

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 9th October, 1996

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.378

TRAFFIC MARKINGS ALONG UHURU HIGHWAY

Mr. Kamuyu asked the Minister for Local Government:-

- (a) whether he is aware that there are no visible road traffic markings along Uhuru Highway, between Haile Sellasie Avenue Round About and Nyayo Stadium Round About; and,
- (b) if the answer to "a" above is in the affirmative, whether he could take immediate action to rectify the situation.

Mr. Speaker: Is anyone here from the Ministry of Local Government? We will pass the Question for the moment. What is wrong? There is nobody on the Front Bench here on the Government side.

Question No. 894

SEWERAGE SYSTEM IN MIGORI TOWN

Dr. Otieno-Kopiyo, on behalf of **Mr. Achola**, asked the Minister for Local Government when Migori Town will be provided with sewerage system and street lighting.

Mr. Deputy Speaker: Is there anybody here from the Ministry for Local Government? The Question is deferred for the moment. Next Question.

Question No. 1000

COUNCIL SERVICES TO LWAKHAKHA RESIDENTS

Mr. Wetangula asked the Minister for Local Government:-

- (a) how much money the County Council of Bungoma collects from Lwakhakha Shopping Centre per annum;
- (b) what fraction of this money is ploughed back to Lwakhakha market; and,
- (c) what services the said Council provides to the residents of Lwakhakha.

Mr. Deputy Speaker: Nobody has shown up yet from the Ministry for Local Government. Question is deferred for the moment. Next Question.

Question No. 381

CONSTRUCTION OF TEACHERS COLLEGE

Mr. Sifuna asked the Minister for Education:-

- (a) when the construction of Kibabii Teacher's College will start; and,
- (b) when the College intake will take place.

Mr. Deputy Speaker: Is the Minister for Education here? This Question is deferred for the moment

because neither the Minister nor the Assistant Ministers are here. Next Question!

Question No. 371

BENEFICIARIES OF OVERSEAS SCHOLARSHIPS

Rev. Ommani asked the Minister for Education:-

(a) how many Kenyans benefitted from scholarships awarded through the Government to study Overseas in the years 1992 and 1993; and,

(b) if he could give the names of the people from Kakamega District who were awarded these scholarships.

Mr. Deputy Speaker: Nobody is here from the Ministry for Education. The Question is deferred for the moment. Next Question.

Question No. 513

ALLOCATION OF GOLD PROSPECTING LICENCES

Mr. Deputy Speaker: Is Dr. Kituyi not here? The Question is deferred for the moment. Let us move on to the next Question.

Question No. 922

TARMACKING OF MASENO-AKADO ROAD

Mr. Deputy Speaker: Prof. Anyang'-Nyong'o is not here also. The Question is deferred for the moment. Next Question.

Question No. 692

INSTALLATION OF TELEPHONE BOOTHS

Mr. Deputy Speaker: Hon. Gichuki is not here? The Question is deferred for the moment. Next Question.

Question No. 199

PROVISION OF CLEAN DRINKING WATER

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

(a) whether he is aware that since 1980s, international aid has helped to bring access to clean drinking water to an additional 1.6 billion people in the developing world; and,

(b) if the answer to "a" above is in the affirmative, how much international aid has Kenya received to finance schemes for clean drinking water, and how many people have had access to such utility since 1980.

Mr. Deputy Speaker: Where are these hon. Ministers and their Assistants? Nobody is here from the Ministry of Land Reclamation, Regional and Water Development. The Questions is deferred for the moment. Next Question!

Question No. 440

ACQUISITION OF PROPERTIES BY NSSF

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

(a) how much money the National Social Security Fund has spent on purchase of land and properties during the years of 1994/95 and 1995/96; and,

(b) if he could provide the House with the list of these properties and their respective market

values.

Mr. Deputy Speaker: That is better, the Assistant Minister is here.

(Applause)

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

(a) During 1994/95 and 1995/96, NSSF spent---

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. In view of the nature of the Question and the details required, I should have a written answer. Could the Assistant Minister be kind enough to provide me with a copy of the answer as he reads out his answer? I can then prepare my supplementary questions.

Mr. Deputy Speaker: The Question should be answered on the Floor of the House.

The Assistant Minister for Labour and Manpower Development (Mr. Komen): Mr. Deputy Speaker, Sir, if he does not have the reply, he can get one from the Clerk.

Mr. Deputy Speaker: Order! What is going on here? Do you want to give a copy of the answer to the Clerk or to Dr. Otieno-Kopiyo?

