

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 26th August, 1997

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.306

ESTABLISHMENT OF A POLICE STATION IN KAYOLE

Mr. Ruhii asked a Minister of State, Office of the President:-

(a) if he is aware that the sprawling estates of Kayole and the adjacent Soweto urgently require a police station; and,

(b) if the answer to part "a" above is in the affirmative, whether he could ensure that a suitable site is identified and allocated for this purpose in order to protect the lives and property of the residents in the area.

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

(a) I am aware that there is, indeed, a need to establish a police post in the areas in question in order to improve security.

(b) The Government is in the process of identifying a suitable site for the construction of a police post when funds become available.

Mr. Ruhii: Mr. Speaker, Sir, the answer given by the Assistant Minister is a "stereo type" answer because the previous year, I asked the same Question and received the same reply. When and how soon, can the Ministry find a suitable site for a police station in Kayole instead of saying; "when funds become available"? This was the same answer that was given in 1994, 1995, 1996 and now, 1997. Why?

Mr. Awori: Mr. Speaker, Sir, I am unable to give a specific time as to when because all these depend entirely on the availability of funds. Hon. Ruhii participated in the debate on the Vote of the Office of the President and he knows that the amount of funds we were able to get is inadequate to give police posts to all places.

Mr. Kamuyu: Mr. Speaker, Sir, I understand that the Ministry is looking for funds to construct a police station, but there are no funds. However, there are a lot of private land owners around that area. Can the Assistant Minister tell us how much funds he is looking for and how much acreage is required because we might be able to assist him? We will, indeed, do a Harambee for him!

Mr. Awori: Mr. Speaker, Sir, I am not ready with the information the hon. Member requires. In fact, I am grateful to him for the offer. I will most certainly check up to see how much land we require and how much it will cost. Possibly, I will get in touch with hon. Kamuyu to help and participate in the Harambee that he will be presiding over.

Mr. Maore: Mr. Speaker, Sir, we are talking about the security of Kenyans and the Office of the President, being in charge of security, should not take three years "recycling" the same answer. They are the ones who know how much money is needed and they could ask for it from the Treasury. Can the Assistant Minister tell this House why the Buru Buru Police Station is being overcrowded and overburdened with tracking a lot of carjackers and thieves on the road, yet, the Assistant Minister is just watching and saying there is no money? What is he doing about the numerous carjackers and thieves who are dumping people in Kayole?

Mr. Awori: Mr. Speaker, Sir, when carjackers are arrested around the area, if Buru Buru Police Station is full, naturally, they are moved to another police station.

Mr. Maore: They are never arrested!

Mr. Awori: Mr. Speaker, Sir, responding to the interjection that they are never arrested, the hon. Member is unable to substantiate that fact.

Mr. Speaker: Next Question, Mr. Saulo Busolo.

Question No.225

WITHDRAWAL OF POLICE MEDAL FOR GALLANTRY

Mr. Busolo asked a Minister of State, Office of the President if the Government could

consider withdrawal of the Colonial Police Medal for Gallantry conferred on Assistant Superintendent J.M. Walker and Sergeant-Major Kamitu Waita for commanding the Kenya Police and Tribal Police respectively, at Malakisi in Bungoma District where officially 11 Dini ya Msambwa Uhuru fighters were killed on 10th February, 1946.

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

The medals in question were conferred on the ex-officers by the Colonial Governor on behalf of the King of England, and, therefore, the Government of Kenya has no power or legal basis to withdraw those medals.

Mr. Busolo: Mr. Speaker, Sir, in terms of accession and succession to state power, when this Government took over from the Colonial Government, it acceded to the treaties and other kinds of entreaties that Government had arrived at. Now, we are living in a period when the Japanese are apologising to the Chinese for the atrocities they committed there. The Germans have done the same. Why can this Government not ask the British Government to apologise and even withdraw medals they conferred on people who were fighting freedom fighters?

(Applause)

Mr. Awori: Mr. Speaker, Sir, I cannot see how a Government composed of those people who had been colonised is going to apologise on behalf of the colonizers.

Dr. Otieno-Kopiyo: Mr. Speaker, Sir, could the Assistant Minister confirm or deny that these people were commanding the Kenya Police and the Tribal Police as the Question is worded? In that respect, therefore, these gentlemen who are now Kenyan citizens continue to enjoy the reputation that they have medals which they attained disreputedly. Could the Assistant Minister then consider removing from the records of the Kenya Police these accolades?

Mr. Awori: Mr. Speaker, Sir, as to the first question, I wish to say, no. As to the second question, the records are with the colonial Government.

Mr. Busolo: Mr. Speaker, Sir, when it comes to reforms, this Government is not serious; when it comes to defending its people, it is still not serious. If anything, it promotes the deaths of its own people. These people are freedom fighters. In fact, this Government is composed of homeguards; people who never fought for Uhuru, yet they tell us that they cannot apologise. The demand from the Dini Ya Msambwa Uhuru is that this Government apologises and withdraws medals from people who killed them. Hon. Awori never fought for Independence in this country.

An hon. Member: He was a homeguard!

Mr. Awori: Mr. Speaker, Sir, I was never a homeguard and I am a Member of this Government. Hon. Busolo knows very well that my family participated very strongly in the fight for Independence in this country.

Question No.520

PAYMENT OF BONUS TO TEA FARMERS

Mr. Anyona asked the Minister for Agriculture, Livestock Development and Marketing:-

- (a) how many tea growers from Kebirigo, Nyankoba, Nyansiongo, Sang'anyi and Tombe Tea factories in Nyamira District have not been paid their second payment (bonus) for the years 1994,1995 and 1996;
- (b) why Messrs Charles Bichanga (SAO9102); Nemuel Buruchara (SAO9893); Samuel Moturi (SAO9866) and Joyce Tai (SAO9293) of Sang'anyi Tea Factory have not been paid for their green leaf deliveries since November, 1994; and,
- (c) when the growers in "a" and "b" above will be paid their dues, with interest.

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

(a) There are 1,298 tea growers from the following tea factories in Nyamira District who have not been paid their second payment (Bonus) for the last three years:

	1994	1995	1996
Kebirigo 27	52	49	
Nyansiongo	49	45	45

Nyankoba	59	54	59
Sanganyi	220	216	204
Tombe	84	67	68
Total	439	434	425

(b) Messrs Charles Bichanga, Nemuel Buruchara, Samuel Moturi and Ms. Joyce Tai have not been paid for their green leaf deliveries since November, 1994, because they were found to have false weights. Consequently, the value of the falsified weights has been recovered since December, 1995.

(c) The 1,298 tea growers will be paid immediately the KTDA gets recommendations from their local tea committees who are entrusted with the task of vetting growers, but the four growers I have named above, will not be paid since they falsified their weights and are, therefore, subject to recovery of the payments made for the tea leaves. Once the recoveries are completed, farmers will revert to normal procedures of tea payment. **Mr.**

Anyona: Mr. Speaker, Sir, the other day I said that there is a conspiracy to undermine the authority of this Parliament. Last week, this Question came up and this same Assistant Minister declined to answer it because that answer he has just read was inadequate. He said that he was going to get a better answer. Today, he has gone back and read exactly the same answer, which means, we have lost the day for no good reason at all. I would like to demonstrate that the House is being misled. The Assistant Minister says that for Kebirigo, in 1996, there were only 49 farmers who did not receive their payment. Over the weekend, I met these farmers and I have a list containing their names, identity card numbers and weights for the green leaves delivered to the factory. They are 107 farmers. The Assistant Minister has said that there are only 49 tea farmers from Kebirigo who have not received their payments. It is obvious that Parliament is being misled. How does he answer that Question? I am going to table this list at the end of the Question.

Mr. Osogo: Mr. Speaker, Sir, I will be glad to have a look at the list the hon. Member is talking about. I have not misled the House at all. Unless the Minister is satisfied that he can satisfy the hon. Questioner with an answer, it will be wrong for him to come here and pretend to be answering the Question. I agree with the hon. Member---

Mr. Magwaga: On a point of order, Mr. Speaker, Sir. Hon. Anyona alleged that the Assistant Minister refused to answer his Question the last time it was asked on the grounds that it was inadequate and yet he has gone ahead to answer it. Can he state whether hon. Anyona is correct?

Mr. Osogo: The hon. Mwalimu Magwaga should have listened to what I was going to say. I was saying that unless the Minister is satisfied that he is giving a satisfactory answer to the hon. Member, it will be no use for him to stand here and answer it. I queried this Question. I also did say on that day that I had received the answer on that morning. I wrote to the Permanent Secretary asking him three questions as follows: Why should second payment delay for three years? Secondly, do tea growers weigh tea leaves themselves so that they falsify weights? Thirdly, how long does it take tea committees to send the necessary recommendation to the KTDA? I had not been given the information that I wanted and I had to get those replies to answer the Question. I am glad I have got them now.

Mr. Anyona: In view of what the Assistant Minister has said, which is the truth, would it be fair to get such an answer when over the weekend, I met old men and women who cannot read and write? I would like the hon. Assistant Minister to tell us how much money is involved. Is it fair for this Parliament to let this issue just pass like that without asking the Assistant Minister to go back and get us a proper answer?

Mr. Osogo: Mr. Speaker, Sir, I have given the answer as it is. If he asks supplementary questions, I will answer them.

Mr. Obwocha: Mr. Speaker, Sir, in view of the seriousness of this issue, could the Assistant Minister tell this House the reasons for the withholding of these payments to the tea farmers and how much money is involved in 1994, 1995 and 1996 that has not been paid to these tea farmers?

Mr. Osogo: Honestly, except for the four farmers who falsified weights, I am not able to give the figures.

Mr. Speaker: But what is the reason for the delay?

Mr. Osogo: Mr. Speaker, Sir, because of the falsification of weights in all the 27 zones growing tea, there has been this delay. Farmers, in collusion with clerks of KTDA at the collection points, have been falsifying weights in many places. So, the KTDA has decided that local committees be set up to verify weights and that the reports be submitted in July. Reports have been submitted in preparation for payment.

Mr. Anyona: Mr. Speaker, Sir, in view of the fact that in the last elections of committee members, which led to the election of national officials of Kenya Tea Development Authority (KTDA), all the Committees

were wiped out by wananchi because of corruption, which committees does the Assistant Minister have to vet the farmers? This is because they were all wiped out for being corrupt.

Mr. Osogo: Mr. Speaker, Sir, my information is that the committees are in place. The committees have got identities according to their ranks. There is a representative of the farmers, a director of the factory concerned, the factory manager of the factory concerned and a representative of the local growers. Those are there in place and they are the ones vetting the farmers.

Mr. P.N. Ndwiga: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to tell this House that the problems that we have in these places are resulting from the KTDA waiting for the reports of the local committees? The truth is that since the KTDA keeps the second payment for over 15 months before it pays the farmers, there is so much money lying out there.

Mr. Speaker: Order, hon. Ndwiga! I am sorry that is not a point of order!

Mr. P.N. Ndwiga: Are you in order!

Mr. Speaker: Proceed, hon. Nyagah!

Question No. 216

ALLOCATION OF PLOTS IN MAKIMA LOCATION

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

- (a) whether he could furnish the House with the list of 17 persons allocated land in excess of 50 acres within Makima location of Gachoka constituency;
- (b) what was the criteria used in selecting those allocated these parcels; and,
- (c) since the allocations were given in total disregard to the local residents plight, whether the Minister could assure the House that the said allocations will be nullified forthwith.

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

(a) The following is a list of 15 persons, but not 17 as queried by the Questioner, who were allocated 50 acres and above within Makima location of Gachoka constituency:

1. Makima Farmers Company	-	50 acres	
2. Mr. Allan Kiama	-	53 acres	
3. Mr. J.M. Kabatia	-	52 acres	
4. Mr. J.M. Ndunda	-	52 acres	
5. Mr. A.M. Kamunyi	-	52 acres:	Transferred to Catholic Diocese of Embu
6. Mr. B.M. Mwangi	-	52 acres	
7. Mrs. Leah J.N. Njiru	-	50 acres	
8. Mr. Lee Njiru	-	50 acres	
9. Leonard Kiragu	-	50 acres	
10. Mr. Peter Kithinji	-	50 acres	
11. Mr. A.N. Mwaniki	-	50 acres	
12. Mr. Jackson Kang'ali	-	52 acres	
13. Mr. B.K. Kithiru	-	50 acres	
14. Mr. Justus K. Ndotto	-	52 acres	
15. Mr. P.M. Muruatetu	-	52 acres	

(b) I am not in a position to confirm the criteria used in selecting the allottees, but from available records, the applications were approved by the provincial administration and the approval conveyed to the Ministry of Lands and Settlement for implementation as per attached letter, which I am going to lay on the Table.

(c) Therefore, the Ministry cannot cancel the allocations as the allottees have paid for their plots, and some of them have already collected their title deeds.

