

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 4th September, 1997

The House met at 2.30 p.m.

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

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.316

REMOVAL OF ROAD BLOCKS

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Nthenge not here? We will leave this Question until the end. Let us move to the next Question.

Question No.491

MAINTENANCE OF ROADS AND GOVERNMENT HOUSES IN NYERI

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

- (a) whether he is aware that roads in the whole of Nyeri District have seriously fallen into a dangerous state and require urgent repair and maintenance;
- (b) if he is further aware that almost all government houses in Nyeri District have not been maintained and that roofs have been leaking; and,
- (c) what urgent measures the Ministry's taking to ensure that the issues raised under "a" and "b" above are rectified.

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

(a) I am not aware that roads in the whole of Nyeri District have seriously fallen into dangerous state of disrepair and maintenance because during 1996/1997 Financial Year, some Kshs46,837,200 and Kshs2,987,840 were spent on maintenance of unpaved and paved roads respectively.

(b) I am aware that many Government houses in Nyeri District have not been maintained to the best standard and that there have been cases of roof leaks in some houses due to lack of adequate maintenance funds. However, during the current Financial Year 1997/1998, the Ministry will spend Kshs280,000 on general maintenance of Government buildings in Nyeri plus Kshs140,000 and Kshs240,000 for electricity and water expenses respectively. The total allocation is, therefore, Kshs660,000.

(c) During the current Financial Year 1997/1998, the Government has allocated Kshs54,047,000 and Kshs8 million for maintenance and development of unpaved roads in Nyeri District respectively. A further Kshs5.5 million will be spent to maintain paved roads. The total allocation towards unpaved and paved roads will, therefore, be kshs67,547,000.

Mr. Mathenge: Thank you, Mr. Temporary Deputy Speaker, Sir. At least, the Assistant Minister has this time tried to tell this House what he has alleged has been happening in Nyeri. This is because right now, the roads leading from Marwa to Kiganjo, Kiganjo to Nyeri Town, Kiganjo to Marwa, Nyeri Town to Othaya and Othaya to Murang'a have craters. They have not been properly repaired although he has said that so much money has been spent on repairing them. Only recently HZ and Company passed through Marwa and Nyeri, but they only filled the potholes and created craters. What is the criteria used in allocating funds for paved and unpaved roads?

An hon. Member: That is not a question!

Mr. Mathenge: Do you think that is not a question? What is the criteria used in allocating funds for each kilometre of paved roads and each kilometre of unpaved roads respectively? How did you arrive at these figures?

Mr. Ndicho: Do you think hon. Mwamzandi knows anything?

Mr. Mwamzandi: Mr. Temporary Deputy Speaker, Sir, the hon. Member should realise that his question is too broad. It does not refer to specific roads. It deals with roads within the whole of Nyeri District and there is a lot of information in that respect from 1996/1997 Financial Year up to this Financial Year. As regards the roads that he is talking about, it will take us a lot of time to look into these cases because I have so many roads here that fall in the same category.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, I want to censure my question in part "b" about the maintenance of Government houses. The Ministry should know that the reason why they are refusing to maintain Government houses is because they want to pave way to have these houses sold to the politically-correct people. Can the Assistant Minister tell us why they are deliberately refusing to maintain any Government house in the entire Republic? Can he also confirm or deny that the reason for doing this is to pave way so that you people who are politically-correct are able to buy these houses as it has happened in Thika and I can see this happening now in Nyeri District?

Mr. Mwamzandi: Mr. Temporary Deputy Speaker, Sir, the Ministry has no intention of not repairing the Government houses to give way for other people to buy them. Otherwise, there is no reason why in this Financial Year, the Ministry has set aside Kshs660,000 for repairs, water and electricity. So, the insinuation is not correct!

Mr. Rotino: Mr. Temporary Deputy Speaker, Sir, Government houses or buildings, in that sense, are really in appalling state. What policy does the Ministry of Public Works and Housing have in maintaining those buildings? It is common sense, that when you go to almost all DC's offices, apart from those built recently, the state in which they are shows that there is something wrong. Can the Assistant Minister just tell us what policy they have and, if they do not have any policy, to tell us just that so that we use our policy?

Mr. Mwamzandi: Mr. Temporary Deputy Speaker, Sir, it is the policy of the Ministry to maintain Government houses. So, if there is any Government house that is leaking or needs repairs, the Ministry is always there to do it.

Mr. Mwaura: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister knows very well that with the poor state of roads in this country, farmers cannot take their produce to market because their areas are unaccessible and tourists cannot be attracted to this country. We, in this Parliament, did pass a levy cess to enable the Ministry or the Government to raise a lot of money in order to make sure that our roads are brought up to the proper standard. Can the Ministry devise a method whereby the petroleum levy collected from provinces is returned to this area to improve the roads?

Mr. Mwamzandi: Mr. Temporary Deputy Speaker, Sir, it is the normal practice that cess collected from every province is remitted to Treasury in a pool in order to be shared by all provinces. So, that is how it is up to now.

Mr. Mathenge: Mr. Temporary Deputy Speaker, Sir, considering that Government of Kenya collects an average of Kshs5 million in Nyeri District everyday in terms of revenue, does the Assistant Minister feel justified in only spending Kshs67 million in Nyeri to provide the basic services required by people who sustain this Government with money from their sweat?

Mr. Mwamzandi: Mr. Temporary Deputy Speaker, Sir, I think Kshs67,547,000 is a lot of money and, in fact, the hon. Member should be grateful because, perhaps, other provinces do not get much.

The Temporary Deputy Speaker (Mr. Wetangula): Next Question, Mr. Anyona.

Mr. Anyona: Mr. Temporary Deputy Speaker, Sir, given the events of the last four days which culminated in "the spirit of County Hall" this morning and I hope that I will receive an answer in the same "spirit of County Hall", I beg to ask Question No.280.

Question No.280

COMPLETION OF ELECTRIFICATION PROGRAMME
IN KITUTU MASABA

Mr. Anyona asked the Minister for Energy:-

(a) what the progress of the rural electrification programme in Kitutu Masaba in the supply of electricity to Jua Kali enterprises, market centres, coffee factories, co-operative societies, dispensaries, health centres and schools is; and,

(b) when this electrification programme will be completed in both Kisii and Nyamira districts.

The Assistant Minister for Energy (Mr. Nangole): Mr. Temporary Deputy Speaker, Sir, I beg to reply, of course, in the same spirit.

(a) The Ministry has already constructed the power line to Tombe Tea Factory in Kitutu Masaba Constituency at a total cost of Kshs1,861,759.

(b) Rural electrification programme is an on-going programme and Kisii and Nyamira districts, like other areas in the country, will progressively be electrified until the whole country is covered.

Mr. Anyona: Mr. Temporary Deputy Speaker, Sir, I did invoke the "spirit of County Hall" deliberately because from now on, we are going to judge Ministries and Ministers of this Government by that spirit, to see whether they are committed to dialogue, to see whether they are committed to telling this nation the truth, and to see whether the trend of the past is going to stop. So, definitely, this answer is not in that spirit. My Question is: What is the progress of the rural electrification programme in Kitutu Masaba in the supply of electricity to Jua Kali enterprises since he has not talked about Jua Kali, market centres, coffee factories, co-operative societies, dispensaries, health centres and schools? That is the Question! The Question is not about coffee factories which had power line 20 years ago!

Mr. Nangole: Mr. Temporary Deputy Speaker, Sir, while I want to affirm to the House and hon. Anyona that we really believe in the "spirit of County Hall" and I want to assure the House that we shall be very serious handling whatever Questions that come about.

As regards dispensaries, Jua Kali enterprises and other places that hon. Member has requested, I want to confirm to him that we shall do this when we secure enough funds.

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, while thanking him for having - I hope not an evil-spirit - a holy spirit of co-operation, and for promising all these things, is he aware that already we are in short of electricity? Whenever the rains fail we have shortages of electricity, particularly in Nakuru Town they ration it. What steps is the Assistant Minister taking to make sure that this shortage will not be there when he supplies electricity to schools, factories and so on?

Mr. Nangole: Mr. Temporary Deputy Speaker, Sir, with regard to the shortages or interruptions, it depends. At times, it could be caused by short term events like accidents and other things. But as for the major shortages, we, as the Ministry, are trying to see to it that we improve on that line by making sure that we privatise the industries. We are working on Kipevu and Sondu Miriu. I hope if that is completed we shall then eradicate rationing of power.

Mr. Anyona: Mr. Temporary Deputy Speaker, Sir, I have mentioned specific areas where electricity is required. The powerline he is talking about was installed 20 years ago. Can he now tell this House how much money is earmarked for the areas I have mentioned and where the powerline he has mentioned originates from? Is it from Kisii Town, or Nyamira? If it is not there, please go and find out.

Mr. Nangole: Mr. Temporary Deputy Speaker, Sir, for the information of hon. Anyona, in our Estimates for 1997/98 we have K£215,000. In our forward budget for 1998/99, we have K£250,000 and in 1999/2000, we will have the same amount. The areas we have identified as per your DDC recommendations are Nyakirima Tea Factory, Kitairi Secondary School, Mabundu, Nyamcha(?)---

Mr. Anyona: On a point of order, Mr. Temporary Deputy Speaker, Sir. There are no such factories or schools in Kitutu Masaba. What is he talking about? Where are those schools?

Mr. Nangole: The hon. Member should know that he has asked a question touching on the two districts and I was enumerating those areas. Unless you do not want me to.

Mr. Manoti: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister has not answered the Question as asked by hon. Anyona. He said that electricity was supplied to Tombe Tea Factory which was paid for by KTDA. Can he tell this House how much the Ministry spent to supply electricity to both Nyamira and Kisii?

The Temporary Deputy Speaker (Mr. Wetangula): I am sorry Mr. Manoti. We have gone beyond that Question.

Question No.529

ISSUANCE OF TITLE-DEEDS IN MATSANGONI

Mr. Mumba asked the Minister for lands and Settlement:-

(a) whether he is aware that land within Kilifi/Matsangoni registration area was adjudicated in 1986 and that upto now, people in the area have neither received their letters of allotment nor title-deeds; and,

(b) when these people will be issued with their letters of allotment and title-deeds.

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

(a) I am aware that land within Kilifi/Matsangoni area was adjudicated in 1986. This adjudication exercise was carried out by mistake as the land in question was State land and not trust land. The adjudication exercise was therefore, converted into a squatter settlement scheme project.

(b) The allottees will be issued with their letters of offer as soon as possible and thereafter, obtain their title-deeds.

Mr. Mumba: Mr. Temporary Deputy Speaker, Sir, I would like to update the Assistant Minister because he seems to be behind news. The Minister for Lands and Settlement issued letters of allotment to Matsangoni residents on 21st August, 1997. But what is surprising is that the beach plots were left out. The area that is within 200 metres from the sea was not allocated. Can the Assistant Minister explain to this House why this area was left out?

Mr. Sumbeiywo: Mr. Temporary Deputy Speaker, Sir, I am not aware of that area being left out of the allocation exercise.

Mr. Badawy: Mr. Temporary Deputy Speaker, Sir, the Kilifi/Roka adjudication registration unit or the squatter scheme as the Assistant Minister calls it today, is part of the larger squatter settlement scheme that extends to Kilifi, Jimba and Chembe Kibabamche. An embargo was put on allocations in 1986 due to complaints from the residents. Is the Assistant Minister aware that following the assurance by the Minister and the Provincial Administration that the embargo has been lifted and that letters of offer have been prepared, last week the adjudication officer in Kilifi told the District Commissioners Kilifi and Malindi that the embargo is still in force? This is out of the interest that the adjudication officer and some other people who have grabbed beach plots have and they are out to frustrate the local people. Can he assure us that the embargo has been lifted and that title-deeds will be issued out very soon?

