

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 22nd April, 1999

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

QUESTIONS BY PRIVATE NOTICE

MURDER OF PROFESSIONALS IN ONGATA RONGAI/KISERIAN

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

(a) What has contributed to the cold blooded murder of professional and businessmen in Ongata Rongai/Kiserian area?

(b) What was the cause of the deaths of the following: Messrs Maina Keengwe on 30th March, 1999, John Ngatia in February, 1999, Dr. Cunningham Kamau Mwathi and Warden Francis Wainaina?

(c) What steps is the Minister taking to improve security in the said area?

The Minister of State, Office of the President (Maj. Madoka): Mr. Speaker, Sir, I beg to reply.

(a) Although a number of businessmen and professionals have been murdered in Ongata Rongai and Kiserian areas in the recent past no single motive has emerged so far, but investigations are still in progress.

(b) The cause of the deaths of the people in question is that they were shot dead by gangsters and investigations are still being carried out.

(c) I would like to inform this House that the Government has started constructing a police station at Ongata Rongai, because the nearest police station at the moment is at Ngong Town. We hope that when it is completed it will help control insecurity in the area.

Mr. Mutahi: Mr. Speaker, Sir, you are aware that a police station cannot be built in one day and yet there is a police post in Ongata Rongai. Could the Minister tell us what the police post has done to curb the rising crime in the area? This is so because crime has been increasing in this division for a long time. In fact, this is the place where I live. Ongata Rongai also falls under the Vice-President and Minister for Planning and National Development's Constituency. It will be very dangerous if one of us is "touched", especially the Vice-President and Minister for Planning and National

Development. This is so because it takes about one and half years to get a Vice-President in this country!

(Laughter)

Maj. Madoka: Mr. Speaker, Sir, we do appreciate the sentiment of the hon. Member, but we have in fact, increased police patrols in the area by bringing in additional policemen.

Mr. Michuki: Mr. Speaker, Sir, apart from the provision of a police post, does the Minister have any other arrangement to control crime in the area? More importantly, have the killers of these people been apprehended, and if so, have they been taken to court?

Maj. Madoka: Mr. Speaker, Sir, the killers have not yet been apprehended. As I have said, we have increased, and we will continue to intensify, police patrols in those areas.

Mr. Gitonga: Mr. Speaker, Sir, crime has been going on in Ongata Rongai for quite some time now. Has anyone been arrested, and if not, what other steps has the Government taken to ensure that crime is completely done away with in this area?

Maj. Madoka: Mr. Speaker, I answered part "a" of that Question. I also said in part "b" that we have intensified police patrols in the area. We appreciate the fact that insecurity is everybody's concern. These criminals

did not spare even the Speaker, because they broke into his house recently! I also fell a victim to high way robbers last night. They punctured the tyres of my cars. So, insecurity is everybody's concern.

Mr. Wamae: Mr. Speaker, Sir, in view of the many incidents of insecurity in Ongata Rongai, would the Minister consider arming the people to form vigilante groups in order to protect themselves because the police have been unable to do so?

Maj. Madoka: Mr. Speaker, Sir, that will be considered.

Mr. Shidie: Mr. Speaker, Sir, insecurity in this country is alarming. For instance, the Provincial Police Officer (PPO), North Eastern Province, was recently injured and his sister-in-law killed by thugs in Eastleigh. The Minister has confirmed that he is not safe and neither are we, including the Vice-President and Minister for Planning and National Development. In view of what has been happening, and the fact that insecurity poses a threat to this country, could the Minister consider giving licences to people who have wealth so that they can possess firearm? This is because these thugs are after their money!

Maj. Madoka: Mr. Speaker, Sir, anyone who requires a firearm can apply to the Commissioner of Police in the normal manner.

Mr. M. Galgalo: Mr. Speaker, Sir, in view of the fact that there is an order that the Government should not issue firearm licences to people, could the Minister guarantee us here that if I or any other person applies for a firearm, the Commissioner of Police will issue it?

Maj. Madoka: Mr. Speaker, Sir, I am not aware of any order authorising the Commissioner of Police not to issue firearms to anybody. The point is that, any body who will apply for a licence to carry a firearm will be considered on merit.

Mr. Munyao: Mr. Speaker, Sir, in view of the fact that murder cases are on the increase in this country, and whenever we ask a Question concerning murder in this House we are told that investigations are being carried out--- In view of the fact that his Ministry or the Government does not have a modern method of carrying out investigations, what is the Minister doing to improve the methods of investigations, which are currently totally outdated? If the Government continues to carry out investigations in its current manner then it will never apprehend any murderer!

Maj. Madoka: Mr. Speaker, Sir, I do not agree with the sentiment of the hon. Member, that we do not have modern methods of carrying out investigations. I would like to inform this House that we apply modern methods of investigation. We have cases where the culprits have been apprehended, and we will continue doing the same.

Mr. Ayako: Can the Minister admit or deny that part of the reasons for which homicide is prevalent is the ease with which criminals are able to walk through our system of justice because of what he talked about, the want of modern ways of doing investigations? The policemen are unable to dust for fingerprints of those people who commit crimes. Can the Minister deny that, that is the main reason?

Maj. Madoka: Mr. Speaker, Sir, I do not agree.

Mr. Mutahi: Can the Minister agree or deny that most of those criminals who are apprehended and taken to the police station reach their homes even before those people who have apprehended them reach their homes. That is what is happening countrywide because the police are not doing anything about the criminals who are arrested.

Maj. Madoka: I will only answer that if I get detailed cases.

Mr. Ndwigwa: Thank you, Mr. Speaker, Sir. The issue of insecurity in Rongai and Kiserian is an issue which started just after the last general elections. You will recall that after the elections, letters were issued to members of a certain community in these areas to move out of these areas. Therefore, this House is surprised to hear the Minister telling us that they are investigating these recent murders because they should have started investigations from the day when these letters were issued. What type of investigations are these being carried out today by the Minister if, for the last one and a half years, they have not investigated these cases? Is it not a clear show of laxity in this Ministry?

Maj. Madoka: Mr. Speaker, Sir, there is no laxity. Each specific case is being investigated.

OCCUPATION OF PRIVATE LAND BY HERDSMEN

(Mr. Kihara) to ask the Minister of State, Office of the President:-

(a) Is the Minister aware that an extremely dangerous situation is brewing in Naivasha and Gilgil Divisions where herdsmen with large herds of cattle and goats have illegally occupied private lands denying the legal owners an opportunity to cultivate their lands?

(b) Could the Minister apply the law of trespass and have these herdsmen and their livestock removed from the lands they are illegally occupying?

Mr. Speaker: Mr. Kihara is not here? Question dropped.

(Question dropped)

COMMUNICATION FROM THE CHAIR

MISLEADING REPORT BY THE DAILY NATION

Mr. Speaker: Hon. Members, my attention has been drawn to a news item appearing in today's edition of the *Daily Nation* and its affiliate on "No Confidence Move on Saitoti". I seek your indulgence to make the following comments.

I have received the purported Motion. I have not approved any Motion whose intention is to express no-confidence in the Leader of Government Business for the one file is still under my consideration in terms of our rules of procedure. It is not true, therefore, that the proposed Motion has been forwarded to the House Business Committee for time allocation. The Chief Parliamentary Reporter of the *Daily Nation* makes the false assertions about the approval of the Motion and forwarding it to the House Business Committee. The Speaker's role in approving or disapproving any business of the House is guided by the rules of procedure, precedents and usages of either this House or similar jurisdiction. In taking those decisions the Chair acts without undue pressure from either within or without the House. The Chair takes great exception to the misuse of its position by either individuals or organisations who advance falsehoods to the *Daily Nation*. The Chair regrets to be dragged into partisan politics debates or commentaries.

May I also take this opportunity to caution hon. Members that it is wrong and below their dignity to falsely mislead reporters and other members of the public on matters which have been presented to my office but whose determination has not been made. I have personally received an apology from the Nation Newspapers Limited on this issue. But nonetheless I direct them to issue a public correction and apology to the House and to Kenyans for deliberately misleading them on the status of that particular Motion.

MINISTERIAL STATEMENT

STATUS OF ACP/EU NEGOTIATIONS

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): On a point of order, Mr. Speaker, Sir, I do rise here in reference to a request that was made to me by hon. Musikari Kombo that I should brief the House on the current status of the negotiations that are taking place between the ACP group of companies and the European Union on the devised revised convention. I do have a report here but taking into account the constraint of time, with your permission, I wish only to highlight the salient features as far as the Convention is concerned. May I begin first of all by drawing the attention of the House to the fact that the Lobby Four convention which is in force now has been in existence for about 23 years. The various protocols are normally revised after ten years. The current one runs for ten year and is due to expire in February, 2000. Inside that Convention there is a proviso and indeed it is mandatory that in three months prior to the expiry of the Convention the negotiations must be started.

To that extent the negotiations between the ACP and the European Union were launched on 30th September, 1989. Then, the actual negotiations started but the first meeting of the Ministers between the 71 ACP countries and the Ministers of 15 European Union states met in Dakar in February to discuss a number of issues. The issues which were discussed did fall into four categories namely; one had to do with what is known as essential elements. Within the essential elements there consists of the rule of law, respect of human rights, observance of democratic principles and good governance. May I therefore, inform this House that as far as these essential elements are concerned there are no basic elements. Therefore, the only one case that required some kind of clarification was on good governance and it has been referred to the Committee of Ambassadors and it is being discussed.

The only other thing which was clarified and an extremely important one is that because the partnership we are going to have has got to have the ownership of the European Union and the ACP then these must be done between the two parties before any sanction is taken against any ACP member country. That was fully agreed upon and we require some kind of amendment of certain proviso. The other very important area had to do with the

private sector investment and other development strategy. May I therefore, also inform this hon. House that there was no divergency whatsoever on the necessity of the private sector or the investment. It was indeed agreed that the European Union within the new convention will provide the necessary resources at least to ensure that private sector in the ACP countries will be strengthened and in addition to increase the flow of private foreign investment through the European Investment Bank and open other windows.

It was, of course, agreed that there are other areas that need to be looked into. One is to assist the ACP countries in matters of improving the infrastructure. It was also agreed that the ACP countries have an obligatory mandate to look and to strengthen matters of good governance to create an enabling environment. On that one there was no issue.

Mr. Speaker, Sir, trade co-operation is the heart of the Lome Convention and it is in this area that the ACP countries have gained a lot. So, one must understand that apart from the flow of resources and concessionary terms of grants, the most important thing is trade. Trade, as we all know, has provided the avenue for commodities from ACP countries to go to European Union Market at preferential duty treatment; much lower rates of tariffs than would be the case before. This is why we have gained enormously, especially in our own export of horticulture, fish and many other areas, including other protocols like the sale of sugar, coffee and quite a number of things. I want to tell hon. Members that we have had major disagreements which have been precipitated by the fact that the World Trade Organisation (WTO) has come out with new rules and all of us happen to be signatories to these rules namely, that there can be no known reciprocal treatment of goods. In other words, the rules of WTO are actually meant to phase out the preferential treatment of the ACP goods as they enter the European Market. Because all of us are members, we have to comply. So, the question is, how then do we treat this one? This is because if we allow it to happen within a short period of time, then it is going to be extremely difficult for the horticultural products of this country to gain access at preferential treatment in the European Market. What we did agree was this: First, there has to be a transitional period to allow for the ACP countries to switch from the current preferential treatment to the non-reciprocal treatment because, if we opened all our doors to various European goods to come into our own markets at preferential duty rates, we will lose enormously.

In the case of ACP, we had said that we need a minimum of a ten-year period in order for us to be able to adjust and move from the Current Preferential Treatment to the so-called New Trade Agreements. The European Union after the negotiations in Dakar, has agreed to give us five and we are sticking to ten. Therefore, the negotiation is going on and I would like to assure this hon. House and, indeed, the Kenyan traders that, first and foremost, in five years, that is from February, 2000, the Europeans would have agreed. We have no doubt whatsoever, that an agreement will be reached by the two parties for a period between five and ten years for us to be able to switch into the New Trade Arrangements. What are these new trade arrangements going to be? The New Trade Arrangements fall into various categories; one of them is called the Free Trade Areas. The Free Trade Areas will mean the following: Once we do have a kind of a regional economic bloc, as we are, indeed, hoping to have one as far as East Africa is concerned, then the East African Co-operation will negotiate under the new convention with the European Union as to which of their goods we can allow to flow into the East African market, maybe, at a slightly lower duty rate. They will also allow our own goods to flow into their markets. There are various other things that are going to be looked into. There are also many other mechanisms called REPs, that is, Regional Economic Preferential Agreements. Those will be worked out. At this particular stage, may I inform the hon. House that we have a committee of experts who are looking very exhaustively into various alternative trade arrangements that we intend to go into.

Mr. Speaker, Sir, the final ones which we discussed, are the so-called the instruments and management of financial co-operation. This is the area through which the ACP countries and in this case Kenya, have received substantial resources from the European Union for the infrastructure; roads, water and many other areas without any loans. In fact, the amount of money we have received since we got into this convention amounts to more than Kshs70 billion and we do not pay anything. The agreement here is that, this one will be there and it is going to be increased. But I think, much more important here, the issue of debts cancellation is also going to be looked into within the new convention. This entails the cancelling of all the debts we have taken within the old convention. We agreed that more resources will have to be provided to address the issues of poverty.

Mr. Speaker, Sir, I have been very brief, taking into account that I cannot take too much time. But I do have two documents here for the hon. Members to look at.

Mr. Speaker: May I just say this, you have my consent to proceed. I said at the beginning of the session that I will encourage Ministers to give Ministerial statements and I will not retract. Continue!

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Thank you very much, Mr. Speaker, Sir. As I said, I do not want to read these things, but I do want to underscore a fundamental point here, and it is this; the current negotiation which should come out with a convention as a

successor to the Lome Convention is being negotiated under completely different conditions which prevailed when we were negotiating the Lome IV Convention. Which are these circumstances? One, it is a fact that we are negotiating the new convention when there is no cold war, and that is important. Two, and it must be borne in mind, is that we are negotiating at a time when the developing countries are faced with the challenges of globalisation and liberalisation. We are also discussing this matter at a time when the majority of the ACP countries are faced with major problems of poverty and unemployment. The final one is the emergence of the WTO which has complicated the game of trade and I would like to say here that, unfortunately, many of the developing countries do not seem to understand clearly the intricacies that are intended in the WTO. Indeed, the WTO, although we may presume that it is good for us, there are a number of issues thereof that will have to be addressed carefully and seriously because they are likely to hinder our progress. I have just given one example where the typical arrangement that has allowed our goods to be sold at preferential treatment within the European Union has been withdrawn. Now, we will not be able to do that; if we do, it will be after another five to ten years and we have got to switch to alternative trade arrangements. These are facts which will be taken into account.

Mr. Speaker, Sir, the other feature that I also want to highlight to the House, is that, we are looking for a partnership that has got to have the ownership of both, the European Union and ACP.

Mr. Speaker, Sir, it has been agreed that we want to have a convention long enough, which is going to be guided by a dialogue and which is going to be much easier, more readable and one that is going to get rid of so much bureaucracy which we have to fight any time we go to access the resources from the European Union.

Finally, it is important for us to know that there is no other important arrangement between an ACP member country like Kenya - and I want to say this clearly and emphatically - than the relationship between ACP and EU worldwide. Why? Because, first, the greatest source of investment to Kenya and to ACP is coming from the European Union. That is very important. The next one, the largest source of financial flows in the form of grants or concessionary aid, come from the European Union: Forget about the World Bank, that is where it comes from. Third, European Union and which is now going to be envisaged to have twenty members by the year 2000, is going to be our largest market. Therefore, this is going to be very important.

I also want to round up by saying that whatever agreement is going to be impended in the Fourth Lome Convention, it is not only to govern between the country and the EU per se, that agreement will also translate into bi-lateral agreement. If one has got a problem with the EU, sorry, he cannot be able to access trade facilities aid in a bi-lateral country. That is how difficult it is. The world is becoming smaller and we have no alternative, but to address our issues to that. It certainly does promise to be the most important pillar in the North and South co-operation.