Mr. Nyagah: Mr. Speaker, Sir, the names as read are all of very prominent people. A man and his wife who works at State House got 100 acres. Today, we are thinking of how to allocate the land to the landless people in Mwea. We are thinking of how to give them five acres each. In the whole of Mwea Division where this land is located, there is no other human being that has a title deed to his or her land, other than those with fifty acres, including the former Minister, Mr. Ndotto, Mr. Kang'ali of Teachers' Service Commission (TSC) and Mr. Muruatetu who was then the Deputy Provincial Commissioner.

Is the Assistant Minister satisfied that the administration was involved in allocation of land when it was not their duty at all, since the land did not belong to the Government? It was Trust Land belonging to the then County Council of Embu. How did the Provincial Administration involve itself in allocating land that does not

belong to it?

Mr. Sumbeiywo: Mr. Speaker, Sir, this land was part of the land that was acquired by the Government for the construction of Masinga dam by Tana and Athi River Development Authority (TARDA). The Government, through the Office of the President, decided to allocate some of the land to individuals for development, and reserve some of it for public utility as stated in a letter from the Office of the President, a copy of which I will lay on the Table with a plan attached to it.

Further investigations revealed that this was a Trust Land and that a process of setting apart the land for acquisition was not concluded. This has created some discontent among some of the local leaders who feel that the surplus land should have been surrendered back to the community. The acquisition of the land was apparently done administratively by the Provincial Administration, and legal requirements were not observed for expediency.

Mr. P.N. Ndwiga: Mr. Speaker, Sir, this land is in the trusteeship of the Embu County Council. Since this land was allocated illegally by the Ministry, Embu and Mbeere County Councils have since sat down and allocated the same land to their landless people. Will the Assistant Minister now consider cancelling the previous allocation? If that does not happen, we are going to have people settling on that land because they have been allocated it legally by the Embu County Council. Could the Assistant Minister consider revoking the earlier illegal allocation, failure to which there will be clashes there?

Mr. Sumbeiywo: Mr. Speaker, Sir, it is not true that this land was allocated illegally. This is because a letter was written to the Commissioner of Lands by the then Permanent Secretary, Office of the President, Mr. J.S. Mathenge. So, the land was allocated legally.

Mr. Mulusya: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House? It has been stated clearly, that the land belonged to the Embu County Council. According to the Trust Land Act, the land must be set aside first and this has not been done to date.

Mr. Speaker: Mr. Mulusya, that is an argument!

Mr. Mulusya: Mr. Speaker, Sir, it is not an argument! We make the law here!

Mr. Speaker: Proceed, Mr. Nyagah!

Mr. Nyagah: Mr. Speaker, Sir, I am surprised that the Assistant Minister can give us this answer. Besides the 17 names which I have given, he answered a different question. But there are 17 other people who got this land after the 15 people had been allocated it. Be that as it may, is the Assistant Minister aware that 1,000 hectares of land were set aside by the Embu County Council, for TARDA to construct Masinga dam? The agreement was that as soon as the dam was complete, whatever remained would revert to the County Council of Embu, but instead, people rushed to State House, where instructions were given to the Commissioner of Lands and that is how these prominent personalities got this land. With that information, could the Assistant Minister revoke these allocations and also advise them that Kamunyi's land was not transferred to the Embu Catholic Church? They bought it from him at Kshs6 million.

Mr. Sumbeiywo: Mr. Speaker, Sir, as I said earlier on, the acquisition of that land was apparently done by the local Administration and the legal requirements were not observed.

Dr. Kituyi: Mr. Speaker, Sir, could the Assistant Minister tell this House under what authority a Permanent Secretary in the Office of the President purported to issue land which was under the trusteeship of Embu County Council?

Mr. Sumbeiywo: Mr. Speaker, Sir, as I said earlier on, it was not done legally. What remains is to carry out further investigations and then---

Mr. P.N. Ndwiga: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to say that there will be further investigations, whereas the evidence before this House is so clear? He has accepted that this land was allocated illegally and it belonged to the Embu County Council. Could he now go ahead and revoke this allocation without further delay?

Mr. Sumbeiywo: Mr. Speaker, Sir, there is no way this allocation can be revoked, because the allottees have already been given the title deeds.

Mr. Speaker: Next Question!

Question No.592

REPAIR OF ROADS IN RONDA ESTATE

Mr. Speaker: Mr. Mungai is not here! Next Question!

*Question No.336*INTIMIDATION OF FORMER EMPLOYEES
OF KENTAINERS LIMITED

Dr. Kituyi asked the Minister for Labour and Manpower Development:-

(a) if he is aware that Messrs Kentainers Limited of Factory Road, Nairobi, are writing letters to potential competitors threatening them with harm if they employ former employees of Kentainers Limited, ostensibly for fear of divulging their patented know-how in plastic moulding;

(b) under what law these people are denying Kenyan workers not only the opportunity to earn a living, but also the right to seek an alternative livelihood; and

(c) what action he has taken since the Industrial Area District Labour Officer wrote letter Ref.ML/IA/DLO/96 of November 19th, 1996, expressing outrage at what he called an immoral act, after one of the affected employees detailed the officer about his suffering.

The Assistant Minister for Labour and Manpower Development (Mr. Komen): Mr. Speaker, Sir, I beg to reply.

(a) I am aware.

(b) It is unlawful for any employer to deny Kenyans freedom to move from one employment to another.

(c) The Ministry gave a stern warning to the Company to desist from the practice and since then, no complaints have been received.

Dr. Kituyi: Mr. Speaker, Sir, this is absurd in the extreme. This is a situation where Kenyans who have been employed by a company which deals in very ordinary technology of moulding plastic water tanks lose their jobs and their former employer writes letters to all other companies manufacturing plastic tanks threatening them with dire consequences if they employ these un-employed young Kenyans. They then reported the matter to the Industrial Area Labour Office, which wrote to that company and the company wrote back to the other companies which had complained about the matter. I have a copy of a letter from the General Manager of Kentainers Limited, Mr. Rajev Kakar warning other companies like Solco---

Mr. Speaker: Dr. Kituyi, I do not think that is in dispute, since the Assistant Minister has agreed that he is aware.

Dr. Kituyi: Mr. Speaker, Sir, I am getting to the fundamental question. Kentainers Company Limited has written to all the other companies in very crude language stating that: "If you employ any of these people, we object and you are going to suffer the consequences yourselves". This is illegal and the Assistant Minister agrees that it is illegal. The fact that there are no complainants coming to the labour office is because none of them can go to those alternative employment opportunities.

What action has the Government taken to deal with such an illegality? A stern warning is not good enough. If Kentainers Company Limited is breaking the law by warning other companies that they will suffer dire consequences if they employ former Kentainers Company Limited employees, what action are you taking besides a stern warning?

Mr. Komen: Mr. Speaker, Sir, at the moment we are satisfied with what is going on. We only had one case and no one has complained since then.

Prof. Ouma: Mr. Speaker, Sir, what I have heard is tantamount to commercial banditry and hooliganism. How does a company behave like a bandit by entrusting the law unto itself, and then, the Assistant Minister just says: "We have warned them"?

Mr. Speaker, Sir, first, what will the Ministry of Labour and Manpower Development do to ensure that this form of new hooliganism will not be created as a commercial culture? Secondly, what will the Ministry do to ensure that we do not have a form of enslavement of labourers? These men are now enslaved in poverty because they cannot be employed. What will you do to remove the chains of enslavement from these labourers?

Mr. Komen: Mr. Speaker, Sir, we thank the Questioner for bringing up this complaint. We have dealt with it and if he discovers any other complaint, he should bring it to our attention and we will deal with the company.

Dr. Kituyi: Mr. Speaker, Sir, first of all it is surprising that correspondence between registered companies and the Industrial Area Labour officer is not information to the Ministry until I refer to that correspondence on the Floor of the House. Be that as it may, as of now, the former factory manager, two former machine operators and an assistant semi-skilled labourer at Kentainers Limited are all unemployed because all the companies which had

offered to employ them have been written harassing letters by Kentainers. I spoke to some of these people last week and they are still un-employed. Could the Assistant Minister tell this House what he is going to do in the light of this information?

Mr. Komen: Mr. Speaker, Sir, we only have a case of one person on record and we have dealt with it.

Dr. Lwali-Oyondi: Mr. Speaker, Sir, since Kentainers Limited has been against our people and has imposed sanctions on our labour force, could the Assistant Minister agree to impose sanctions on the products of Kentainers Limited?

Mr. Komen: Mr. Speaker, Sir, at the moment we are satisfied with the warning we gave them. If there is any further complaint the hon. Member should contact me and then, I will deal with it.

Mr. Speaker: Next Question!

Question No. 420

POSTING OF AN ADDITIONAL JUDGE TO MIGORI

Mr. Achola asked the Attorney-General:-

- (a) whether he is aware that the Resident Magistrate's Court at Migori is thoroughly congested and badly requires urgent expansion;
- (b) if the answer to (a) above is in the affirmative when it will be done; and
- (c) in view of the many cases that are pending at the court, whether he could consider posting an additional judge to Migori so as to ease the workload and save wananchi from delayed justice.

The Attorney-General (Mr. Wako): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that the Resident Magistrate's Court at Migori is congested and badly requires urgent expansion.

(b) Work to expand the court and provide one extra court room, chambers and an executive officer's office will commence in October, 1997.

(c) There is no High Court in Migori and so the appointment of an additional judge does not arise. However, an additional magistrate of the level of senior resident magistrate will be posted to Migori Court once the expansion exercise is complete.

Mr. Achola: Mr. Speaker, Sir, I wish I could believe that answer by the Attorney-General. If it is true that work will start in October, 1997 then I would like to thank him for his answer. Finally, I wonder why it took him so long to come up with the plan for the improvement of the court!

Mr. Wako: Mr. Speaker, Sir, the delay was partly due to financial constraints, but I am glad that, that is all over.

Mr. Speaker: Mr J.N. Mungai's Question for the second time.

Mr. J.N. Mungai: Mr. Speaker, Sir, I would like to apologise for having been late.

Question No.592

REPAIR OF ROADS IN RONDA ESTATE

Mr. J.N. Mungai asked the Minister for Public Works and Housing :-

- (a) whether he is aware that the road between Ronda Estate through Kikapu, Naishi, Vagalia to Kapigemet is totally impassable during the rainy seasons and that the area from Mastoo Mbili to Naishi Centre is equally inaccessible; and
- (b) what immediate measures he is taking to make these roads passable.

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

(a) I am aware that the road between Ronda Estate through Kikapu, Naishi, Vagalia to Kapigemet is totally impassable and that the area from Mastoo Mbili to Naishi is equally inaccessible. However, I am aware that a number of sections, totalling approximately 17 kilometres along, of the road in question are in a bad condition because the gravel is worn out. The whole road will be maintained this financial year subject to availability of funds.

(b) The Ministry has plans to grade and gravel patch the bad sections of the road at a cost of approximately Kshs150,000. This amount has already been issued to the District Works Officer in Nakuru for the work to commence.

J.N. Mungai: Mr. Speaker, Sir, I think the Assistant Minister is very misinformed about his Ministry and what is happening in Nakuru. I do not want to pursue this Question, but would like to inform him that when the President visited that area less than a month ago he saw that the road was totally impassable and has given a directive that it be murramed. So, I do not want to pursue this Question further, but the Assistant Minister does not know what is going on in his Ministry.

QUESTIONS BY PRIVATE NOTICE

ALLOCATION OF LAND TO SALT FACTORIES

(Mr Ndzai) to ask the Minister for Lands and Settlement:

How much land have all the salt factories in Malindi District been allocated?

(b) Is the Minister aware that these companies are using the Provincial Administration to evict the squatters who have lived on the land without giving them alternative plots?

(c) If the answer to (b) above is in the affirmative, would the Minister stop this eviction?

Mr. Speaker: Mr. Ndzai is still not in the House? His Question will be dropped.

(Question dropped)

Mr. Murungi's Question.

RE-ALLOCATION OF LATE FIELD MARSHAL BAIMUNGI'S WIDOW'S LAND

Mr. Murungi: Mr. Speaker, Sir, I beg to ask the Minister for Lands and Settlement the following Question by Private Notice.

(a) Is the Minister aware that the piece of land in Timau allocated by the Government to Muthoni Baimungi and Susan Kagwiria Baimungi, who are widows of the late Mau Mau Field Marshal Baimungi, has been irregularly allocated to other person(s)?

(b) Is he further aware that the said widows and their children are living in abject squalor and poverty?

(c) What urgent steps is the Minister taking to allocate alternative land to them.

Mr. Speaker: Since I can see that there is nobody here from the Ministry of Lands and Settlement I will defer this Question.

(Question deferred)

NON-PAYMENT OF SALARIES TO MAJANI MINGI WORKERS

Dr. Lwali-Oyondi: Mr. Speaker, Sir, I beg to ask the Minister for Labour and Manpower Development the following Question by Private Notice.

(a) Is the Minister aware that 300 workers of the Majani Mingi Factory have not received their salaries for the months of June and July and that most of their families are starving?

(b) Is he further aware that the factory management has not remitted its statutory deductions, e.g, NSSF, NIHF and co-operative societies deductions?