Mr. Sumbeiywo: Mr. Temporary Deputy Speaker, Sir, I said earlier on here that the department of adjudication and settlement is currently preparing letters of offer which are expected to be ready within the next one month. The allottees will subsequently be issued with title-deeds once they clear the necessary fees payable to the Settlement Fund Trustee.

Mr. Mumba: Mr. Temporary Deputy Speaker, Sir, this is very ridiculous. When the letters of allotment were being issued out two weeks ago to Matsangoni residents, it was stated very clearly that the beach plots were not going to be issued out because there was an embargo. We are aware that, that embargo was lifted because the plots were issued out to people from outside the Coast Province. These plots were issued to people who do not reside in that place. Could the Assistant Minister assure this House that the work of the review committee that was established by the Ministry and the locals there, to ascertain the people who own those plots will not be declared null and void? This exercise was undertaken by the Ministry to give those plots back to the people. But people are now waiting for Parliament to be dissolved, so that they can do their own things. Could the Assistant Minister assure this House that letters of allotment will be issued out next week?

Mr. Sumbeiywo: Mr. Temporary Deputy Speaker, Sir, I have already said that the letters of allotment will be ready in one month's time. The hon. Member has said there are some people who are not residents of the Coast Province and they were allocated land. I want to assure this House that land is not allocated according to regions where the allottees come from. If one applies for land in Kisumu and he comes from the Coast and is eligible to be allocated that land, he can be allocated that land. The question of local residents--- Although, normally the local people take preference, other people can also be allocated land anywhere in the country.

Mr. Mumba: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to assert that land can be issued out to anybody at the Coast when, in fact, when you live on a piece of land and you have buried your father there, you do not expect somebody else to be allocated that land?

Mr. Sumbeiywo: Mr. Speaker, Sir, I did not say that, it is only applicable in the Coast Province. I said that this can be done anywhere in the country. Anybody who applies for land and the it is available, one can be allocated land anywhere in the country, even in Maasailand.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, is the Assistant Minister aware that when land is trust land safeguarded by the Constitution, it is trustland held by the county council on behalf of the local residents and it cannot be allocated to any Tom, Dick and Harry from anywhere?

Mr. Sumbeiywo: Mr. Temporary Deputy Speaker, Sir, this particular land is not trust land, but a settlement scheme.

The Temporary Deputy Speaker (Mr. Wetangula): Next Question, Mr. Mulusya.

Question No.567

PAYMENT OF RETIREMENT BENEFITS TO MR. MBUVI

Mr. Mulusya asked the Minister for Finance:-

- (a) why the pension of Mr. Samuel Mutua Mbuvi, File No. APN/PC.75503, who retired from the Ministry of Agriculture, Livestock Development and Marketing (P/No.59515) on 1st January, 1995, has not been released to him; and,
- (b) when he will receive his pension and other retirement benefits due to him.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) Mr. Samuel Mutua Mbuvi, Pension File No. APN/PC.75503, retired from the Ministry of Agriculture, Livestock Development and Marketing on 1st January, 1996, and not 1st January, 1995. His retirement benefits were paid on 19th July, 1997.

(b) He will receive his benefits as soon as he visits the Manager, National Bank of Kenya, Hill Plaza, Nairobi, where his pension cheque was sent to, if he has not received it to date.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has said that Mr. Samuel Mutua Mbuvi retired on 1st January, 1996, when it is, in fact, 1st January, 1995. Can he assure this House, one, that this person retired on 1st January, 1995, although according to his records, Mr. Mbuvi retired on 1st January, 1996? Two, is he going to include that difference of one year when preparing his retirement benefits? Three, can he tell us when that cheque was dated and for how much?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, I wish to assure the hon. Member that, as far as my records are concerned, Mr. Mbuvi retired on 1st January, 1996. I will counter-check that information to confirm and if it is proved that he retired on 1st January, 1995, I will taken the necessary action.

Mr. Maundu: What is the cheque number?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, the cheque number is 063936 dated 19th July, 1997, and the amount is Kshs247,930. It was sent to him through the Manager, National Bank of Kenya, Hill Plaza, Nairobi, account No---

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Assistant Minister, I wonder if it is prudent to parade peoples' incomes which are essentially private, in public?

Mr. Barmasai: But he has asked for it?

Mr. Mulusya: He is in order!

The Temporary Deputy Speaker (Mr. Wetangula): Order, Mr. Mulusya! This is the view of the Chair. Having pushed the Assistant Minister to say that the cheque is available, I find it is inappropriate to parade somebody's income here. It is up to you.

Mr. Mulusya: Mr. Temporary Deputy Speaker, Sir, this person chose to get this matter brought to Parliament because of the time it has taken. It is, therefore, prudent and within my rights as the Member of Parliament, to ask for those details and for the Assistant Minister so to disclose the information to this House. Can he tell us the account number through which it was paid because he was in the process of reading out the account number before he was interrupted?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, the account number is 04400627.

The Temporary Deputy Speaker (Mr. Wetangula): Next Question, Dr. Kituyi.

Question No. 359

SUB-DIVISION OF KARI FARMS

Dr. Kituyi asked the Minister for Research, Technical Training and Technology:-

- (a) what the official Government position is on the sub-division of Kenya Agricultural Research Institute (KARI) farms; and,
- (b) if he could table the list of all pieces of land earmarked for research under KARI which have been sub-divided and sold since 1990, showing who the beneficiaries are.

The Assistant Minister for Research, Technical Training and Technology (Mr. Kagwima): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) To ensure that all parcels under KARI are protected.

(b) We have had about seven parcels of land which have been sub-divided for either settling squatters or

public utility. We have not sub-divided any parcel of land for sale.

Dr. Kituyi: Mr. Temporary Deputy Speaker, Sir, according to the reply given here, the only KARI farm which has been sub-divided for settling squatters was Kiboko. Conveniently, the Assistant Minister's reply leaves out details about places like the largest and most important maize seed research farm in Eastern and Central Africa at Kitale, which has been sub-divided and given to individuals in this Government, including Cabinet Ministers. He conveniently left out the sub-division of Tigoni Potato Research Farm, much of which was given to Kuria Kanyingi when he was still a political activist of KANU. Could the Assistant Minister tell the House which squatters were being settled when the Potato Research Farm at Tigoni was sub-divided and given to Kuria Kanyingi, and KARI Farm in Kitale was sub-divided and given to individuals, including the dairy projects and civil servants houses at the maize research centre? What squatters were being settled when that land was being given to political individuals?

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, I thought since hon. Dr. Kituyi is a man who has gone to school and has the same answer I am reading, I thought I will bore the House reading the same reply. I am not hiding anything.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Assistant Minister, the answer is not for the hon. Dr. Kituyi, it is for this House. So, go ahead.

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, I will go through those seven parcels of land that were sub-divided. One, the sub-division of National Rangelands Research Centre at Kiboko to settle squatters; two, sub-division of research sub-centre at Garissa to avail land to a teachers' training college; three, sub-division of National Sugar Research Centre at Kibos to avail land to Ramogi Institute of Advanced Technology (RIAT); four, sub-division of land at Muguga Complex and to be shared among four institutions, like KARI, Kenya Forestry Research Institute (KEFRI), and Kenya Trypanosomiasis Research Institute (KETRI); five, sub-division of land at Molo to avail land to Pyrethrum Board of Kenya; six, sub-division of the top farm at Naivasha, to avail land to the Ministry of Agriculture, Livestock Development and Marketing, and seven, sub-division of land at Ol Jor-Orok to avail land both to Nyandarua Institute of Science and Technology, and the Ministry of Agriculture, Livestock Development and Marketing, together with the Department of Veterinary Services for AHITI in Nyahururu.

Mr. Temporary Deputy Speaker, Sir, the hon. Member did raise the issue of Tigoni Potato Research Centre which is not part of the answer that we have given, but I want to be open. I would not expect any individual, whether a Cabinet Minister or anybody else, to apply for land for sale, the way the Question is framed here. If for any reason, anybody under any circumstances applies for a piece of land either to settle squatters or for public utility, and goes ahead to sell it-- **Mr. Ndicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Assistant Minister in order to mislead the House that he does not expect anybody to apply for land for sale especially KARI farms, when we know very well that Kuria Kanyingi applied for land at Tigoni Potato Research Centre, which he later sold for Kshs275 million? Further the Assistant Minister says the issue of Tigoni is not part of this Question. Is he in order to mislead the House when it is open knowledge to all, including hon. Members, the people of Tigoni, and even the Assistant Minister himself, that KARI farms are being sub-divided and later sold?

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, I would like to request that we should be a little bit more patient. I imply that people will not apply for land for sale. But I did say that people will not indicate in the application, that they are applying for land for sale. They will indicate that they are either settling somebody or that the land is for public utility. Thereafter, I have no control over whatever else they do.

Mr. Kapten: Mr. Temporary Deputy Speaker, Sir, first of all, Mr. Kuria Kanyingi does not qualify to be a squatter. Secondly, the Assistant Minister has conveniently avoided to answer the Question. I come from Kitale and 800 acres of KARI land in Kitale was sub-divided and allocated to senior government officers, including Ministers, provincial commissioners and district officers. In fact, Mr. Ben Mogaka, who was the DC, Trans-Nzoia, got a Government house and not a farm. There are government officers in that house. Somebody called Mr. Seroney got the research dairy. Up to now, the research institute is unable to dip the animals because the dip has been taken by Mr. Seroney. They are unable to milk their animals because the dairy was given out. The Government must be open when we come to this very important research institute. Can the Assistant Minister tell us why he has avoided to mention the land given out at the KARI Kitale research station and Tigoni?

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, I want to inform the House that most of the green cards for the Government land are either held by the county councils or by other local bodies.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am listening very carefully because I am very much affected by this issue. Before the Assistant Minister continues, could he tell us what green cards are?

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, what happens is that once an area has been adjudicated, among other documents prepared are green cards in the names of the allottees. Where Government land

or any other land has not been given to an individual, a green card with the name of the holder will be sent to the district land registrar of that particular district. For Government land, most of the green cards are held by the county councils or municipal councils, before the title deeds are issued to a particular institute like KARI or anybody else.

As we are speaking, only 13 of the KARI parcels of land have been issued with title deeds. The other green cards are still being held by the local authorities, where the farms belong.

Mr. Kapten: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister is avoiding to answer the Question. He has been asked to show us the names of the allottees. Who are these allottees who were given research land especially in Kitale and Tigoni? Can he table the list of the beneficiaries of this research land? I am telling you that they are Government Ministers, senior government officers and senior politicians, but not squatters.

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, this is for the benefit of this House and Kenyans. I would request the hon. Members, where they are not satisfied with the answer, to provide additional information as to---

(Several hon. Members interjected)

Let me finish! If I can only finish! The accusation is that the Ministry has avoided to give the list of the beneficiaries. I am requesting the hon. Member to provide such names and I will take the matter up with the officers of the Ministry, as to why they omitted those names.

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Kagwima! This is a very strange way of answering questions. Ministers answer questions and they do not ask for answers from hon. Members.

Dr. Kituyi: Mr. Temporary Deputy Speaker, Sir, the hon. Assistant Minister, in his first reply, preambled his statement by saying; "I assume the hon. Dr. Kituyi is educated and can read English". The Assistant Minister read in English, the answer given to him. He has been asked in the English language, questions as to why he has conveniently left out the names of non-squatters, who have been the main beneficiaries of the cannibalization of KARI land.

Mr. Temporary Deputy Speaker, Sir, you will be satisfied, like I am, that the Assistant Minister has no idea of how to respond to the questions put to him. Do you not think it would be fair to this House, considering how important this matter is, and how important according to him, it is for the Government to protect research land, that he goes back to his officers, who will tell him the difference between green cards and an answer to the Question as put? Then, he can bring to the House a more appropriate reply.