Mr. Speaker, Sir, I have got two very exhaustive documentation here, and I hope that the hon. Members can go through them because this is absolutely important for our own development.

*(The Vice-President and Minister
for Planning and National Development laid
the documents on the table)*

Mr. Kombo: Thank you, Mr. Speaker, Sir. I am grateful to that very eloquent Ministerial Statement from the Vice-President and Minister for Planning and National Development, but I would also want to know, as the negotiations are going on, what the Government is doing to prepare Kenyan industries and businesses, for example, in that short-term period of five years or ten years so that the business is ready to operate under the new mechanisms and that they do not lose earnings or market? What, for example, is the Government doing to ensure that the industries become competitive during that period? What local cost can the Government underwrite to ensure this competitiveness?

Two, under the regional grouping, if Kenya is grouped together with Uganda and Tanzania, and the United Nations has classified Kenya as "a non-least developed country" and Uganda and Tanzania are classified as "least developed"; those are two classifications. How will Kenya negotiate under that umbrella when its partners within the region are classified differently?

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Thank you very much, Mr. Speaker, Sir. I am sure the hon. Members know that hon. Kombo is one of our representatives of this House to the Joint Assembly of the ACP and the EU.

Let me first address the latter question. In other words, given the fact that Kenya, Uganda and Tanzania are not classified under the same category, and yet we happen to be within the same region and the charter is likely to be approved, how is that going to be? The arrangements that are put in place now are that where a least developed country is not a member of a regional organisation, then that least developed country will be treated

separately and will continue to enjoy the preferential treatment. That is a grace given to those countries with bigger problems. But in the event that, that country is a member of an economic regional grouping, then it is the regional grouping that will reach into an agreement with EU on this total reciprocal treatment. That answers that question.

The next one is what the Government is doing to sensitize Kenyans. Several workshops were held before the first round of negotiations. There was also a workshop which was called the other day, but I do not consider myself - and I must be fairly honest to this House - that sufficient information has gone out to the private sector. Indeed, the private sector is worried that perhaps they are going to be closed out of the European Market. We intend to carry out a lot of dissemination workshops and a lot of information to our own traders and industrialists because indeed, they are not going to be cut out. I know the exporters of horticulture are worried, they are being told come February, the year 2000, they will be completely out of the market. That is far from the case. As I said, we are already working out some transitional period when all these preferential treatment will continue. Europeans are talking of five years, we are saying ten years. We know that they are softening and we are likely to be agreed for a much longer period of time and then we can switch off to the others.

Mr. Anyona: Mr. Speaker, Sir, we are beginning to see the fruits of your wisdom in asking Ministers to make statements on the Floor of the House rather than in Harambee meetings and other meetings. The Vice-President and Minister for Planning and National Development has made a very weighty statement; so weighty that a lot of us felt lost in the process. These are matters which have been going on for the last many years, and yet Kenyans including this Parliament, are not aware really of what goes on.

Mr. Speaker, Sir, once upon a time, there was some tradition in this House that Government tables before the House major conventions, treaties and major arrangements of this kind. Yet we are hearing through a point of order set by hon. Kombo who happens to have some knowledge on this one; very serious matters affecting this nation. My first point is, would we now be assured from now on, that statements of this kind will not just be made on an occasion like this, but the whole process will come to this House? Because after all, who is more qualified to sanction what agreement we should enter into with other states other than Parliament? It is not experts!

Secondly, I just want to seek your guidance on question of procedure. A matter like this really, we are not being fair to ourselves; the country, by responding the way we are responding now to the issues raised by the Vice-President. These are matters that require exhaustive discussion by Parliament and the country. We have heard about workshops, what modality can we use in future, if it is going to be like this, to be able to discuss issues of this kind?

Mr. Speaker: Mr. Anyona, it is very easy, and we made it absolutely easy for the House. It is only that the House is not taking its role. We amended our Standing Orders in 1998; we created Departmental Committees. Amongst them will be a Departmental Committee overseeing trade, commerce and industry. It is the business of that Committee of this House to call the relevant Ministry and their experts and get all the information they wish. After they have done that, if they have anything to report, in fact, they are mandated to report to the House their findings. If they do then, this House stands to benefit, and the country will stand to benefit. So, will all the Committee chairmen take up their roles and do their duty as mandated to them by the House?

Thank you.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Speaker, Sir, let me in a way also say that one has got to accept that there has been much less feasibility on this ECP and EU co-operation. It turns out that this is not peculiar to Kenyans, and this has been recognized, and we have all agreed that we must make the Convention as feasible as possible. I want to assure this hon. House that after every negotiation, this House will be appraised of the progress. The next negotiating meeting at the Ministerial level will be in July. And immediately after the negotiations have taken place, I want to undertake an obligation to this House, that I will come and inform the House including the appropriate Committee of this House.

Mr. Speaker: Very well! Thank you very much.

Just before we go to the next order, I wish to appraise the House on the procedure we shall take. We will go to the Business of Supply and I invite hon. Members to look at Standing Order No.141 which provides that:-

"On an Order of the Day for Committee of Supply being read, Mr. Speaker, shall leave the Chair without question put unless a Minister moves "That, Mr. Speaker, do now leave the Chair", for the purpose of enabling the Minister to initiate a debate on the policy implied under a Vote for which he is responsible".

On your Order Paper, there is no such request, therefore, upon us going to the next order, Mr. Speaker, shall automatically leave the Chair and the Committee will straightaway get into Committee. I wish also to bring to your attention Standing Order No.9, where the Chairman of Committees is the Deputy Speaker. And in

ordinary circumstances, I do also appoint and I have appointed other hon. Members to be Members of the Chairman's panel. Now, in Committees, it is the Deputy Speaker who takes the Chairmanship or any of the Members of the Chairman's panel. But in their absence or if the Deputy Speaker does not want to take the Committee or in his absence - by the way, he is absent, so he is not refusing to take the chairmanship - Mr. Speaker, shall take the Chair. That is the Committee's Chair. So, today, I will leave this Chair and go to that Chair and cease being Speaker and become the Deputy Chairman. And I will keep my wig there. Now, when you move the Motion later that we report to the House, I will resume my role as Speaker and somebody else will report to me.

Mr. Anyona: Mr. Speaker, Sir, I think it is important that we sort out this matter properly. First of all, according to the provisions of Standing Order No.33 and No.143, the Government has a right to place Business on the Order Paper in the manner in which they want. In this particular case, we are referring to Standing Order No.143. But there is also the question of having smooth debate in the House; hon. Members being able to contribute effectively to the debate that is before the House. In the past, we have had cases where the House has been ambushed, either because there were disagreements in the House Business Committee or some oversight. Now, we do not want that to be a feature of this Session of Parliament where the House is ambushed. If there is an urgent matter to be brought before the House, we would like to have a general understanding why that is the case. In today's case, the Minister for Water Resources yesterday moved the Sessional Paper on water management, and hon. Members were geared to discussing that debate, particularly since they had the report a week ago. Now, the estimates were only distributed yesterday. Many of us have not even had time to look at them.

Mr. Speaker, Sir, from what you have said, it appears as if there would be no debate, we will go straight into the Committee. I really think that, that situation ought to be explained. I have had some consultations with the Minister for Finance, the Vice-President and the Clerk, and there is an indication that there was good reason to do this. But I thought it is important so that the Press does not figure the wrong impression and think that the House is being gagged. We wanted that reason to be explained clearly, so that we know we are doing Business in a prudent manner. But I think, in future, we really have to be consistent about the way we go about our Order Paper.

Mr. Speaker, Sir, finally, I am not very sure what that means; whether we have to get our books and start going through the Heads and all the rest of it. That may be alright for these ones, but I think as a procedure in future, it is very unfair.

Mr. Michuki: On a point of information, Mr. Speaker, Sir. As a Member of the Finance, Planning and Trade Committee, I would like my views recorded. The night before last night - and it is by sheer coincidence that I was in this House - we were asked to meet yesterday in order to discuss Supplementary Estimates which were not in our hands. Secondly, to discuss Supplementary Estimates which had absolutely nothing to do with any explanation that the Minister may have had. Whereas, some of us as hon. Members of the Committee, would have liked to assist, we would not do so at the risk of not getting the proper information and the basis of which we can report to this House on matters we understand.

Mr. Speaker: Now, what is the problem?

Mr. Michuki: Mr. Speaker, Sir, the problem that there is here is that, the inclusion of Supplementary Estimates on the Order Paper for discussion by this House is going to be done in circumstances where hon. Members of the Committee cannot brief this House. And if they do - I understand they met this morning rather hurriedly - I am afraid that they will not be briefing this House adequately.

Thank you very much.

Mr. Speaker: May I just say this: In ordinary circumstances, it is not me to explain, it would be the Minister. But I am privy to certain information which I think will help the House. I know the documents were laid on the Table of this House last week either on Wednesday or Thursday. A Notice of Motion was also given at the same time. I also happen to have attended this week's Business Committee of the House meeting which I think you have representatives there. It was the Business Committee that allocated Thursday, which is today, as the day upon which the Supplementary Vote should be brought to the House. I also know that at the time of the Business Committee meeting, the provisions of Standing Order No.101 were also considered, which is actually permissive; it is not mandatory that on Supplementary Estimates, the relevant Committee meets to consider it.

However, the Business Committee and the Minister did agree to have the Committee meet before Thursday; let them meet. I am sure that the Minister will, in the end, explain. I do not want to take his role. I do not want to invite him now. Let the Committee meet if it is possible. If it is not possible, let the Business continue nonetheless as agreed. But generally, of course, it is good that hon. Members have adequate time. It is good that the Committee does have a look at the proposals being brought before the House. But occasionally, you may get into circumstances that may really be against that. Not that I am encouraging Ministers to do that, but I am for the contrary. I hope we now do understand. So, can we now proceed. Shall I now go and take over the Chair? Next

Order!

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

Mr. Speaker: I am sorry, I will not allow any more points of order, now.

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

Mr. Speaker: Order! Order, Mr. Munyao! We must take this Business seriously.

COMMITTEE OF SUPPLY

(Order for Committee read)

(Mr. Speaker left the Chair)

IN THE COMMITTEE

(Mr. Deputy Chairman took the Chair)

The Minister for Finance (Dr. Masakhalia): Mr. Deputy Chairman, Sir, I should begin by thanking you for the explanation you gave to the hon. Member---

Mr. Gitonga: On a point of order, Mr. Deputy Chairman, Sir.

Mr. Deputy Chairman: What is it?!

Mr. Gitonga: Mr. Deputy Chairman, Sir, we have the biggest problem this afternoon because we received the Supplementary Estimates books this afternoon. Some hon. Members have not even seen them. They do not even know that they are there. So, when we are called upon to approve something that we have not seen, what do we do? Here, we need your guidance. We do not know what is contained in them in order to discuss it.

Mr. Deputy Chairman: Well, I think I have already informed the House that on Thursday last week, the Minister for Finance tabled the Supplementary Estimates. Now what I do not know, and which I would like to know, is whether the books were made available to hon. Members, in their pigeon holes.

Mr. Michuki: On a point of order, Mr. Deputy Chairman, Sir.

Mr. Deputy Chairman: Yes, Mr. Michuki.

Mr. Michuki: Mr. Deputy Chairman, Sir, even as a Member of the Finance and Planning Committee, despite the fact that one of the Deputy Clerks approached me the night before last, I got my books this morning in the midst of other matters I was dealing with in my office. If I were not familiar with the contents of these books, I would not have been able to point out the seriousness of this matter. This is not a small matter to be dealt with just like that. Here, we are dealing with a lot of money, and it is not necessarily what appears on the face of it. Even appropriations-in-aid are public funds.

Mr. Deputy Chairman: Are you now not debating the issue?

Mr. Michuki: Mr. Deputy Chairman, Sir, what I am saying is that we are being required to deal with an issue we do not know about, and in the process of which we are going to approve Kshs16 billion to be spent. We are being required to approve the expenditure of this amount in a casual kind of discussion.

(Applause)

Mr. Anyona: On a point of order, Mr. Deputy Chairman, Sir. I would like you to guide us. It is very nice that you are in the Chair of the Committee of Supply. Sir, normally, there would be a Motion on the Order Paper, asking Mr. Speaker to leave the Chair, in which case then debate continues. Thereafter, we go into Committee and move straight to the estimates contained in the books of Supplementary Estimates. What are we going to do now? Is the Minister going to move this Motion and it be seconded? Will there be a debate? When do we come to the Supplementary Estimates?

Mr. Deputy Chairman: Well, I do not know whether I should answer Mr. Anyona first, or Mr. Michuki. I suppose I should do so in the order in which the issues were raised. So, I will begin by answering Mr. Michuki, because he was the very first.

Mr. Michuki, if these books have not been given to hon. Members---

An hon. Member: They have.

Mr. Deputy Chairman: Yes, can I finish my sentence then? The books were laid on the Table of this House on Thursday last week, and I hope they were given to hon. Members. If they were not, then, it is the fault of my office, for which I take the greatest responsibility and apologise most profusely.

Mr. Michuki: On a point of order, Mr. Deputy Chairman, Sir. A Motion was there to lay the books on the Table. But the fact that the Motion was presented here did not mean that the actual printed books of the Supplementary Estimates reached any hon. Member at that time. This is exactly what happened. In any way---

Mr. Deputy Chairman: Mr. Michuki, I am being informed from the Table that upon the documents being laid on the Table, they were circulated, and a notice was put on the Notice Board to that very fact, namely, that, those books had been circulated, and were obtainable by all hon. Members. This is the information I have just got.

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

Mr. Deputy Chairman: Yes, Dr. Kituyi.

Dr. Kituyi: Mr. Deputy Chairman, Sir, my concern bridges the two concerns of the two hon. Members here. It is a tradition of this House that when the Motion "That, Mr. Speaker do leave the Chair" is moved, you remain in the Chair until we go to the Committee Stage of the Supplementary Estimates---

Mr. Deputy Chairman: But I was coming to that. I was just---

Dr. Kituyi: So, you are to go back there?

(Laughter)

Mr. Deputy Chairman: Order! Order, Dr. Kituyi! I had made myself absolutely clear that there were two hon. Members who had sought information

[Mr. Deputy Chairman]

from me - that is hon. Michuki and hon. Anyona - and I had to deal with them one at a time. Now, when I just finished with hon. Michuki, I had not come to Mr. Anyona's issue. Can I come to that now?

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

Mr. Deputy Chairman: Order! Can I come to that now?

Dr. Kituyi: Mr. Deputy Chairman, Sir, you will understand why I asked you that question---

Mr. Deputy Chairman: Order! Order! The more hon. Members raise points of order without letting me respond to the very first ones, as a human being, I am bound to forget some of them. So, can I exercise my human rights to answer Mr. Anyona's question?

(Laughter)

So, on the issue of the format of the Order Paper, which was raised by hon. Anyona, we must distinguish two things initially. First and foremost, we must distinguish Supplementary Estimates from Annual Estimates. The Annual Estimates follow the Financial Statement. The Minister for Finance gives a general policy guideline, and each of the relevant Ministers in charge of the various Votes are also given time - two days each, I suppose - to state the policy and the way that money will be spent. Each Minister is directly responsible for the Vote, and answers to Parliament for each and every Head of that Vote.

The Supplementary Estimates are normally brought to the House by the Minister for Finance globally, and they cover all Ministries. They either take away money from the Ministries or add money to them. The Minister for Finance may take some money from Ministry A and give it to Ministry B. It is the Minister for Finance who knows why he is, for example, taking some money from the Ministry of Water Resources and giving it the Ministry of National Heritage, Culture and Social Services. Therefore, he should be the one to explain why he is doing so.