(c) If the answers to (a) and (b) are in the affirmative what urgent steps is the Minister talking to rectify the situation?

The Assistant Minister for Labour and Manpower Development (Mr. Komen): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that 300 workers of Majani Mingi Factory have not received their salaries for the months of June and July, 1997.

(b) I am aware.

(c) The Ministry has taken the company to court vide Criminal Case No.1845 of 1997 in the Principal Magistrate's Court, Nakuru, to enforce the payment of salary arrears and remittance of statutory deductions.

Dr. Lwali-Oyondi: Mr. Speaker, Sir, arising from the Assistant Minister's answer is he also aware that this particular person, by the name of Harry Horn, has completely refused to meet the labour officers whenever

they have called on him to do so, and that he threatens to report them to a very high authority?

Mr. Komen: Mr. Speaker, Sir, the reason why we have taken this man to court is because he was not co-operative. The problem is so unique and the hon. Lwali-Oyondi knows the kind of a man Mr. Harry Horn is. We are still pursuing him because he has avoided our labour office. He has not been co-operative and that is why the matter is in court.

Dr. Lwali-Oyondi: Mr. Speaker, Sir, since this man seems to be very rude and yet he is not of any consequence in this country, can the Assistant Minister consider deporting him from the country?

Mr. Komen: Mr. Speaker, Sir, at the moment he has employed about 400 workers, and we would like to see that these workers are paid before he leaves the country. He also has other problems, apart from non-payment of salaries to his employees. He has other problems with banks and so on. That is why things are a bit difficult for him.

Mr. Speaker: Next Order!

POINTS OF ORDER

DISPOSAL OF CONTAMINATED MAIZE: MINISTERIAL STATEMENT SOUGHT

Dr. Kituyi: On a point of order, Mr. Speaker, Sir. I have very many promises of Ministerial Statements from the Minister for Health, which have not come through. But now I again wish to ask him to come and explain to this House what measures the Government is taking in the light of what happened last Saturday, where contaminated maize meant for destruction was disposed of in a neighbourhood of poor and unemployed Kenyans in Embakasi, leading to massive collection of that maize by poor Kenyans. There is a major threat that we will soon have people dying because of eating this contaminated maize. He should tell this House what urgent action the Government is taking against M/s Transami Transport Company which had been contracted to dispose of this contaminated and toxic maize.

The Minister for Health (Gen. Mulinge): Mr. Speaker, Sir, I am not aware of that. I will find out about it and report back to the House next week.

Mr. Maore: On a point of order, Mr. Speaker, Sir. Is the Minister in order to misunderstand what has been put clearly? We are seeking for a Ministerial Statement and are not talking about whether or not he is aware of the matter! He may or may not be aware of it!

Mr. Speaker: Order! Order, Mr. Mungai! You can understand why the Minister could not even understand what the question was. There is too much consultation!

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

Mr. Speaker: Order! If you intervene again, Mr. Achola, you will be ordered to withdraw from the Chamber! So, even the Chair finds it difficult to understand what the Members are requesting for. It is the right of Members to make their various requests and, it is also the right of other Members responsible for answering those requests, to hear what is being said. So, can we communicate quietly? What was it, Mr. Murungi?

VIGILANTES GROUP IN IMENTI: MINISTERIAL STATEMENT SOUGHT

Mr. Murungi: On a point of order, Mr. Speaker, Sir. I stand to demand a Ministerial Statement from the Minister of State, Office of the President. There is a group of vigilantes operating in South Imenti called "community police" which has usurped the role of the police, the courts and the role of the Provincial Administration. This group is operating under the command of one police constable at Nkubu Police Station and a former Member of Parliament. They have arrested people for offences not known to the law and they have tried those people in kangaroo courts and flogged some people in public. It was just last week when two old men were sentenced to receive 70 strokes of the cane and now these old men cannot walk. The names of the old men are: Messrs Joshua Murerwa and Kithinji. We would like the Minister to investigate the operations of this group because, as far I know, the group is unconstitutional and illegal. Moreover, there is great fear in South Imenti that this group could be used to start tribal clashes in Meru District. So, I would like the Minister concerned to give a Ministerial Statement to clarify the legal position of this group and what action the Government is taking on it.

Thank you, Mr. Speaker, Sir.

Hon. Members: Not Mr. Kalweo!

Mr. Murungi: Mr. Speaker, Sir, my colleagues have advised me that Mr. Kalweo should not respond to this request.

Mr. Speaker: Mr. Murungi, you have absolutely no power to decide who answers what question!

Prof. Mzee: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: What is it Prof. Mzee?

Prof. Mzee: It is a different issue, Mr. Speaker, Sir.

GRABBING OF MOMBASA PRIMARY SCHOOL PLOT:
MINISTERIAL STATEMENT SOUGHT

Prof. Mzee: Bw. Spika, Waziri Msaidizi wa Serikali za Wilaya, Dr. Wameyo, alitoa ahadi kwamba atayataja mjina ya wale watu walionyakua kiwanja cha Mombasa Primary School. Alisema kwamba anayo hayo majina na atayatoa. Je, anaweza kuyatoa majina ya wale walionyakua kile kiwanja?

Mr. Speaker: Dr. Wameyo, are you ready now?

The Assistant Minister for Local Government (Dr. Wameyo): Mr. Speaker, Sir---

Mr. Rotino: On a point of order, Mr. Speaker, Sir. He is not audible! We cannot hear him!

(Dr. Wameyo moved to the Dispatch Box)

The Assistant Minister for Local Government (Dr. Wameyo): I have moved here as a result of a request from hon. Members. To answer hon. Prof. Mzee's question; two letters have been written by the Municipal Council of Mombasa, with copies sent to the Ministry of Lands and Settlement, requesting for the names of the allottees and, I am still waiting for the reply. When I get the information, I will bring it here.

CAUSE OF THE LIKONI ATTACKS:
MINISTERIAL STATEMENT SOUGHT

Mr. Mwavumo: Jambo la nidhamu, Bw. Spika. Waziri katika Ofisi ya Rais, aliliahadi Bunge hili kwamba ataeleza juu ya chanzo cha fujo katika sehemu ya Likoni. Mpaka sasa Waziri huyo hajatwambia chochote na watu waendelea kufa. Polisi wanavunja nyumba, kuwatoa watu na kuwapiga hadi kufa. Mali za watu zinachukuliwa na tunaishi katika hali ya hofu. Kila siku, kuanzia wiki iliyopita, tunawazika watu wanne au watatu. Hata wakati huu, kuna watu zaidi ya 100 ambao hawajulikana waliko. Tafadhali, ninamwomba Waziri aelezee ni kwa nini Serikali haijachukua hatua. Wakati wa jaribio la mapinduzi la mwaka wa 1982, Serikali iliizima jaribio hilo mara moja. Sasa Serikali inawezaje kushindwa kutuliza fujo huko Likoni? Tunaishi kwa hofu, watu wanakufa na mali inapotea. Tunamuomba Waziri ajaribu kutuliza fujo huko Likoni ili watu wasiendelee kufa.

The Assistant Minister, Office of the President (Mr. Awori): Bw. Spika, bado Serikali inapeleleza ili ipate kiini cha hayo Mambo. Ningewasihi wahe. Wabunge wasubiri kidogo hadi wakati tutakapoleta habari hapa Bungeni. Kama wenzangu, vile vile ninahuzunika sana. Ni lazima tukijue chanzo cha mambo haya!

Hon. Members: Ah! Uongo!

MINISTERIAL STATEMENT

ALLEGED CLOSURE OF THIKA DISTRICT MORTUARY

The Minister for Health (Gen. Mulinge): On a point of order, Mr. Speaker, Sir. I would like to refer to a report contained in *The East African Standard* issue of 21st August, 1997, which alleged that the District Public Health Officer of Thika District had closed Thika District Hospital Mortuary indefinitely due to technical problems. The position is as follows:

1. The mortuary is not closed.
2. The District Public Health Officer has issued a public health notice for the next of kin to collect the bodies which have been lying in the mortuary for too long; thus causing congestion.
3. The mortuary capacity is 12 bodies but, currently, there are 36 bodies of which 14 have been lying there uncollected for over two months.
4. In accordance with the Public Health Act, Cap.242, no person should keep a dead body in a public mortuary for more than 10 days without a reasonable excuse, which should be communicated in writing to the

Medical Officer of Health.

5. The public health notice issued by the District Public Health Officer is the appropriate procedure and the respective relatives are expected to take the necessary action.

6. In case of failure of the next of kin to collect the bodies, the District Public Health Officer will seek a court order for their disposal as destitute.

7. The action taken is to decongest the mortuary and to improve public health in general.

Thank you, Mr. Speaker, Sir.

Mr. Ndicho: Mr. Speaker, Sir, I want to thank the Minister because he has, at least, taken the trouble to find out what is happening. But I am amazed to hear him read out a statement here that the mortuary is not closed.

Today, Tuesday 26th August, 1997 was the last day for collection of the bodies before the mortuary is closed. It is true the deep freezer has broken down, and as a result, there is a very bad stench around the mortuary. If now the Ministry has come up with another statement that the mortuary is not closed, then that is a different matter. But in the same breadth, may I inform the Minister, that in that mortuary, there is a body being disputed over by two families. I would, therefore, like to request the Government to intervene and ensure that this body is not buried in the mass grave as this matter is in court. But we welcome the news that the mortuary will not be closed because we do not know where to take the bodies after its closure. We also look upon him to rectify the cooling system.

Mr. Speaker: Gen. Mulinge, do you have any response?

The Minister for Health (Gen. Mulinge): Mr. Speaker, Sir, it is true as I have stated earlier that the mortuary is not closed. All we want is for people to collect bodies of their dead relatives from the mortuary for burial. If there are genuine reasons why some of these bodies cannot be collected as you have said, then such cases should be reported to the District Medical Officer, Thika.

Mr. Speaker: Next Order!

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[Mr. Speaker left the Chair]

IN THE COMMITTEE

(The Temporary Deputy Chairman

(Mr. Wetangula) took the Chair]

THE FINANCE BILL

Clause 2

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 2 be amended in sub-paragraph (ii) of paragraph (b), by deleting the words "by such export processing zone enterprise."

This is just to make it clear that it is the importer who pays the duty, and not the entrepreneur, in the Export Processing Zone (EPZ).

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Clause 2 as amended agreed to)

(Clauses 3 and 4 agreed to)

Clause 5

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 5 be deleted and the following new clause inserted.

Repeal and replacement of section 125 of Cap.472

5. The Customs and Excise Act is amended by repealing section 125 and replacing it with the following new sections -

Advisory committee on dumping and subsidisation of goods.

125(1) The Minister may, by notice in the Kenya Gazette, establish an advisory committee comprising not more than five persons, to investigate cases of dumping or subsidisation of goods exported to Kenya, and to report its findings to the Minister.

(2) The Minister shall, in regulations, prescribe the procedure to be followed by the Advisory Committee in conducting investigations under subsection (1), and may impose such provisional measures as may be necessary to protect any industry in Kenya that may be threatened by such dumping or subsidisation.

Provided that such provisional measure shall not be imposed before the expiry of sixty days after the commencement of investigations under this Section.

Imposition of anti-dumping duty countervailing duty.

125(A) Where upon the findings of the committee appointed under section 125, the Minister is satisfied -

(a) that goods of any description are being or have been imported into Kenya in circumstances in which they are under this Act to be regarded as having been dumped; or

(b) that some Government or public body outside Kenya has been giving a subsidy in respect of goods of any description imported into Kenya which has the effect of conferring a price advantage on such goods over similar goods manufactured in Kenya, the Minister may, where the exporter offers to increase the price of the respective goods to the extent of the dumping margin or the amount of subsidy, accept such an offer, or/may, by order in the Kenya Gazette -

(i) in the case of goods regarded as having been dumped, impose an anti-dumping duty, or

(ii) in the case of goods in respect of which a subsidy has been or is being given, impose a countervailing duty.

(2) The anti-dumping duty or countervailing duty imposed under sub-section (1) shall be chargeable in addition

to any other duty for the time being chargeable on the respective goods.

Provided that:-

- (a) the rate of such duty shall not exceed the dumping margin or the amount of the subsidy found to exist; and
- (b) no duty shall be imposed under this section where the Minister is not satisfied that the effect of the dumping or the subsidy is such as to cause or threaten material injury to an established industry in Kenya, or is such as to retard materially the establishment of an industry in Kenya.
- (3) An order under sub-section (1) shall specify either the country from which the goods originated or from which the goods were imported into Kenya and may include such provisions with respect to the description of the goods chargeable with duty as may appear to the Minister to be required for the purposes of this Act and, in particular, provisions limiting the description of the goods by reference to the particular persons or organisations by whom the goods were produced or who were concerned with the production of the goods in some specified manner.

Mr. Temporary Deputy Chairman, Sir, the purpose of this amendment is to comply with the requirement of the World Trade Organisation. As we know, Kenya is a signatory to WTO document, and, therefore, our regulations about dumping and subsidies have to comply with the requirements of the WTO.