Mr. Kagwima: Yes, Mr. Temporary Deputy Speaker, Sir, I will undertake---

The Temporary Deputy Speaker (Mr. Wetangula): It is obvious that you do not have adequate facts to this Question. Can we give you time to get more facts?

Mr. Kagwima: Yes, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Wetangula): How much time do you want, hon. Kagwima?

Mr. Kagwima: Mr. Temporary Deputy Speaker, Sir, I will need one week.

The Temporary Deputy Speaker (Mr. Wetangula): We will defer this Question to Thursday, next week.

(Question deferred)

Question No. 579

PAYMENT OF RETIREMENT BENEFITS TO MR. ODOO

Prof. Anyang'-Nyong'o asked the Minister for Transport and Communications:-

(a) whether he could explain what happened to Mr. Isaac Odoos regarding the case reference: Nairobi HCCC No.194 of 1974; and,

(b) whether Mr. Odoos was given his full retirement benefits by the Kenya Railways Corporation.

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

(a) I am unable to explain what happened to Mr. Isaac Odoos's case because the period referred to was during the East African Community, and the officer's records must have been misplaced during the break-up of the community in 1977.

However, I would like the hon. Member of Parliament for Kisumu Rural, who is my friend, to furnish me with the following details about Mr. Isaac Odoos, in order to enable me to respond appropriately: Mr. Odoos's personal

number, his designation and grade, the department he worked in and the last working station.

The Temporary Deputy Speaker (Mr. Wetangula): Hon. Saina, I am surprised at the manner in which these matters are being handled. Why did you not ask for the information from the hon. Member before he asked the Question? Instead of answering the Question, you are now asking questions.

Mr. Saina: Mr. Temporary Deputy Speaker, Sir, I am not violating the procedure for answering questions. But the same Question appeared last week and I was eagerly waiting to discuss with him the format of this Question. But since it has come today---

The Temporary Deputy Speaker (Mr. Wetangula): Order! This is not a Question by Private Notice. So, it has not been sprung on you today or within 48 hours. This is a Question that must have been lying in your Minister for weeks. If you felt that you needed more details from the Questioner, surely you should have done that. **Mr.**

Saina: Mr. Temporary Deputy Speaker, Sir, since the documents are not ready, I would like to request for another one-and-a-half weeks to look for the records. Since the break-up of the East African Community, these records have not been available. I have tried to look for them everywhere, but they are not available.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Speaker, Sir, let us be a little bit more transparent on these issues. This question has been in the Ministry for about three months and about three weeks ago, the Minister for Transport and Telecommunications told me that they had been trying to get information from the Kenya Railways Corporation and the Corporation had not supplied them with that information. The Minister himself had said that I should not be asked to provide these details because this is not my responsibility. Now, while the Minister was in Washington - he just came back today - they decided to bring the same answer that the Minister had rejected on the grounds of being inadequate. Let me just give the Assistant Minister some information that can help him.

On 5th February, 1992, the Railways Workers Union wrote a letter to Mr. Isaac Odo, P.O Box 109 Akala, via Kisumu. I hope the Assistant Minister is taking down notes because I am not going to help him again. The reference number is RWU/HO/TD/1/249/C/183 and the letter reads as follows:

"Your letter dated 28th January, 1992 has been received and its contents noted. Please be informed that your case has since been referred to the Minister for Labour and Manpower Development for final arbitration and we shall let you know of the outcome as soon as we hear from the Minister".

That was on 5th February, 1992. On 9th May, 1996, four years later, the Railways Workers Union, after Mr. Odo had made another inquiry, in a letter reference No. RWU/HO/TD/1/249/C/183, said as follows:

"Refer to Nairobi HCCC NO.194 of 1974.

We refer to your letter dated 24th April, 1996 concerning the above subject and we would like to let you know that nothing yet has come out of it."

So, there are three sources of information from the Minister, one; Kenya Railways Corporation, two; the Railways Workers Union, and three; the Minister for Labour and Manpower Development. These three sources can piece together the information necessary if the Ministry itself does not have the information. It is very clear that the Kenya Railways Corporation is dragging its feet. In spite of selling a lot of land and houses, they have misappropriated the money and they cannot pay "Golden handshake" and workers' pension. So, they are refusing deliberately to give the Ministry that information. I would like the Minister to take up this matter and settle workers' cases like this one in their favour.

Mr. Saina: Mr. Temporary Deputy Speaker, Sir, I have not, in the history of my time in Parliament, been unable to answer Questions in this House. The House knows too well that I am a new Assistant Minister in---

The Temporary Deputy Speaker (Mr. Wetangula): Order! Order, Mr. Saina! The House will not take that. The Ministry has perpetual succession. In any event, the correct thing for you to do and, indeed, any other Minister if you find that Questions do not have adequate information, is to contact the Office of the Clerk so that they can in turn contact the MP who has filed the Question to give you the details that you require. Will you now answer the Question?

Mr. Saina: Mr. Temporary Deputy Speaker, Sir, I would plead with the Chair to be given more time to look into the details of this Question and bring a satisfactory answer to the House.

The Temporary Deputy Speaker (Mr. Wetangula): How much time do you need?

Mr. Saina: Mr. Temporary Deputy Speaker, Sir, since I stated that certain documents in the Ministry are not available because---

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Minister, how much time do you need?

Mr. Saina: Mr. Temporary Deputy Speaker, Sir, give me two weeks. I will bring a satisfactory answer.

Question No.557

NON-PAYMENT OF SALARIES TO
GARISSA MUNICIPAL WORKERS

The Temporary Deputy Speaker (Mr. Wetangula): Is Mr. Farah not in? The Question is stood over for the moment. We will move on to Question No. 217.

Mr. Nyagah: Mr. Temporary Deputy Speaker, Sir, I would like to state that the figure is not Kshs390,000, but K£390,000.

Question No. 217

EXTENSION OF EMBU PROVINCIAL HOSPITAL

Mr. Nyagah asked the Minister for Health:-

- (a) how much money was spent on Embu Provincial Hospital out of the K£390,000 that was budgeted for during the 1994/95 Financial Year;
- (b) whether he could specify the construction work undertaken; and,
- (c) when the Government intends to complete the extension of Embu Provincial Hospital that was abandoned some ten years ago.

The Assistant Minister for Health (Mr. Criticos): Mr. Temporary Deputy Speaker, Sir, I beg to reply. I appreciate the correction that has been made by the hon. Member.

- (a) During the 1994/95 Financial Year, Kshs200,000 was spent on Embu Provincial General Hospital.
- (b) The amount was spent on the construction of the new mortuary which is still uncompleted.
- (c) It was not feasible to continue with the construction work of the whole project, of extending Embu Provincial Hospital, due to cost escalations. We have decided that it will be done in phases. Initially, the project was to cost Kshs88 million and my Ministry intends to complete the facility as follows:- In the 1998/99 Financial Year, we hope to complete staff houses and mortuary. In the 1999/2000 Financial Year, we hope to complete theatre and provision of equipment. In the 2000/2001 Financial Year, we will carry out, mechanical and electrical installations, fencing and site works including the water system.

Mr. Nyagah: Mr. Temporary Deputy Speaker, Sir, while appreciating the answer given by the Assistant Minister, I would like to tell him that there are very many things that Embu Provincial Hospital requires namely; a mortuary facility and a theatre. Those are required urgently. Can the Assistant Minister tell this House why Kshs7.6 million was returned to the Treasury with the excuse that they were not able to trace Danny Construction Company which is the company that started off the Kshs88 million project? Is this company deregistered and which company have you contracted to put up the mortuary?

Mr. Criticos: The hon. Member knows that most of the construction is done by the Ministry of Public Works and Housing. As far as we are concerned, and reading from what we were told, the money was returned to Treasury because the contractor refused to go back to continue with his work.

Mr. Manoti: Mr. Temporary Deputy Speaker, Sir, there are so many projects which are uncompleted, especially those related to health centres. Since there are no funds to complete these projects, can the Assistant Minister undertake not to start any new projects until they are through with the uncompleted ones?

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, that is our policy. We have decided that we are not going to initiate any new projects until we are through with the uncompleted ones. I would also like to remind the hon. Member that some of these projects are health centres which were built on Harambee basis. **Mr. Manoti:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The construction work in Kisii District Hospital and which was started in 1990 is not complete.

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, I said that we are not going to start any new projects unless the ones which were started are complete.

Mr. Mwiraria: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Minister in order to say that it is the Ministry's policy not to start new projects when this year's Estimates have got so many new dispensaries and health centres which are being fully funded when there are others, like Timau Health Centre, which has been under construction for 12 years and which, according to a reply the Minister gave me the other day, is going to take ten more years before it is completed?

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, the hon. Member is correct. As I said, it cost Kshs88 million and we are going to do it in phases. Whatever is in the budget will be completed.

The Temporary Deputy Speaker (Mr. Wetangula): The last one, Mr. Nyagah!

Mr. P.N. Ndwiga: Eeh!

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Ndwiga! Hon. Nyagah, it is your chance!

Mr. Nyagah: Mr. Temporary Deputy Speaker, Sir---

Mr. Busolo: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Ndwiga in order to refer to the Speaker as, "ehh"?

The Temporary Deputy Speaker (Mr. Wetangula): He is definitely out of order!

Mr. Nyagah: Mr. Temporary Deputy Speaker, Sir, authority to incur expenditure was given out to Embu Provincial Hospital in 1994/95 but the contractor, at that time, had deserted and could not be traced. This was information given by the Permanent Secretary in the Ministry but we now have a different answer from the Assistant Minister. I would like to know why they were unable to get another contractor to move on site as opposed to having Kshs7.6 million taken back to the Treasury?

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, that is a well phrased question, but I would also like to know what happened in 1994/95 period. However, this answer by the Permanent Secretary came from the Ministry of Public Works and Housing. Therefore, I do not have the conclusive details as to why they could not trace another contractor for the job. If you would like to put a question to the relevant Ministry on that particular question, you can go ahead and do it.

The Temporary Deputy Speaker (Mr. Wetangula): Question No.316 for the second time!

Question No.316

REMOVAL OF ROAD BLOCKS

The Temporary Deputy Speaker (Mr. Wetangula): I understand it has been mutually agreed between Mr. Nthenge and the Office of the President that the Question be deferred. So, the Question is deferred, Mr. Nthenge! You do not need to make any speech on that.

(Question deferred)

The Temporary Deputy Speaker (Mr. Wetangula): Question No.217 for the second time!

Question No.217

NON-PAYMENT OF SALARIES TO GARISSA
MUNICIPAL WORKERS

Mr. Temporary Deputy Speaker (Mr. Wetangula): Is Mr. Farah not here? The Question is dropped! Question No.1 by Private Notice!

(Question dropped)

QUESTIONS BY PRIVATE NOTICE

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, I beg to protest in the strongest terms possible because this is not the way I formatted my Question. The gist of this Question has been changed completely. Nevertheless, I will ask the Question because of the urgency of this matter and give other information in my supplementary questions.

ARREST AND REPATRIATION OF MR. SHAH

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Finance the following Question by Private Notice:-

(a) Is the Minister aware that Mr. Satish Shah Naker of Naker Printers Limited, Thika, has left the country after allegedly defrauding the local banks of over Kshs800 million?

(b) What urgent steps is the Government taking to have the said Mr. Satish Shah arrested and repatriated so as to recover this money?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) I am aware.

(b) A warrant of arrest was issued on 25th August, 1997 and has been passed to Interpol to assist in arresting

and repatriating the suspect.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, you can see how this Question has been watered down by a very simple answer and yet, it is a Question that carries a lot of gravity and weight where Kshs800 million was stolen from banks.