That is why in Supplementary Estimates, we go direct into Committee of Supply so that the Minister in-charge of Finance can explain to the House why he is seeking more money and why he is allocating it the way he is, because he is the one who knows. It would be absolutely impracticable to get the 25 or so ministries on a Supplementary Estimate that takes one day; line up all the 25 ministers here, and expect each one in a way, to explain what happens. It cannot work. This is why it is the way it is. It is the only way to work and I think--- I would also invite hon. Members to look at Standing Order No.143, particularly paragraph 2. It states:

"The provisions of paragraph 2,3,4 and 5 of Standing Order No.142 that is procedure in Committee of Supply shall *mutatis mutandis* apply to Supplementary Estimates".

If members can listen, it means therefore for example Standing Order No.142 (1) does not apply in Supplementary Estimates because Standing Order No.143 says that it does not.

Standing Order No.141 does not also apply to Supplementary Estimates, because Standing Order No.143 says that it does not. So, if you look at Standing Order No.143, you can only apply on Supplementary Estimates such rules of Annual Estimates as are important to Standing Order No.143 by the rules themselves. So, let us not confuse the two standing orders because they are two different animals although they have a common face called The Treasury. Can we now finish this one way or the other please? Mr. Michuki. I think I will have you being the very last.

Mr. Michuki: Mr. Deputy Chairman, I see some fundamental problems in the approach to these Supplementary Estimates. According to Standing Orders that deal with the Committee Stage, the committees of this House are supposed to examine the activities of each Ministry against the stated policy. First of all, one of the problems that I have in trying to look at the whole of this issue, and I agree with you is that all the Ministers cannot be brought here to begin discussing about the supplements of K£10 million and so forth since it will take a long time. However, at the same time, it is incumbent on the Minister for Finance himself, to actually brief this House even before discussions, as to whether he is following the policy already stated or he is departing from it. For example, we were told here when the House was invited to discuss the Annual Estimates, that the budget would be balanced and we do not know whether these Supplementary Estimates are---

Mr. Deputy Chairman: Mr. Michuki, I think you are now departing from what you rose on. I think we should make some headway. First of all, you said according to Standing Orders, the Minister must--- Which Standing Order are you referring to so that I can reply?

Mr. Michuki: Mr. Deputy Chairman, I have not got it at hand but the Standing Order that give the responsibilities to House committees does state that we shall examine the budget of that Ministry and I am unable to assist here because I cannot examine whichever budget, as to how it is going to be balanced for long-term.

Mr. Deputy Chairman: No! No! No! I am not talking about this one. I am talking about Standing Order No.151. The one that says--

Mr. Michuki: Yes, it is Standing Order No.151 and I cannot advise this House as a member of the Committee whether we are doing the right thing because they do not know whether a Minister is departing from a balanced budget or where he got the revenue to seek an additional expenditure of K£15 billion from.

Mr. Deputy Chairman: Order! May I put this matter to rest now because we cannot speculate, since we must go by the rules. I have just specifically asked Mr. Michuki because he says that according to Standing Orders and so, I asked what Standing Order says that we cannot continue unless the Committee has been briefed. Now, I am going to tell the House which Standing Order allows us to continue and then, the Committee be informed. I wish now to read Standing Order No.101 (A) (1) to (4) and it states:

101 (A) (1) "A Bill having been read a First Time shall upon a Motion by designated Minister stand committed to the relevant Departmental Committee without question put".

Now, the sub-paragraph (4) of that Standing Order states:

101 (A) (4) "This Standing Order shall not apply in case of a Consolidated Fund Bill, an Appropriation Bill, a Supplementary Appropriation Bill, a Supplementary Appropriations Bill or a Constitution of Kenya (Amendment Bill)".

That is the furthest that we can go and therefore the matter is properly before the House. Mr. Minister! Please Proceed!

Hon. Members: On a point of order, Mr. Deputy Chairman!

Mr. Deputy Chairman: Order! Can it be raised on the Floor of the House, so that we can see whatever that comes out of it? Then one last move.

Dr. Kituyi: Mr. Deputy Chairman, I am not disputing what you have said. It is possible for us to accommodate the concerns of both parties. The Government willing to move the matter before the House and the House trying to find a way of being able to follow the matter adequately. I stand under the provisions of Standing Order No. 143 (3) which allows that the House can order that this Committee of Supply looking at the Supplementary Estimates, can extend by one other day, its deliberations. So, the Minister can move it today but we do not complete the business until Tuesday next week.

Mr. Deputy Chairman: I just request you that I have no quarrel with that Standing Order since it is correct. It is absolutely correct that this House can deliberate on this matter today and one more day if the House so chooses. However, one thing that I want to ask now is: Are we a House now or a Committee?

Dr. Kituyi: A Committee!

Mr. Deputy Chairman: We are a Committee and a Committee cannot be a House.

Mr. Anyona: Mr. Deputy Chairman, I think we are together. There is only one little bit that we have to go over and find our way out. As it is, there is no way the Minister will procedurally get up and move this Motion. He cannot. There is no provision for it because if he does, it will have to be seconded and there will have to be a debate and we will have to propose a question. However, the only way that we must proceed is what you have said. It must be this way this time for once this time. Standing Order No.142 (2)---

Mr. Deputy Chairman: I think I can help out. Can I help you?

Mr. Anyona: Mr. Deputy Chairman, let me make my point.

Mr. Deputy Chairman, Sir, Standing Order No.143(2) does tell us what aspect of Standing Order No.141 applies to the Supplementary Estimates. Under Standing Order No.142(2) which is the first one that applies, the starting point is for the Chairman to begin calling votes one by one. There would be no room for the Minister to stand up and move a Motion. The starting point here is for you to start calling the votes and then we shall refer to the Printed Estimates, but Members have no books. So, this thing is going to float through without any scrutiny. That is my understanding, but I am subject to your correction as always.

Mr. Deputy Chairman: Can I help the House so that we do make progress? First of all, on the issue raised by Dr. Kituyi that the House can debate this issue for more than one day, which I said it is correct, but it is only the House that can do so and not the Committee. But there is a way out of that as well. When we deliberate now as a Committee, at the time we get to reporting, instead of us putting the question here, if he is interested, instead of reporting to the House that we are in agreement or disagreement on the Motion, he can move a Motion at that stage that the Committee do report progress to the House. This means, therefore, it is a request to the House for an adjournment of the deliberation of the Committee to the next sitting day. So, there is a way in which at the end of the day, if you can persuade your colleagues to follow that procedure and ask for reporting of progress so that we can move on to Tuesday, there is that way. So, it is possible, you are not closed out. So, you are **[Mr. Deputy Chairman]**

relaxed! If Dr. Kituyi or any other Member for that matter, thinks at the end of the sitting we have not fully exhausted the deliberations of this matter, he can move the Committee to report progress to the House. Once progress is reported and is adopted by the House, it means the matter is adjourned to the next sitting day.

I would now come to the issue raised by Mr. Anyona that the Minister cannot move the Motion. They always do. In fact, all the time. Even after the Minister has given policy, when we come to the Committee itself, the Minister moves the Motion itself in the Committee. He moves the Motion itself requesting the withdrawal of a certain amount of money from the Consolidated Fund for the use of his Ministry. In the course of that Motion, we will go through every vote and the Minister will be able to explain. So, the Minister for Finance has a global thing, he can only explain. So, can we get the Minister to proceed?

MOTION

(Resumption of Committee of Supply Proceedings)

APPROVAL OF 1998/99 SUPPLEMENTARY ESTIMATES
AND STATEMENTS OF EXCESSES

The Minister for Finance (Dr. Masakhalia): Thank you, Mr. Deputy Chairman, Sir. In spite of the expression of doubt that the Supplementaries were somehow late---

Mr. Deputy Chairman: Order, Mr. Minister! You have first of all to move the Motion as it is on the Order Paper.

The Minister for Finance (Dr. Masakhalia): THAT, a sum not exceeding K£---

Hon. Members: Beg to move!

Mr. Deputy Chairman: Order! Order, Members! The hon. Minister has not moved this Motion before. Let us be very courteous to him and let us help him.

The Minister for Finance (Dr. Masakhali): Mr. Deputy Chairman, Sir, I beg to move the following Motions:-

THAT, a sum not exceeding K£217,094,771 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 1999 in respect of Supplementary Estimates of 1998/99 (Recurrent) having regard to the reduction of K£53,964,086 therein appearing.

THAT, a sum not exceeding K£212,954,579 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 1999 in respect of Supplementary Estimates of 1998/99 (Development) having regard to the reduction of K£44,388,460 therein appearing.

THAT, a sum not exceeding K£40,304,693-11-20 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 1994 in respect of Statement of Excesses No.1 of 1993/94.

THAT, a sum not exceeding K£33,183,294-15-20 be granted from the Consolidated Fund to meet expenditure during the year ending 30th June, 1995 in respect of Statement of Excesses No.1 of 1994/95.

Mr. Deputy Chairman, Sir, hon. Members have already received their copies of the Printed Estimates containing Supplementary Estimates of Recurrent and Development expenditure for fiscal year 1998/99 and Statements of Excesses No.1 of 1993/94 and No.1 of 1994/95. Before I go into details on these Supplementary Estimates, I would like first, to appraise hon. Members on the performance of the economy during the past one year.

Mr. Deputy Chairman, Sir, available estimates show that the economy is likely to have grown by 1.6 per cent in 1998 compared with a target of 3.5 per cent. This is due to the emergence of drought conditions that continued to adversely affect the performance of the agricultural sector. In addition, the high cost of money still remains a constraint to private investment. Consequently, the rate of growth of the economy during the fiscal year 1998/99 is likely to be around 2 per cent compared with the projected 3.5 per cent. The slow down in economic activities will affect the realisation of projected revenues. Ordinary revenues are likely to decline by K£3.432 billion from the amount projected at the beginning of 1998/99 fiscal year. In addition, due to delay in the privatisation of the Kenya Re-Insurance Corporation, the capital receipt of Kshs1.5 billion would not be realised in this fiscal year.

Mr. Deputy Chairman, Sir, however, good progress has continued to be made in containing inflationary places. The average annual rate declined from 11.2 per cent in January, 1998, to 6.6 per cent in December, 1998, and 5.6 per cent in January 1999. This reflects the tight monetary policy pursued by the Government. As a result of this, and also on account of eased Government borrowing requirement, the interest rate on 91-day Treasury Bills declined from a high of 26.3 per cent in January, 1998, to 12.5 per cent in December, 1998, and is now below 9 per cent. This has also been accompanied by some reductions in the rates charged by commercial banks on their loans. Although the decline in bank interest rates is not significant, this is nonetheless an encouraging development and should spur increased investment, particularly, from the latter half of 1999.

Mr. Deputy Chairman, Sir, the Supplementary Estimates reflect an increase in growth Recurrent Expenditures of Ksh9,686 million and an increase of Ksh157 million in gross development expenditure. The net Recurrent Expenditures have increased by Ksh3,252 million and net development expenditures by Ksh3,372 million. The major increases in the Recurrent Expenditures are account of the following factors:

- (i) Ksh500 million given to the National Cereals and Produce Board for maize purchase operations;
- (ii) Ksh300 million given to the Constitutional Review Commission;
- (iii) Ksh200 million to the COMESA Summit scheduled for May, 1999;
- (iv) Ksh174 million for increased mileage rates and commuted mileage allowances for Members of Parliament and
- (v) Ksh970 million being increase on salaries and allowances due to non-implementation of the planned 12 per cent reduction in the number of Civil Servants.

Mr. Deputy Chairman, Sir, in the Development Vote, the main increases are the following items:

- (i) Ksh2.3 billion paid to the National Bank of Kenya in respect of debt owed by Nzoia and Mumias Sugar company;
- (ii) Ksh253 million for Kenya Railways Corporation for the rehabilitation of locomotives;
- (iii) Ksh339 million for full repayment of a loan owed by Housing Finance Company of Kenya.

Mr. Deputy Chairman, Sir, the revised estimates also reflect an amount of Ksh2,000 million advanced to the Ministries from the Civil Contingency Fund. Of these, Ksh1,511 million is reflected in the Recurrent Budget and Ksh489 million in the Development Budget. After the approval by Parliament, Ministries will return the advanced money to the Civil Contingency Fund.

Mr. Deputy Chairman, Sir, hon. Members should note that the Government is in the process of addressing the issue of pending bills with a view of settling legitimate claims. In this respect, the Supplementary Estimates reflect provisions for settling pending bills on telephone charges amounting to Ksh4,776 million and

electricity charges of Ksh876 million owed by various Ministries and departments. This will be settled through the cancellation of corresponding debts owed by the Kenya Posts and Telecommunications Corporation (KPTC) and Kenya Power and Lighting Corporation (KPLC) to the Government.

Mr. Deputy Chairman, Sir, the estimates also reflect provisions for the payment of pending bills owed to constructors and suppliers. A special task force, appointed by the Government to review the position of pending bills as at 31st August 1999, had completed its work. It recommended that pending bills amounting to Ksh2.502 billion could be cleared for payments. Out of these, an amount of Ksh940 million has been included in the Supplementary Budget. After approval by Parliament, the actual payment of these bills will be financed through the issue of Treasury Bonds.

Mr. Deputy Chairman, Sir, to demonstrate the commitment to a balanced budget, the Treasury has, with approval of the Government, issued instructions to all accounting officers to go slow on new commitments during the remainder of the Financial Year and postpone avoidable expenditures. Instructions have also been issued for the speedy recovery of imprests and preparation of documents for claiming reimbursements from donor agencies of expenditures incurred on donor financed projects. These measures are likely to reduce the actual expenditures during the year to somewhat lower levels than those reflected in the Supplementary Budget.

Mr. Deputy Chairman, Sir, I have a word on the fiscal balance. As a result of these developments, the fiscal balance on the commitment basis exclusive of grants, will now be Ksh4,079,000 or Ksh0.59 per cent of Gross Domestic Product. The 1998 budget was planned with a view to achieve a fiscal balance on a commitment basis exclusive of grants. This was arrived at after taking into account the focus of revenue and the projected consolidated funds services expenditures at a time of repairing the annual budget.

Mr. Deputy Chairman, Sir, may I now turn to Excess Votes. The statement of Excess No. 1 of 1993/1994 fiscal year and No. 1 of 1994/1995 fiscal year were recommended by the Public Accounts Committee (PAC) and tabled in this House on the 15th April, 1998. These recommendations were debated upon and the report adopted by Parliament on the 9th June, 1998 without any amendments. I do not, therefore, wish to dwell on it again as the matter was exhaustively discussed then.

Mr. Deputy Chairman, Sir, in conclusion, having appraised the House of the intentions of the Motion before us, I would now call upon hon. Members to pass this Motion in order that additional funds can be made available to Ministries and Departments to carry on with the various services up to the 30th June, 1999. It will also facilitate accounting entries which will make good the excesses.

Mr. Deputy Chairman, Sir, with these few remarks, I beg to move. Thank you.

The Vice President and Minister for Planning and National Development (Prof. Saitoti): Mr. Deputy Chairman, Sir, I rise to second the Motion by the Minister for Finance on the Supplementary Estimates.

Mr. Deputy Chairman, Sir, I think it should be recalled that when the Budget was presented to the House, it was indicated that the intention of the Government was to bring a budget which, at the end of the year, the Budget out-turn would indicate very little inflation. The intention indeed, was that perhaps, there should be no deficit whatsoever. That is what we call a balanced Budget. I do see that there are a number of things that have happened in the economy and I think we need to take them into account.

Mr. Deputy Chairman, Sir, I wish to refer here to the fact that there was a drought in this country. The short rains did not come as expected. Indeed, even these long rains do not seem to be behaving as they should do. But given the fact that this is an economy whose back-bone is agriculture, it has always happened almost like a ritual that whenever there is a very downward performance on the agricultural sector, that translates itself right throughout the economy into a downward trend in the GDP growth rate. This is indeed what happened. Not only has the performance been very poor on agriculture, but the revenues there have also been much lower. We also do know that several parts of this country were suffering from drought and lack of food and the Government has had to make provisions to purchase food for the people.