The Assistant Minister for Labour and Manpower Development (Mr. Komen): Mr. Deputy Speaker, Sir, we have given a copy to the Clerk, so he can give it to Dr. Otieno-Kopiyo.

*(Dr. Otieno-Kopiyo was provided
with a copy of the reply)*

Mr. Deputy Speaker: In any case, Dr. Otieno-Kopiyo, you asked for an oral answer. It is just through courtesy that you are provided with a written reply.

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

(a) During 1994/95, and 1995/96, NSSF spent Kshs9,867,189,005 on purchase of land and properties.

(b) The list of the properties is as attached in the schedule.

Mr. Deputy Speaker, Sir, with your permission, I would request to lay the list on the Table because it is bit long. It gives the LR Numbers, their locations, date of purchase, the price and the estimated market value. If I were to go through it, it would take some time because it gives details of 34 plots.

Mr. Obwocha: Mr. Deputy Speaker, Sir, in view of what the Assistant Minister has said, could he give us the total market value of the properties instead of reading out the whole list?

Mr. Komen: Mr. Deputy Speaker, Sir, it amounts to the same thing because it requires me to give details of 34 plots. The total market value of the properties is Kshs10,209,255,230.

Dr. Otieno-Kopiyo: Mr. Deputy Speaker, Sir, in view of the fact that by the Assistant Minister has admitted that NSSF spent Kshs9.8 billion on purchase of land and properties, can he confirm to this House that the current market value of these properties is far below the figure for which they were bought, hence, if all the creditors of NSSF were to recall their monies today, NSSF would be insolvent? Many pensioners have not been paid. Many people who were contributors have not had their retirement benefits from the Fund indicating that the Fund is in financial difficulties. Could he confirm the fact that NSSF, as of today, is insolvent?

Mr. Komen: Mr. Deputy Speaker, Sir, the answer is no.

Dr. Otieno-Kopiyo: Maybe, the Assistant Minister does not understand what I am saying. I appreciate the difficulties, but what I am saying is that, they put money in properties at a level way below the market value of those properties. If I put that question in another way: What is the current market value for all the properties bought?

Mr. Komen: I have given the figure. It is over Kshs10 billion.

Mr. Nthenge: On a point of order, Mr. Deputy Speaker, Sir. You may have underpaid or overpaid for the properties, but the hon. Member wants to know the actual market value of those properties. In other words, what can another person pay for those properties?

Mr. Obwocha: Mr. Deputy Speaker, Sir, the NSSF bought Park View Towers and this building is collapsing. Can the Assistant Minister tell us how much was spent in buying this property, and assure this House that the pensioners' money is not going to be sunk in that house?

Mr. Deputy Speaker: Before you answer, I thought I heard you saying you were tabling the list.

Mr. Komen: I will table it after I finish answering questions.

Mr. Deputy Speaker: Table it!

Mr. Komen: I will table the list after I finish answering questions because I thought he had a copy of it.

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister has not even read out the list. He is not even providing it. He is the only who has it, the House does not have it and the Question belongs to the House.

Mr. Komen: A copy of this list was sent here and I expected him to have a copy---

Mr. Deputy Speaker: Order! Order! For some reason, it looks like neither a copy of the written answer nor a copy of that document has got to the hon. Questioner. You will understand that, if he does not have the document now, it will be necessary for him to come back to the subject when he has studied it. I direct that you answer the question of hon. Obwocha. If you can lay the document on the Table immediately and if you decide to lay it later on, say so because I do not think we can spend more time on this Question when you know that the Chair may have to grant him an opportunity to raise queries on it to be answered later on.

Mr. Komen: Mr. Deputy Speaker, Sir, the problem is that I have only one copy. If I knew that there was no other copy---

Mr. Deputy Speaker: Why did you say that you were tabling it? You can table it if you have a photocopy of the original list.

Mr. Komen: I will table it after I have finished answering questions.

Mr. Deputy Speaker: Order! Order! We have to get beyond this Question. Just answer hon. Obwocha's question and lay the document. I will look at the document, consult with hon. Dr. Otieno-Kopiyo to know at what appropriate time I will allow him to revisit the subject. I hope you have understood me, Mr. Assistant Minister. Now continue, Mr. Komen.

Mr. Komen: Mr. Deputy Speaker, Sir, Park View Towers was bought at Kshs850 million and the estimated market value was Kshs892,500,000. The house has not fallen. It is there and we have people who have rented it. When somebody says that the house is collapsing, that is not true. The house is fully occupied and so the question of---

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. In view of the way the Assistant Minister is handling the question particularly the question of documentation, I would beg the Chair to allow me the opportunity to revisit this Question at a later time.