This man called Satish Shah Naker was the Chairman of all Asians in Thika for KANU. This man was collecting money in Thika for KANU campaigns in 1997. He left with the help of KANU barons and senior Government officers in this Government. I personally informed the labour officer in Thika that this man was leaving and he told me that even if he left, he was going to be repatriated by the Interpol.

Mr. Temporary Deputy Speaker, Sir, my other question was whether the Minister is aware that another Asian by the name Manuben Patel of Khamar Limited and Raju Shah of Mjengo Limited are also planning to leave under the same circumstances as Satish Shah with Kshs1.3 and Kshs1.5 billion, respectively, by way of kiting cheques as Mr. Naker did. What is the Government doing to prevent these other two Asians from leaving with Kshs2.8 billion?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, I am not aware that there are Government officers who assisted Shah Naker leave the country. Secondly, the other Asians he has mentioned were not in his initial Question. Therefore, if he gives me the names, we will take the necessary action. I would also like to thank him for alerting us.

Mr. Wamae: Mr. Temporary Deputy Speaker, Sir, to steal so much money from the banks, there must be a big conspiracy. Has the Government arrested any people who helped this Asian defraud the banks so much money? If so, how many?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, I would like the hon. Member to repeat the question because I did not get it clearly.

The Temporary Deputy Speaker (Mr. Wetangula): He is asking whether there are any other suspects, in relation to this Asian, who have been arrested.

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, there are some officers of the various banks who have been arrested.

Prof. Ouma: Mr. Speaker, Sir, I believe you are as terrified as I am, that people can rape the economy of this country at will. In the light of the supplementary information given by hon. Ndicho, could the Assistant Minister tell us whether he is also shocked as we are, that this country's economy is going to the pockets of a few people? What institutional measures will he take to make sure that the same thing does not go on elsewhere? We are not preventive. We are only taking remedial measures and after the horse has gone away, we close the gate. What are we going to do in the light of these terrifying circumstances, to ensure that there is no repeat? What institutional measures will you take?

An hon. Member: Remove KANU!

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, the difficulty here is because this has to do with private banks. I think the banks have to be extra-careful, so that they are not swindled. It is very difficult for the Government to do it on their behalf, unless the Kenya Bankers Association---

Prof. Ouma: On a point of order, Mr. Temporary Deputy Speaker, Sir. We are asking for a humble solution to a very difficult problem: There is an apparent endemic disease which is now spreading. It is up to the Ministry of Finance to ensure that these financial houses do not rape this country. In the light of the knowledge he has, what will the Ministry do to ensure that people of this country are not defrauded that way?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, I was going to that point before he rose on a point of order. The difficulty is that these banks are private. The Central Bank is discussing with the banks the best way to curb this menace.

Mr. Manoti: Mr. Temporary Deputy Speaker, Sir, the Central Bank has got an inspection section which is supposed to check what the commercial banks do. For any loans given by the commercial banks, the Central Bank is supposed to oversee whether it is done properly or not. What did the Central Bank do when it was realised that such huge amounts of money had been given out to these people?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, it is difficult to answer such a question because it is a separate question. I need time to be able to answer it.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, before I ask the last question, I would like to say that what the hon. Manoti asked is very genuine. It should be under the auspices of the Minister to know what role the CBK is doing to protect these banks. It should be within your powers to know.

Mr. Temporary Deputy Speaker, Sir, he has asked me to give him the names of the other Asians which I did. They are: Manuben Patel---

The Temporary Deputy Speaker (Mr. Wetangula): He thanked you for it, so there is no point of repeating them.

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, my other question is: Because of the theft of this money from these banks, some four African managers of the Standard Bank including Mr. Julius Nguni, the manager of Standard Bank, Thika branch were arrested and have been sacked by the Standard Bank, on accusation of conspiracy in the theft of this money. What happened was kiting of cheques, where Satish Shah opened five companies and then he circulated one cheque to all the four companies. Because Mr. Shah cheated and has caused the sacking of four African managers, could the Government intervene, so that these four managers are reinstated, because they are innocent?

Mr. Barmasai: Mr. Temporary Deputy Speaker, Sir, if they are innocent I am sure they will be so proved.

OPENING OF CHEPTERWAI HOSPITAL

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Health the following Question by Private Notice.

(a) Is the Minister aware that the construction of Chepterwai Hospital in Mosop Constituency, Nandi District, is complete?

(b) If the answer to (a) above is in the affirmative, will the Ministry equip this hospital and send staff to open it and make it operational?

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

(a) Yes, I am aware that the construction of Chepterwai Hospital is complete.

(b) My Ministry will allocate funds to the hospital when they are available. There is no budgetary provision for hospital in the 1997/98 estimates and subsequently we are unable to post or deploy health personnel to the facility.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, let me make the Assistant Minister aware that this hospital was constructed by the people on Harambee basis. We have spent well over Kshs30 million on it. We sold many of our cows to build it. On 16.1.97 the Director of Medical Services (DMS) visited the hospital and informed a huge baraza, which he had asked the DC and DO I to call, that the Government would equip the hospital and staff it by 2.6.97. Was the DMS taking the people of Nandi District, and in particular those of Chepterwai, for a ride?

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, I am surprised that my DMS could give such an undertaking when there was no budgetary provision for this project. May be the DMS was referring to Kshs300,000 which we have provided for the hospital in the current Financial Year. We are making arrangements for it to be given out for the purchase of some equipment for the hospital. Of course, it is not enough because we require Kshs1 million to buy the basic equipment for the hospital.

Mr. Sambu: On a point of order, Mr. Temporary Deputy Speaker, Sir. If the DMS did not brief the Assistant Minister let me tell him what he said when he addressed the crowd in Chepterwai. He told the people that the Government would bring into the hospital 72 beds and all other necessary consumables. He also said that the Government would post staff to the hospital, starting with four clinical officers. I do not think that all this can be catered for by Kshs300,000. This was being said on 16.1.97 before the Forward Budget for 1997/98 had been prepared. The DMS also said that there were donor funds for the hospital which were not in the Printed Estimates. It appears that the donor funds for Chepterwai Hospital have been diverted.

Mr. Criticos: Mr. Temporary Deputy Speaker, Sir, I am not aware of what the hon. Member has said. But I will ask the DMS - he is now in South Africa where he is attending a World Health Conference - whether he had got a donor for this hospital. If this is the case, then the equipment will be provided. However, going by the budgetary figures the actual position is as I have given.

The Temporary Deputy Speaker (Mr. Wetangula): Dr. Lwali-Oyondi's Question.

CLOSURE OF MENENGAI HIGH SCHOOL

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, I beg to ask the Minister for Education the following Question by Private Notice.

(a) Is the Minister aware that Patel Brotherhood in Nakuru has forcibly made a road through the playground of Menengai High School?

(b) Is he further aware that this action has caused closure of Menengai High School and exposes students to motor accidents?

(c) If the answers to (a) and (b) above are in the affirmative what urgent steps is the Minister taking to solve this problem?

Mr. Sambu: On a point of order, Mr. Temporary Deputy Speaker, Sir. There are still more facts which the

Assistant Minister ought to be given. The Government asked the people to build the hospital---

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Sambu, I have given you three shots on this Question. That is more than magnanimity!

Mr. Sambu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Finally---

The Temporary Deputy Speaker (Mr. Wetangula): Order, hon. Sambu! You are misconducting yourself for nothing. I gave you three opportunities to ask questions. The Assistant Minister has told you that the DMS, whom you are quoting is not in the country, and that he will find out whether what you are saying is true and then come back to you. What do you want the Chair to do? Do you want the Chair to let you talk endlessly about the same issue?

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

The Temporary Deputy Speaker (Mr. Wetangula): Order, Mr. Sambu! The rules of the House require that when the Speaker is standing you remain seated.

The Assistant Minister for Education (Mr. Komora): Mr. Temporary Deputy Speaker, Sir, I beg to reply.

(a) Yes, I am aware. However, the access road through the school was constructed by Patel Brotherhood following a court order, issued by the High Court sitting in Nakuru on 11.8.97.

(b) While I am aware that this access road exposes students to possible motor accidents it is not true that Menengai High School has been closed for it is operating normally.

(c) Since the construction of the road through the school ground was allowed by the court my Ministry has, through the Board of Governors of the school, lodged an appeal which is yet to be heard. We have to wait for the final decision of the court.

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, I put this Question because there is a very big crisis in Nakuru. This is an old school in whose improvement I have personally taken part. It is now the best school in Nakuru District and has led other schools in the Rift Valley Province in national examinations. This particular road, which used to pass through the school ground, was closed by the Municipal Council of Nakuru in 1972 when Asians were still in this school. Now that the majority of the students in the school are Africans the Asians have bribed their way into being allowed to construct a road through the school ground which now has more than 800 students. The people in Nakuru are up in arms, and are likely to beat up the Asians and close that road. Why should the Minister allow this sort of thing to go on in Nakuru? It happened in St. Johns School and wananchi had to rise up and snatch the school land from a grabber, to whom it had been given by a court. Now, Patel Brotherhood have forcibly built a road thorough Menengai High School, one of the oldest schools in the country. Why is the Ministry allowing this to happen?

Mr. Komora: Mr. Temporary Deputy Speaker, Sir, I have already told this House that there was a decision of the court and that we have appealed against it.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, is the Assistant Minister aware that this practice is going on all over that area? Uasin Gishu Secondary School in Eldoret Town had half of its land allocated to individuals who acquired title deeds through some mysterious process when the school holds the original title deed to the land? Should we go to court over this issue when the school holds a title for its land?

Mr. Komora: Mr. Temporary Deputy Speaker, Sir, naturally, we want all schools to have title deeds and claim the land through the law. If anybody interferes with school land, he or she will face the law. We do not want this sort of thing at all. In fact, we have issued instructions to all District Education Boards and all people involved in land issues to ensure that when land is being adjudicated, school land is set aside and schools are given title deeds.

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, could the Assistant Minister explain why the courts are taking over the work of the Municipal Council and thereby encouraging grabbing? The people involved in grabbing are usually very rich and can bribe their way into the courts and get what they want. I am laying on the Table of the House this letter from the Municipal Council which closed this road in 1972. I hereby also wish to lay the map on the Table of the House, which indicates the road. I will indicate the road for the Assistant Minister's easy reference here. Children are going to die here but, in any case, we are going to close this road by force.

An hon. Member: That is very good!

*(Dr. Lwali-Oyondi laid the letter and
the map on the Table)*

Mr. Komora: Mr. Temporary Deputy Speaker, Sir, we are not judges as to what the court does or what the Local Government does. We are bound by the judgement of the High Court and we will take action accordingly.

RELOCATION OF DUMPING GROUND

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

(a) Is the Minister aware that the garbage dumping ground in Dandora has been extended and is encroaching on residential houses and Dandora Secondary School ground causing a serious health hazard to the residents and students?

(b) Is he further aware that as a result of this encroachment, an outbreak of diseases is imminent due to teaming flies and rats that are breeding in this dumping ground?

(c) If the answers to "a" and "b" above are in the affirmative, could the Minister ensure that this dumping ground is relocated to non-residential areas, as a matter of urgency, to avoid a health catastrophe?

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

(a) I am aware.

(b) I am further aware.

(c) As a long-term measure, the Ministry through the Nairobi City Council, is planning to relocate garbage dumping grounds from residential areas to non-residential areas which will solve the garbage dumping problem in Nairobi.

The Council, through the Japan International Cooperation Agency (JICA), is undertaking a study which is scheduled to be completed by June, 1998, whose objective is to establish permanent filling sites at strategic points within Nairobi where garbage will be managed in a modern way. This will involve recycling and composting of the garbage. Residents of the city will also be educated on hygienic and modern disposal methods of both domestic and industrial waste.