But I think much more important, there is no doubt that there has been a very sluggish performance on this economy. That much, we cannot deny. All those things compounded have meant that this economy which we thought was to grow by 3 per cent or higher has not so happened. Indeed, the scenario that we are now looking at what is likely to translate itself into about 1.6 per cent growth of the GDP. What that means, of course, revenue has come down. But on the positive note - and I think that is the thing to basically pay our tribute to the management in the Treasury - the inflation rate has remained at a single digit. That is an excellent performance. The interest rates have also come down from a very high percentage of 22 percentage at the time of the presentation of the substantial Budget to about 9 per cent at the present moment. This is as far as the Treasury Bills are concerned. The money supply has also come down and we have to agree that there has been a stringent monetary management. There is no doubt about it! But that could not have happened without also a very tight budgetary stringency and that is why the deficit is much lower.

Mr. Deputy Chairman, Sir, the Minister for Finance has also told us why he has brought this Supplementary Budget. He has stated the monies required by the Kenya Railways for the purchase of locomotive engines. It is true that the Kenya Railways is supposed to be a parastatal but I think we are all aware of the fact that Kenya Railways is a parastatal that is going through problems. It is a parastatal which is a candidate for a very major restructuring. But in the meantime, and given the strategic importance of the Kenya Railways to the economy, the Government cannot sit around and allow Kenya Railways to basically stop. It has not got the money to purchase these locomotives; and it has had, therefore, to make recourse to the Exchequer during the time of the restructuring.

Mr. Deputy Chairman, Sir, another area which I need to talk about is the shortage of food. There are areas which suffered heavily and people needed to be fed and, therefore, some purchases had to be made for them by the National Cereals and Produce Board. This is an important area which the Government had to address.

Mr. Deputy Chairman, Sir, funds are required for the Constitutional Review process. Although we know that there is a stalemate, but we hope that this is going to end soon. The Constitutional Review has got to requisition for the resources so that as soon as we "break the ice" on the stalemate, the work can continue. We cannot say no to this! We need that funding. Equally, I think it has been made clear that the National Bank of Kenya has had problems. I know that this is a dice issue which hon. Members may wish to ventilate and come out with various arguments but the fact is that we cannot allow the National Bank of Kenya to collapse. If it collapses, then it is going to have major ramifications in all our financial institutions and we will end up in a much worse situation than we are in today. But the debts paid were the debts which were guaranteed for as loans by the Government to the sugar companies which have not done. I am sure hon. Dr. Kituyi may wish to say something here since he comes from the sugar zone. But the crux of the matter is that we have to take into account the lesser of the two evils; and that is what we are taking.

Mr. Deputy Chairman, Sir, we have got the COMESA Summit which is going to be held in our country. It is a great honour that COMESA will be having its summit here and several heads of states and several Ministers from the COMESA region will be coming here. Hon. Members might be wondering why we should have these COMESA heads of states and Ministers here. May I inform the hon. Members of this House that COMESA is our largest market and we must be seen to be at the forefront of supporting this.

Dr. Kituyi: On a point of order, Mr. Deputy Chairman, Sir. In the course of this afternoon, the hon. Vice-President told this House that the European Union is our largest market and that was not correct. Now he is saying correctly, that COMESA is our largest market. Can he decide which one of the two is our largest market?

(Laughter)

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): Mr. Deputy Chairman, Sir, I think the hon. Member knows that I am speaking within the region centre and, therefore, I cannot swallow what I said earlier on. I want to move very quickly because I know that the hon. Members are getting a bit impatient since they want to contribute.

Mr. Deputy Chairman, Sir, I think the other thing is the HFCK. But I think one sticky problem is that of the so-called "Pending Bills," the money which is purportedly owed to the private sector. This has been a problem and the Minister for Finance has said that there is a Task Force which has been established in the Treasury to go through these bills, to look at them carefully and understand their sources. Some of them may be fake! Once the whole thing is worked out, then a payment procedure will then be worked out.

Mr. Deputy Chairman, Sir, I did say the other day that the issue of the sound management of resources is of absolute importance. I did say yesterday that we should ensure that we do put in place mechanisms for sound management of resources and that is not going to come out by pointing out fingers at each other. We have to go into action. Towards that end, the Anti-Corruption Authority is already in place and a Director has been appointed. He is a man of impeccable record and nobody can point a finger at him the way we would like to do it. What we need to do, as a House, is that we should support the Director of the Anti-Corruption Authority, give him all the support he needs to do his work as much as possible. He should move now, if there is a "haemorrhage", he should stop it now. The backlog can come later. I think that is the best that we can do, and I am sure the Authority can do the job. I beg to second.

(Question proposed)

Mr. Deputy Chairman: Let me clarify something before we discuss this. You see, we are now in the Committee. As I pointed out earlier, Members contributing should mainly direct their various probes to the Minister, to explain why he is asking for more money, or why he is taking away whatever money that he wants to

take away. So, please use that time to probe the Minister and ask him to explain. The Minister will simultaneously be explaining as you raise the various queries. Proceed, Mr. Keriri.

Mr. Keriri: Thank you, Mr. Deputy Chairman, Sir. It is very difficult to do exactly what you have asked us to do, in view of the fact that, for example, we are getting these books now. It is going to be very difficult to try and fill all the things that we want to ask. So, if you allow me, I will just make one or two general comments. Then, leave the Minister to explain because it is not easy to do it that way. First, I would like to put on record my disappointment that we did not get these books in time. That has been said and I think it is enough to stop at that.

Secondly, it is a question of why we should have Supplementary Estimates. What are they for? I think there are two reasons that the Ministry has given. One is to cater for increases in prices of items and secondly, to cater for new commitments or unforeseen commitments. As far as increases in prices of items are concerned, if you look at these Books - I have looked at them very hurriedly - everything seems to be based on increase in prices. We have just been told that the inflation is not rising as high as it was rising in the previous years. Again, the Minister and his staff should have been able, in the initial Annual Estimates, to do thorough estimates.

There is an indication in the Supplementary Estimates that the people involved did the estimates casually in the Annual Estimates. I think the Minister must look into that fact of not doing estimates thoroughly. For example, inflation could have been guessed. You could have taken into account inflation. As to the new commitments, buying new vehicles for new staff and so on, must arise from a new policy of getting into a new commitment. If that new commitment arises, it must be declared and be approved ahead of Supplementary Estimates. Supplementary Estimates are not the forum for bringing in new commitments which have not been known by this Parliament. I think there are too many new commitments like buying cars for State House worth about K£2.4 million, which is equivalent to Kshs48 million. That should be explained. Why are we buying new cars? Has a new department been created? Has a new commitment been entered into?

If you take into account new expenditure on things like roads, most of what we have been told in the Supplementary Estimates is giving out some few thousand pounds on roads which have not been repaired. Most of them are abandoned roads where we have given tokens of K£100,000 and so forth. I think the Minister must come up with a policy of what he is going to do with abandoned roads. You have roads in Murang'a, Kirinyaga and all over the country, which were started and then abandoned. But they still continue to provide K£100,000 for such roads. Now, it is either you do them and stop the new ones. This is because you would like to finish a business when you start it. It is unfair to start a new thing before you do the business that you started with. There must be a policy on how to do those things.

Also, there must be a policy on how soon we should start withdrawing from foreign loans from the World Bank, European Union and IMF. We have a lot of money lying idle from the World Bank and the European Union for the Mombasa Road. That money is not being spent because the Government is still discussing some modalities and so on. We have the Roads 2000 Programme whose money has been voted and it is not being spent.

For example, in Kirinyaga, we have Kshs120 million which, by the end of last month, only Kshs35 million had been released by the Treasury, through the Ministry. Now, this means that by the end of the next two months, which is the end of the year, we shall not have spent that money. We shall then come back to be told to re-vote the money again. I think we must organise ourselves in such a manner that these things are done when they are supposed to be done.

Still on roads, we have of late, experienced a rise in road re-sealing expenditure. A mere re-sealing of a small road costs Kshs9 million per kilometre! That is from Kirinyaga-Makutano to Embu. We had a road that was re-sealed at that amount. But only after one year, it is now wearing out. Now, the re-sealing at Kshs9 million per kilometre is too much. The Kiganjo-Nanyuki Road, for example, Kshs600 million was used to re-carpet 46 kilometres. Now, that is Kshs13 million per one kilometre. I think instead of calling it expenditure for the public, it is probably expenditure to punish the public because other things are being foregone because of spending too much per kilometre on our roads. I think the Minister must watch this. I appreciate that he is a new Minister. He may not have run in, in the Ministry. I know him as an astute economist and he must use his economic knowledge to know that things must cost what they are supposed to cost. In the past, they did not cost what they were supposed to. Their cost was much more and, therefore, this Government came up with estimates which lacked priorities.

For example, health is a major priority in this country. We should provide our people with medicine because they do not have them. Education is also a priority to our children. Today, this Government has no policy of putting up classrooms in primary schools. They tell us that we should construct classrooms by way of harambee. Yes, a number of districts can do it by way of harambee. It is only about 36 districts out of the 66

districts in this country which have the ability to put up classrooms by way of harambee. The rest are not capable of doing that. For example, most people in North-Eastern Province have no ability to do a harambee in order to put up a classroom in a primary school. The Government must come up with a policy on how those people can be assisted because they must be assisted. People who can do it in other districts are fortunate. It is not the fault of people in North-Eastern Province that they are unable to put up a classroom by way of harambee. This Government must assist them. There are not enough teachers in North-Eastern Province and yet your Government is not training more teachers.

Mr. Keriri: Mr. Deputy Chairman, it is our Government if things are done correctly. I mean, the KANU Government has no priorities. They only come up with Supplementary Estimates which do not take into account any priorities. Among the major priorities in this country is education. The Government must educate its citizens because there cannot be any development if our people are not educated. Development cannot take place if our people are dying because of lack of medicine in our hospitals and dispensaries. This Government spends too much money on roads and housing. I am sure that money does not go into the development of roads and housing. There is some "pocketing" of that money by certain individuals. This is a retardation of development. We must have financial discipline in this country. I think the Minister should take this into account; it is only through financial discipline that corruption in the Government can be stopped so that we save money for development and for our estimates. This Government must support financial discipline.

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

Mr. Mkalla: Thank you, Mr. Deputy Chairman, Sir. On behalf of the hon. Members of the Departmental Committee on Finance, Planning and Trade, pursuant to Standing Order 101(3), I would like to take this opportunity to present to the House a brief on the deliberations of the Committee on the 1998/99 Supplementary Estimates.

Mr. Deputy Chairman, Sir, I wish to state from the onset that the Committee had a very short time to study the documents as the Minister for Finance released them only last week. However, the Committee met twice yesterday, in the evening and today morning, we raised issues some of which the Minister for Finance later clarified. For those issues where he did not have ready answers, he promised to do so during the Committee meeting on 23rd April, 1999.

Our observations of these Supplementary Estimates are as follows:- The Committee noted that out of the total Development Expenditure of K£212,954,579, about 50 per cent is going to the Ministry of Agriculture for the maize safety net and about 10 per cent to the Ministry of Public Works and Housing. There is a saving of K£44.4 million.

On the Recurrent Estimates, the Committee noted that the Government had made an effort of reducing expenditure by about K£53.9 million. The Government, however, seemed not to have strictly adhered to austerity measures as laid down by the Minister for Finance in his last annual Budget speech. In this respect, the Committee noted that the issue of reduction of Government expenditure on vehicles has not yet been implemented. It is our wish and hope that the Government is going to follow up this matter so that unnecessary and uncontrollable costs can be cut down and thereby reduce expenditure.

On the issue of the shortfall of revenue, Mr. Deputy Chairman, Sir, the Committee observed that while this might be attributed to the decline in the economic growth, the size of the shortfall is alarming. The Committee was concerned that issues of collection of duty, VAT and other taxes which Kenyans must pay must be strictly followed so that the revenue can be increased and thereby provide funds for our Recurrent and Development Expenditures.

Mr. Deputy Chairman, Sir, the Committee also noted that the land rates and rents collection is almost nil. The Government should improve on that as a lot of revenue remains uncollected. There are situations where we have landlords who are not in this country and the land remains unutilized. We felt that such land should either be repossessed or the landlords should be made to pay the annual land rents without failing so that we can get the necessary revenue for our development.

Mr. Deputy Chairman, Sir, there was the issue of Kibera Highrise Estate. The Committee expressed concern that the Minister had allocated its funds in both the Ministry of Finance and the Ministry of Public Works and Housing. If hon. Members can remember, during the presentation of the annual Budget, we discussed the issue of double allocation in the Budget booklets. So, this is an example where we are saying that there is a repetition of Votes in the document. This should be scrutinised carefully so that there is no such repetition in future.

Mr. Deputy Chairman, Sir, the Committee also observed that the K£2.3 billion which was paid out to the National Bank of Kenya (NBK) was a departure from the normal procedure. The House should have been given

an opportunity to discuss the issue, no matter how urgent it was. We felt strongly that if NBK was to be rescued because of its financial problems, that matter ought to have been brought to this House so that it could have been deliberated upon by the House and authority be given from this House. We hope in future, procedures will be adhered to.

(Applause)

Finally, Mr. Deputy Chairman, I would like to urge the Minister for Finance to ensure that documents from his Ministry and, particularly those on the annual and Supplementary Estimates are presented to the Committee early enough. This will give the Committee ample time to adequately deliberate on them and report to this House accordingly. Thank you.

Mr. Michuki: Thank you, Mr. Deputy Chairman, Sir. First of all, I would like to say that my first part of the contribution to this debate will be based purely on Standing Orders. Later, I will speak more in my capacity as an hon. Member of the Finance, Planning and Trade Committee of this House. I am sorry I could not refer to the Standing Orders at that time when I was trying to explain to the Speaker. As the Deputy Chairman, I would like you to pass my apologies to the Chair.

Mr. Deputy Chairman, Sir, Standing Order No.151 lists the duties of the Committee of the House. In my own opinion, the most important sub-section is (4)(d)(e) and (F) of this Standing Order. Paragraph (d) of this Standing Order states:

"The Departmental Committee shall study, assess and analyse the relative success of the Ministries and departments as measured by the results obtained as compared with its stated objectives."

Paragraph (e) also states:

"The Departmental Committee shall investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as maybe referred to them by the House or a Minister."

This is where my case lies. I would like to apologise to this House that I am unable to advise it because our Committee was given a very short notice. I would also like to say that I am not party to the report that the Chairman of the Finance and Planning Committee read out in this House. This is so because there is more underneath in that report than meets the eye. It was not possible to examine this matter within that short period, and I will give reasons why I am saying that.

First, I would like to start by recalling the stated policy and the objectives of the Ministry. In June last year, the Minister for Finance stated here that the aim was to balance the Budget. This is the background against which we, as the Committee of the House, should have looked at the Supplementary Estimates in order to see whether that policy is being followed or departed from. As of now, I cannot decide whether the policy has been departed from or followed. This is because whereas the Minister has stated the amount of money he wants from this House, he has not touched on the issues relating to how he will raise the revenue so that he maintains his Ministry's stated policy.

The concept of a Supplementary Estimate is contained in the financial regulations which are in the hands of the Government.

The Assistant Minister for Transport and Communications (Mr. Sankori): On a point of order, Mr. Deputy Chairman, Sir. I thought that we were discussing the Supplementary Estimates and not the policy, which the Chair has already ruled on. Could the Chair guide us on that?

Mr. Deputy Chairman: I have no guidance to give! Proceed, hon. Michuki!

Mr. Michuki: Mr. Deputy Chairman, Sir, this is one of the problems with the Standing Orders of this House. The fundamental aspects of an issue are first glossed over. I am saying that in order to understand these Supplementary Estimates we must look at the stated objective of the Ministry, which was to balance the Budget. We are now being asked to vote from the Consolidated Fund Kshs6.6 billion, and in the same process allow another Kshs10 billion to come into expenditure as revenue retained by Ministries which does not go into the Consolidated Fund by way of Appropriations-In-Aid. Therefore, we are talking about this House authorising the Ministry to spend over and above the Budget Kshs 16 billion. This amount of money is equivalent to K£800,000,040.