(Question of the amendment proposed)

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, this is a very dangerous proposal for amendment of the Financial Bill. First, if you look at what is being amended and deleted to be replaced with this new Clause, it is a much more straightforward exercise in establishing a capacity for anti-dumping measures. What emerges now is the absence of a system. The Minister wants the freedom that when he deems it necessary, upon some advice that there might be some dumping, he can set up a five member committee, it may look at these things and recommend to him. If he thinks that this is not dumping, or that there is no industry which is being hurt or likely to be hurt, even if it is proved to him that this is dumping, he can still ignore it.

Look at two specific things here. One, that people are hurting the Kenyan economy through dumping, and the punishment is that if it is established that you are dumping under Sub-clause 2(a), the rate of such duty shall not exceed the dumping margin.

Mr. Temporary Deputy Chairman, Sir, what deterrent measure is there to stop people from dumping things here if the most that can happen to them is to pay the difference between the dumping price and the normal price? Then that means that there is no punishment at all. Any time you try to dump these things the worst that can happen to you is to be made to pay as if you are not dumping.

Mr. Temporary Deputy Chairman, Sir, secondly, look at the very next one which is part (b) and it says:

"No duty shall be imposed under this section where the Minister is not satisfied that the effect of the dumping or the subsidy is such as to cause or threaten material injury to an established industry in Kenya or is such as to retard materially the establishment of an industry in Kenya."

What gives the Minister the capacity to satisfy himself totally that this dumping is not likely to affect our future industries, that if you imported these clothes without paying duty or a dumping price, you are not likely to affect a future factory of textiles in Kenya? I find a rational ground will not lead us to accept this kind of amendment to the original Financial Bill if this Government is already faced with a crisis, that is being orchestrated by apart from dumping, barons who are importing things without paying duty which has exactly the same effect as dumping if not worse? This is because in dumping, you do not cheat as much as those who are not paying tax. These include the Sajjads and all the other sugar smugglers who are importing sugar into this country.

Mr. Temporary Deputy Chairman, Sir, with those remarks, I very strongly recommend to this Committee that we reject the proposed amendment to the Bill.

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Assistant Minister, do you want to take all the objections before you respond or you want to respond to the objections one at a time?

The Assistant Minister for Finance (Mr. Barmasai): One at a time.

The Temporary Deputy Chairman (Mr. Wetangula): So, ideally you will save us a great deal of time if you took all of them and then responded to them. I want to beseech you, gentlemen, to be as brief as you possibly can because this is not an open debate; we are at Committee Stage.

Mr. Shikuku: Jambo la nidhamu, Bw. Naibu Mwenyekiti wa Muda. Ni jambo la kusikitisha kuona Wabunge wengine wanasimama wakati unapozungumza?

The Temporary Deputy Chairman (Mr. Wetangula): Thank you, hon. Shikuku. These Members never learn and you have said that many times.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, I totally agree with my hon. friend Dr. Kituyi, but I just want to add one thing. The Assistant Minister said that they are doing this to be in compliance with the World Trade Organisation, which is fine. But, I think, we should also do this to be in compliance with our own laws and our responsibilities here. The Prevention of Corruption Act should have been invoked here because dumping goods into this economy is an economic crime covered partly under the Prevention of Corruption Act. I am just saying that the question of referring to the World Trade Organisation does not help. I think what hon. Dr. Kituyi is saying is that Government hands would have been strengthened if the Assistant Minister had realised that there should be a much more substantial punishment meted out to such offenders and if those punishments were to be found within the context of Prevention of Corruption Act.

Mr. Temporary Deputy Chairman, Sir, secondly, I do not think that in our context this responsibility should be given to the Minister alone. This is because the Ministers are the problem, together with their President. So, I think that there should be a much more enabling Act to do this kind of thing than it is concealed here. So, I am just saying these two things to join hands with Dr. Kituyi and bring to the attention of the Assistant Minister

that what you are doing here is really not effective enough. Thank you.

Mr. Shikuku: Bw. Naibu Mwenyekiti wa Muda, ukweli ni kwamba mimi sikuwa hapa. Lakini nafikiria ule Mswada kuhusu fedha ulisukumwa na haya marekebisho yakaletwa kwa haraka. Marekebisho hayo ni hatari na baba wake anaitwa danger. Yaani hatari bin danger. Hapa imeandikwa kwamba: "The Minister may by notice in the Gazette establish an advisory committee". Yaani akipenda anaweza na asipotaka anaacha. Na sisi Wabunge kama watungaji wa sheria tunataka kupitisha marekebisho kama hayo. Huu utakuwa ugonjwa mkubwa. Neno "may" lingekuwa "shall". Hii ni kwa sababu mambo haya yanahusiana na maisha ya wananchi.

Pili, tungetaka atuambie ni watu wa ujuzi gani ambao watateuliwa kwa sababu Serikali hii inajaa wafisadi sana. Hata dunia inajua sisi ni wa tatu kwa upande wa ufasidi katika dunia ambayo Mungu ameumba. Hatuambii watu hao ni akina nani.

Bw. Naibu Mwenyekiti wa Muda, ikiwa kamati itakuweko, mbona yeye Waziri tu ndiye atakuwa na uwezo wa kusema kwamba amekubaliana na maneno ya kamati ama amekataa, na mambo yake yafanywe. Tunampatia Waziri uwezo wa kufanya kile anachotaka. Hata ile kamati ikisema kitu fulani si kizuri, yeye akiwa hajaridhika atasema: "Sitaki maneno yenu, nitafanya kile ninachotaka". Tunaweza kupitisha maneno kama haya namna gani? Wajukuu wetu watatuuliza nini? Nafikiria ile sheria ya zamani ni afadhali mara milioni kushinda kuleta marekebisho. Yale mambo ya ufasidi ambayo yamesemwa na Prof. Anyang'-Nyong'o ni bora. Ni lazima sheria iwekwe katika Mswada huu. Haraka hii haiwezi kutuletea baraka na pengine Bw. Msaidizi Waziri angetupilia mbali haya marekebisho na tukae chini na tufundishane kwa sababu tuko katika hatari. Pesa za nje zimekwenda na hawatazileta tena. Itatubidii tukae chini tubadilisha sheria ili tuweze kuiokoa nchi hii.

Mr. Obwocha: Mr. Temporary Deputy Chairman, Sir, Kenya is a signatory to GATT; that is the General Agreement on Trade and Tariffs.

The Temporary Deputy Chairman (Mr. Wetangula): GATT is dead. It is a precursor to the World Trade Organisation (WTO). The instruments and the protocols of GATT are now managed by the WTO.

Mr. Obwocha: Right. Now, what I was going to request the Assistant Minister to do if he is serious about introducing this new clause, is not to punish the people by subsidising the duty, but to have a clause here to punish people who are dumping those goods here. That is what we would have expected to have in this clause. So, could the Assistant Minister move another amendment to provide for punishment for those who are dumping the goods here instead of subsidising the rate of duty for dumping the goods in Kenya?

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Assistant Minister, can you now respond to all those.

The Assistant Minister of Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, with regard to what Dr. Kituyi said, we feel that margin is enough to deter dumping because in any case, there is still the usual duty that has to be paid also. So, this will be on top of what will be paid.

Mr. Temporary Deputy Chairman, Sir, on the question of revoking the Prevention of Corruption Act as suggested by the hon. Prof. Anyang'-Nyong'o, I would like to say that one still works because if there are cases of corruption, I am sure that Act will be applied accordingly.

Mr. Temporary Deputy Chairman, Sir, hon. Shikuku has suggested that the word "may" should be replaced by the word "shall". I will say that the word "may" appears in all the Acts. I am sure that the Minister will use his intelligence to make sure that he appoints the best that is available in the market to run the committee. One can argue that all the Ministers are not capable of appointing the best people. So, we assume that the Minister will be in a position to appoint the best.

Dr. Kituyi: On a point of order, Mr. Temporary Deputy Chairman, Sir. Notwithstanding the total inability of the Assistant Minister to respond to the very serious matters raised here, is he in order to purport that we are questioning the seriousness of Ministers in appointing good people when we know that in the area of importing goods that are hurting this economy, the Minister for Finance has been found to be incapable of standing up to the main thieves who have stronger connections with State House than himself? That argument has nothing to do with whether he is a good person or not. Are you in order to falsify our argument by creating a strawman and then you fight the very strawman and you think that you are fighting the argument that we have presented?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, one of the hon. Members has also suggested that those who are dumping goods here should be punished. In most cases, those dumping goods are people who are exporting goods to this country. So, it is difficult to punish somebody in his own country.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Chairman, Sir. Is the hon. Assistant Minister in order to mislead the House that it is the exporters from external countries who dump goods here while it is the Kenyan importers who bring the goods and dump them here?

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, you know this Assistant Minister does not know anything or what he is talking about!

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I know exactly what I am talking about; I know what you think about other communities.

What I have answered is enough.

Prof. Mzee: On a point of order, Mr. Temporary Deputy Chairman, Sir. Is the Assistant Minister in order to assume that when we want to make an alteration, we are underestimating him, while we are making laws to protect him?

The Temporary Deputy Chairman (Mr. Wetangula): What is your point of order?

Prof. Mzee: Is the Assistant Minister in order to refuse to listen to our suggestions and come rumbling around on things he does not understand? He has been given direction he should follow and he is just rumbling around without having any basis for his talking. He should talk sense!

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I have talked sense. We did not come here to insult each other.

The Temporary Deputy Chairman (Mr. Wetangula): Prof. Mzee, that is not a fair comment. You must withdraw! First, the Assistant Minister is not rumbling and I think you are not fair in saying he should talk sense. I do not think he has talked any nonsense. You must withdraw, Prof. Mzee.

Prof. Mzee: Mr. Temporary Deputy Chairman, I withdraw the words "nonsense" and "rumbling". We are having "voting machines" on that side. They are determined to vote on whatever their masters want them to pass, even if they are irrelevant. He does not know the difference between "may" and "shall". "May" is if I want to do it, I will do it, but if I do not want to do it, I will walk away. "Shall" will force the Minister to appoint. So, when we are making these amendments we know what we are doing.

The Assistant Minister for Home Affairs and National Heritage (Mr. Mutiso): On a point of order, Mr. Temporary Deputy Chairman, Sir. Is the hon. Member in order to call hon. Members on this side "voting machines" when we are actually performing our duties as hon. Members of this House?

Mr. Obwocha: On a point of order, Mr. Temporary Deputy Chairman, Sir. My question was legitimate to the Assistant Minister. I was asking the Assistant Minister to punish those involved in dumping. I did not refer to the exporters. It is a two-way traffic; there are people who are exporting and there are people who are importing from this country. Those are the ones we want punished.

Could the Assistant Minister address that issue?

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Assistant Minister, I think their concern is whether you are satisfied that the punishment you are meting to the dumping crooks is sufficient?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, for now, I think it is sufficient.

Dr. Kituyi: On a point of order, Mr. Temporary Deputy Chairman, Sir. I raised a substantive matter about the ability of this Government, the Ministry of Finance, to deal with persons, particularly local beneficiaries of dumping, the importers or franchise holders for the dumping countries and companies, and in response to me, the Assistant Minister for Finance said: "We know what you think of other communities". You notice that, that is in very bad taste. What I think about other communities is nonsense because I do not think of any community; I think of individuals. Whether or not, my views or non-views about other communities come in when I am raising the question about the ability of the Ministry of Finance, is a matter that is extraneous to the debate at hand. Could the Chair oblige the hon. Assistant Minister to withdraw that rather irresponsible statement which had nothing to do with what was being discussed here?

Mr. Shikuku: Jambo la nidhamu, Bw. Naibu Mwenyekiti wa Muda. Mhe. Mzee amesema neno "may" na "shall" ni maneno yanayotumika vivi hivi. Tunataka mashauri yako kama wakili ulisaidie Bunge hili kuhusiana na matumizi ya maneno haya. Je, ni lazima Waziri afanye au akipenda afanye? Lipi tutumie?

The Temporary Deputy Chairman (Mr. Wetangula): Order, hon. Shikuku! It is unusual that the Chair is being asked questions, but "may" is discretionary and "shall" is mandatory.

Mr. Shikuku: Bw. Naibu Mwenyekiti wa Muda, sisi tunataka "shall" wala si "may."

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): Mr. Temporary Deputy Chairman, Sir, I do want to request my colleagues to accept the amendment proposed by hon. Shikuku because in Section 125(2) and the proviso are referring to and the committee is investigating--- If the Minister does not appoint the committee, then that will mean nothing in the law.

I would like to appeal to the Assistant Minister to agree to use the word "shall", so that can compel him in order for section 125(2) and the proviso to be meaningful.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, that amendment is not acceptable.

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Assistant Minister, he has not put forward any amendment. He is asking you to consider substituting "may" with "shall" to give more "teeth" to the law.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, all I am saying is that "may" shall remain.