This study aims at solving permanently the garbage problem in Nairobi, which is causing a lot of concern to both the Nairobi City Council and Nairobi residents in general. Once these sites are established, the current dumping site at Dandora will be closed.

As a short-term and immediate measure, the Council is going to ensure that garbage dumped at the Dandora dumping ground is properly managed in such a way that it will not interfere with residential areas, including the school, prior to undertaking the long-term measures aforesaid as follows:

The Council will embark on remedial programmes to remove garbage spreading to Dandora Secondary School and the neighbouring residential areas as from Monday, 8th September, 1997; which is next week. The programme will involve removal of garbage along the roads and prevent its spread towards settled areas. It will also endeavour to bull-doze the waste---

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Assistant Minister, that is too long. How long do you have to go?

The Assistant Minister for Local Government (Mr. Kamuren): I am just finishing, Mr. Temporary Deputy Speaker, Sir. It will also endeavour to bull-doze the waste, as it arrives, into the adjacent quarry pit. It will be a thorough garbage clearing exercise.

Mr. Temporary Deputy Speaker, Sir, that is the answer I had to this Question and, I am sure that hon. Ruhiu will also be satisfied.

Mr. Ruhiu: Mr. Temporary Deputy Speaker, Sir, the Dandora Dumping Site has been an eye-sore for the last five years. My first Question, when I was elected to this National Assembly, was on the relocation of Dandora Dumping Site and, I have been asking the same Question every year. This is the sixth Question since I was elected and I do get more or less the same answer. Today's answer, with all due respect to the Assistant Minister for Local Government, is more of a lecture to this National Assembly than an answer. Does the Assistant Minister know that the kind of materials dumped at this site are highly toxic?

Mr. Kamuren: Mr. Temporary Deputy Speaker, Sir, the officers are doing the needful to make sure that the health hazard arising out of the dumping of garbage within this particular area are controlled. The exercise will cover every aspect of what is raised in this Question.

Prof. Ouma: Mr. Temporary Deputy Speaker, Sir, arising from the answer which the Assistant Minister has given, and the type of answers which we receive frequently to these type of Questions, I am asking the Assistant Minister to give us an undertaking. First of all, solid waste and plastic management is a plague in this country. If you can go to any place in this country, you will find the townships and the municipalities filthy. If you go to Mombasa you will see Kibarani Dumping Site, Homa Bay and Nakuru--- Kibarani Dumping Site is right on the way to the Airport; a cultural shock. I am telling the Assistant Minister that the management of solid waste and plastic waste is an environmental plague in this country. Could the Assistant Minister give an undertaking that, there will be a

master-plan for the management of solid waste and garbage in every municipality and city so that there is a long-term solution to this continuous menace?

Mr. Kamuren: Mr. Temporary Deputy Speaker, Sir, my response to that supplementary question is that, as soon as the Japan International Cooperation Agency completes its study, then the Ministry will make sure that the solid waste will also be done away with and taken to the areas where it will not interfere---

Prof. Ouma: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to talk about Nairobi only? I am saying that this is a menace throughout the country. Could he undertake to ensure that each municipality, as well as the City, will manage its solid waste on a master-plan basis, not hop-step-and-jump?

Mr. Kamuren: Mr. Temporary Deputy Speaker, Sir, the Question by hon. Ruhiu is about Nairobi only. If hon. Prof. Ouma has any other question regarding another municipality, let him bring it.

Mr. Ruhiu: Mr. Temporary Deputy Speaker, Sir, since the Assistant Minister is ignorant of what kind of toxic materials are ferried and dumped at this site, for his information, they include contaminated human blood, syringes from hospitals, expired drugs and vaccines, and what the Kikuyus call *njogu* or "elephants" from maternity hospitals. Could the Assistant Minister tell this House whether he is aware that, as a result of these highly toxic materials, residents of Dandora are subjected to poisonous emissions and children are taken to hospital everyday as a result of inhaling poisonous gases? What is he going to do about it because last Sunday, we had a meeting of 4,000 residents and we reached a consensus that if this dumping ground is not closed by the end of this month, I shall lead them, with drums of diesel, to burn all the vehicles that ferry the garbage to Dandora? That is a warning!

Mr. Nthenge: Are you ready for that?

Mr. Kamuren: Mr. Temporary Deputy Speaker, Sir, I am not aware of that allegation. I would also request my hon. friend to explain the meaning of the Kikuyu word "njongu" which he has used.

The Temporary Deputy Speaker (Mr. Wetangula): Order! I have a few points of order from several hon. Members, and I will give each one of them two minutes.

POINTS OF ORDER

TEACHERS' THREATENED STRIKE

Mr. Magwaga: Mr. Temporary Deputy Speaker, Sir, I am rising on a point of order to ask the Minister for Labour and Manpower Development to give a Ministerial Statement on the Teacher's Strike. The teachers have given a notice to strike and it is worrying to the parents and the whole country. It is not something that we should leave unresolved. We want the Minister to state what he is doing in his capacity to avert this strike. Secondly, he should state what has annoyed the teachers because there is a procedure through which such issues can be resolved. The Minister should tell us why he should let the teachers to go on strike, in the light of the fact that schools have just been opened.

The Minister for Labour and Manpower Development (Mr. Masinde): Mr. Temporary Deputy Speaker, Sir, up to now, I have not received any communication from the teachers. All I know about the threatened strike is what I have read in the newspapers. But I assure this House that I will take the necessary action as soon as I get the alleged letter written to me.

FATE OF SCHOOL CHILDREN IN LIKONI

Mr. Kiliku: Mr. Temporary Deputy Speaker, Sir, I am rising on a point of order to seek a Ministerial Statement from the Minister of Education, regarding the fate of school children in Likoni. Following the clashes in Likoni, the Minister in charge of Internal Security promised this House that he would come up with a comprehensive statement as to what happened in Likoni. However, up to this time, he has not done so.

Anyway, there are 15 primary and two secondary schools in Likoni. Those schools have not been opened due to the insecurity in the area and we do not know whether they are going to open.

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Kiliku, I am advised that hon. Mwavumo has filed a Question by Private Notice on exactly the same issue and it is probably coming on Tuesday. So, can you wait and participate in the Question on Tuesday?

Mr. Kiliku: Mr. Temporary Deputy Speaker, Sir, I think it is unParliamentary to assume something which is coming. It is better for you to give me time to raise this issue. These children are now attending schools in my constituency. We have schools but they are full and as a result, we cannot accommodate all these children in Changamwe secondary and primary schools. We want to know what action the Minister is taking to make sure that these children continue with their classes. We also want an assurance that those in Standard VIII and Form IV, will not have their national examinations affected. We are also waiting for the Minister in charge of Internal Security to

issue the statement which he promised this House. The Government wants us to forget, but what happened in Likoni is unforgettable.

ISSUANCE OF TITLE DEEDS IN MATSANGANI

Mr. Badawy: Mr. Temporary Deputy Speaker, Sir, arising from the absurd, provocative and contradictory answer that was given by the Assistant Minister for Lands and Settlement, on a Question put by hon. Mumba, I am asking the Minister for Lands and Settlement to give a Ministerial Statement on the true status of affairs on the following areas in the constituencies of Malindi, Bahari and Magarini. These areas are: Madunguni A and B, Chembe Kibabamche, Kilifi Jimba, Kiregwe A and B, all in my constituency, Malindi; Madeteni(?) in Bahari Constituency, Ngomeni and Ngarithe in Magarini Constituency.

I say that the answer was provocative because, time and again, we have been asking what the Ministry intends to do about re-issuing titles to the indigenous settlers in these areas, who keep on being displaced by people who have been issued with titles in a dubious manner. The embargo that the Minister talked about this afternoon was put in place in 1986, following complaints by the local residents. Time and again, we have been assured by the Ministry, the Chairmen of the Plot Allocation Committees in the districts and by the land officers that this problem is being solved. Can the Minister, therefore, in his statement tell us how many plots were allocated during the embargo, including those fake titles that were issued and about which I notified the Ministry through the District Land Registrar, and when he intends to give back the titles, and not letters of offer, for these areas to the residents of Malindi, Bahari and Magarini?

TRADITIONAL LIQUOR LICENSING BOARD

Mr. Busolo: Mr. Temporary Deputy Speaker, Sir, I rise on a point of order to seek a Ministerial Statement from the Office of the President. When answering Question No. 438, which was raised on 7th August, 1997, regarding the constitution of the Traditional Liquor licensing Board in Bungoma District, the Minister promised us that, that Board would be constituted by the 15th of August, 1997. To date, that Board has not been gazetted yet and people continue being arrested for lack of permits when they drink their traditional brew.

MALICIOUS ALLEGATIONS AGAINST MEMBERS

Dr. Kituyi: Mr. Temporary Deputy Speaker, Sir, I wish to make the following brief statement concerning statements made by two hon. Members of this august Assembly yesterday, appearing on page 17 of today's *Daily Nation*, by the hon. Member for Kasipul Kabondo, Dr. Otieno-Kopiyo, and the Limuru Member of Parliament, hon. Nyanja, to the effect that hon. Members of the Opposition who are participating in dialogue are being paid a daily allowance by KANU of Kshs30,000.

In our participation in dialogue for national leadership, we should be ready to be rubbished and called names. We have been called cowards and fools. Those opinions about us, we can take in our stride, but when hon. colleagues cast aspersions at our integrity as individuals, it is a bit more than we can take in our stride from members of society outside this National Assembly. It is doubly unfortunate when, one, the hon. Dr. Otieno-Kopiyo, whose dealing with Komotut and Philemon Chelagat before he became a Member of Parliament, whose dealings with Fresh Waters - the matter is out of court because of an appeal about exporting tripe to Germany, disguising it as tallow. He does not have the moral authority to cast aspersions about the integrity of his colleagues.

(Applause)

Mr. Temporary Deputy Speaker, Sir, it is only a month ago that hon. Nyanja, as a consequence of one of his reckless statements, was being pursued by the police, and he falsified this matter before hon. Members of this House. I took hon. Nyanja to my house so that he could escape being arrested by police here. The morning after hon. Nyanja slept in my house, he was requesting me to ask the Leader of the Official Opposition, Mr. Wamalwa, to go and beg President Moi, to call off the police attempt to arrest him. Why is it right for Mr. Nyanja that Mr. Wamalwa should see Moi if it is going to be convenient to him (Nyanja), but it is wrong for the Opposition to talk to KANU, if it is for the interest of Kenya?

(Applause)

Mr. Temporary Deputy Speaker, Sir, on behalf of my colleagues with whom we share the same sentiments, I

would like to request hon. Members to separate between their principal right to differ with the style and approach to national matters by their colleagues, but not to irresponsibly and criminally cast aspersions at the integrity of their colleagues.

BILL

Second Reading

THE CO-OPERATIVE SOCIETIES BILL

*(The Minister for Co-operative
Development on 27.8.97)*

*(Resumption of Debate interrupted
on 3.9.97)*

The Temporary Deputy Speaker (Mr. Wetangula): Mr. Mwiraria was contributing.

Mr. Mwiraria: Thank you, Mr. Temporary Deputy Speaker, Sir. Before the House rose yesterday afternoon, I had just started speaking on this Bill and I had made a remark that, although liberalisation of the co-operative movement is good, liberalisation without guidance from the Ministry of Co-operative Development and without control can be very very injurious to the co-operative movement.

Let me just give one example to illustrate the point that I am making. In Meru, where we have had a long history of co-operative movement with a very strong union, the union has in recent years, perhaps, in keeping with the newly developed Kenyan culture of corruption, become so corrupt that it has put many co-operative societies into a financial mess. As a result, some co-operative societies that did not get their coffee payments in 1981 are not only going to do without receipts for their coffee delivery, but they have now been asked to pay millions of shillings to the union. In consequence, the poor farmers who have no other source of income other than coffee are running away from the co-operative societies. Some of them are giving their coffee to their wives or to their children and others and because of the liberalisation, are picking their coffee and selling it to coffee growers who own their personal factories.