I was going to say that the objective of the Supplementary Estimates, if this Government will be honest, is contained in Financial Orders and the Exchequer and Audit Act. It is provided that Supplementary Estimates can only be brought to this House to cover monies which have not fully been negotiated, and whose policy has been justified in the original Estimates through a token provision. The other aspect is when there is an emergency case,

war or something that could not have been foreseen. The Minister has told us here that he paid money to the National Bank of Kenya (NBK), National Cereals and Produce Board (NCPB) and pending bills. These are not matters that could not have been foreseen! Therefore, I would like to inform this Committee that this House is being taken for granted. This is because it is available any time to be told to "rubber-stamp" whatever money is required.

(Applause)

Therefore, there is no effort on the part of the Government to think during the annual Budget and make sure that there is nothing that could have been foreseen, that is not included in the Budget. But because of this laxity and this House being taken for granted, the Government cannot bother to find out what it wants. It is surprising that the Government could not have foreseen that the NBK has been looted. It could also not have foreseen that maize farmers had planted and harvested their crop and, therefore, needed their produce to be bought. It is shocking that this could not have been foreseen by the Government in June, last year.

Mr. Deputy Chairman, Sir, the Kshs2.5 billion we have been told here will be paid by way of pending bills--- Some of this money includes bills which the immediate former Minister for Finance had refused to pay, and this was part of the problems that followed him. He had refused to pay those bills because they represented the corruption element of contracts which he had disallowed. We would have liked the current Minister to tell us whether the policy that was in the Ministry and that which he is following are the same or not.

Therefore, I am saying that the Minister has not given this House enough information. He should have stated what he declares to be savings. How did he save this money? Does it reflect failure on the part of the Ministries out of whose budget he is taking K£44 million, or is it because they implemented the projects and saved K£44 million? Which is which? We know that what he calls savings represent failure, non-performance and non-fulfilment of the projects that were required to be carried out by those Ministries. Therefore, these are not savings! Savings are what one has after he or she has "eaten". Savings are also what is in one's granary after he or she has fed his or her family. In this particular case, the Minister has not even spent the money, which this House voted for projects. Therefore, he is not giving this House the right information.

Mr. Deputy Chairman, Sir, I would like to propose that the Standing Orders should be changed soon. This will ensure that Supplementary Estimates are debated here just like any other Estimates. This is because it is not correct to give out Kshs16 billion in this manner.

So, I do not support the Motion.

Mr. Deputy Chairman: Maybe it would be nice to hear from you. Dr. Kituyi, are you ready?

Dr. Kituyi: I am preparing.

Mr. Achola: On a point of order, Mr. Deputy Chairman, Sir. That is not really the normal procedure of this House. I thought we should be allowed to debate first and then he can answer later on.

Mr. Deputy Chairman: Mr. Achola, all the time you have sat in a Committee of the Whole House has the practice not been that Members do question the Minister and that the Minister does respond to the various questions? That is the procedure. Would you like to say anything on that? It is also nice to the House if these questions are responded to so that if you are not satisfied he can repeat the answers.

The Minister for Finance (Dr. Masakhalia) Maybe I should go back and also respond to some of the questions raised by hon. Keriri whom I do not see around.

Mr. Deputy Chairman: Address the House.

The Minister for Finance (Dr. Masakhalia): I will address the Committee then. Hon. Keriri did indicate that the increases in expenditure arose from price increases and new expenditures on such items such as cars. He asked this: Since inflation had come down, why did prices rise to cause increases in expenditure? Let me say that the items which are enumerated are, I think, the causes of the increase in expenditure, they were new and foreseen expenditures. I enumerated them and cited the case of NBK, a national bank that we cannot allow to collapse because of the ramifications of that kind of event.

Mr. Deputy Chairman: Very well. I think you do not need to repeat what he said. Make it brief and go to the next point. Those Members are very anxious to question you on many more.

The Minister for Finance (Dr. Masakhalia): Hon. Michuki began by indicating that we have to have policy principles that we must abide to. The balanced budget---

Mr. Mwenje: On a point of order, Mr. Speaker, Sir. When the Minister explained that part of this unforeseen expenditure was what was paid to cover the National Bank of Kenya and knowing very well that, that was not passed by this House, does he still contend that, that illegal activity that was done is still legal? Is it fair

since it has not been authorised by this House.

Mr. Deputy Chairman: What I would advise you Mr. Mwenje is that when you catch my eye, specifically raise that issue to him and I will give him the Floor to answer you. For now he will answer the other questions.

The Minister for Finance (Dr. Masakhalia): The end result of our adjustment in cutting expenditures here and there will result into a situation where we will almost balance our budget. A fiscal imbalance of 0.59 under 1 per cent in conventional economic jargon is a balanced budget for all intents and purposes. We do follow Government regulations. The expenditures that have been undertaken have been in accordance with financial regulations. Pending bills have been with us for a very long time. We are trying to clean the deck by catering for the payment of the pending bills which we have found to be legitimate. As I explained they will be paid through Treasury Bonds and not with cash.

Dr. Kituyi: Thank you, Mr. Deputy Chairman. I will start off at one place where I can raise some specific questions in the Estimates and hope that the hon. Minister can respond to them. I have just chosen to look at the request for the recurrent expenditure for the State House on page 51. Item 100: Transport Operating Expenses. "Additional funds are required to cater for increased cost of fuel and tyres." Has State House been buying fuel away from the Kenyan market or they have been buying in the same market where we know that during the financial year the cost of fuel has declined and not increased? How do you justify your asking for money because of increased cost of fuel in a year when the actual price of fuel has gone down? The next one is item 161: Expenses of President's Household. "Additional funds are required to cover increased expenditure under this item." Has the President acquired new children or what has expanded this requirement?

Item 192: President's Special Fund. "Additional funds are required due to increased activities." To the best of my knowledge since the end of the elections the President's activities have actually gone down. Are you now catering for campaigns in West Tigania and Mutomo or what new activities unforeseen at the start of the financial year have necessitated in the increased allocation for the President's activities? Under Item 210, at the start of the current financial year, the Minister for

Finance promised us that the Government was now reducing the number of vehicles given to top civil servants and Ministers. We expect that the Government has a surplus of vehicles it wants to dispose of. We have seen over the past year or the impressive Presidential motorcade. I have never counted less than 30 Mercedes S3 20 in State House colours in that motorcade. What unforeseen circumstances at a time when the Government has promised a reduction of the motorcades of individual Government officers should the President who should lead by example, be asking us to buy him new cars?

Item 240: Purchase of Security Equipment. Funds are required for the purchase of surveillance equipment. What unanticipated security requirements of the President necessitated additional funding at this stage of the financial year for purchasing of those surveillance equipment? I will now move on to Item 000: State House, Mombasa. Personal emolument. "Additional funds are required for actual requirement." What does that mean?

[The Deputy Chairman left the Chair]

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

If you give us an item like, "additional funds are required to cater for actual requirements," are you telling us anything?

Mr. Temporary Deputy Chairman, now I wish to go to a few more general remarks. This Government has been making very nice music over two things. The first one is that, after 34 years of increasing poverty, we are setting a radical programme within 15 years to eradicate poverty. We have even set up a commission for poverty, we have the National Poverty Eradication Plan. We expect that financial instruments of priority should reflect the changing macro-policy of the State. So, if you tell us that you are going to fight poverty, priority in allocation of Supplementary Estimates should be in areas of expenditure that deal with targeting poverty.

Mr. Temporary Deputy Chairman, the two main reductions in the Development Estimates being requested before the House are the reduction of development resources allocated to health and education. In fact, while in some areas there is substantial increase of Recurrent Expenditure because of increased salary burdens, at a time when the Government is struggling on how to pay what it owes teachers, the Government is asking us to reduce the amount of money we give it for paying salaries in the Current Expenditures by K£7.5 million. Kshs150 million is being removed from Recurrent Expenditure for the Ministry of Education and Human Resource Development when you do not have enough money to pay teachers what you owe them. Development Estimates of

K£6.9 million have been removed from the Ministry of Education and Human Resources Development, while K£13.9 million has been reduced from the development allocation of health. How do these relate to the declared statement that this Government is interested in poverty alleviation?

Mr. Temporary Deputy Chairman, Sir, there has been much talk about pending bills. Some of the Ministries or departments with the largest pending bills are the same departments which have not surrendered imprests. Why does the Minister not tighten collection of un-surrendered imprests as a way of raising money, particularly in places like State House and Office of the President generally which are the most notorious ones with un-surrendered imprests? Why do you not get back that money instead of asking us to give you more money to throw away after "bad" money?

Similarly, the person who seconded the Motion; the Vice-President and Minister for Planning and National Development and the Leader of Government Business declared how much the Government is now committed to fight corruption. Very nice to hear it from him. He declared how the Kenya Anti-Corruption Authority (KACA) is going to work very hard. I wish he was near you to whisper to you an answer on how KACA is going to defeat thieves who have defeated the judiciary. You see the circus in the courts; one order is given, another judge is brought in and he cancels it. Basically, we just see that it is the power of the mafia, the paramount chiefs of corruption. If they cannot bend before the judiciary, how can they bend before an anti-corruption authority? That is a necessary tool to assuage the concerns of donors who have asked you to have an anti-corruption authority. Like you can see, the conditions under which you rush to establish a commission, a board and choose a chairman, were conditions prior to the next range of negotiations for the suspended IMF facility to this country. So, it is donor-impression management, it has nothing to do with fighting corruption. You might want to fight corruption, Mr. Minister, but you can ask your predecessor, the "high priests" are too powerful for you.

I wish also to mention the following things: One, there is no way the Government is going to save the National Bank of Kenya (NBK) because of three reasons. First, the easiest way to save the NBK is to pay back what it is owed, and it is owed by people who are top in the Government. We all saw it in that list which was laid on the Table here; it is the property of the House. Those persons are not going to pay that money because they used some of it to campaign for the Government and the Government cannot give them back what they used

[Dr. Kituyi]

to campaign for it.

Secondly, the NBK was a clearing facility for the transfer of pensioners' money from the National Social Security Fund(NSSF) to the politically correct people without security and a resolution of the Board of Trustees of NSSF. The NSSF was forced to accept that it owned 42 per cent of NBK as a way of stopping NBK from paying back what had been borrowed through NBK from NSSF. This is partly how to explain why, at the end of 1990, NSSF was Kshs9 billion in "black list". Today, NSSF is more than Kshs1 billion in the "red list". How can you correct those? How can you raise the money to give back what you have forced NSSF to turn into equity in NBK?

Similarly, there was a matter which was raised here about Government's concern for the primary production sector by the person who seconded the Motion. There was talk about sugar and farming. I would have wanted to go into the substantive details in depth, but for the time being, there is nothing in the Estimates which even justifies the seconder of the Motion bringing those things up, because if there is any evidence here, it is that, we are using liberalisation as an excuse to turn our backs on the primary producers. We are privatising the crisis that is bedeviling the primary production sector in this country. We are failing to use commodity aid like fertilizer as an instrument to reduce supply prices. Instead, we make it an opportunity to raise extra money for the Government.

But the most important thing that I want to finish with is that, some of the requests that have been made for additional monies here are outrageous. The Ministry of Public Works and Housing is asking us to accept its excesses in 1994/95 when we know that, that is the time they were transferring money to be used in the scandal of buying multi-million technology for fighting mosquitoes. Why did they not use the money collected from the Petroleum Levy for the purposes it was meant? Instead they are passing aside their money for corruption and are involved in overexpenditure in their own accounts.

But more glaring, if you look at page 14, we have a very interesting statement; an explanation as to why the Ministry of Foreign Affairs overspent. It reads: "That the excess was due to a low budgetary ceiling set by the Treasury." If a Ministry is going to tell us that it is overspending because the Treasury did not allow it to spend what it is spending, the house is legitimizing a Ministry to shoot beyond the target of Treasury. Can you explain to us how you, as the head of Treasury, can come and ask us to legitimize an expenditure which was occasioned by the fact that Treasury told them not to spend more than they spent? How do you justify this?

The Temporary Deputy Chairman (Mr. Poghio): Will you try to address the Chair?

Dr. Kituyi: Through the Chair, I would like to hear the remarks of the Minister on that matter. Thank you.

Mr. Mwenje: Thank you, Mr. Temporary Deputy Chairman. I would like to go through a few things very quickly which we expect the Minister to tell us precisely. Why do we really need extra expenditure at this time? We are very concerned that any extra expenditure must be justified because we came here and discussed the Budget and passed everything. Now, the Minister for Finance is coming back with some Items which we feel should not be there. I do not understand what explanation the Minister has for that. As hon. Dr. Kituyi said, some of the items in the Recurrent Expenditure cannot be understood. When we are doing retrenchment and reducing the number of employees in the Government why should State House increase the number of its employees? I thought State House should be the first one to set a good example by reducing the number of its employees. If you look at Item number one, it is to cater for the additional employees who are being taken to State House. Who are these and why do we need extra employees when we are retrenching? The Minister for Finance should advise State House to reduce its staff just like any other institution in this country because we cannot afford that extra expenditure.

Mr. Temporary Deputy Chairman, Sir, on page 6 of the Development Expenditure, we are also told that we need more money to buy more vehicles for the Nyayo Tea Zones. I thought the Nyayo Tea Zones should by now be closed down completely and those lands given to people. It is not earning anything for this country, if anything, it is now a liability. In fact, the Nyayo Tea Zones should be done away with completely. They do not serve any purpose any more. We do not need to spend any more funds at all on the Nyayo Tea Zones. The tea should be grown by the farmers, these are the owners of the farms and they should run these institutions.

Mr. Temporary Deputy Chairman, on page 24 there is the item: District Headquarters. We warned long time ago against this business of going somewhere and then all of sudden, because you want to please somebody, you simply say, "I am creating a new district here so that campaigns can be easy." Eventually, we have to be told here that we have to vote for some extra expenditure for a new district headquarters. And if you read that page, you will see the way those districts are chosen. They are only allocated to the KANU zones.

An hon. Member: On what page?

Mr. Mwenje: On page 24. They are only allocated to the KANU zones. Why is it that even when other districts are created in other areas, funds are not allocated for the extra district headquarters? Why only in the KANU zones?

An hon. Member: Thika is not a KANU zone!

The Temporary Deputy Chairman (Mr. Poghio): What are you referring to, Mr. Mwenje?

Mr. Mwenje: Mr. Temporary Deputy Chairman, Sir, I have said clearly that it is on page 24. It is up to the Minister to reply to this one.

The Assistant Minister, Office of the President (Mr. W. Ruto) On a point of order, Mr. Temporary Deputy Chairman, Sir. I think it would serve this House well, if hon. Mwenje would let this House know what kind of criteria he is using to zone the country into KANU and other zones. As far as I am concerned, he is not in order.

Mr. Mwenje: That is not a point of order, it is simply a point of argument. It does not come in.

The Temporary Deputy Chairman (Mr. Poghio): Continue, Mr. Mwenje.

Mr. Mwenje: Mr. Temporary Deputy Chairman, that is not a point of order. If we are going to build district headquarters, let us build them all over where districts were increased. Although I must say primarily, that this increase of districts when we have no money, and then eventually we ask the wananchi to go and build the District Headquarters, or we come here and we are told that there will be increase of expenditure because of building District Headquarters in Uasin Gishu and other particular areas and not other areas, it is very serious. I would appeal to the Minister to recede this particular one. If these districts were created, whoever created them, should either tell those people to build or they should be cancelled. They are not necessary at the moment! We are not going to authorise this kind of expenditure when we know clearly it was unnecessary and for political reasons.