Mr. Deputy Speaker: I thought I have already given as such in my earlier comment.

Dr. Otieno-Kopiyo: Thank you. So, can we defer the Question?

(Question deferred)

Mr. Deputy Speaker: Lay the documents on the Table and then we move on to the next Question.

*(The Assistant Minister laid
the documents on the Table)*

Question No. 832

DEATH OF LATE MAJOR EKALA

Mr. Imana asked the Minister for Labour and Manpower Development:-

(a) whether he is aware that the late Major (Rtd) Jacob Ekala, who was employed by Pan African Paper Mill, Webuye, as a security officer, died at Kakamega District Hospital on 8th August, 1993 and was hurriedly buried without the consent of his relatives,

(b) whether he is further aware that no postmortem was done to determine the cause of his death; and,

(c) what steps he is taking to ensure that the dependents of the deceased are paid his benefits.

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

(a) Yes, I am aware that the late Major(Rtd) Jacob Ekala died on 8th August, 1993.

(b) Yes, I am aware.

(c) There are no outstanding benefits to be paid to the dependents of the deceased.

Mr. Imana: Mr. Deputy Speaker, Sir, the Assistant Minister, has admitted that the late Major Ekala who was a senior security officer in Pan African Paper Mill, Webuye, died and no postmortem was carried out. At the

same time, no dues are due to him. After the death of Ekala, I was told that there were some dues which were due to him. Also, his burial was done hurriedly.

I am asking the Assistant Minister to request the Attorney-General to carry out an enquiry into this matter?

Mr. Ali: Mr. Deputy Speaker, Sir, I am also aware that he was a senior army officer and he had worked only for four months, eight days in the Pan African Paper Mill Company.

As regards his dues, it was calculated as eight day's work and house allowance throughout the leave of seven days which totalled up to Kshs3,557. The Company gave an ex-gratia for the burial of Kshs5,000.

As regards the burial, it was consented by his brother, Mr. Samson Letekiok of P.O. 18 Loikitoktok.

Mr. Imana: Mr. Deputy Speaker, Sir, neither the wife nor the mother and even the relatives were aware that his brother was paid Kshs5,000.

Mr. Moiben: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to allege that the dues given to the dead man were used for burying him? I think that is most unfair. Can the Assistant Minister be sincere and tell us how much money is owed to this dead man?

Mr. Ali: Mr. Deputy Speaker, Sir, I had already---

Mr. Deputy Speaker: Order! Hon. Ali, are you responding?

Mr. Ali: Yes, I am responding. I had already mentioned that his total dues were Kshs3,567.

Mr. G.I. Ndwigwa: Mr. Deputy Speaker, Sir, under what circumstances did the employer bury somebody who died while on duty? Is the Ministry satisfied that there was any legal basis why somebody should be buried by an employer, without the consent of the next of kin? What steps is the Ministry going to take to make sure that the body is exhumed to allow a postmortem to be conducted?

Mr. Ali: Mr. Deputy Speaker, Sir, I said that the company only assisted the brother with Kshs5,000 for burial purposes. It was consented by his brother, Mr. Samson Letekiok.

Mr. Wetangula: Mr. Deputy Speaker, Sir, if I heard the Assistant Minister right, he said that he is aware of part (a) of the Question, meaning that this man died and was hurriedly buried. Who buried him? He also said that he was aware of part (b) of the Question, that there was no postmortem. Is there an offence committed in the death of this man? If so---

Mr. Deputy Speaker: I would think to bury somebody without a postmortem is an offence!

Mr. Wetangula: It is! Can the Assistant Minister tell this House what steps he is taking to cause the Attorney-General to cause an inquest to be held with regard to the death of this man?

Mr. Ali: Mr. Deputy Speaker, Sir, neither the Ministry, nor the company was responsible for the hurried burial. It was actually conducted by his own relatives. In this case, his brother is the one who consented to the hospital authorities for the burial. As for the inquest, I think the question should be directed to the appropriate authority

Mr. Nthenge: Mr. Deputy Speaker, Sir, it is very easy for a person to claim to be the right person to bury. Was this brother the bona-fide proper relative or the next of kin to bury that person, or was it his wife and maybe father and mother?

Mr. Ali: Mr. Deputy Speaker, Sir, since I have given the name of the brother, Mr. Samson Letekiok of P. O. Box 18 Lokitaung, I think the hon. Member of that area would assist to establish whether he was the actual brother.

Mr. Deputy Speaker: Next Question!