The reason for doing this is to avoid repaying loans that they have taken under the SCIP programme, that is, the Small Scale Coffee Improvement Programme funded by the World Bank. What could be the ultimate result of this is that, some of these co-operative societies are going to wind up and the reason for making this observation is that at the moment, coffee prices have been very good in the world market and coffee could be fetching about Kshs30 to Kshs40 per kilogramme of ripe cherry. However, the buyers are paying the farmers only Kshs10 per kilogramme and that is the end. Once the farmers move out of the co-operative societies and begin selling their coffee to these individuals, then the individuals will begin dictating their prices and I would not be surprised if coffee growing ceases altogether. What I am advocating here is that the Ministry should look into this matter before too many farmers default in the repayment of their loans under SCIP which would give Kenya a very bad name in the eyes of the World Bank, which is a very important donor to Kenya.

Mr. Temporary Deputy Speaker, Sir, the second point that I want to make regards the powers of the Commissioner for Co-operatives and here, I am referring to Section 3 (1) which is providing for the appointment of a Commissioner for Co-operatives by the Public Service Commission. I must commend the Ministry here for this important change; our laws today provide for the appointment of senior Government officers by the Ministers responsible for various Ministries. But almost without exception, all the appointments are now made by the Office of the President. In consequence, all the officers who were appointed by the Office of the President have become kings unto themselves and hon. Kamwithi Munyi here knows that the Commissioner for Co-operatives does not have any respect for him as the Minister, or even for the Permanent Secretary who is in charge of the Ministry. I do not have to remind the hon. Minister about that.

The Minister for Co-operative Development (Mr. Munyi): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member speaking is only making his own views, but that does not mean that I am not aware of what he is saying about what is going on in the Ministry.

Mr. Mwiraria: Mr. Temporary Deputy Speaker, Sir, since the Minister is provoking me, let me remind him that sometime in 1995, the hon. Kiraitu Murungi and I took leaders of various coffee co-operative societies in Meru who had been sacked from being members of the co-operative societies' leadership and banned from standing for public office for three years by the Commissioner for Co-operatives. We went to see him on a Thursday and after spending four hours with the Minister, his PS and the Commissioner for Co-operatives, the Minister agreed that the

sacking was wrong and promised that by Tuesday the next week, those people would be reinstated. But, they got letters confirming their sacking and eventual banning from standing for public offices for the next three years.

Mr. Temporary Deputy Speaker, Sir, the Minister, perhaps, can remember that information now that I have jogged his memory. But be that as it may, the point that I really want to make is that, I do hope this clause here which provides that the Commissioner for Co-operative Development and I quote:

"...Who shall be responsible for co-operative development and for ensuring compliance with the provisions of this Act."

That he will not enjoy the powers of sacking people who are popularly elected by the co-operators.

Let me give yet another example whereby three of those people who had been sacked and stopped from standing for public office, were re-elected leaders of Kianjuri Co-operative society. When they were re-elected, the Commissioner for Co-operatives once again did everything to stop them from exercising their powers.

As a consequence, the farmers led a delegation to the District Commissioner who later on went and addressed them and organised yet other elections. The last elections were held in November, but the DC organised other elections last month and people have been re-appointed once again. All I am saying is that once we liberalise or go through this Bill, let nobody have the right to appoint the leaders of co-operatives for farmers. After all, the farmers are the ones who grow the coffee, they are the ones who do everything from planting, harvesting and all that is required until the coffee is sold. Why should the Commissioner know who is best to lead them? What I am urging is that, those rules and regulations which have been in force should be discarded. I noticed that although this Bill is replacing the old one, everything that was going on will continue. I hope and I would like the Minister to assure us when he comes to reply that those powers of the Commissioner to sack leaders who are popularly elected by the co-operators or to ban them from standing for years, will not be some of the powers that the Commissioner will continue to exercise.

Mr. Temporary Deputy Speaker, Sir, let me, perhaps, underscore the points I have just made by saying this: in Kianjuri Society, once the Commissioner stopped three out of seven committee members from exercising their powers, only four were left and according to the rules and regulations, five committee members forms a quorum. So, instead of going for either other elections or doing something else, the officer in charge of the co-operative movement in Meru went and told got the four who the Commissioner had no quarrel with, to co-opt a fifth person, so that they could have a number of five to run the affairs of the co-operative society. You do not have to be a lawyer to know that if the number four does not form a quorum for any function, it cannot form a quorum when we are co-opting somebody to complete the quorum, but that situation was allowed to exist and to work for months. As a result of that co-option, coffee societies in Meru, at least, in North Imenti, which are implementing the electrification of their factories were horrified when the new committee started asking the factories, instead of paying Kshs300,000 to wire the factories, to pay Kshs1.7 million. It is because of this single work that the co-operators rejected the leaders who had a co-opted member and went to the DC. So, we really do need to ensure that the co-operative movement is carefully looked after. Our people do now understand what is happening. We have a lot of educated men and women growing coffee, keeping dairy animals and planting all types of crops under the co-operative movement. So, we should really encourage these people to manage the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, my last point relates to Clause 19 of the Bill on page 287. The first paragraph clearly states:

"Each member of a co-operative society shall have one vote only in the affairs of the society, irrespective of the number of shares he holds---"

Then it qualifies it by saying:

"Provided that a co-operative society which is a member of a co-operative union or an apex society shall have as many votes as may be prescribed by the by-laws of the co-operative union or apex societies of which it is a member---"

Mr. Temporary Deputy Speaker, Sir, I want to say that this provision, as it is worded here, is open to abuse. I will give a live example, once again, from Meru Central Farmers Union. The Meru Central Farmers Union started off as a union of coffee societies, but recently, it has also taken in milk co-operative societies. In the nature of things, coffee societies have got very large membership. Some of the societies have as many as 9,000 members while the smaller ones have about 1,000 but the milk societies have very few members. Some of them have as few as 200 members, others, perhaps, the largest have 1,000. Unfortunately, for a very good reason, all these societies are represented on the union management committee by two delegates each, which means a milk society with 900 members gets the same representation as a coffee society with 9,000 members. There is no equity at all in this. What I would like to see is that, if we are going to retain representation by delegates, then the number of delegates should be brought up to the number of members of a society. To me, what has happened in Meru, is that clear case where the chairman of the union who himself is a milk producer has created little societies for milk producers until he has got

himself a majority. He is using that majority to terrorise the coffee farmers and to take away their money.

Mr. Temporary Deputy Speaker, Sir, the other point which I need to stress here is that the Ministry should set up a group of people to examine the existence of unions. Are they of any use any more? In my experience and I hear several colleagues saying "no", these unions have outlived their usefulness. In the earlier days, unions used to buy goods in bulk, they would buy farming inputs and they would sell them at very reasonable prices to the farmers. Today, what does the Meru Central Farmers Union do? They will go and buy all these goods or import them and when they get to Meru, they sell them to middlemen who then sell them to the societies at a fantastic profit. That, to me, is exploitation and the union should not be there to exploit the farmers. They should be there to serve them and since they are no longer serving them, may I humbly suggest that the Ministry explore the possibility of winding them up.

Mr. Temporary Deputy Speaker, Sir, let me comment on why the Meru Central Farmers Union has outlived its usefulness. When it was a union for coffee societies only, it bought a building in a very central location in Nairobi - the Imenti House at Kshs9 million. They got the deposit from the coffee farmers. They paid for it and it is clear now that they want to demolish it and build a highrise building there. When we asked the Chairman of Meru Central Farmers Co-operative Union who the owners of Imenti House are, he told us that it belongs the union. But the union is not owned by anybody. It is on its own. How can a son, like hon. Nassir's son deny the father when he comes of age and he is allowed to get away with it? After all, the union was formed by the coffee societies which came together and agreed that there were services which they could not provide for themselves and they needed somebody else to do and they formed that union.

Mr. Temporary Deputy Speaker, Sir, the other problem is that the same union has got the Meru Central Farmers Co-operative Union building in Meru which they started renovating in 1992. They spent Kshs19 million and the renovations are not yet completed. They took the contractor to court and now, we understand that, that building is going to cost over Kshs20 million more, to complete the renovations. All this money is going to come out of the coffee farmers pockets, while they are not making any profits due to the high cost of farm inputs. So, do we really need a body that is combursome to the farmers' organisations? My contention is that the Minister should move quickly to abolish the Meru Central Farmers Co-operative Union. I am sure that even the Meru North Farmers Union which has completely failed the coffee farmers in that region together with the Meru South Farmers Union, should be wound up.

With those few remarks, I beg to support.

The Assistant Minister for Information and Broadcasting (Mr. Nassir): Bw. Naibu Spika wa muda, leo ni siku ya kuzungumzia mambo ya watu masikini. Mathumuni ya Mswada huu ni kuwasaidia wale ambao hawajiwezi, na hawawezi kufanya biashara.

Bw. Naibu Spika wa muda, nimesoma Mswada huu na sioni pahali popote ambapo kumeandikwa tuwafungulie hawa watu masikini vyama vya ushirika ili wajisaidie. Lakini sheria ya kuzuia vyama vya ushirika visianguke, ndio mambo yaliyotiwa uzito hapa. Pia, yasikitisha kwamba wakati tunazungumzia Mswada kama huu, Wabunge hawako katika Bunge; liko tupu. Inawezekanaje tuende kuwaomba kura wananchi kama hatuwezi kuzungumzia Mswada kama huu wa leo unaohusu wananchi wa nchi hii? Tutaenda kuwaambia nini? Bw. Naibu Spika wa Muda, mimi nimetembea kitika nchi nyingine za ulimwengu na nimeona ya kwamba vyama vya ushirika ndivyo vinafanya kazi kubwa hata katika viwanda vikubwa vya nguo na kadhalika. Hii ni kwa sababu Serikali za nchi hizo zinawachukua watu ambao hawana kazi katika mitaa na kuwafungulia factory moja. Pia, kuna watu wa kusimamia hawa watu na kile kinachopatikana kutoka kwa viwanda hivi kinasaidia hawa watu. Tukifanya hivyo, watu wetu wataishi vizuri. Nimetembea upande wa Hong Kong, China na sehemu nyingine lakini umasikini si kama vile ulivyo hapa kwetu. Wao wana watu wengi na sisi ni wachache. Huwezi kupata mtu asiyekuwa na makao na watoto wao hawawezi kukosa karo ya shule, kwa sababu ya vyama vya ushirika. Wana vyama vya ushirika kama vile vya kutengeneza viatu na shati, lakini leo Waziri ameleta hapa kitabu cha kutunga sheria. Kwanza, mtu huoa ili azae na kutunga sheria vile yule mtoto atalelewa. Watu wetu hawasaidiki.

Mimi nazikitika kwa sababu wavuvi wanatoka kisumu mpaka huko sehemu ya Pwani. Wanao vyama vya ushirika vikubwa ambavyo utafikiria ni football clubs. Hawana machine yoyote, hawana motoboti na pia nyavu za kuvulia na sijamuona ofisa wa vyama vya ushirika akija pale na kuwaambia jinsi wanaweza kusaidika. Samaki wana pesa nyingi na kila pahali katika ulimwengu, ni vyama vya ushirika ambavyo vinafanya wavuvi wawe na hafya nzuri, pesa nzuri na hiyo ni biashara iliyo na pesa nyingi. Tukiangalia vizuri, si watu wa Pwani au Kisumu wanaofaidika katika biashara ya Samaki. Ni wale matajiri tu wanaofaidika, lakini wavuvi hawana faida yoyote kwa sababu Serikali haisaidii hawa. Watu wanavua samaki tu katika ufuo wa bahari kwa sababu hawana mashua iliyo na gurudumu ili waweze kuenda mbele na kupata samaki.