If we go to page 351, this is a very important matter; the issues of garbage. I would agree that we need to increase some facilities for collection of garbage in the Ministry of Local Government, but I would think that the local authorities concerned should work hard. They should not depend on assistance from this end after we have already passed five per cent from Treasury going to the local authorities; then they should utilise this kind of money, but not for us to be asked to increase any expenditure on this particular field.

Sir, on page 361, there is that item of consultancy bill. As far as I know, this Government has employed very qualified consultants. They are Government officers and they are there in those offices. Instead of the

Government using those qualified officers who, some of them have actually been trained by the Government, they want to involve private consultancy so that we end up with this kind of a bill which we are asked here to pay. I want to ask the Minister for Finance to ask the Ministries concerned to utilise the officers who are in the Ministries, instead of contracting private consultancy so that there is available some kind of percentage which is called "ten per cent"; but these days I am told it is ninety per cent. That is the only justifiable reason which we can use. Otherwise, there is no other reason for a Ministry like the Ministry of Public Works and Housing which holds very qualified officers to contract a consultant privately and then we are told here to increase that kind of money. This is serious and we must protect public funds in this kind of system.

Sir, we are told that the statements of excesses here, some of it like in prisons, were caused by transportation because the inmates have increased, between the prisons and the courts. Recently, I caused that excess because I was transferred at night from Industrial Area Prison to Kamiti at night illegally, yet it cost fuel. And now we are told here to allow that kind of money to the Minister. We cannot allow that kind of thing and it must be stopped immediately. If this is the kind of money we are being asked to authorise, how do we authorise that kind of money? We have already passed a law here that those who have been put in for less than three years, should be given outside sentences. Instead of that being utilised now, we are being told to give more money so that inmates can be transferred more and more to the courts. We are not being reasonable, fair and realistic. It is up to the Minister to say, "No, we cannot give you more money, why are you transferring people at night? Why are these vehicles moving every now and then? This is serious! We must reduce the inmates who are there, be fair to our people and not for the Government to come here and ask us to increase money just to facilitate the same kind of behaviour which is happening in this country. No way! We should not allow and we should not be asked to be doing these kind of things. We want the Minister to explain to us why he has to ask for that kind of money here?"

If we continue allowing this kind of situation, we will continue overtaking our people. We have a lot of problems and we need money. There are no medicines in our hospitals, yet instead of being asked to add more money to buy more medicines, we are told to give more money so that the prison vehicle can transport inmates more times between Kamiti and the courts and vice versa. This is not acceptable and the Minister should feel ashamed to accept to be told to give this kind of money. He should refuse and let them operate within what they have. If anything, we should provide a little bit more money so that those inmates can be given better food, but not the kind of food I saw there the other day when I was a "visitor" there. I saw the situation there and what kind of food those people are eating. This country is ours and we must take care of it and take care of our people. We will not allow this kind of situation to continue happening. All those excesses are not caused by unforeseen circumstances; all these circumstances were seen, but because of negligence of our officers, that is why we have to dig deeper and ask our people to pay more so that they can cater for these kind of things.

This is serious and starting from the top, from State House, we must now learn to reduce. We agreed that all the Ministers will even reduce their vehicles: Those who have two will reduce and up to now we still see them driving two, three even six vehicles for some of them, yet we are told here to come and increase more vehicles, to allow the Minister to pay more for fuel budget. We must be serious to our people. We are responsible to our people and we will tell them, "This Government of KANU does not want to listen, does not want to reduce the budget and therefore, we will reject it in total if it continues like this".

With those few remarks, I beg to support.

Mr. Munyao: Thank you, Mr. Temporary Deputy Chairman for giving me this moment also to join my colleagues who spoke earlier. Although today we have taken a total different procedure in approaching Supplementary Estimates, we will have to accept some of the confusions because this is not what we are used to. We are used to opening up, discuss and then we come to the Committee. Today is the first time in my history to begin with the Committee, then the matter ends up there. Like Mr. Speaker explained when we came in, it must be acceptable because of our now revised Standing Orders, but at least, when people are jumping to a new issue, there is all the time an over-lap with some little mistakes.

Sir, I would beseech the Minister for Finance to keep strictly to the procedures of Supplementary Estimates because the procedures now being adopted; even when the Minister was introducing this Bill, he left a lot and introduced new issues which will cause a bit of confusion on the Floor. At that time one wonders whether this is the intended purpose? And if it is, what actually will we go and discuss as we finish the Supplementary Estimates? We are used to discussing Supplementary Estimates and later we go into Committee Stage, then item by item and highlight where we need to reduce or add certain amounts of money. But today, we are following a total new approach towards our own procedures.

Mr. Temporary Deputy Chairman, Sir, I would like to pin-point to the Minister some items appearing in the Supplementary Estimates, particularly roads which we had funded earlier and which appeared in the original Budget but have not been done. I would have pointed out new projects which, of course, needed some more

funding, for example, water projects and others. As it stands now, coupled by the fact that we received these books in the afternoon and we have not gone through them, it will make it totally impossible for us to make any relevant contributions. That is why we asked you to allow us some time so that ultimately, some of these issues become fairly clear.

Mr. Temporary Deputy Chairman, Sir, I am concerned about the roads in our area, particularly the Machakos and Makueni roads. When we talk to the contractors who are already on the ground, they tell us that they are not receiving money as promised. And that, they should be getting this money directly either from the Ministry of Public Works and Housing or from the districts. As it is now, these projects have stalled. We would like to request the Minister, if by the end of the day he is going to convince us to accept to approve these Supplementary Estimates, that he should ensure that some of the road projects which have now stalled like Machakos and Makueni which were being locally and internationally funded should be completed.

Mr. Temporary Deputy Chairman, Sir, we also have complaints from pensioners who are somehow not getting their money when it is due. We wonder what is actually happening. This should have been included in the Supplementary Estimates, because that is their money which they had paid before they retired.

Mr. Temporary Deputy Speaker, Sir, when the Minister will be responding, I would like him to explain to us one item in the Office of the President. This is, Head 001, item 133, where we are talking about the President's Special Fund. In the previous year, there was only a token fee of about K£15,000 in the Printed Estimates. But now, it is estimated at K£465,000, an addition of K£450,000 which is Kshs9 billion. The Minister will have to explain to this House how issues like this could not be foreseen. Because, if we follow the principle of Supplementary Estimates, an item like this could have been foreseen. In any case, it would have not soured to this figure. The Minister for Finance ought to explain to us how this Kshs9 billion came about; whether it is money being used to induce hon. Members to defect to the opposite side of the House and then you allocate this money for the campaigns. Mr. Temporary Deputy Chairman, Sir, it disturbs me when I see civil servants being used in bye-elections. I was in Tigania and Mutomo constituencies and I witnessed the kind of enormous Government expenditure. All the chiefs, assistant chiefs, DCs, PCs and others were running in Government vehicles. Even the Presidential motorcade had policemen using Government vehicles. All this is Government expenditure being used to campaign for KANU. Is it right for me, the Secretary-General of the Democratic Party of Kenya to sit here and support the Minister to get money to campaign for KANU? This is morally wrong, and the Minister for Finance must be able to reject some of these things.

Mr. Temporary Deputy Chairman, Sir, in the State House allocation on page 51, there is also the same item, Presidential Special Fund, which is also in the Office of the President and God knows where else. If the purpose of this Special Fund is purely to enhance KANU's strength in the country, it is a wrong approach. The Minister must live above that. I am sure you even saw on television last night how the whole Presidential motorcade was moving from Tigania to Mutomo. All of them were Government vehicles ferrying Government Ministers and drawing petrol from the Government vote to go and campaign for a party. This is wrong and the current Minister for Finance must put a full stop to some of these unnecessary expenses.

Mr. Temporary Deputy Chairman, Sir, we are also funding more money to the Electoral Commission. They might be doing what is right, but we are requesting the Minister for Finance to tell us what the Electoral Commission is going to do with these additional funds. Is it to help them pay more money to the Polling Clerks and Returning Officers or have the rates of payment been adjusted upwards?

Mr. Temporary Deputy Chairman, Sir, the Kenya Broadcasting Corporation, which I understand these days is called in Kiswahili, Kenya Bila Chakula, is so unfair to other parties and yet it is feeding on the taxpayer's money. You can imagine since the time of nominations on 7th and 8th of this month, up to now, KBC has never risen to the occasion to realise that in Mutomo and Tigania West constituencies, there are other candidates from other parties other than KANU. They are featuring KANU candidates' campaign tours only. What was the purpose of the IPPG recommendations in this House in which it was agreed that the airtime would be allocated equally? I feel so disturbed to talk about this and to be required to support this kind of Supplementary Estimates.

I refuse to support these Supplementary Estimates, particularly, where I have got to vote money for KANU to go and campaign in Tigania West and Mutomo.

Mr. Waithaka: Mr. Temporary Deputy Chairman, Sir, thank you for giving me this opportunity to contribute.

I wish, on the outset, to state that we are being asked as a Parliament to allow the withdrawal of money from the Consolidated Fund, by a Government which has not been providing services to its citizens for the last eight months since the Budget was read. Kenyans have been forced to contribute money through Harambee in order to construct roads, build schools and pay for medical services and now, we are being told to approve these Supplementary Estimates.

The Temporary Deputy Chairman (Mr. Poghiso): Which printed estimates book and page are you referring to, Mr. Waithaka? Are you referring to the Recurrent Estimates or the Supplementary Estimates book?

Mr. Waithaka: Mr. Temporary Deputy Chairman, Sir, I am referring to page 357 of the printed Supplementary Estimates book. Item 440 refers to the road linking Magumu, Njambini, and Ol Kalou.

The Temporary Deputy Chairman: Proceed!

Mr. Waithaka: Mr. Temporary Deputy Speaker, Sir, that road has been allocated K£250. In the Revised Estimates, that road has been given nothing. So, the amount allocated to it remains K£250. The hon. Member for Kipipiri had asked the Minister when the Government would gravel the road linking Ndunyu Njeru, Miharati and Ol Kalou, and the Minister replied that the road would be done soon. That road has not been done, and all the money that was allocated for its gravelling has now been taken away. This is the only road which crosses Nyandarua District. We are now being asked to approve these Estimates when the only road that passes through my district is not going to be repaired.

Mr. Temporary Deputy Chairman, Sir, I have said in this House before that when it rains in Nyandarua District, especially in Kinangop Constituency, we lose a lot of money in form of milk and vegetables which go bad. The failure by the Government to gravel that road is the cause of suffering of our people in Nyandarua District. We are now talking about poverty eradication when we cannot even build the most basic infrastructure for our people to transport their produce to the market. We all know that Kinangop is a major supplier of horticultural produce, especially vegetables, to Nairobi. Now, the Government is taking away the little money that would have been used to repair that road.

We were provided with the printed Supplementary Estimates books very late, so that we do not go into these details. Even a professor would need to study these books for one month to be able to contribute to these Motions effectively. These books had been placed on the Table for some hon. Members to pick despite the fact that they cannot comprehend their contents. These two books are very voluminous, and we are being asked to contribute to these Motions effectively. The reason is that this Government is ambushing us. Because it is not progressing, it only wants this House to approve these Estimates to enable it withdraw money from the Consolidated Fund and use it.

Mr. Temporary Deputy Chairman, Sir, I have an example of a project which was undertaken and financed by the Industrial Development Bank (IDB) and the Industrial, Commercial and Development Corporation (ICDC). That project was allocated Kshs90 million, but only Ksh40 million was given to the company which implemented it. The remaining Kshs50 million was pocketed by the directors of the IDB and the ICDC. The project is a factory which is situated in Uplands. This project was introduced by the ICDC to farmers in Kinangop Constituency as a Government project, and they were asked to supply their milk to that factory. The farmers were told that they would be paid because it was a Government project. The farmers supplied the factory with milk worth Kshs20 billion, but they were never paid. The ICDC and the IDB went there because they had shares in the factory, having funded its construction. They never released the money, and as things are now, our people have been "robbed" of Kshs20 billion.

Mr. Temporary Chairman, Sir, those who are in the Government now want this House to approve these Supplementary Estimates to give them more money, so that they can build new factories for the purpose of swindling more money from Government-funded institutions. What I am saying is that we cannot be "used" to approve these Estimates when the Government is not rendering services to our people. That is the biggest problem.

Most of the robberies in this country are carried out by the police. Recently, a person who operates a bar was attacked by robbers at night. When he finally managed to get out of his house through the rear door to try and telephone the police, he found the Land-Rover of the area police station packed outside. He rung the police station, but he was told that they could not go to the scene because they did not have fuel for the vehicle. He asked them: "Is your vehicle there?", and the police replied: "Yes, our vehicle is here. If you can bring some money to fuel it, we can come there". At that moment, the vehicle was at that scene of crime. The businessman waited and witnessed the robbers drive away, followed by the police Land-Rover.

In the morning, the policemen came and asked the businessman what had happened the previous night. He told them: "You are in a better position to tell us what happened because you were with the robbers". He was harassed, and when he attempted to report the case to the Commissioner of Police, he was threatened with the message that if he ever reported that incident to the Commissioner of Police, he would be killed. Now, this is the kind of Government that is asking this House to approve these Estimates! It is asking us to approve these estimates, so that it can have more money with which to buy vehicles for the police to be used to accompany robbers when they go to rob innocent businessmen. Therefore, it will be difficult for me to support this.

Mr. Temporary Deputy Chairman, Sir, I would now like to draw your attention to Item No.240, page 317,

which is under the Ministry of Health. In the Annual Estimates, Nyandarua District was allocated K£5,000 for public health activities. In the revised Estimates the figure has been reduced to K£4,000. Also, there is money that was voted for under Item 250, Oljororok Farmers Training Centre. There is also Njambini Farmers Training Centre, which is reflected on page 170, whose provision has been reduced. I am touching on health and agriculture, because these are very important areas for the residents of Nyandarua District. What I am trying to explain is that it seems that the people of Nyandarua, and especially those of my constituency, are not getting any more money.

The Temporary Deputy Chairman (Mr. Poghiso): Order! Order! Mr. Waithaka, your time is up.

Mr. Waithaka: With those few remarks, I oppose the Motion.

Mr. Maundu: Thank you, Mr. Temporary Deputy Chairman, Sir, for giving me this opportunity to make a few comments on this very important Motion. This Motion to most of us Members, came by way of ambush. Nobody anticipated that a Motion of this nature would be here and the documents that we were to use in terms of preparing ourselves to make serious and reasonable contributions were only supplied to most of us yesterday and today morning. This is the sort of ambush in Motions that we are finding a little difficult to appreciate under the circumstances that we are living in today. Indeed, the Finance Committee of this House which is empowered by this House to look into matters of this nature did not even have adequate time to have a look at this matter, so that this House is totally briefed and advised as to what they found as the most serious anomaly that this House would be discussing. Mr. Temporary Deputy Chairman, Sir, I think it is important that the Minister of Finance makes his preparations well in advance. He does not just ambush the House, so that we do not read as Kenyans and other matters that may give Members the suspicion that there is something afoot which is not properly presented to the House. Be that as it may, this is a normal practice, more so than not for this House to approve such estimates during this period in time. While I am supporting these estimates, I have a few comments to make which I think are relevant to this particular Motion. I have seen that in the provision for funds and more particularly, for the most notorious road which is Makueni-Wote-Makindu Road, there has been a provision for about K£13.8 million in the Printed Estimates. That has been approved today but so far, within the period of those expenses for development, nothing tangible has been done to show that there is seriousness in making sure that the funds that have been provided are being used for that matter. There have been a lot of wrangles involving this particular project to the extent that, people in Makueni now are disillusioned whether this project will ever take place.