Mr. Shikuku: Jambo la nidhamu, Bw. Naibu Mwenyekiti wa Muda. Ukiangalia kifungu cha 125(2) cha Mswada huu kinasema, "The Minister "shall", in regulations,--- utaona kwamba neno "shall" linatumika. Kwa nini tusitumie neno "shall" badala ya "may"? Kufanya hivyo si aibu ila tunapendekeza tu.

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Shikuku, the Assistant Minister has said that he thinks "may" is sufficient.

(Question, that the words to be left out be left out, put and negated)

(Clause 5 agreed to)

(Loud consultations)

The Temporary Deputy Chairman (Mr. Wetangula): Order! Order! I warn you, Mr. Achola, when you are voting "yes" or "no", you have no business standing up and cheering!

The effect of that is that Clause 5 stands as it is in the Bill.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): On a point of order, Mr. Temporary Deputy Chairman, Sir. May I crave the indulgence of the Chair to explain what that means because the first vote was that this section stands as it is and the second vote indicates it was negated?

The Temporary Deputy Chairman (Mr. Wetangula): No. The first vote was whether you were going, as a Committee, to accept the amendment as proposed on the Order Paper which has been defeated by the House. Now, we have gone back to the Clause, as it appears in the Bill. Now that Clause remains without amendments. That is the effect. Are we together?

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): On a point of order, Mr. Temporary Deputy Chairman, Sir. The Finance Bill is a very important one but the Assistant Minister who is moving it in this House is not very conversant and the consequences will be far-reaching. In his speech he said very clearly that there are certain international obligations which have caused the Minister to bring this amendment which has been rejected by both sides of the House. But if there are international obligations to---

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Osogo, I get--- Okay.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): Mr. Temporary Deputy Chairman, Sir, I am trying to clarify this issue and plead with the House, if you may allow me. The provision, as it stands, now cannot allow the Minister to make any investigations. I raised this when we were debating this Bill. In my speech, I said that there is no way the Minister will---

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Chairman, Sir.

The Temporary Deputy Chairman (Mr. Wetangula): But he is on a point of order.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): I pray that the hon. Member for Nakuru Town be a bit patient. As Clause 125(1) stands, it states that:-

"The Minister may require the exporter to revise the prices of or cease exporting such goods to Kenya."

On this, I did pose the question: How will the Minister check on the exports? If we pass this as part of the Bill, there is no way anybody can convince me that the Minister in Kenya will cause an exporter not to export things to Kenya. How will he get him? When I raised that in this House, the Minister tried to find a way of doing it and he has brought this amendment to the House. I am pleading with the House to allow us to go back---

Prof. Mzee: No! No! That is not possible!

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): My colleague, the Assistant Minister, should accept the word "shall" in that amendment. The reason why I am saying that is because in (ii) it says:-

"The Minister shall, in regulations prescribe---

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Osogo, will you finish your argument? I

have understood you very clearly.

The Assistant Minister for Agriculture, Livestock Development and Marketing (Mr. Osogo): Mr. Temporary Deputy Chairman, you understand me because you are a lawyer but I am not and I would like to explain it to my colleagues on this side of the House. If it is passed as it stands--- We are all responsible for passing laws that should be respected. So, I am saying that in (ii) where it says "by regulations---"

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Osogo, you have made your point abundantly clear. I am very clear about what you are saying and your sentiments are well founded. The only problem I have is that the Minister has brought an amendment and I expect your side to be ready to support this amendment by voting in favour of it. In so far as you did not vote to support the amendment, there is very little the Chair can do. The amendment was put to the vote, it was visibly defeated and the Chair's hands are tied. In fact, under the Standing Orders, I do not have the capacity to review my decision on a matter such as this.

We will now move on to the next Clause.

Clause 6

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 6 be amended as follows:-

(a) in subclause (1) by inserting the word "to" immediately after the word "injury" appearing in paragraph (b);

(b) in subclause (2)

(i) by inserting the expression "and 125A" after the figure "125".

(ii) by inserting the words "or a public body" immediately after the word "government".

(c) in subclause (3) by deleting the figure "125" and inserting the expression "125A"

Mr. Temporary Deputy Chairman, Sir, this is just to bring in an organisation that can subsidise. It should not only be the Government but any other public body.

(Question of the amendment proposed)

Prof. Mzee: I would like to draw the attention of the Assistant Minister to the fact that if we make that amendment---

(Mr. Salat consulted loudly with other Members)

The Temporary Deputy Chairman (Mr. Wetangula): Order, hon. Salat. You must know that the business of the House is going on. If you want to withdraw from the Chamber to discuss your own issues, you have the freedom to do so. But do not disrupt the smooth running of the House.

Prof. Mzee: Mr. Temporary Deputy Chairman, Sir, I was going to draw the attention of the Assistant Minister to the fact that in the amendment to Clause 6, he refers to the expression "125A" which has been rejected in Clause 5. Where does it fit in now?

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Barmasai, Prof. Mzee is right. In chronological numbering---

Prof. Mzee: This Assistant Minister does not understand anything!

The Temporary Deputy Chairman (Mr. Wetangula) Prof. Mzee, do not pass any judgement on your colleagues. They may be having similar opinions about you.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, he is right. That amendment does not arise now.

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Barmasai, I thought it was only (b) (i) which does not arise.

The Assistant Minister for Finance (Mr. Barmasai): It is (b) (i) and (c).

The Temporary Deputy Chairman (Mr. Wetangula): So, you are deleting them?

The Assistant Minister for Finance (Mr. Barmasai): Yes, I am deleting them.

*(Question, that the words to be left out
be left out, put and agreed to)*

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 6 as amended agreed to)

Prof. Mzee: On a point of order, Mr. Temporary Deputy Chairman, Sir. When he said with the exception of (b) (i) and (c), he did not include (b) (ii).

The Temporary Deputy Chairman (Mr. Wetangula): But (b) (ii) is okay. He has deleted the ones that are inconsistent with the new section now.

(Clauses 7, 8, 9, 10 and 11 agreed to)

Clause 12

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 12 be amended in paragraph (q) by deleting the word "subsidy" and inserting the word "subsidisation".

This is just for better grammar.

Mr. Shikuku: Jambo la nidhamu, Bw. Naibu Mwenyekiti wa Muda. Mhe. Waziri Msaidizi amesema ibara "a", lakini kulingana na ratiba yangu ni ibara "q".

The Temporary Deputy Chairman (Mr. Wetangula): Yes, it is paragraph "q", Mr. Assistant Minister.

The Assistant Minister for Finance (Mr. Barmasai): I am sorry, Mr. Temporary Deputy Chairman, Sir.

(Question of the amendment proposed)

(Question, that the word be to be left out be left out, put and agreed to)

(Question, that the word to be inserted in place thereof be inserted, put and agreed to)

(Clause 12 as amended agreed to)

(Clauses 13, 14, 15, 16, 17, 18 and 19 agreed to)

Clause 20

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 20 be amended in subclause 3 by inserting the words "to the Minister" immediately after the word "reports" appearing in the fourth line.

Mr. Temporary Deputy Chairman, Sir, this amendment will enable the Commissioner to report any additional tax remissions to the Minister.

(Question of the amendment proposed)

(Question, that the words to be inserted be inserted, put and agreed to)

(Clause 20 as amended agreed to)

Clause 21

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

move:-

THAT, Clause 21 be amended in the proviso by deleting the word "to" appearing in the last line.
This was a typing error.

(Question of the amendment proposed)

*(Question, that the word to be left out
be left out, put and agreed to)*

(Clause 21 as amended agreed to)

*(Clauses 22, 23, 24, 25, 26, 27, 28,
29, 30, 31, 32 and 33 agreed to)*

Clause 34

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 34 be amended as follows:-

(a) in paragraph (a), by deleting sub-paragraph (iii) and inserting the following new sub-paragraph-

(iii) the amount of any other expenses allowable as a deduction (excluding costs and expenses attributable to earning exempt income as determined by the ratio of exempt investment income to the sum of investment income and exempt investment income) in that year of the income in computing the gains or profits of the business under this Act.

(b) by inserting the following words at the end of sub-paragraph (iii)-

"in so far as those amounts relate to policies, the premium in respect of which are received or receivable in Kenya".

(c) in paragraph (d)(ii), by deleting the word "means" appearing in the definition of "exempt investment income" and substituting thereof the word "includes".

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Chairman, Sir.

The Temporary Deputy Chairman (Mr. Wetangula): Dr. Lwali-Oyondi, is your point of order related to what he is saying?

Dr. Lwali-Oyondi: Yes, Mr. Temporary Deputy Chairman, Sir.

The Temporary Deputy Chairman (Mr. Wetangula): He has not even explained why he is amending that section. Proceed!

Dr. Lwali-Oyondi: Mr. Temporary Deputy Chairman, Sir, I would like the Assistant Minister to elucidate (a)(iii) because I do not understand what it means.

The Temporary Deputy Chairman (Mr. Wetangula): Dr. Lwali-Oyondi, I have not even proposed the amendment. That is why I was asking you to let him explain first why he wants to amend that section.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I am amending that section so that the expenses in investment income that is exempt from duty, like from stock exchange should be separated from the expenses incurred in other businesses. For example, if a businessman has other businesses which are taxable, and then he has other businesses which are normally tax exempt, like from stock exchange, he can easily transfer the expenses incurred in the exempt income business to the other business so that we do not lose income. So, we want to establish a mechanism of calculating the expenses on the income which is tax exempt. That is the purpose of that amendment.

(Question of the amendment proposed)

Dr. Lwali-Oyondi: Mr. Temporary Deputy Chairman, Sir, I am not clear whether the Assistant Minister, in sub-paragraph (a)(iii), wants to increase the tax brackets. For example, if I have some shares in companies and then I get some dividends after duty has been paid, therefore, I could use these proceeds in my business to offset the tax I have already paid. Can he explain what he means by that?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, there are

some incomes that are tax exempt and we use such income expenses to do that business. We are trying to establish how you can separate your expenses from other taxable income so that it is remitted to the income that is tax exempt.

*(Question, that the words to be left out
be left out, put and agreed to)*

*(Question, that the words to be inserted in place
thereof be inserted, put and agreed to)*

(Clause 34 as amended agreed to)

QUORUM

Mr. Achola: On a point of order, Mr. Temporary Deputy Chairman, Sir. There is no quorum in the House. If the Government is not interested, why---

The Temporary Deputy Chairman (Mr. Wetangula): Yes, there is no quorum, and you are leaving! Ring the Division Bell.

(The Division Bell was rung)

The Temporary Deputy Chairman (Mr. Wetangula): Order! There is quorum now.

(Clauses 35, 36, 37, 38, 39 and 40 agreed to)

Clause 41

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 41 be deleted and the following new clause inserted -
Amendment of "41. Section 52B of the Income Tax Section 52Bis amended-
of Cap.470 (a) in subsection (i) -

(i) by deleting the word "fourth" in paragraph (a) and inserting the word "sixth"; (ii) by deleting the word "fourth" in paragraph (b) and inserting the word "sixth"; (iii) by inserting the following provision at the end of paragraph (b) Provided that an employee shall not be required to furnish to the Commissioner such returns of income (i) if he had no income chargeable to tax for that year of income other than from emoluments; and (ii) if the tax payable in respect of those emoluments has been recovered by deduction under Section 37.

(b) in subsection (3), by deleting the word "reliefs" and inserting the word "relief".

Mr. Temporary Deputy Chairman, Sir, the accountants who make income tax returns on behalf of their clients have complained that four months is such a short time to do the work. Therefore, we are extending the period for making those returns to six months.

The other section is meant to help those people who rely solely on income. It will not be necessary for them to make the returns because it becomes expensive do so, since it is tax deducted from their incomes be they salaries or emoluments.

I beg to move.

(Question of the amendment proposed)

*(Question, that the words to be left
out be left out, put and agreed to)*

*(Question that the words to be inserted in
place thereof be inserted, put and agreed to)*

(Clause 41 as amended agreed to)

Clause 42

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, clause 42 be deleted.

What was in that clause has been covered by Clause 41 above.

I beg to move.

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Clause 42 as amended agreed to)

(Clauses 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69 and 70 agreed to)

Clause 71

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, could the Assistant Minister tell this House how, under Clause 71 (5)(a)(i) (ii), the Government is moving that if I tip them that somebody is evading paying taxes, I am going to be rewarded by one per cent of the amount of tax that he is supposed to pay?

(An hon. Member heckled Dr. Kituyi)

Mr. Temporary Deputy Chairman, Sir, could you protect me from a heckler here?

The Temporary Deputy Chairman (Mr. Wetangula): Which one?

Dr. Kituyi: I do not know his name.

The Temporary Deputy Chairman (Mr. Wetangula): We have your colleagues here.

Dr. Kituyi: An honourable colleague is heckling me. Can the Assistant Minister tell this House how he is going to guard against a situation where a customs officer maybe influenced, for example, given a bribe so that he does not tax or tips a member of his family to come and inform his colleagues in the office about a company which has not paid taxes and then he is given one per cent equivalent to the tax that was about to be lost? What security do you have that there would not be any trading of information between the tax collecting officers and certain other persons who happen to have this information that somebody is failing to pay tax?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, in the Customs Department, there is an Investigations Department which could help us to curb that.