Bw. Naibu Spika wa Muda, vyama vya ushirika ndivyo mgogo mkubwa ambao unazaidia masikini katika Kenya. Ni Mgogo ambao hata wale wanawake ambao wanauza samaki, hata kama ni wachuuzi, ni lazima wajengewe

vibanda vizuri na kuwe na maofisa wa kuwafundisha kuweka vitabu na namna ya kufanya biashara. Lakini sisi katika Kenya, tu hodari kwa kusema tu. Kwa kusema na kutoa makosa sisi tuko mbele sana, lakini kuangalia maisha ya wale waliotupigia kura, hatuwezi. Hakuna haja ya mtu yeyote kuenda kwa Waziri wa vyama vya ushirika ili amuombe amfanyie neno fulani.

Bw. Naibu Spika wa Muda, ukulima wa sukari umeanguka kule Kwale na chama chao kiko na pesa nyingi katika benki ya kuwawesha kuungana na watu wengine ili wajenge kiwanda cha sukari ili watu wapate kazi. Ukosefu wa kazi ni mbaya sana na sisi tuko hodari kwa kufanya siasa, lakini si ya kufanya masikini awe na maisha mazuri. Yangu ni kumwambia Waziri ambaye ni rafiki yangu awapeleke maofisa wake kule China, Korea au Hong Kong ili wajionee vile vyama vya ushirika vile vinafanya. Na pia ningeomba Wabunge wenzangu, kwamba Mswada kama huu ukiletwa-- Nimefurahishwa na mhe. Mwiraria ambaye ametoa mambo ambayo ni ya manufaa kwa wale watu ambao walimpa kura. Ameyatoa moyoni yake na ninafikiri kama Waziri ameyachukua, itakuwa ni ya muhimu sana. Nina omba Waziri aone jinsi anavyoweza kuwazaidia wananchi masikini.

Kwa hayo machache, ninaunga mkono.

Ms. Karua: Mr. Temporary Deputy Speaker, Sir, I rise to oppose this Bill. I do agree that there is need to liberalise the co-operative movement, but this Bill falls far short of the expected liberalisation. If one looks at the Memorandum of Objects and Reasons, it says that the main objects of the Bill is to democratize and professionalize the management of co-operative societies, so that they are member controlled, self-reliant and also by removing Government intervention in the day-to-day running of co-operatives. Does this Bill meet those objectives, that is to democratize, make the co-operative movement member controlled; and thirdly, to reduce Government intervention day by day? It is my view that this Bill does not meet the target it sets for itself in the Memorandum of Objects and Reasons.

Firstly, Mr. Temporary Deputy Speaker, Sir, in the current Co-operative Societies Act, the most oppressive sections, in my view, are the ones that allow the Commissioner of Co-operatives to intervene into the day-to-day running of co-operatives. These are the rules that allow inquiry and inspection. While agreeing that books of co-operatives societies should be looked into from time to time, these sections have been abused by the officers in the Ministry of Co-operative Development to interfere with the smooth running of well-managed co-operative societies. The rules have also been used to perpetuate corrupt management of the co-operative movement.

In my own Gichugu Constituency, we have had occasions to have the officials of the Ministry of Co-operative Development interfering with the running of Kirinyaga Tea Growers Sacco, which, according to the Co-operative Bank, is one of the best run co-operatives in this country, yet the officials of the Ministry have been under the guise of carrying out inquiries and inspections, been interfering with its smooth running. One wonders why the Ministry officials cannot concentrate on the badly run and badly managed societies where embezzlement is rampant.

Mr. Temporary Deputy Speaker, Sir, looking at the Co-operative Bill now under reference, it imports oppressive sections in the current Act wholesale. Section 58, instead of the Commissioner of Co-operatives, it now gives the Registrar the powers on his own accord or on the direction of the Commissioner to call for either an inquiry or inspection. If we need to democratize, why do we want a Registrar who is a despot, who can without any reason and without consulting anyone, order an inquiry? We should have a Registrar who for good course can order an inquiry. So, I am proposing that this section ought to be amended so that the Registrar must have good course, so that he can state his reasons in writing, and if the management feels that the reasons are flimsy, they can challenge his orders of inquiry in a court of law or before the Co-operative Tribunal. We cannot claim to democratize when we give the Registrar powers that make him a despot.

Mr. Temporary Deputy Speaker, Sir, Section 59, again which deals with inspection, is also imported wholesale from the old Act. These are the most two oppressive sections in the Act that we are currently using. Why have they been imported wholesale into the new Bill, if we are actually democratizing the co-operative movement and giving the management or the members autonomy? Perhaps, those who drafted the Bill and the Minister concerned, together with his officers, should re-think whether we really need an inquiry and inspection as provided by Section 58 and 59. What I am proposing is that, perhaps, the Minister should consider establishing a unit of Auditor and Controller General (Co-operatives) similar to what we have in the Government Ministries, a unit that can audit or that should audit annually, the books of accounts of the co-operative societies and if any misdeeds are exposed, there should be a corresponding legal provision to surcharge the management, to surcharge the wrongdoers and the Tribunal should have powers to follow up.

Currently, Mr. Temporary Deputy Speaker, Sir, we have had a lot of inquiries and inspections, and even where the Ministry of Co-operatives officials go and announce to the members of a co-operative society, that their management officials have embezzled money or money has been unaccounted for, millions have been unaccounted for,

prosecutions have not necessarily followed. The Commissioner has been waiving the penalty against such officials and allowing them to run for elections and to continue fleecing the farmers. There should be a mandatory clause that anybody who has been surcharged is barred for life, not just for five years, but for life from ever vying for an office in the co-operative movement.

One would also like to see the Tribunal established under this Act expanded, so that those who embezzle co-operative money are not only surcharged, but criminal prosecutions should also follow. If those criminal prosecutions are to be taken to the criminal court, then there should be a special unit for prosecution within the Ministry of Co-operative Development, the same way we see it in the Ministry of Labour and Manpower Development where they have their own special prosecutors. Otherwise, if we do not think about what changes are being brought by this Act, it will just be pouring new wine into old wine skins and the changes will remain "cosmetic" and of no good to the farmers and the co-operators.

Mr. Temporary Deputy Speaker, Sir, Section 60 which says that the Registrar may order the co-operative society to pay the expenses of the inquiry is oppressive. The decision of the Registrar should be appealable to the Tribunal and it should not be final, as it is in this Section. If we are talking of democratizing, let us leave room that the Registrar's decision can be subject to scrutiny of a higher tribunal.

Mr. Temporary Deputy Speaker, Sir, we are also saying that where the Registrar, in his opinion, thinks that the society should be dissolved, he should not have powers to commence dissolution on his own. He should recommend such dissolution to the Tribunal which then may consider his reasons and either affirm the decision or quash it. This is Section 61. I am again saying that the Registrar is being left with draconian powers.

Mr. Temporary Deputy Speaker, Sir, when it comes to the registration of co-operative societies, once people seeking registration have fulfilled the mandatory requirement under the law, the Registrar should have no discretion whatsoever, it should be mandatory for him to register that society. Therefore, Section 6(3) which reads: "If the Registrar is satisfied that the society has complied with the provisions of this Act and any rules made thereunder and that its proposed by-laws are not contrary to this Act or to any rules made thereunder, he may register the society"; those words should be altered to read, "He shall register the society".

If they have complied with the provisions of the law, why should we have the discretion to delay registration? Let him have a duty to register them automatically. The same should apply to Section 8, Sub-Section 3, where a co-operative society amends its by-laws. If the by-laws as amended comply with the Act, and the rules made thereunder, the registrar should have no discretion. He should register the amendments. Therefore, the last line in Section 8, Sub-Section 3 should read: "He shall register the amendments". I do not see any reason why he should have discretion, where the society has already complied with the Act.

The other point is about the composition of the tribunal. The Minister should not have powers to appoint a majority of members of the tribunal. If we are democratizing, let the Chief Justice and the Minister appoint equal numbers. Otherwise, the Minister will have a free hand to put people in the tribunal, which will overwhelm the numbers that have been appointed by the Chief Justice. As a balancing act, some of those appointments could be transferred to the co-operative movement, where the co-operators themselves can actually suggest two names. That will create a balance and participation by the co-operators, in the appointment of members of the tribunal.

I am urging the Minister and his officers to seriously re-consider this Bill as it is at present, and to see that it does not meet the objectives as set out, and therefore, it should go back for re-drafting, and for better effort so that it truly democratizes the co-operative movement. I do agree that there is urgent need to review the existing co-operative laws, but if this Bill is passed as it is, we shall not have achieved what it has set out to do. We shall just be reinforcing what already is a very oppressive structure, where the Commissioner of Co-operatives has been given a free hand to interfere and to sometimes mess up the co-operative societies.

Mr. Temporary Deputy Speaker, Sir, currently, there are a lot of court cases pending between co-operative societies, and the Commissioner of Co-operatives on the one hand, and members of those co-operative societies and the management. The only way to resolve this is to look closely at what is the cause of all these cases. It is either allegations of mis-management, or embezzlement of the member's money. If we have the departments that I have suggested, that is, the Controller and Auditor-General Co-operatives, and an enforcement department, where the tribunal has its own prosecutors, and where members know that once you have been surcharged or have been found guilty of an offence of abuse of office or embezzlement of member's money, then those who run for office in the co-operative movement will be very careful not to embezzle member's money. It will not only reduce the number of cases pending in courts, but it will also enhance the democratic running of co-operatives.

Currently, Kabare Farmers Co-operative Society, which is in my constituency, has a dispute between the management and the members. What is happening is that the court has been used to stop elections. What better way is there to resolve a dispute or a crisis of confidence between the management and the members other than by elections? That is why I am saying that the Minister and his team will have to think very hard as to which is the best

way of lessening the disputes between members and the management on the one hand, and the Ministry of Co-operative Development officials and the members on the other hand. I am suggesting that it is strengthening compliance with the Act, and it is also putting safeguards against embezzlement and stringent penalties for those who embezzle members' money.

With those few words, I beg to oppose this Bill, and to suggest that it goes back for re-drafting, before it can be passed to become law. Thank you.

Mr. Munyasia: Thank you, Mr. Temporary Deputy Speaker, Sir. I want to talk about this Bill, and the co-operative movement in the country as a whole.

If this Ministry cared to know what the public opinion about the co-operatives in this country is, I think it would have done a little more than it has done to-date, to improve the image of the co-operatives. I am saying so because yesterday, you explained very well what happens in our constituency, where we grow a lot of onions, pepper and other things. Instead of the people being organised into co-operatives to seek better markets far away from the constituency where their efforts will be rewarded better, they leave it to the sharks who come from elsewhere. I did try one time to explain to my people that they should organise themselves into co-operatives, and do just what you were advising yesterday. The reaction was that of astonishment. They were surprised and I gave up pursuing that matter because I did not want to lose votes. As we are going for polls next, we need to be very careful. So, I had to give up the idea because they said that the co-operative leaders and the management committees have been swindling them very much in the past, and if I proposed that they organise themselves into more co-operatives, I will be the enemy of the poor man.

Mr. Temporary Deputy Speaker, Sir, the case of the running of co-operative societies in Bungoma is clear enough. In fact, I am suggesting that under Clause 86, when this Bill becomes law, where the Minister is given the powers to establish one or more benches in the tribunal in any part of Kenya, I am proposing that Western Province or Bungoma in particular, should be considered for one such bench. This is because there are so many cases of embezzlement by those who have been running the co-operatives there. They have had to do it almost with licence because this Ministry does not pursue those who are found to have swindled the societies. Those who run the societies are aware of this. They know that they will not be taken to court. So, they do it almost with impunity. Yesterday, the Member of Parliament for Gatundu was complaining here about one of the officers in his area, who had swindled a certain society of about Kshs23 million. What he did not know was that it was not necessary for that officer to oil the hands of the Commissioner. The Commissioner would not take him to court and would not allow anyone else to take him to court. I can see that this particular Bill is still shy about taking these people to court.