Mr. Temporary Deputy Chairman, Sir, to show the seriousness on the part of the Minister for Finance, whereas there is a contribution for the improvement of this particular road within these estimates under the Ministry of Public Works and Housing, there is no corresponding increase of any funds under the Ministry of Lands and Settlement because there are people whose land is going to be acquired along this road. Now, how can you begin a road construction without first acquiring the land and at the same time, compensating the people? For the Ministry of Public Works and Housing to keep on telling us that they have made provisions for money so that the road is going to be done, no one is going to believe. There is no way the Ministry of Public Works and Housing is going to start any projects, without first compensating those people who are on the ground. Therefore, we would like the Minister for Finance to make a clarification as to whether he has made provisions within the budget of these Printed Estimates for development for that particular road, so that people in Makueni District are now sure for the last time that repair on this road is going to begin. We also want the Minister for Lands and Settlement who also comes from Makueni, to make sure that if the Minister for Finance has not made that provision, it is incumbent upon him as a resident of Makueni to make sure that the people of Makueni have this road.

Mr. Temporary Deputy Chairman, Sir, my other comment on this one, which is fairly current, is the use of public funds for the purposes of developing this country and alleviating poverty in this country. There are many incidences when the Public Investments Committee (PIC) and the Public Accounts Committee (PAC) and many other committees of this House have found such evil in the use of public funds, that most of us are now getting backwards. I think it should be the duty of the Minister for Finance to make sure that public funds are used for the purposes that they are intended for and it is up to him if there are any structures within his own Act that allow him to operate but do not enable him to totally control public use of money, to make sure that, these provisions that inhibit his work are brought to this House so that we may give him power to use public funds correctly but not to create avenues for thieves and fraudsters.

Mr. Temporary Deputy Chairman, Sir, I am baffled that now, a discussion is going on where people have been mentioned having stolen public funds and they still continue to hold public offices. I think this House must come out openly against those who have been implicated in the embezzling of public funds. They can be indicted by this House and be removed from public office without having to waste the public's time. Poverty in this country is a big problem and there is the new programme that the Government wants to debate. It is a measure for

poverty in this country. It is incumbent upon the Minister for Finance who is entrusted with all the monies under this sky, to make sure that public funds are used to alleviate poverty. However, I am wondering how the Minister is going to do it. One reason is that, a long list was produced in this House where people were named as having embezzled funds from the National Bank of Kenya (NBK) and there has not been any response whether those people have paid, intend to pay or what action the Government is taking. There are mixed signals now but we know that much of this money belongs to the National Social Security Fund (NSSF) for the poor people who have retired, are sickly or who are about to die and are about to leave this money to beneficiaries! Poor Kenyans! There are indications that, through party coercion, somebody is being appointed to be the chairman of the National Bank, when the majority shareholders of this bank that is, the NSSF is being pushed out. It is a contradiction in that, if I own 51 per cent of my property and I am not allowed to run that property, what is the essence and the purpose of this property?

Mr. Temporary Deputy Chairman, Sir, most Kenyans believe that there is a conspiracy to appoint people to the National Bank of Kenya whose major purpose and reason is to make sure that, those who have been implicated in the fraud in the National Bank are covered up and finally the National Bank is disbanded and disappears into thin air. There is no reason why the Board of the NSSF should not be allowed to run the National Bank because if you go

there to protect the interests of poor Kenyans whose funds have been embezzled by certain people in this country, you will be surprised Mr. Minister for Finance, you will have allowed coercion or pressure on the NSSF to revisit their chairmanship or even directors to the detriment of poor pensioners of this country. We must be told the law being applied and what is the essence for new directors to be appointed to the National Bank without proper consultation of those who own the majority shares in that particular bank.

Mr. Temporary Deputy Chairman, Sir, I want to finish on this note. That we on this side of the House go round the Government and decide as to how matters run in a clean way and I think the broom is with us. The broom is not with the Opposition because if we allow ourselves to lose the power to control the institutions of Government and the management of finances of this Government, we run the risk of allowing ourselves to be thrown out of this Government. Therefore, Mr. Minister for Finance, whereas you love the protection and the assurances of this House in the running of the finances of this House, it should be very difficult if any anomaly or serious lapses are seen that do not seem to control public finances for the credibility of this country.

Mr. Temporary Deputy Chairman, Sir, to finalise, while I support these supplements, I say that some of the excesses that we have seen incurred within the period up to 1995, whereas some are normal, some are seen to be technical serious lapses that the Minister should be able to check, so that they do not occur in the future.

With those few remarks, I beg to support.

Mr. Shaaban: Thank you, Mr. Temporary Deputy Chairman, Sir. I rise to support this Motion. I am really concerned with the amount of money that is allocated by the Ministry of Finance particularly to the road sector in North-Eastern Province. The entire road sector in North-Eastern Province from Garissa to Mandera and particularly to Road B9, is only K£200,000. Unfortunately, in the Revised Estimates, the only K£200,000 which has been allocated in Item 502 under Vote D13 has been taken away.

The Temporary Deputy Chairman (Mr. Poghisi): Which book are you referring to, Recurrent or Development Estimates?

Mr. Shaaban: Mr. Temporary Deputy Chairman, Sir, I am referring to Development Estimates under the Ministry of Public Works and Housing, Vote D13, Head 384, item 502. A road that has a length of about more than 1,000 kilometres has been allocated only K£200,000. Unfortunately, the same K£200,000 which had been allocated during the Budget for the entire road which is the lifeline of the entire North-Eastern Province has been taken away in the Revised Estimates and it is a major concern to the people of North-Eastern Province. Even on the other minor roads, every little money that has been budgeted for has also been taken away. There is Wajir-Hadado, Sankuri-Mbalambala, Mandela-Arabia-Fino-Elwak and even for the other roads, the little money which had been allocated has also been taken away. Therefore, all the little money that had been allocated for the entire road sector in North-Eastern Province has been taken away. So, we will still continue to be closed from the rest of this nation.

I want the Ministry of Public Works and Housing, and also the Minister for Finance to ensure that in his next budget, there is seriousness on his budget and deserving areas like North-Eastern. If the Government seriously thinks about the entire province, it should allocate it more funds instead of taking away the little funds they allocate in every Revised Estimates. Thank you.

Mr. Ndwiga: Thank you, Mr. Temporary Deputy Chairman, Sir, for giving me this opportunity to say a few words about these Estimates.

Mr. Temporary Deputy Chairman, Sir, going through these two books, you will see very clearly why

Kenyans are so poor. You would also see very clearly why the National Poverty Eradication Plan is a failure from day one. If you looked at these two books, especially Development Estimates, what you see in there are bricks, construction, building this and that. It is very clear that the shortest route in corruption is through construction. That is why all Ministries want to have something to do with construction because that is where the "eating" is. I know the Minister would not agree with me. He has not been there for long, but I can assure him he is going to be bombarded with more bricks come next year.

The Temporary Deputy Chairman (Poghisio): Mr. Ndwiga, can you address the Chair?

Mr. Ndwiga: Mr. Temporary Deputy Chairman, Sir, going through these books, the very short period that we have had, one easily picks issues like on page 23, the Nyayo Tea Zones. During the last Budget, this House, and I remember most of us warned the then Minister that we would never want to see that item put in these Estimates ever again. It is very clear that whereas tea falls squarely under the Ministry of Agriculture, it was very prudent to put the Nyayo Tea Zones under the Office of the President because Nyayo Tea Zones is a hotel or a kiosk. All the monies put in the Nyayo Tea Zones are really not for any development. When the Nyayo Tea Zones was started, if you can imagine a farmer who planted his tea at the same time with the Nyayo Tea Zones, they are not going to the Government to ask for assistance to live. No, on the contrary, they are paying taxes to the Government. I can assure you that come the other Estimates, we are going to remove K£1 from any estimates that comes under the Nyayo Tea Zones in this House. Kenyans are not going to be swindled throughout under the guise of a Nyayo Tea Zones. We know what it is. We are voting money directly into the pockets of individuals in this country under the guise of the Nyayo Tea Zones.

Mr. Temporary Deputy Chairman, Sir, those of us who come from the tea zones of this country, are extremely bitter about this Nyayo Tea Zones. In certain areas, these tea zones have already been allocated to the peasants of those areas like in Nandi District. In Nyandarua, they did not take-off. Can we be told where these Nyayo Tea Zones are? Why do we have to vote so much money from the Exchequer to a dead horse? What are we trying to flog? It is an abuse of the process. It is an abuse of the integrity of this House by the Treasury to bring here items under Nyayo Tea Zones. You cannot expect this House to assist in robbing Kenyans.

Mr. Temporary Deputy Chairman, Sir, at a time when the Ministry of Education is unable to pay teachers, at a time when we have problems in financing our medical bills, we are unable to buy all the drugs we need, that is when we are expanding State Houses and State Lodges as it is indicated on page 34. We have several buildings in State House and State Lodges. Where is the logic? Have we run out of "eating" ideas? I would think that at this time, when this country is performing so poorly economy wise, this is not the time for expansion of State House and State Lodges. This is time to focus on areas that address poverty alleviation. One such area is in agriculture, for example, in research. You would notice that all these years, the farmer has been financing research in coffee.

We have never seen the Government, at any one time, putting even one shilling in the research of coffee production while this is the time when we are talking about poverty alleviation.

Mr. Temporary Deputy Chairman, Sir, this country is mourning the death of her forests. And what do we get from these Supplementary Estimates? Instead of giving additional funds to the relevant Ministries, so that they are able to police our forests, we are getting a reduction of the budgetary allocation. Then, we are taking the money to the Office of the President (OP) so that the KANU Government can finance campaigns. It is absolutely ridiculous that we, as a nation, and particularly, the KANU Government, can really afford to woo hon. Members of Parliament and what ever they pay them and occasion an expensive by-elections; like what is happening now.

Mr. Temporary Deputy Chairman, Sir, I wish to say categorically that this House is not going to be lenient to the Treasury in regard to matters pertaining to expenditure of public finances, especially when we know that the Government is so careless, in terms of thinking rationally about the economy of this nation.

Mr. Temporary Deputy Chairman, Sir, you would have noticed that, under the Vote of the Office of the President, we have some hefty financial figures called "Confidential Expenditure." Anybody who knows any little English will know this is an amount they did not want to disclose. If you look at the figures involved there, the amount is big. What cannot be disclosed in this country is perhaps we are buying ammunition, and we are not at war with anybody. There can be nothing confidential about any expenditure in this country today. We are not at war with anybody. The only confidential expenditure that can be there is the amounts of money are not ready to disclose and which are being put into pockets of certain individuals and this House is being asked to facilitate for that. I wish to warn that one of the reasons why these Supplementary Estimates have been brought this late, and I saw this happen again in this House in 1998, is that, before the end of this year, something will be crop up from this Books. Hon. Members will yell: "Eh! This we did not see!" But they will be told that you passed it under these Estimates, and we have seen it before. I wish to add my voice to those who are opposing these Estimates today, firstly, because of the manner in which they have been presented here. I wish to caution hon. Members especially

those from the Opposition side, that by the time they are through with reading of these Estimates, they will have passed a weird item in these Estimates and they will live to regret it. To date, we still regret that we passed the construction of the Eldoret Airport through these Estimates. It was a small item hidden in the Estimates.

Mr. Temporary Deputy Chairman, Sir, with those few remarks, I beg to oppose the Motion. Thank you.

The Temporary Deputy Chairman (Mr. Poghisio): Yes, Mr. Kihara?

Mr. N. Nyagah: On a point of order, Mr. Temporary Deputy Chairman, Sir!

The Temporary Deputy Chairman (Mr. Poghisio): Is it on a procedural matter?

Mr. N. Nyagah: Yes, Mr. Temporary Deputy Chairman, Sir!

The Temporary Deputy Chairman (Mr. Poghisio): Proceed.

Mr. N. Nyagah: Mr. Temporary Deputy Chairman, Sir, I am surprised that given the agreement that we reached with the two whips of KANU and the Chairman, it now does appear that there is an intended move to close debate on this Motion before many of us have spoken, purely because many hon. Members from the Opposition side have decided in very good faith and on the understanding that this Motion will continue until Tuesday. Now, from what we can see before you, it is very evident that the KANU side wants to close debate on this Motion. How am I, as a Chief Whip, expected to co-operate and work with the two whips from the opposite side whom nobody can take them in confidence and trust if this happened? If they decide to do that, then that will be the end of the collaboration between the Opposition and KANU in this House forever. Amen!

(Hon. Members from the KANU side replied: "Amen.")

(A number of hon. Members stood up)

The Temporary Deputy Chairman (Mr. Poghisio): Order! Order, hon. Members! It is not a matter of whips agreeing or not agreeing; it is a matter of procedures whether to go on to the next day or not. Those procedures are laid down. We will go by what is laid down.

Hon. Members, it is now time to call upon the Minister for Finance to reply.

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Chairman, Sir. We agreed here that after a few hon. Members have spoken---

The Temporary Deputy Chairman (Mr. Poghisio): Order, Mr. Mwenje! Read the procedure on that.

*(Messrs. Mwenje and N. Nyagah
persisted on their points of order)*

The Temporary Deputy Chairman (Mr. Poghisio): Order, Messrs N. Nyagah and Mwenje! Will you please keep order? You are not in order! Mr. Mwenje, do you demand the point of order?

Mr. Mwenje: Mr. Temporary Deputy Chairman, Sir, it is my right to demand a point of order!

The Temporary Deputy Chairman (Mr. Poghisio): And what is my right in the Chair?

Mr. Mwenje: Mr. Temporary Deputy Chairman, Sir, can you listen to me because I am on a point of order? That is my right!

The Temporary Deputy Chairman (Mr. Poghisio): Let us hear you then.

Mr. Mwenje: Mr. Temporary Deputy Chairman, Sir, thank you very much. I was saying that when Mr. Deputy Chairman was in the Chair, which you are in now, we agreed here that---

Mr. Mwenje: Mr. Temporary Deputy Chairman, Sir, my former brothers do not understand that, and so they have to listen to me. We agreed that after some contributions by hon. Members, the Minister for Finance would reply gradually, since we have agreed to continue up to Tuesday. He will be taking a portion of the number of questions which will have been raised on the Estimates and reply to them. We did not want to be hijacked by the KANU side as it is now. If this is allowed by the Chair, we will hit very hard against KANU.

Hon. Members: There was no such agreement!

The Temporary Deputy Chairman (Mr. Poghisio): Order, Mr. Mwenje! Hon. Members, in this House we go by practice and procedures. So it is not a matter of saying that we did this or that. We have procedures which we have to go by. Go ahead and read the procedure for me to extend this debate.

Mr. N. Nyagah: On a point of order, Mr. Temporary Deputy Chairman, Sir!

The Temporary Deputy Chairman (Mr. Poghisio): Are you reading the procedures?

Mr. N. Nyagah: On a point of order, Mr. Temporary Deputy Chairman, Sir. Under Standing Order No. 143(iii), Dr. Kituyi went to see, at that time, Mr. Speaker. That issue was raised again when the House went into

the Committee and the Speaker became the Deputy Chairman.

*[The Temporary Deputy Chairman (Mr. Poghiso)
left the Chair]*

[The Deputy Chairman took the Chair]

The Deputy Chairman then, requested me to go into negotiations with the Whips on that side and the Whips on this side and see whether we could agree that this debate should go on for two days. He said he would have no problem if we agreed. We agreed, indeed, with the Leader of Government Business that this was going to go on for two days. Having agreed on that programme, the Whips on the other side went behind our backs and summon Members from their KANU side to purely come and pass the Estimates. We need to have a ruling from the Chair on this matter so that we do not give the Chair any hypertension in so far as the workings of this House are concerned. Whether the Chairman likes it or not, it is important for Whips from both sides of the House work together.

Mr. Deputy Chairman: Mr. Nyagah, first of all, I would like to ask the House that when you do have disagreements, it is in the interests of the House that the Chair is "insulated" from disagreements. I have said in the past, and I will repeat, that it is in the best interest of the House, that basically we do get into consensus on matters that we can. But as you know, Parliament is a competition for power, there will be instances where you cannot agree for which hon. Members may be required to take votes. There is really nothing here to excite hon. Members. You cannot stand on a point of order and ask that Mr. Chairman rules, that there was an agreement between the Whips of the different parties and the Leader of Government Business. You cannot ask the Chair to rule that, that be the position. I advised hon. Dr. Kituyi - as indeed, it is my duty to do - that if towards the end of the day, Members feel that they have not exhausted in Committee the debate on this issue, a Member can move a Motion:- "That, the Committee do report progress."

That Motion in essence means that an adjournment be sought. But now, there is no Motion which has been moved on those grounds and until that Motion is moved, you cannot know the reaction of the party opposite. They may agree with you if you move that Motion or disagree with you. But until they disagree with you, you cannot blame them at that stage. If you want to move a Motion, then we are ready to hear you. Is there anybody to move that Motion?

Mr. Mwenje: On a point of order, Mr. Deputy Chairman, Sir. We would want this House to believe that the Chair is always neutral and sometimes we take in good faith that what we have agreed on by consensus here, will be honoured. It is serious if the same Chair backtracks!

Mr. Deputy Chairman: Order, Mr. Mwenje! I have said that do not vent your frustrations on the Chair. Can we have a Motion on the Floor? Prof. Saitoti, what is the stand of the Government side even without a Motion on the Floor of the House?

Mr. Mwenje: I would like to move the Motion, Mr. Deputy Chairman, Sir.

Mr. Deputy Chairman: Order, Mr. Mwenje! I have given somebody else the Floor.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): First of all, let me clarify one misunderstanding. It is indeed, true that the Whip of the Official Opposition did talk to Chief Whip on the Government side and what was agreed was that we do not make any decision at that time and check the progress of this debate and if it is found, towards the end, that the majority of the Members would want the debate to be carried out to Tuesday, then we will agree. I think that is what was fairly agreed on. So, there is nothing on this side which suggests that we do actually want to stop the debate from being carried to Tuesday.

Mr. Deputy Chairman, Sir, as the Leader of Government Business, I would like to say here that if, indeed, the finalisation of debate now is seen to be creating a major problem, we are willing to allow the debate to go on to Tuesday. Let it go to Tuesday, Mr. Chairman, Sir.

(Applause)

Mr. Deputy Chairman: Order, I will not go by your words because I have no Motion on the Floor of the House.

Mr. Mwenje: On a point of order, Mr. Deputy Chairman, Sir. I beg to move:-

"That, this Committee do report to the House the deliberations which have been going on today and the progress of the Committee."

Mr. Deputy Chairman: I am sorry, Mr. Mwenje, that under the rules, having spoken, you cannot move

a Motion of adjournment. It can only be moved by a Member who has not contributed! Is there anybody who is qualified to move the Motion? Yes, Mr. Nyagah?

Mr. N. Nyagah: Mr. Deputy Chairman, Sir, I beg to move the Motion:-
"That, this Committee doth report its progress to the House."

Mr. Deputy Chairman: Very well. Do you have any support?

(Several hon. Members stood up)

I can see that you have enough support. I think we have a valid Motion by hon. N. Nyagah and seconded by hon. Mwenje, but I have a technical problem which I would like to share with the House on how to go about it. If we report progress, it means we will rise now and yet we still have a little time. If it is the wish of the House that I put the Question now, then, I will. But if it is the wish of the House that I allow one more Member to contribute, then I defer the Motion. I think I will put the Question straightaway: That, the Committee do report progress to the House.

*(Question that the Committee of Supply do Report
its progress to the House put and agreed to)*

(The House resumed)

[Mr. Speaker in the Chair]

PROGRESS REPORT

SUPPLEMENTARY ESTIMATES AND STATEMENTS OF EXCESSES

Mr. Poghio: Mr. Speaker, Sir, I beg to report the progress of the Committee of Supply. The Committee of Supply has considered the

[Mr. Poghio]

Supplementary Estimates for the fiscal year 1998/99 and seeks leave to sit again tomorrow.

Mr. Mwenje: seconded.

*(Consideration of Report of Committee of Supply
ordered for tomorrow)*

(Question proposed)

(Question put and agreed to)

Mr. Speaker: Hon. Members, as a result of that decision, that concludes---- Not quite! I am sorry, the time is not over and we will go to the Sessional Paper on Water and then after that, we will go to the "zero-hour." Next Order!

MOTION

ADOPTION OF SESSIONAL PAPER NO.1 OF 1999: NATIONAL POLICY ON WATER RESOURCE AND DEVELOPMENT

THAT, this House adopts Sessional Paper No.1 of 1999 on National Policy on Water Resources Management and Development laid on the Table of the House on 8th April, 1999.

(The Minister for Water Resources on 21.4.99)

(Resumption of Debate interrupted on 21.4.99)

Mr. Speaker: Who was on the Floor? Proceed, hon. Choge!

The Assistant Minister, Office of the President (Mr. Choge): Bw. Spika, ningependa kuendelea kusema machache juu ya maji tena. Waziri wa Maji lazima achunguze sheria ambazo zinalinda mito yetu ili wananchi waendeleo kupata maji. Kwa sasa hivi, hakuna sheria katika Wizara ya Maji zinazolinda mito yetu. Sheria ilioko ni ile ya ardhi na makao. Inahusiana sana na uhalifu wa maji. Sheria ya ardhi na makao inasema kwamba mpaka wa jirani ukiwa kwenye mto, basi katikati ya mto huo ndio mpaka hupitia. Jambo hili limewafanya watu wengi kuweka seng'enge katikati ya mito na kuharibu chemi chemi za mito hiyo. Watu wengi wanalima na kuharibu maji. Wanaweka seng'enge na kuzuia majirani wao kupata maji. Jirani akiwa mbali kutoka kwa mto, ng'ombe zake haziwezi kufika mtoni kunywa maji. Kwa hivyo, lazima sheria irekebishwe ili irudi kwa Wizara ya Maji. Waziri wa Maji lazima awe na nguvu za kutosha za kuacha nafasi katika kingo za mito. Akihifadhi yadi hamsini pande zote mbili za mto, mto utaweza kupata nafasi ya kustawisha sehemu zingine. Bila kufanya hivyo, tutajikuta hatuna maji. Watu wa ardhi na makao ndiyo wameharibu maji zaidi. Sheria hivo itolewe kwao na irudishwe katika Wizara ya Maji.

[Mr. Speaker left the Chair]

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

Bw. Naibu Spika wa Muda, Wizara ya Maji inaweza kuweka maji sehemu zote za nchi yetu ikitumia maji ambayo hutoka kwa milima. Inaweza kuingiza maji hayo kwenye mifereji na kusambasa sehemu zote bila kutumia mashine zozote za kupiga maji. Mashine za kupiga maji zina bei kali sana. Tena, zinatumia diseli nyingi na zinavunjika ovyo ovyo. Watu wanapata hasara kwa sababu upigaji maji na mashine unasimamishwa kutokana na ukosefu wa diseli au kuvunjika kwa mtambo fulani. Ningetaka Waziri afikirie sana sehemu ya Aldai ambayo ina milima mingi na maji. Anapaswa awapelekee mifereji ya maji bila kufikiria mambo ya mashine. Tunataka sehemu ya Cherangani yenye mto wa Moiben iwekwe mifereji ili iweze kupeleka maji Wilaya nzima ya Trans-Nzoia. Hata maji yanaweza kuingia mji wa Kitale bila kutumia mashine. Sijui ni kwa sababu gani Waziri na maafisa wake hawafikirii kufanya hivyo. Walitoka Kitale wakaenda Mto Nzoia ulioko kilomita kumi na kuweka mitambo ya kupiga maji kutoka huko mpaka mji wa Kitale. Kufanya hivyo kunaleta hasara nyingi na watu hawawezi kupata maji ya kutosha. Tena, wananchi walioko sehemu za mashambani hawawezi kupata maji ya kutosha. Ningetaka Waziri na maafisa wake wafikirie sana maji yanayotoka milimani. Maji kama hayo yanaweza kusaidia sana. Watu wanaweza kunyunyizia mimea yao maji inayotoka milimani.

Kwa mfano, maji yanayotoka sehemu ya Nyaera, kupitia Kodiaga na kuingia Ziwa Victoria yakiwekwa mifereji, yanaweza kunyunyizia sehemu yote ya Kisumu na kupata chakula kingi. Pia, yanaweza kuwa na bei rahisi. Ikiwa tutakinga mto wa Ahero na kuinua kando zake, maji yataenda yenyewe kwa mifereji, natunaweza kunyunyizia maji sehemu yote ya Kano. Maafisa wa maji bado hawajafikiria kutumia mtelemko wa maji. Wanafikiria zaidi kutumia mitambo. Walitumia mitambo kupiga maji kutoka Ziwa Victoria kupeleka Lake Basin na wakanyunyizia maji ekari tisa peke yake! Wanaweza kunyunyizia sehemu kubwa zaidi wakitumia maji ya mifereji kutoka kwa milima.

Bw. Spika, ningependa jambo hili liangaliwe sana na liwekewe makini ili maafisa wa maji waweze kufanya kazi yao kwa utaratibu. Ikiwa kila mtu ataweza kufikiria kupata asilimia fulani ama kiasi fulani kwa sababu ameweka mifereji ya maji na amenunua mitambo kutoka kiwanda fulani, anaweza kuja kuweka deni kubwa kwa Wizara, na kuacha maji ambayo yanateremka yenyewe. Kufanya hivyo si kuwahudumia wananchi. Ni kuwaharibia wananchi na kuwaweka kuwa maskini zaidi. Tungetaka kusambasa maji kila sehemu tukitumia mteremko. Hata mwaka wa 2,000 haungefika kabla ya watu wote kupata maji.

Kwa hayo machache, naunga Hoja hii mkono. Ahsante sana, Bw. Spika.

Mr. Nderitu: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity, to talk on this very painful subject of water. Really, we received a very nice article from the Minister of Water Resources, and I think he identifies the problems facing this nation. The biggest problem is that water is a natural element. Human beings and plants require water. But in totality, I think water management in this country is just next to zero; I am afraid so, Mr. Minister! I do not understand why we pump diesel and petrol from Mombasa to Kisumu and towards the Uganda border, when we cannot actually bring water without pumping, from Kisumu all the way to Mombasa! Really, it is very strange! We have lost our priorities. I wish that pump could be converted and instead of pumping diesel to Eldoret, it could pump water from Kisumu down this way.

This country has a lot of water, but the Ministry of Water Resources has failed us. It does not know right or left. Look at our rivers, for example, they are not well managed. We have no monitoring equipment. In fact, if I would go today to the Ministry's headquarters and ask for data on River Tana, they will not give that information. They do not have water gauges. The other day, I passed there and I was told by farmers that the gauge ceased to operate since 1984. How do we monitor our water resources?

Secondly, Mr. Temporary Deputy Speaker, Sir, I would like to talk about environment in this country. For example, Nairobi River, I beg your pardon, is completely flooded with shit. It collects all the storm water drains and takes it to Athi River and other rivers as well. That water is consumed downstream. We cannot really even control our own refuse. We affect the whole ecosystem with our refuse and dirt. It is only management that can rescue our environment. We need to manage our storm water. If we cannot manage our rivers, then there is no way we can manage storm water. Mr. Temporary Deputy Speaker, Sir, really, I would say that this document is very good. But will it be implemented? Since Independence, Nairobi does not have enough water and yet we have Ndakaini Dam which was supposed to feed Nairobi with water. However, the pipes underground in Nairobi were built way back in colonial days. We have plenty of water at Ndakaini Dam, but it does not reach the people of Nairobi. We cannot even change our water systems in line with the growing population. If you go to many towns in this country, you will find that the water supply systems were built by the Italian or the British governments. We still have those kind of equipment such that when somebody builds a house - just one storey-building - he needs to have a booster pump to pump water up. For example, in North-Eastern Province, Machakos and Kitui districts, if the Ministries of Water Resources and Agriculture can put their resources together and start irrigation schemes under the National Irrigation Board, we will get cabbages and sukumawiki from those parts of this country. But today what we see in Ukambani and North-Eastern Province is hunger. It makes no point to give people of Ukambani relief food while we have dams built upstream of Ukambani. If we cannot take water by pipes to those people, then we can even build canals and provide them with water. Besides that, there are many hills surrounding Masinga Dam. We could pump water from Masinga Dam up to those hills and by the force of gravity, that water would reach many parts of this country. We could even supply water to Somalia. It is a pity that we have failed in our water management.

Mr. Temporary Deputy Speaker, Sir, the water demand for our agricultural activities has not been fully managed. If we want to be self-reliant in food, definitely, we need a lot of water. Unless we manage our streams, we cannot be self-reliant in food. For example, the *El nino* rains came and went to waste. I wish we could have harnessed that water of *El nino* rains because, probably, it could not have damaged our roads and bridges. Today, we are living on the tales of *El nino* phenomenon. The effects of the *El nino* rains are felt everywhere in this country. What we require in this country is technology to enhance our water. My biggest question, through you, Sir, to the Minister is: What is he doing to improve the technology of his personnel and water management in this country? Otherwise, it will be pointless for us to pass this Sessional Paper. I have read very good documents from the Ministry of Water Resources, but the Government has never implemented them properly. I will support you if you put our water resources together in order for us to have good operation and maintenance of it.

First of all, Mr. Temporary Deputy Speaker, Sir, when you look at the portable water meant for consumption, you see why the Government has failed. It is because it has refused to release water operations and management to communities. For example, Wang'uru Water Supply project was put up by the local community, but its management was taken over by the Government. The Ministry does not even have valves. The Government cannot even supply them with water meters. It tells the community to buy their own meters so that they can supply them with water. I wish such projects would be left completely under the control of local community because they are the ones who dig trenches, buy pipes and lay them. The Ministry only collects money at the end of the month. Really, it beats the essence of such projects. If the Government will co-operate with the local communities and let them run most of those viable water projects, the community will take control of the projects with no regard as to who it belongs. That way, the community will feel entitled and identify themselves with such project. They will feel that they own the project. The failure of involving communities in those projects has led to the collapse of such many projects, especially those related to portable water.

Mr. Temporary Deputy Speaker, Sir, on organisation set up, the Ministry ought to have a free hand. A lot of money needs to be pumped into the Ministry of Water Resources so that they can fund the few organisations who are willing to run those projects. In that way, the Government will still get its money back because they will not donate it freely to them, but lend it to those organisations. This House could approve such funds which could be lend to such organisations, depending on the requirements.

It is true that our Government has no funds. It is incumbent upon us to support the Ministry of Water Resources with funds. We need to give this Ministry a lot of support. On this one, I will request the Government

to allocate more money to the Ministry of Water resources rather than pouring money into dubious projects. First of all, we need to organise our water systems in this country, before we think of doing anything else, because our water management is done haphazardly. For example, in Nairobi, I do not understand why there is no water in the Estate while the

biggest pipe, one and half feet wide, passes underground in Zimmerman Estate. I do not even understand why when you go to Kariobangi, there is a burst pipe. I cannot understand what is happening in the Ministry of Water Resources. If it is lack of funds, Mr. Minister, tell us and this House will give you that support.

With those few remarks, Mr. Temporary Deputy Speaker, Sir, I support the Motion.

MEMBERS HALF-HOUR STATEMENTS

The Temporary Deputy Speaker (Mr. Poghisio): Order! Hon. Members, it is time to interrupt the Business of the House in pursuant to Standing Order 20A, to allow hon. Members to make their personal Statements.

MINISTERIAL STATEMENT ON: DISRUPTION OF RALLIES

Mr. Kimetto: Mr. Temporary Deputy Speaker, Sir, I rise to demand a Ministerial Statement from the Minister of State, Office of the President in charge of internal security on why my public rallies have been disrupted on every weekend this month by the police and Provincial Administration despite the fact that I had given notification to Sotik Police Station to hold those rallies.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Temporary Deputy Speaker, Sir, my colleague, hon. Madoka will give a Ministerial Statement on that issue on Thursday next week.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Poghisio): Hon. Members, the House is now adjourned until Tuesday, 27th April at 2.30 p.m.

(The House rose at 6.35 p.m.)