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, if the Investigations Department was so good as to know how to reach tax cheats, there would be no need for this insertion of 5(a) in Clause 71. We are putting it there because they are not able to get all the people who are supposed to pay tax. Since they are admitting by this Clause that they do not know how to reach them, how can we know that it is not the same people who are supposed to collect tax, who are giving this information to other people to reach those tax cheats, so that they can go and share the returns from the Government?

The Temporary Deputy Chairman (Mr. Wetangula): He is talking of what in common terms is called "insider trading".

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I was saying that such cases are very exceptional. But where we have suspicions, the Investigations Department can conduct investigations.

Dr. Kituyi: Could I request the Assistant Minister to bring an amendment which would allow him to establish stiff penalties against civil servants involved in insider trading, under the provisions of this new Clause?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, where a

civil servant engages in corruption, action will always be taken in accordance with the existing law.

The Temporary Deputy Chairman (Mr. Wetangula): But hon. Barmasai, this is not strictly corruption. There is a real danger that what he is saying may happen. But it is entirely up to you.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, what I am saying is that when we find that there are suspicions of such cases, we will investigate and take appropriate action.

(Clause 71 agreed to)

New Clause

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a new clause be inserted immediately after clause 4 as follows:-

Amendment of **4A**. The Customs and Excise Act is amended in section 46 by deleting section 46 of the proviso to subsection (2).

Cap.472

This was a misprint when this Bill was being printed.

(Question of the new clause proposed)

(New clause read the First Time)

(Question, that the new clause be read a Second Time, proposed)

(Question, that the new clause be read a Second Time, put and agreed to)

(The new clause was read a Second Time)

(Question, that the new clause be added to the Bill, put and agreed to)

New Clause

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a new clause be inserted immediately after clause 46 as follows:-

Repeal and **46A**. Section 92A of the Income Tax Act is amended by deleting replacement of the existing provision and inserting the following:

section 92A

of Cap.470

Due date for **92A**. Where any person furnishes a return

payment of under section 52B, the tax charged thereunder shall

tax under self be due and payable on the 20th day of the sixth

assessment month following the end of his year of income.

Earlier on, we had made an amendment so that the returns could be due in six months and not in four months. So, this will be in keeping with the six months in which we have allowed for returns to be done.

(Question of the new clause proposed)

(New clause read the First Time)

(Question, that the new clause be

read a Second Time, proposed)

*(Question, that the new clause be read
a Second Time, put and agreed to)*

(The new clause was read a Second Time)

*(Question, that the new clause be added to
the Bill, put and agreed to)*

First Schedule

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, the First Schedule to the Bill be amended by inserting the amendments set out hereunder in their appropriate numerical sequence -

<i>H.S. Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>SITC</i>
CHAPTER 22			
		In the description to tariff No. 2204.29.10 delete 5L and insert 100L.	
		In the description to tariff No. 2205.90.10 delete 5L and insert 100L.	
CHAPTER 32			
		Delete all reference to tariff No. 3215.90.90 and insert the following -	
3215.90			
	3215.90.91	Ink of a kind used in ballpoint pens, whether or not concentrated	895 919 10
	3215.90.99	Other ink	895 919 90
CHAPTER 39			
		Delete all references to tariff No. 3919.90.20 and insert the following-	
3919.90			
	3919.90.21	Self-adhesive plates, sheets, film, foil, tape and strip, of plastics, in rolls of a width exceeding 100cm, unprinted.	
582 192 10			
	3919.90.29	Self-adhesive plates, sheets, film, foil, tape and strip, of plastics, in rolls of a width exceeding 100cm, unprinted.	582 192 90

CHAPTER 48

Delete all reference to tariff No. 4806.10.00 and insert the following -

4806.10

4806.10.10	Vegetable parchment paper in rolls or sheets, unprinted	641 531 10
4806.10.90	Vegetable parchment, paper, in rolls, or sheets, printed	641 531 90

Delete all reference to tariff No. 4811.29.00 and insert the following -

4811.29

4811.29.10	Other gummed or adhesive paper and paperboard in rolls or sheets, other than goods of heading No.48.03, 48.09, 48.10 or 48.18 in rolls or sheets, unprinted	641 789 10
4811.29.90	Other gummed or adhesive paper and paperboard in rolls or sheets, other than goods of heading No.48.03, 48.09, 48.10 or 48.18 in rolls or sheets, printed	641 789 90

Delete all reference to tariff No. 4811.40.00 and insert the following -

4811.40

4811.40.10	Paper and paperboard, coated, impregnated or covered with wax, paraffin wax, stearin, oil or glycerol in rolls or sheets, other than goods of heading No.48.03, 48.09, 48.10 or 48.18., unprinted	641 791 10
4811.40.90	Paper and paperboard, coated, impregnated or covered with wax, paraffin wax, stearin, oil or glycerol in rolls or sheets, other than goods of heading No.48.03, 48.09, 48.10 or 48.18, printed	641 791 90

CHAPTER 72

Delete all reference to tariff No.
7217.30.00 and insert the following -

7217.30

7217.30.10	Wire of iron or non-alloy steel, plated or coated with other base metals, of kind used in tyre manufacture	678 134 10
7217.30.90	Other wire of iron or non-alloy steel, plated or coated with other base metals	678 134 90

CHAPTER 73

Delete all reference to tariff No.
7312.10.00 and insert the following -

7312.10

7312.10.10	Stranded wire of a kind used in tyre manufacture	693 111 10
7312.10.90	Other stranded wire, ropes and cables	693 111 90

CHAPTER 76

Delete all reference to tariff No.
7607.11.00 and insert the following -

7607.11

7607.11.10	Unbacked aluminium foil, rolled but not further worked, of a thickness not exceeding 0.2mm, unprinted	684 241 10
7607.11.90	Unbacked aluminium foil rolled but not further worked, of a thickness not exceeding 0.2mm, printed	684 241 90

Delete all reference to tariff No.
7607.19.00 and insert the following -

7607.19

7607.19.10	Other unbacked aluminium foil of a thickness not exceeding 0.2mm, unprinted	684 242 10
7607.19.90	Other unbacked aluminium foil of a	

thickness not exceeding 0.2mm, printed 684 242 90

Delete all reference to tariff No. 7607.20.00 and insert the following -

7607.20

7607.20.10 Backed aluminium foil of a thickness (excluding the backing) not exceeding 0.2mm, unprinted 684 249 10

7607.20.90 Backed aluminium foil of a thickness (excluding the backing) not exceeding 0.2mm, printed 684 249 90

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New Rate of Duty</i>
1517.10.00	Margarine, excluding liquid margarine	25%
2204.29.20	Other wines; grape must with fermentation prevented or arrested by the addition of alcohol in containers of more than 100 litres.	5%
2205.90.90	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances in containers of more than 100 litres.	5%
2402.10.00	Cigars, cheroots and cigarillos, containing tobacco	Per Kg. Shs. 300.00 or 25%
2402.20.10	Cigarettes containing tobacco, not exceeding 72mm in length, including filter tip.	Per Kg. Shs. 300.00 or 25%
2402.20.90	Other cigarettes containing tobacco	Per Kg. Shs. 300.00 or 25%
2402.90.10	Other cigars, cheroots and cigarillos, containing tobacco substitutes.	Per Kg. Shs. 300.00 or 25%
2402.90.20	Other cigarettes containing tobacco substitutes, not exceeding 72mm in length including filter tip	Per Kg. Shs. 300.00 or 25%
2402.90.90	Other cigarettes containing tobacco substitutes	Per Kg. Shs. 300.00 or 25%
2403.10.00	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	Per Kg. Shs. 300.00 or 25%
2403.91.00	"Homogenised" or "reconstituted" tobacco	Per Kg. Shs. 300.00 or 25%
2403.99.10	Snuff	Per Kg. Shs. 300.00 or 25%
2403.99.20	Tobacco extracts and essences.	Per Kg. Shs. 300.00 or 25%
2403.99.90	Other manufactured tobacco and manufactured tobacco substitutes.	Per Kg. Shs. 300.00 or 25%
3215.90.91	Ink of a kind used in ballpoint pens, whether or not concentrated.	5%
3215.90.99	Other ink	15%
3919.90.21	Self-adhesive plates, sheets, film, foil, tape and	15%

	strip, of plastics, in rolls of a width exceeding 100cm, unprinted.	
3919.90.29	Self-adhesive plates, sheets, film, foil, tape and strip, of plastics, in rolls of a width exceeding 100cm, printed.	25%
4806.10.10	Vegetable parchment paper in rolls or sheets,	15%
	unprinted.	
4806.10.90	Vegetable parchment paper in rolls or sheets,	25%
	printed.	
4811.29.10	Other gummed or adhesive paper and paperboard	15%

The purpose of these amendments is to create additional tariffs, and to allow the Minister to lower the duty on raw materials to assist our manufacturers. This was a request from the manufacturers and we felt that it was reasonable to do so.

(Question of the amendment proposed)

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, I rise to oppose the proposed amendments to the First Schedule because the Assistant Minister is not giving us the whole truth, as to why they want to amend the Schedule and increase taxation.

Mr. Temporary Deputy Chairman, Sir, every person and hon. Member in this country is supposed to know that the dramatic shortfall in the projected revenue earning and the creation of conditions that are hostile to importers of raw materials, is only secondarily associated with the physical measures being proposed here. It is, first and foremost, a consequence of the meddling with the management of the Treasury, and the negotiations between the Treasury and the donors, by a certain clique of powerful individuals. The Minister knows that the crisis that is making it difficult for manufacturers to import raw materials has a lot more to do with the posturing by individuals, who are resisting Mr. Chebii's fight against corruption at the port of Mombasa, and who are also fighting against the conditions that the his Ministry had acceded to, in negotiations with the International Monetary Fund (IMF), and who also, as the Head of State has told us, misled the Head of State about the nature of the problems to be dealt with. That has nothing to do with the conditions set out by the Minister in proposing these amendments. Could we now get an assurance from the Minister, that in the light of the recent statement by the Head of Government, in reinstating his confidence in the Ministry of Finance and re-opening negotiations on the conditions of IMF, that this recklessness and political posturing which has so terribly hurt the Treasury and the reputation of this Government, and which is the main problem now for importers of raw materials, is not going to re-emerge in the near future? If he could just give us that assurance, and at least acknowledge that there are much more fundamental concerns than any other in the instability of raw materials importation into the country, we might have reasons to support these amendments.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I brought these amendments as a result of what we discussed with the manufacturers. Their request was that for them to be able to compete, we should at least, have certain tariffs that can allow the Minister to adjust the taxes and the duty on raw materials accordingly.

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(First Schedule as amended agreed to)

Second Schedule

The Temporary Deputy Chairman (Mr. Wetangula): Hon. Members, you will notice from your Order Papers that there is a transposition of pages 394 and 395. Page 394 should be 395 and page 395 should be 394. Mr. Barmasai, do you have any amendments?