Question No. 120

REGISTRATION OF COTEPA

Mr. Murungi asked the Attorney-General why the Registrar of Societies has not registered Coffee and Tea Parliamentary Association (COTEPA), which presented its application for registration over one year ago.

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

The reasons why the Registrar of Societies has not registered COTEPA are contained in the notification of refusal to register, dated 10th April, 1996, addressed to the secretary of the association, by the Registrar of Societies. The grounds are; and I quote:

"It appears to the Registrar that the interest of peace, welfare or good order in Kenya, would likely to suffer prejudice by reasons of your registration".

Mr. Murungi: Mr. Deputy Speaker, Sir, it is becoming quite clear that the Attorney-General is refusing to be a lawyer by profession.

The members of COTEPA are hon. Members of Parliament who have sworn to defend the Kenya Constitution. The objects of COTEPA are to fight for transparency and accountability in the tea and coffee industry, and to protect coffee and tea farmers from exploitation.

The question that I would like to ask the Attorney-General is: Given the membership of COTEPA and this noble object, can the Attorney-General explain in details, how and in what manner COTEPA threatens peace, welfare and good order in the Kenya Government?

Mr. Wako: Mr. Deputy Speaker, Sir, what the hon. Member has just said, is contained amongst 16 grounds of appeal against the decision of the Registrar of Societies. That appeal has been lodged through the Minister, under Section 16 of the Societies Act--

(Loud consultations)

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. Can you please assist us and reduce the noise? We cannot hear anything at all, especially what the Attorney-General is saying! There is a lot of noise especially from hon. Juma Boy. Can you throw the whole lot out!

Mr. Deputy Speaker: Order! Hon. Kamuyu was perfectly within his rights to call my attention to some loud consultations at that corner of the House. May we have order, Please. Proceed, Mr. Wako.

Mr. Wako: Mr. Deputy Speaker, Sir, as I was explaining, the questions posed by the hon. Member of Parliament are contained in the appeal which has been filed against the Registrar of Societies decision. The appeal contains 16 grounds, amongst which have just mentioned by the hon. Member. The appeal under the Act goes to the Minister, who happens to be the Attorney-General. All I can say is that the appeal is being considered.

Mr. Karengi: On a point of order, Mr. Deputy Speaker, Sir. Is the Minister in order to evade the question that was asked by hon. Murungi? He was asked to give the details and the specific reasons that affected the security of the country by registering COTEPA. Now, he is giving us something else. Is he in order? Can he be specific and tell us which security is being threatened by registering COTEPA?

Mr. Wako: Mr. Deputy Speaker, Sir, under the societies' Act, the Registrar of Societies Act in quasi-judiciary function in considering the application for registration of societies. Under the Societies' Act Section 15, an appeal relies on the Minister who happens to be the Attorney-General. That appeal has been filed and the concerns of hon. Members of Parliament are contained in specific grounds of appeal. The law passed by this Parliament, mandates the Attorney-General to consider and to communicate his decisions to the appellants. Consequently, I seek your protection, I cannot go into the details of that appeal until I have had the opportunity to consider all the grounds of appeal and communicate the same to the appellants.

Mr. Michuki: Mr. Deputy Speaker, Sir, considering that the whole effort of COTEPA is to articulate the issues that concern the farming community in this country and that there are no other intentions other than those, unless the Attorney-General has his own ground, could the Attorney-General confirm or deny that the refusal for COTEPA to be registered is based on what has now become a common phenomenon within this Government of fear and despondency?

Mr. Wako: Mr. Deputy Speaker, Sir, the reasons of the refusal were clearly stated by the Registrar of Societies.

Mr. Murungi: Mr. Deputy Speaker, Sir, we have agreed with the hon. Gatabaki that he asks the final--

Mr. Deputy Speaker: Order! Order! Well, I take it that you have forfeited your right to asks the question. Anybody else, yes, Mr. Kamuiru Gitau.

Mr. Gitau: Mr. Deputy Speaker, Sir, COTEPA has gained popularity in the regions where coffee and tea is grown. Bearing in mind that we have a Parliamentary SACCO which has hon. Members from Opposition and KANU, we wonder why the Government has refused to register COTEPA. Could the Attorney-General tell us whether the refusal is because there is not a single hon. Member of COTEPA from KANU? That is why it has not been registered.

Mr. Wako: Mr. Deputy Speaker, Sir, as I said before, the reasons have clearly been stated. As to the popularity, I can only take note of the fact that all the office bearers do not come from all the regions where tea is grown.

Mr. Gatabaki: On a point of order, Mr. