief officers. During the time when local authorities were employing their own staff, we could see how well managed the councils were because those employees were accountable to the council. But now, chief officers, including town clerks, are seconded from the Ministry of Local Government to the councils. After running down those local authorities, they are recalled back to the Ministry and redeployed elsewhere. That situation must be rescinded. We must go back to those days where the local authorities had the right to hire and fire. That is only when we shall see improvement in those local authorities.

Mr. Temporary Deputy Speaker, Sir, this Parliament passed a Motion barring the Provincial Administration from being part of the local authorities, but I do not know why that has not been implemented. Even the PC, Nairobi, is a councillor. The DC, Makuani, is also a councillor, and even DOs are also councillors. When a council is in problems, the same Provincial Administration officers chair matters of legal concern. The Motion that was passed by this House must be implemented. There is no provision in law for a PC, DC or DO to sit in a council meeting. These are people who should no longer sit in the councils.

On education, very few local authorities can afford to give bursaries to the needy children. Some of us benefited from these bursaries from the local authorities---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Mboko! I will have to cut you short because it is now time to call upon the Mover to reply.

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Speaker, Sir, I agree with the views of hon. Members; that, there is, indeed, lack of quality and quantity service delivery in our local authorities and my Ministry is doing everything that it can, to ensure that a lot of the pitfalls that we have are, indeed, closed and our local authorities strengthened. I wish to thank all hon. Members for their support and constructive contributions to my Ministry's Vote.

During the debate, hon. Members have raised various issues which were very pertinent and which I have taken serious note of. I wish to briefly highlight those issues and assure this House that my Ministry would seek to vigorously address them with the support of this House. Hon. Members raised the issue of devolution of powers to local authorities, to enable councils to make decisions at the local level. My Ministry is addressing the issue of devolution of power to local authorities through the on-going review and an amendment to the Local Government Act (Cap 265). For local authorities to be able to take full responsibility in the running of their respective councils, they would require capacity building, adequate financial resources to match functions, accountability, integrity and transparency in running the affairs of their councils. It is true that these attributes are at the moment lacking in most of our local authorities. There have been allegations of mismanagement of public resources by local authorities. Where this has been provided for, necessary action has been taken, including prosecution, surcharge

and disciplinary action.

In addition to the work being done by the Anti-Corruption Unit, my Ministry has intensified monitoring inspections as well as improving on the financial management systems, in order to eradicate corruption. Ultimately, however, the solution lies in better management capacity at our local authorities, empowerment of our elected councillors to hire and fire chief officers, as well as improved emoluments to our councillors to reduce temptation towards corrupt activities.

My Ministry is, indeed, aware of the problems of poor planning in our urban areas. The problem can be attributed to the rapid rural-urban migration, coupled with high population growth, which has put severe strain on councils capacity and resources to cope with the increasing demand for services. This inevitably has led to the mushrooming of unplanned settlements and proliferation of illegal structures.

Mr. Temporary Deputy Speaker, Sir, the Ministry, with support from friendly donor agencies, has initiated several informal settlements upgrade programmes in Nairobi, namely Mathare 4A; Voi, Kilifi, Ol Kalou and Marsabit. These initiatives would be expanded to other towns as resources become available.

Regarding capacity building in our local authorities, I do agree with the observation that hon. Members have made, that, some our local authorities do not have the right calibre of staff, especially at the technical and managerial levels. My Ministry is addressing the issue through capacity building. For example, we are running courses at the Kenya Institute of Administration for chief officers. The Ministry, in conjunction with the Public Service Commission, is also in the process of filling vacant key positions in local authorities.

Regarding LATF disbursements to our local authorities, hon. Members raised questions concerning criteria for LATF disbursement and its management. LATF was established to provide additional funds to local authorities.

- (i) to improve local service delivery;
- (ii) to improve financial management and accountability; and,
- (iii) to eliminate all outstanding debts.

The criteria for distribution of LATF for the financial year 2002/2003 was published by the Minister for Finance in the *Kenya Gazette* Notice No.2539, dated 19th April, 2002, as well as in the local newspapers. The Government will be distributing Kshs3,267,000,000 to 174 local authorities, using the following criteria: A basic minimum lump sum of Kshs1,500,000, or 60 per cent of the total amount on the basis of population of the local authority, and the remaining 30.73 per cent on the basis of the urban population for such local authority as a City, municipality, or town council status.

The local authorities, together with citizens, are required to prepare a local authority service delivery action plan through a participatory process taking into consideration LATF allocation and locally generated revenues. These last gaps are expected to feed the councils' annual Budgets, thus linking planning to budget, as well as involvement of the local citizenry. My Ministry has encouraged the local authorities to involve the citizens in the implementation of these last gaps thus providing an oversight on council activities from the citizens. My Ministry has already documented the financial profiles of all 174 local authorities in the LATF annual report for the financial year 2000/2001, already distributed to hon. Members.

My Ministry would encourage hon. Members to also get copies of their respective council budgets where details of LATF expenditure are given. These are available at our Ministry's headquarters and in the respective local authorities. We would encourage hon. Members to also monitor the utilisation of these resources in their respective constituencies.

Mr. Temporary Deputy Speaker, Sir, let me assure hon. Members that my Ministry has intensified monitoring of councils' finances, including LATF and appropriate action will continue to be taken when necessary.

On service delivery, I agree with the view of the hon. Members that there is lack of quality and quantity service delivery in our local authorities. This may be attributed to inadequate resources as well as lack of capacity. However, my Ministry is addressing this problem through increased financial resources to local authorities, for example, LATF, intensifying revenue mobilisation and encouraging public/private sector partnership in service delivery. My Ministry is also encouraging local authorities to commercialise and contract out services, for example, water, sanitation, management and indeed, garbage collection.

Mr. Temporary Deputy Speaker, Sir, it is true that in the past, a number of councils have been established and others upgraded without due consideration for economic and social viability. Such councils have been unable to provide basic services due to their poor revenue base. This issue is being addressed in the ongoing review of the Local Government Act, Cap.265 so as to provide objective criteria for the creation, upgrading, amalgamation and downgrading of local authorities.

In view of the concern of ratepayers of Nairobi with regard to the procedure followed in the revision of the valuation roll for Nairobi, I suspended the draft valuation roll to encourage Nairobi City Council to consult with other stakeholders. However, as we all know, the matter was taken to court and an order was issued barring

the council from implementing the roll.

Mr. Temporary Deputy Speaker, Sir, you will recall that after the IPPG consultations, the power to create electoral areas and local authorities was removed from my Ministry and transferred to the Electoral Commission of Kenya.

It is true that councillors' allowances are not adequate to motivate them to discharge their responsibilities effectively. I am aware this issue has been raised in this House in the past, although no conclusive decision has been made by the Government. In the meantime, my Ministry will continue consulting with the relevant arms of Government with a view to addressing this problem. However, my Ministry will continue to encourage local authorities to intensify revenue generation and collection in order to meet their financial obligations and improve councillors' allowances.

My Ministry recognizes the positive role played by the informal sector in employment creation and income generation, and its role in poverty reduction. My Ministry is working closely with local authorities to provide convenient designated areas where hawkers can sell their goods without harassment or inconveniencing members of the public and established businesses.

Mr. Temporary Deputy Speaker, Sir, the local authority sector is a very vibrant sector. It is also intertwined with other sectors of our economy. In order to create a conducive environment for the sector to play its role in nation building, my Ministry has embarked on a total overhaul of the enabling legislation; Cap.265 of the Laws of Kenya. This will, among others, remove some of the constraints experienced by many local authorities in their discharge of their mandate. The amended Act will also provide a legal framework for the devolution of powers, proper financial management and accountability; criteria for creation of local authorities, including cities, direct election of mayors and chairmen, qualifications of our councillors, financial management and control boards for fiscally distressed local authorities, as well as encouraging strong community and private sector participation in our local authorities.

Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to move.

(Question put and agreed to)

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

IN THE COMMITTEE

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

Vote 12 - The Ministry of Local Government

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a sum not exceeding Kshs699,684,900 be issued from the Consolidated Fund to complete the sum necessary to meet the expenditure during the year ending 30th June, 2003, in respect of:-

Vote 12 - Ministry of Local Government

(Question proposed)

VOTE R12 - RECURRENT EXPENDITURE

SUB-VOTE 120 - GENERAL ADMINISTRATION AND PLANNING

Head 372 - Local Authorities Reforms

Mr. Achola: Mr. Temporary Deputy Chairman, Sir, on page 592, with regard to Head 372, Item 500 - Grants to Local Authorities, could the Minister explain how the money was utilised last year; whether it was accounted for properly and audited accounts presented?

The Minister for Local Government (Mr. Kenyatta): That issue has been dealt with and we are now in the process of completing the audit for the last year. Right now, the issue at hand is this year's budgetary estimates.

Mr. Achola: Could the Minister explain to us the basis on which the monies were disbursed to the

various councils?

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Chairman, Sir, I think the hon. Member came in late. I have just given the criteria the Government used in the disbursement of LATF. For his sake, maybe, I should just go through it once again.

Mr. Temporary Deputy Chairman, Sir, the criteria for distribution of LATF for the Financial Year 2002/2003 was published by the Minister for Finance in the Kenya Gazette notice No.2539, dated 19th April, 2002, as well as in the local dailies. This can be made available to the hon. Member.

(Heads 360, 362, 372 and 375 agreed to)

(Sub-vote 120 agreed to)

(Heads 367 and 415 agreed to)

(Sub-Vote 122 agreed to)

(Vote R12 agreed to)

VOTE D12 - DEVELOPMENT EXPENDITURE

SUB-VOTE 120 - GENERAL ADMINISTRATION AND PLANNING

Head 360 - Planning and Development

Mr. Achola: On page 484, Head 360, Item 326, could the Minister explain to the House how far this project is going and how he would rate the success of the project?

The Temporary Deputy Chairman (Mr. Imanyara): That is Item 326, Kenyan Urban Transport Infrastructure Project (KUTIP)?

Mr. Achola: Yes, Mr. Temporary Deputy Chairman, Sir.

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Chairman, Sir, as I was moving my Vote yesterday, I did make it clear that the KUTIP which the hon. Member is referring to was suspended towards the end of last year. The project was being funded by the World Bank. Investigations are under way and we are, in consultation with the World Bank, proceeding to finalise those investigations, with the hope of bringing the project back on line in the very near future.

Mr. Mwenje: On the same issue of KUTIP, you will remember, last year several contractors were given some money under this Vote, but some contracts have not been completed, for example, the Jogoo Road contract. We also know that one of the officers was actually arrested for cheating concerning this particular project. I can see that a large amount has been allocated towards this project.

The Minister should tell us precisely which projects are these that he is asking us to give money for? Are we paying for previous projects or new ones? What is this money for?

The Minister for Local Government (Mr. Kenyatta): The sum indicated is part of the Vote to complete projects that were not completed during the previous financial year. I do agree that some of these projects were not completed in that financial year, but my Ministry is requesting for this money so that we can be in a position to complete the remaining work once the World Bank component is made available.

Mr. Munyasia: On Item 536, Small Towns Development Project, the allocation has now been more than doubled from Kshs22 million to Kshs52 million. Could the Minister tell us what this Small Towns Development Project is? Which criteria did he use to identify the small towns to benefit from this particular project?

The Minister for Local Government (Mr. Kenyatta): I did mention in my reply that the Ministry is undertaking the upgrading of a number of slums or informal dwellings. I did mention the towns that have benefited from this particular programme. They include Marsabit, Voi and Ol Kalou, among others. Our intention is to increase this allocation in years to come as resources are made available.

Mr. Munyasia: I had said that the allocation has been more than doubled and I thought the Minister would tell us which towns are intended to benefit from this particular project this year. I am more interested in finding out which towns in Western Province will benefit from this particular allocation?

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Chairman, Sir, as I indicated, the towns that will benefit are Marsabit, Voi and Ol Kalou. We wish to expand this programme to cover the entire country as and when resources are made available. Currently, the towns that are benefiting are Marsabit, Voi and Ol Kalou.

Mr. Achola: On page 484, Head 360, Item 270 on Urban Water and Sanitation Management Project, could the Minister care to explain which towns are benefiting from this particular project?

The Minister for Local Government (Mr. Kenyatta): The Urban Water and Sanitation Management Project is benefiting a number of towns right now. There is Bungoma which is still not yet complete, but we hope to complete it in this financial year. Nyeri, Nanyuki, Thika, Nakuru and Kitale are amongst other towns that have also benefited from the same.

Mr. Achola: Could the Minister explain to us what criteria was used in determining the towns that were benefiting from this allocation?

The Minister for Local Government (Mr. Kenyatta): These are the towns that are water undertakers. Also, this was done on the basis of need and request from the various local authorities, as well as on the basis of available resources.

(Head 360 agreed to)

(Sub-Vote 120 agreed to)

SUB-VOTE 125 - DEVELOPMENT SCHEMES

(Head 364 agreed to)

(Sub-Vote 125 agreed to)

(Vote D12 agreed to)

(Question put and agreed to)

*(Resolution to be reported
without amendment)*

(The House resumed)

*[The Temporary Deputy Speaker
(Mr. Imanyara) in the Chair]*

REPORT

Vote 12 - Ministry of Local Government

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is completely not in order because the Temporary Deputy Chairman must report to the Speaker!

The Temporary Deputy Speaker (Mr. Imanyara): Order! You are quite out of order, Mr. Mwenje! It is going to be done!

Mr. N. Nyagah: Mr. Temporary Deputy Speaker, Sir, I am directed to report that the Committee of Supply has considered the Resolution that a sum not exceeding Kshs699,684,900 be issued from the Consolidated Fund to complete the sum necessary to meet expenditure during the year ending 30th June, 2003, in respect of Vote 12 - Ministry of Local Government, and has approved the same without amendment.

The Minister for Local Government (Mr. Kenyatta): Mr. Temporary Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Resolution.

The Minister for Public Health (Prof. Ongeru) seconded.

(Question proposed)

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, we are going to approve the money because we have no choice, but the truth of the matter is that we get a very raw deal from the local authorities. We do not get the right services.

We are approving the money on condition that with the new Minister, we hope things are going to improve and services will be rendered. We will not continue approving money to be squandered by a few people

in this country. That is an observation by the whole country. We hope there will be an improvement, despite the fact that we have approved the money very reluctantly!

(Question put and agreed to)

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Imanyara): Hon. Members, that concludes the business on the Order Paper. The House is, therefore, adjourned until Tuesday, 15th October, 2002, at 2.30 p.m.

The House rose at 5.35 p.m.