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

move:-

THAT, the Second Schedule to the Bill be amended by inserting the following tariff numbers, descriptions and rates in their proper sequence:-

1517.10.00	Margarine, excluding liquid margarine	25%	
2204.29.20	Other wines; grape must with fermentation prevented or arrested by the addition of alcohol in containers of more than 100 litres.	5%	
2205.90.90	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances in containers of more than 100 litres.	5%	
2402.10.00	Cigars, cheroots and cigarillos, containing tobacco	Per Kg. Shs.	
		300.00 or 25%	
2402.20.10	Cigarettes containing tobacco, not exceeding 72mm in length, including filter tip.	Per Kg. Shs.	
		300.00 or 25%	
2402.20.90	Other cigarettes containing tobacco	Per Kg. Shs.	
		300.00 or 25%	
2402.90.10	Other cigars, cheroots and cigarillos, containing tobacco substitutes.	Per Kg. Shs.	
		300.00 or 25%	
2402.90.20	Other cigarettes containing tobacco substitutes, not exceeding 72mm in length including filter tip	Per Kg. Shs.	
		300.00 or 25%	
2402.90.90	Other cigarettes containing tobacco substitutes	Per Kg. Shs.	
		300.00 or 25%	
2403.10.00	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	Per Kg. Shs.	
		300.00 or 25%	
2403.91.00	"Homogenised" or "reconstituted" tobacco	Per Kg. Shs.	
		300.00 or 25%	
2403.99.10	Snuff	Per Kg. Shs.	
		300.00 or 25%	
2403.99.20	Tobacco extracts and essences.	Per Kg. Shs.	
		300.00 or 25%	
2403.99.90	Other manufactured tobacco and manufactured tobacco substitutes.	Per Kg. Shs.	
		300.00 or 25%	
3215.90.91	Ink of a kind used in ballpoint pens, whether or not concentrated.	5%	
3215.90.99	Other ink	15%	
3919.90.21	Self-adhesive plates, sheets, film, foil, tape and strip, of plastics, in rolls of a width exceeding 100cm,	15%	unprinted.
3919.90.29	Self-adhesive plates, sheets, film, foil, tape and strip, of plastics, in rolls of a width exceeding 100cm,	25%	printed.
4806.10.10	Vegetable parchment paper in rolls or sheets, unprinted.	15%	
4806.10.90	Vegetable parchment paper in rolls or sheets, printed.	25%	
4811.29.10	Other gummed or adhesive paper and paperboard in rolls or sheets, other than goods of heading No. 48.03, 48.09, 48.10 or 48.18 in rolls or sheets, unprinted.	15%	
4811.29.90	Other gummed or adhesive paper and paperboard in rolls or sheets, other than goods of heading No. 48.03, 48.09, 48.10 or 48.18 in rolls or sheets, printed.	25%	
4811.40.10	Paper and paperboard, coated, impregnated or covered with wax, paraffin wax, stearin, oil or glycerol in rolls or sheets, other than goods of heading No. 48.03, 48.09, 48.10 or 48.18, unprinted.	15%	

4811.40.90	Paper and paperboard, coated, impregnated or covered with wax, paraffin wax, stearin, oil or glycerol in rolls or sheets, other than goods of heading No. 48.03, 48.09, 48.10 or 48.18, printed.	25%
7210.41.90	Other flat-rolled products of iron, or non-alloy steel, plated or coated with zinc, of a thickness of less than 1.5mm.	25%
7210.49.90	Other flat-rolled products of iron, or non-alloy steel, of a width of 600mm or more, otherwise plated or coated with zinc, of a thickness of less than 1.5mm.	25%
7217.30.10	Wire of iron or non-alloy steel, plated or coated with other base metals, of a kind used in tyre manufacture.	5%
7217.30.90	Other wire of iron or non-alloy steel, plated or coated with other base metals.	15%
7312.10.10	Stranded wire of a kind used in tyre manufacture	5%
7312.10.90	Other stranded wire, ropes and cables.	15%
7607.11.10	Unbacked aluminium foil, rolled but not further worked, of a thickness not exceeding 0.2mm, unprinted.	5%
7607.11.90	Unbacked aluminium foil, rolled but not further worked, of a thickness not exceeding 0.2mm, printed.	15%
7607.19.10	Other unbacked aluminium foil of a thickness not exceeding 0.2mm, unprinted.	5%
7607.19.90	Other unbacked aluminium foil of a thickness not exceeding 0.2mm, printed.	15%
7607.20.10	Backed aluminium foil of a thickness (excluding the backing) not exceeding 0.2mm, unprinted.	5%
7607.20.90	Backed aluminium foil of a thickness (excluding the backing) not exceeding 0.2mm, printed.	15%
8528.13.10	Unassembled black and white or other monochrome television receivers (including video monitors and projectors) whether or not combined with radio-broadcast receivers or video recording or reproducing apparatus.	Each Shs. 500.00 or 15%
8528.13.90	Assembled or partly assembled black and white or other monochrome television receivers (including video monitors and projectors) whether or not combined with radio-broadcast receivers or video recording or reproducing apparatus.	Each Shs. 700.00 or 25%

Mr. Temporary Deputy Chairman, Sir, the reason for this is to lower the duty on specified essential raw materials and also enhance duty on finished products. During the debate, many Members showed some concern on the duty that had been reduced for finished materials. So, this is to adjust that one on the other side.

(Question of the amendment proposed)

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, just like in the First Schedule, there is no logical consistency in the reduction of duty between finished products and raw materials. You will notice that the rates being asked here for cigars is not radically different from those, for example, of palm oil and other inputs which are going to be used in a secondary manufacturing process. So, similarly in this Second Schedule, could the Assistant Minister show us which finished products have increased duty and which raw materials have reduced duty?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, it is on cigarettes and refined vegetable oil.

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, he is revisiting the First Schedule while I am talking about the Second Schedule which is under discussion now.

The Temporary Deputy Chairman (Mr. Wetangula): Dr. Kituyi, you should probably repeat your question. Mr. Barmasai, are you clear with what he wanted?

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, if the Assistant Minister is stating that the rationale is to create an enabling environment for local manufacturers, we will expect a decline in duty on raw materials for manufacturing purposes and increased duty on finished products. I gave him the example of the First Schedule which we have already dealt with and where there is no clear distinction, for example, on the variation on duty on cigars which are finished products and oils which are an input into further processing. In this Schedule which includes both raw materials or half manufactured produce which will be used for industrial processes, for manufacturing and finished products where the variation exists in the Second Schedule which does not have cigars; those cigars are in the First Schedule. Which of these items: Bicycle tyres, neumatic tyres or rubber tyres and so on. Can you show us the variation in your proposed amendment where you are showing distinctly, that from the first published Bill as we have it, you are reducing duty on raw materials and increasing duty on finished products?

The Temporary Deputy Speaker (Mr. Wetangula): Yes, Mr. Barmasai! Normally we have a shuttle between the Minister and the officers on the bench. Can other Ministers help their colleague?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I think the Member is referring to the Third Schedule which we have not reached.

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, I would like to tell the Assistant Minister that what I have just mentioned about neumatic tyres, rubber tyres and bicycles are all---

The Temporary Deputy Chairman (Mr. Wetangula): Why do you not make reference to some specific items?

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, they are all part of the Second Schedule in the Bill. If you look at the original Bill, as published and the proposed amendment to the Second Schedule, you have shown that the variation has a logic, that where the items are finished products, you are increasing the duty and where there are raw materials you are reducing duty. Just look at the two in the Second Schedule and give me the example.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, on the raw materials, it is un-printed paper and wire for tyre manufacture. On the finished material we have margarine and printed paper.

Dr. Kituyi: Mr. Temporary Deputy Chairman, Sir, could the Assistant Minister tell this House why we should lower duty on un-printed paper when this country exports un-printed paper? Why do you want to increase importation of paper instead of creating an enabling environment for optimal use of paper from local production?

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, the paper I am talking about is the one that can be used in industries as a raw material for manufacture.

Dr. Lwali-Oyondi: On a point of order, Mr. Temporary Deputy Chairman, Sir. Could the Assistant Minister tell us exactly what sort of manufacturing is done with paper? I think Pan Paper Mills in Webuye is producing just about everything including newsprint.

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Barmasai!

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, maybe I used the wrong word: "manufacture" but what I meant is the one that can be used in factories for certain printed items, because, this one is un-printed.

Dr. Lwali-Oyondi: Mr. Temporary Deputy Chairman, Sir, could the Assistant Minister give us an example of the sort of printing paper that he would like us to import?

The Temporary Deputy Chairman (Mr. Wetangula): Mr. Barmasai, what they are saying is that, Kenya is a net exporter of paper. Why are you lowering duty on imported paper? Is that what you are asking?

Dr. Lwali-Oyondi: Yes, Mr. Temporary Deputy Chairman, Sir.

*(Question, that the words to be inserted,
be inserted, put and agreed to)*

(Second Schedule as amended agreed to)

QUORUM

Dr. Kituyi: On a point of order, Mr. Temporary Deputy Chairman, Sir. We run a risk of not having enough people to say "Aye" because there is no quorum.

The Temporary Deputy Chairman: Why do you not just say "There is no quorum?" Ring the Division Bell.

(The Division Bell was rung)

The Temporary Deputy Chairman (Mr. Wetangula): Order, Hon. Members! We will continue now because have a quorum.

Third Schedule

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, the Third Schedule to the Bill be amended-

(a) by inserting the following tariff numbers, descriptions and rates in their proper sequence-

Tariff No.	Tariff Description	Suspended Duty	
		Amount Provided	Amount Imposed
1507.90.00	Other soya bean oil and its fractions, but not chemically modified.	10%	5%
1508.90.00	Other refined or semi-refined groundnut oil and its fractions, but not chemically modified	10%	5%
1509.90.00	Other olive oil and its fractions, but not chemically modified.	10%	5%
1511.90.90	Other palm oil and its fractions, but not chemically modified.	10%	5%
1512.19.10	Other oil of sunflower seed and its fractions, but not chemically modified.	10%	5%
1512.19.20	Other oil of safflower seed and its fractions, but not chemically modified.	10%	5%
1512.29.00	Other cotton-seed oil and its fractions, but not chemically modified.	10%	5%
1513.19.00	Other coconut oil and its fractions, but not chemically modified.	10%	5%
1513.29.10	Other palm kernel oil, and its fractions, but not chemically modified.	10%	5%
1513.29.20	Other babassu oil, and its fractions, but not chemically modified.	10%	5%
1514.90.00	Rape, colza or mustard oil and their fractions semi-refined or refined, but not chemically modified.	10%	5%
1515.29.00	Other maize (corn) oil and its fractions, but not chemically modified.	10%	5%
1517.90.00	Other edible mixtures or preparations of animal or vegetable fats or oils or fractions of different fats.	10%	5%
1704.10.00	Chewing gum, whether or not sugar-coated.	10%	5%
1704.90.00	Other sugar confectionery, not containing cocoa	10%	5%
1806.20.20	Chocolate confectionery in blocks or slabs in containers or immediate packings, of a content exceeding 2 Kg.	10%	5%

2203.00.10	Stout and porter.	10%	5%	
2203.00.20	Beer of an original gravity not exceeding 1060 degrees.		10%	5%
2203.00.90	Other beer (including ale) of an original gravity exceeding 1060 ⁰ .	10%	5%	
2204.10.10	Champagne.	10%	5%	
2204.10.90	Other sparkling wine.	10%	5%	
2204.21.00	Other wine; grape must with fermentation prevented or arrested by the addition of alcohol in containers of 2 litres or less.	10%	5%	
2204.29.10	Other wines; grape must with fermentation prevented or arrested by the addition of alcohol in containers of more than 2 litres but not more than 100 litres.	10%	5%	
2205.10.00	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances in containers of 2 litres or less.	10%	5%	
2205.90.10	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances in containers of more than 2 litres but not more than 100 litres.	10%	5%	
2206.00.10	Beer not made from malt.	10%	5%	
2206.00.21	Cider in containers holding 2 litres or less.	10%		5%
2206.00.30	Opaque beer (for example Chibuku).	10%	5%	
2207.10.00	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% or higher.	10%	5%	
2208.20.91	Other spirits obtained by distilling grape wine or grape marc in containers holding 2 litres or less.		10%	5%
2208.20.99	Other spirits obtained by distilling grape wine or grape marc in containers holding more than 2 litres.	10%	5%	
2208.30.10	Whiskies in containers holding 2 litres or less.	10%		5%
2208.40.10	Rum and tafia in containers holding 2 litres or less.	10%	5%	
2208.40.90	Rum and tafia in containers holding more than 2 litres.	10%	5%	
2208.50.10	Gin and Geneva in containers holding 2 litres or less.	10%	5%	
2208.50.90	Gin and Geneva in containers holding more than 2 litres.	10%	5%	
2208.60.10	Vodka in containers holding 2 litres or less.	10%	5%	
2208.60.90	Vodka in containers holding more than 2 litres.	10%		5%
2208.70.10	Liqueurs and cordials in containers holding 2 litres or less.	10%	5%	
2208.70.90	Liqueurs and cordials in containers holding more than 2 litres.	10%	5%	
2208.90.10	Fruit brandy not made from distilling grape wine or grape marc in containers holding 2 litres or less.	10%	5%	
2208.90.20	Fruit brandy not made from distilling grape wine. Or grape marc in containers holding more than 2 L.	10%	5%	
2208.90.30	Alcoholic juice beverages (Alco pops).	10%	5%	
2208.90.40	Other spirits and other spirituous beverages in containers holding 2 litres or less.	10%		5%

2208.90.90	Other spirits and other spirituous beverages in containers holding more than 2 litres.	10%	5%
2401.10.00	Tobacco, not stemmed/stripped.	10%	5%
2401.20.00	Tobacco, partly or wholly stemmed/stripped.	10%	5%
2401.30.00	Tobacco refuse.	10%	5%
2402.10.00	Cigars, cheroots and cigarillos, containing tobacco.	10%	5%
2402.20.10	Cigarettes containing tobacco, not exceeding 72 mm in length, including filter tip.	10%	5%
2402.20.90	Other cigarettes containing tobacco.	10%	5%
2402.90.10	Other cigars, cheroots and cigarillos containing tobacco substitutes.	10%	5%
2402.90.20	Other cigarettes containing tobacco substitutes, not exceeding 72 mm in length including filter tip.	10%	5%
2402.90.90	Other cigarettes containing tobacco substitutes	10%	5%
2403.10.00	Smoking tobacco, whether or not containing tobacco substitutes in any proportion.	10%	5%
2403.91.00	"Homogenised" or "reconstituted" tobacco.	10%	5%
2403.99.10	Snuff.	10%	5%
2403.99.20	Tobacco extracts and essences.	10%	5%
2403.99.90	Other manufactured tobacco and manufactured tobacco substitutes.	10%	5%
3303.00.10	Toilet waters.	10%	5%
3303.00.90	Perfumes.	10%	5%
3304.10.00	Lip make-up preparations.	10%	5%
3304.20.00	Eye make-up preparations.	10%	5%
3304.30.00	Manicure or pedicure preparations.	10%	5%
3304.91.00	Beauty and skin care powders, including sunscreen or sun tan preparations whether or not compressed.	10%	5%
3304.99.00	Other beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations.	10%	5%
3305.10.00	Shampoos.	10%	5%
3305.20.00	Preparations for permanent waving or straightening of hair.	10%	5%
3305.30.00	Hair lacquers.	10%	5%
3305.90.00	Other preparations for use on the hair.	10%	5%
3307.10.00	Pre-shave, shaving or after-shave preparations	10%	5%
3307.20.00	Personal deodorants and anti-perspirants.	10%	5%
3307.30.00	Perfumed salts and other bath preparations.	10%	5%
3307.49.00	Other preparations for perfuming or deodorizing rooms, including odoriferous preparations used during religious rites.	10%	5%
3307.90.20	Perfumed petroleum jelly.	10%	5%
3307.90.30	Perfumed papers and papers impregnated or coated with perfumes or cosmetics.	10%	5%
3307.90.40	Wadding, felt and non-wovens impregnated, coated or covered with perfumes or cosmetics.	10%	5%
3307.90.90	Other debilatories and other performerly, cosmetic or toilet preparations, not elsewhere specified or included.	10%	5%
3401.11.00	Soap and organic surface active products and preparations in the form	10%	5%

	of bars, cakes, moulded pieces or shapes, and paper wadding, felt and non-wovens, impregnated, coated or covered with soap or detergent for toilet use (including medicated products).		
3401.19.00	Other soap and organic surface active products and preparations in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and non-wovens, impregnated, coated or covered with soap or detergent for other uses.	10%	5%
3401.20.10	Soap in other forms for toilet use (including medicated products).	10%	5%
3401.20.90	Soap in other forms for other uses.	10%	5%
6401.10.00	Waterproof footwear with outer soles and uppers of rubber or of plastics, incorporating a protective metal toe-cap.	10%	5%
6401.91.00	Other waterproof footwear with outer soles and uppers of rubber or plastics, covering the knee.	10%	5%
6401.92.00	Other waterproof footwear with outer soles and uppers, of rubber or plastics, covering the ankle but not covering the knee	10%	5%
6401.99.00	Other waterproof footwear with outer soles and uppers, of rubber or plastics.	10%	5%
6402.12.00	Ski-boots, cross-country ski footwear and snowboard boots.	10%	5%
6402.19.90	Other sports footwear with outer soles and uppers, of rubber or of plastics.	10%	5%
6402.20.00	Other footwear with upper straps or thongs assembled to the sole by means of plugs.	10%	5%
6402.30.00	Other footwear, incorporating a protective metal toe-cap.	10%	5%
6402.91.00	Other footwear with outer soles and uppers, of rubber or plastics, covering the ankle.	10%	5%
6402.99.00	Other footwear with outer soles and uppers, of rubber or plastics.	10%	5%
6403.12.00	Ski-boots, cross-country ski footwear and snowboard boots.	10%	5%
6403.19.90	Other sports footwear with outer soles, of rubber, plastics, leather or composition leather and uppers of leather.	10%	5%
6403.20.00	Footwear with outer soles of leather, and uppers which consist of leather straps across the instep and around the big toe.	10%	5%
6403.30.00	Footwear made on a base or platform of wood, not having an inner sole or a protective metal toe-cap.	10%	5%
6403.40.00	Other footwear, incorporating a protective metal toe-cap.	10%	5%
6403.51.00	Other footwear with outer soles of leather, covering the ankle.	10%	5%
6403.59.00	Other footwear with outer soles of leather and uppers of leather.	10%	5%

6403.91.00	Other footwear with outer soles of rubber, plastics or composition leather and uppers of leather, covering the ankle.	10%	5%
6403.99.00	Other footwear with outer soles of rubber or plastics and uppers of leather.	10%	5%
6404.11.00	Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like with outer soles of rubber or of plastics and uppers of textile materials.	10%	5%
6404.19.00	Other footwear with outer soles of rubber or of plastics and uppers of textile materials.	10%	5%
6404.20.00	Footwear with outer soles of leather or composition leather and uppers of textile materials.	10%	5%
6405.10.00	Other footwear with uppers of leather or composition leather.	10%	5%
6405.20.00	Other footwear with uppers of textile materials.	10%	5%
6405.90.00	Other footwear.	10%	5%
8506.10.00	Primary cells and primary batteries, of manganese dioxide.	10%	10%
8506.30.00	Primary cells and primary batteries, of mercuric oxide.	10%	10%
8506.40.00	Primary cells and primary batteries, of silver oxide.	10%	10%
8506.50.00	Primary cells and primary batteries, of lithium.	10%	10%
8506.60.00	Primary cells and primary batteries, of air-zinc.	10%	10%
8506.80.00	Other primary cells and primary batteries.	10%	10%
8507.10.00	Lead-acid electric accumulators of a kind used for starting piston engines.	10%	10%

(b) by deleting the rates of suspended duty in respect of the tariff numbers and descriptions set out hereunder and substituting thereof the rates respectively specified-

The Fourth Schedule to the Bill is amended by deleting the rates of excise duty in respect of the tariff numbers and descriptions set out hereunder and substituting therefor the rates respectively specified -

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>Quantity or Value</i>	<i>Rate of Excise</i>	<i>S.I.T.C No.</i>	<i>Unit</i>	<i>of Quantity</i>
2203.00.20	Beer of original gravity not exceeding 1060 ⁰	Excisable Value	95%	112 390 00	Litre	
2203.00.90	Other beer (Excluding ale) of an original gravity exceeding 1060 ⁰ .	Excisable Value	95%	112 390 00	Litre	

This amendment is in response to suggestions from hon. Members regarding reduced duty on finished products. That duty was reduced from 35 per cent to 25 per cent but we want to have an additional suspended duty of 10 per cent, which can be used to raise duty on these products to 35 per cent when it becomes necessary in order to protect our industries.

(Loud consultations in the House)

The Temporary Deputy Chairman (Mr. Wetangula): Order, hon. Members! We lack quorum and when you come into the House you do not listen to what is going on. This is despicable!

(Question of the amendment proposed)

*(Question, that the words to be inserted be inserted,
put and agreed to)*

*(Question, that the words to be deleted be deleted,
put and agreed to)*

*(Question, that the words to be inserted in place thereof
be inserted, put and agreed to)*

(Third Schedule as amended agreed to)

Fourth Schedule

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, the Fourth Schedule to the Bill be amended by the deleting the rates of excise duty in respect of the tariff numbers and descriptions set out hereunder and substituting in place thereof the rates respectively specified-

This amendment refers to Kenya Breweries Limited. When we imposed excise duty of about 100 per cent the company said that its goods were not selling because they had become more expensive than other goods brought into the country. So, to assist the company we are reducing excise duty.

(Question of the amendment proposed)

*(Question, that the words to be left out be left out,
put and agreed to)*

*(Question, that the words to be inserted in place thereof
be inserted, put and agreed to)*

(Fourth Schedule as amended agreed to)

(Fifth and Sixth Schedules agreed to)

(Title agreed to)

Clause 1

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 1 be amended in paragraph (f)-

- (a) by deleting the letter "(b)" appearing immediately after the figure "31";
- (b) by deleting the figure "42";
- (c) by inserting the figure "41" immediately after the expression "39(a)"; and
- (d) by inserting the expression "46A" immediately after the figure "46".

(Question of the amendment proposed)

*(Question, that the words to be left out be left out,
put and agreed to)*

*(Question, that the words to be inserted be inserted,
put and agreed to)*

(Clause 1 as amended agreed to)

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Chairman, Sir, I beg to move that the Committee do the report to the House its consideration of the Finance Bill and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

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

REPORT, CONSIDERATION OF REPORT AND THIRD READING

THE FINANCE BILL

Mr. Wetangula: Mr. Temporary Deputy Speaker, Sir, I beg to report that a Committee of the whole House has considered The Finance Bill and approved the same with amendments.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said report.

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

(Question proposed)

(Question put and agreed to)

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, I beg to move that The Finance Bill be now read the Third Time.

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

(Question proposed)

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, we have passed the Bill and I wish to make a few comments. First of all, during the debate on the Finance Bill in the Committee Stage, I think the Assistant Minister erred a little bit by refusing to obey what the Members were suggesting, including his colleagues in the Cabinet, and he took it for granted that KANU Members of Parliament will vote in anything even if it means passing a Bill to castrate themselves.

Therefore, I think it is an assumption which other Ministers should not make.

The Temporary Deputy Speaker (Mr. Ndotto): Hon. Dr. Lwali-Oyondi, do you not think that it is an insult to the House to impute that the hon. Members can pass a Bill to do what you have said they can do?

Dr. Lwali-Oyondi: Mr. Temporary Deputy Speaker, Sir, I was just trying to stress the fact that they can do anything.

The Temporary Deputy Speaker (Mr. Ndotto): I think you should withdraw that statement.

Dr. Lwali-Oyondi: I would rather withdraw that particular comment and say that, they can do anything even if it is adverse to themselves. That assumption, at least, has been proved wrong and, I thank the Members of this House from the KANU side for teaching the Assistant Minister that they cannot be taken for granted. Secondly, with the

passage of The Finance Bill, we hope that the Minister is not going to make mini-budgets again.

Thirdly, we can pass as many Bills as possible but so long as there are many barons from the other side of the House, who hold the Minister for Finance at ransom and who threaten him--- The Minister at the moment is squealing under the threat of barons from the other side. They cannot let him do his duty, they threaten him. They make him pass other things like cars, maize and so on, which are dutiable, duty free, so that some mysterious dumpers from overseas dump goods here. There are people here who are too powerful to handle. That is why the Minister is squealing under their grip.

Mr. Temporary Deputy Speaker, Sir, we have to know what to do with such people. Their names have been mentioned here; they are Members of this National Assembly. If we cannot handle these people, it will be useless to pass these Bills. That is why we need reforms and we are asking the people, even in KANU, to make sure that these reforms talks are on. If they are not on, those who are in need of the reforms are going to take very, very drastic steps which the KANU side may not like.

With those few remarks, I wish to support the Bill.

(Question put and agreed to)

*(The Bill was accordingly read the
Third Time and Passed)*

Second Reading

THE KENYA REINSURANCE CORPORATION

*(The Assistant Minister for Finance
(Mr. Keah) on 17.7.97)*

(Resumption of Debate interrupted on 17.7.97)

The Temporary Deputy Speaker (Mr. Ndotto): Where is hon. Shikuku? He is the one who was on the Floor during the debate on The Kenya Reinsurance Corporation Bill.

An hon. Member: He is not here!

The Temporary Deputy Speaker (Mr. Ndotto): Hon. Shikuku is not here. Any other Member who wants to contribute now? Well, if there is nobody wishing to contribute, then I will ask the Minister to reply.

The Assistant Minister for Finance (Mr. Barmasai): Mr. Temporary Deputy Speaker, Sir, first of all, I would like to appreciate and thank all those Members who have contributed and, I would like to assure them that just as we have done in the previous Bill, their comments and their suggestion will be taken into consideration at the Committee Stage.

Mr. Temporary Deputy Speaker, Sir, as you know, the whole purpose of this Bill was to make it possible for Kenya Reinsurance Corporation to sell shares to the members of the public. Therefore, I hope that hon. Members will be able to approve this Bill so that the Kenya Reinsurance Corporation can be privatised.

With those few remarks, I beg to move.

(Question put and agreed to)

*(The Bill was read a Second Time and committed
to a Committee of the whole House tomorrow)*

Second Reading

THE CO-OPERATIVE SOCIETIES BILL

The Temporary Deputy Speaker (Mr. Ndotto): Is the Minister for Co-operative Development here?

An hon. Member: Mr. Temporary Deputy Speaker, Sir, there is nobody here from the Ministry of Co-operative Development.

The Temporary Deputy Speaker (Mr. Ndotto): Next Order!

MOTION

ADOPTION OF PAC REPORTS

THAT, this House adopts:

(i) the Report of the Public Accounts Committee for the year 1993/94 laid on the Table of the House on Wednesday, 18th June, 1997, and,

(ii) the Report of the Public Accounts Committee for the year 1994/95 laid on the Table of the House on Wednesday, 23rd July, 1997.

The Temporary Deputy Speaker (Mr. Ndotto): Is the Leader of the Official Opposition here?

An hon. Member: No, Mr. Temporary Deputy Speaker, Sir.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Ndotto): Order! Hon. Members, I am afraid we may have to interrupt the business at this stage because the Minister for Co-operative Development and the Chairman, Public Accounts Committee, are both not here.

Even the Minister for Commerce and Industry is not here. Accordingly, the House stands adjourned until tomorrow, Wednesday 27th July, 1997 at 9.00 a.m.

The House rose at 5.15 p.m.