Mr. Temporary Deputy Speaker, Sir, Clause 73 talks about surcharges. Clause 73(1) reads as follows: "... the Registrar may, on his own accord or on the application of the liquidator or of any creditor or member, inquire into the conduct of such a person and report his findings and recommendations at a general meeting of the society, convened for the said purpose".

If someone has been found guilty of swindling the society funds, why should it be necessary to bring him before a general meeting? In 1979, we had such a case where the then chairman of Bungoma Co-operative Union swindled the union of some Kshs4 million. Mr. Temporary Deputy Speaker, Sir, you might be aware of this case. He went to Chepkube and with Kshs4 million, did very good business in coffee. The Member of Parliament for that area, that time, tried to pursue the matter here, but the man was never brought to book. Instead, the man turned around and stood against that particular Member of Parliament and using the millions that he had swindled from the co-operative union, managed to beat him. What I am saying is that this question of surcharges should be looked into a little more.

I will now move on to Clause 73(2) which states as follows:

"If the Registrar's findings and recommendations indicate that the person be required to repay, or restore the money or property or any part thereof, to the co-operative society together with the interest at such rate as the Registrar may think just, or to contribute such sum to the assets of the society, by way of compensation for the misapplication, retainer, dishonesty or breach of trust, the matter shall be determined by the general meetings in accordance with the society's by-laws".

If the man has swindled the society and he has the money in hand, he will go and bribe the members of the society. He will bring in factors that will make the majority of the people support him. If he is a man who comes from a big clan like the person I was referring to, he will say that it is the clan that is being victimised. And the members will come to the general meeting and exonerate him. I am saying that if, indeed, there is evidence, there should be no need for reference to a general meeting, unless you want the man to politicise the matter. General meetings are political gatherings. My proposal is that the Minister looks into that matter. Where there is evidence that a person has stolen a society's funds, he should be brought to book.

I am happy that in the section under the Co-operative Tribunal, they are saying that those people who have run co-operative societies in the past are accountable for their actions. They can be brought to answer questions before

such a tribunal. I have in mind the notorious DC that we talked about yesterday. Yesterday, we only mentioned two of the societies he ruined. He ruined Kitinda Dairy Co-operative Society Limited and Malaba Malakisi. The same DC appointed himself chairman of the commission to run Banki Ya Ushirika. That again was also ruined. The DC appointed himself chairman of the commission to run the Bungoma Co-operative Union. After swindling the societies of so much money, he was then brought here on promotion. He is now the Deputy PC in Nairobi. Is that a higher position than that of a DC or are they at par? If it is a higher position, then that former DC of Bungoma is now the Deputy PC of Nairobi. So, he is still around and he should be brought to answer questions. It should not be a matter for the general meeting in Bungoma because the books should show that this man swindled those societies and then left after participating actively in the clashes of 1991 and 1992.

There is the question of investments of the society's funds. That is found under Clause 45. In the past, societies have lost a lot of their money by investing in banks that had actually been licensed under the Banking Act. Those so-called political banks have sunk with a lot of the co-operators' money. In Bungoma, the so-called Banki Ya Ushirika has sunk with so much of the co-operators' money. The sugar-cane, coffee, cotton and other farmers who were associated with a co-operative society would usually be given cheques and told to deposit their money with Banki Ya Ushirika. Even schools used to deposit their money with this bank. I hope that this Ministry is doing something about that bank. What has happened to the depositors' money? I hope that the officers in the Ministry will advise the co-operative societies not to bank their money with banks that do not have any history. So, those future political banks should not bank money for any co-operative societies.

I am impressed by Clause 45(c) which states:

"A co-operative society may invest or deposit its funds only in the shares of any other co-operative society".

I think this would be better investment if the co-operative society is not a building society. At the moment, many co-operative societies, especially the SACCO societies have invested so much money in the plazas and the effect has been that the members are now earning reduced dividends. It is not quite clear whether these building societies will actually be beneficial to the members, at least, during their life time. I thought that the Ministry should advise them to invest in consumer co-operative shops. The rest of the society would benefit this way. At the moment, when we have a liberalized market, the sharks are likely to push up the profit margins so much if they do not have a considerate competitor. That is, a competitor who considers the welfare of the small man.

Mr. Temporary Deputy Speaker, Sir, the co-operatives should be the ones to come to the assistance of the small man. That is why I would advise that, instead of SACCO societies investing so much in buildings that might take so long to realise rewards for members, they should consider investing in consumer co-operative shops where they would have prices that are affordable to the majority of their members. If the majority of the members are going to the consumer co-operative shops, then of course, if the shop owners want to remain in business, they will be compelled to also reduce their prices a bit, so that their profit margins would be reduced. That way, the poor man will also have benefitted.

With those remarks I beg to support.

Mr. Gatabaki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important Bill.

The contribution of the co-operative movement in Kenya is substantive. If there was a revolution which has changed the saving patterns of Kenyans, it is the co-operative movement.

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

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

Mr. Temporary Deputy Speaker, Sir, until very recently, the co-operative movement has been the most dynamic aspect of our economic development. It has had the capacity of mobilising small savings and affording every employee access to unlimited funds. This was inconceivable with the banking systems with all their cumbersome requirements. All you require in the co-operative movement is a contribution so that you can borrow three times in most situations of savings. That gave ordinary Kenyans access to substantial amounts of money. It revolutionised the whole system.

Mr. Temporary Deputy Speaker, Sir, all has not been well with the co-operative movement. This gigantic movement has mobilised billions of money. The largest financial sector in our economy has also become a source of finance for crooks. The amounts of money that have been plundered by unscrupulous management is un-speakable.

Mr. Temporary Deputy Speaker, Sir, my main concern is the tea and coffee co-operative societies mainly in

Central Province. Coffee and tea constitute the largest commercial and foreign exchange earner in this country. Tea contributes about Kshs25 billion and coffee about Kshs16 billion. That is about Kshs41 billion as compared to tourism which earns about Kshs35 billion. We are talking about a gigantic sector of our economy. When it comes to the tea and coffee farmer, I have had the opportunity to speak to the Minister many times, and I am grateful the Minister listened to me about the societies and the issue of the middlemen between these farmers and their payments. The process the farmer undergoes is too long. It starts from the farmer to the factory, then it goes to the society, from where it then goes to KPCU, which is another society, then to the Coffee Board of Kenya. From there it goes to the auction and back to the Coffee Board of Kenya, then to KPCU from where it goes to the Co-operative Bank of Kenya, then back to the co-operative society, then to the factory and finally to the farmer. The process takes about 120 percent of the farmers' earnings. In the process, a considerable amount of money is taken by the societies.

Mr. Temporary Deputy Speaker, Sir, I am shocked that whoever was drafting this Bill did not understand the fact that, this country is yearning for liberalization; getting the Government off the back of the farmers. Liberalization means anything that is not conducive to the demand and supply and market forces should be removed. Anything that hinders the free flow of goods and services must be removed.

Mr. Temporary Deputy Speaker, Sir, the liberalization of the co-operative movement is the removal of all the middlemen involved in the handling, processing and marketing of our produce, particularly in the coffee and tea industry. My major concern is the role of the Commissioner of Co-operatives. Here is a situation where the Permanent Secretary of the Ministry of Co-operative Development and the Minister are overshadowed by the Commissioner of Co-operatives. Here is an individual whose powers override those of the Minister for Co-operative Development so much that today, the person whom the co-operators know about is the Commissioner of Co-operatives. The role of the Minister, who is answerable to Parliament, has been over-shadowed by the Commissioner of Co-operatives. This is an office which is not answerable to anybody else apart from the Office of the President. The Commissioner of Co-operatives is a hindrance to the co-operative movement in this country, by the fact that he is not answerable to the Permanent Secretary and the Minister.

Mr. Temporary Deputy Speaker, Sir, the problem those of us who represent the coffee and tea growing areas face is the inflexibility of the Commissioner of Co-operatives. The ordinary coffee and tea farmer is so impoverished because of the mechanisms put in place throughout the marketing of the produce and the impossibility of having dialogue with the Commissioner of Co-operatives. I have called the Commissioner of Co-operatives regarding the dissolution of co-operative societies in my constituency, Kiambu area and the whole of Central Province, in my capacity as a member of the Coffee and Tea Parliamentary Association.

Mr. Temporary Deputy Speaker, Sir, everywhere in the country where coffee and tea are grown, it is the Commissioner of Co-operatives who has become a hindrance. We read in the local news papers about farmers fighting in co-operative societies because of mismanagement of their funds and yet, the Commissioner of Co-operatives, the provincial co-operative officers and the district co-operative officers ignore these issues. The whole establishment is a frustration to the farmers. If there has to be liberalization of this sector, a way must be found of dissolving these middlemen in the name of co-operative officers and extension officers. The role of the Commissioner of Co-operatives in the co-operative movement has to be reassessed. The role of the Commissioner of Co-operatives should be re-assessed. We should ask ourselves what this office has done for the betterment of the farmer and the efficiency of the whole co-operative movement. My experience is that farmers have gone through frustrations. We Members of Parliament who represent this key sector of our economy have been unable to influence or have access to the Commissioner of Co-operatives. This office has been insulated from ordinary dialogue.

Mr. Temporary Deputy Speaker, Sir, although the officer is not here to defend himself I would like to say that the farmers of this country have no confidence in the current Commissioner of Co-operatives, Mr. Bomett. Mr. Bomett has not responded to farmers' requirements. He has been an obstacle to the demands of farmers for better payment for their produce and more efficient marketing system. The whole system has failed to defend co-operative societies. Management committees of co-operative societies form a whole corrupt system. I am asking the Minister, the Permanent Secretary and the whole Cabinet to re-consider the role of the Commissioner of Co-operatives. Since this office was created, what has it done for the efficiency in the co-operative movement?

This is a critical time in our country when the number of Government Ministries is being questioned as the economy shrinks and the requirement for better governance comes into focus. This is not the time to start thinking about reforming institutions which do not deliver. Time has come for this Government to start asking itself: Are there some Ministries and institutions which should be abolished? As we liberalise and open up our economy, and do away with bureaucracy, it is high time we asked ourselves whether we really require a Ministry that does not contribute to the betterment of the farmer.

Time has come for President Moi's Cabinet to think seriously about this issue. These are the last few weeks of this Government, because we will form the next Government. If we form the next Government one of the

Ministries that we shall pay very close attention to is that of Co-operative Development, and in particular the role played by the Commissioner of Co-operatives. I do not want to take a lot of time on this Bill because, no matter how much we talk, very little is implemented by this Government. This Government has a few weeks to go, but before it goes it should give to Kenyans a bit of intelligent drafting of Bills.

With those few remarks, I wish to oppose this Bill. Thank you, Sir.

The Minister for Information and Broadcasting (Mr. Makau): Thank you very much, Mr. Temporary Deputy Speaker, Sir.

QUORUM

Mr. Mutani: On a point of order, Mr. Temporary Deputy Speaker, Sir. I wonder whether we have a quorum in the House! Do we have a quorum in the House?

The Temporary Deputy Speaker (Mr. Mcharo): Mr. Mutani, I agree with you that we have no quorum in the House. Please, ring the Division Bell.

(The Division Bell was rung)

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

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

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Wetangula): Order! Order! Due to persistent lack of quorum, the House stands adjourned until Tuesday, 9th, September, 1997, at 2.30 p.m.

The House rose at 5.35 p.m.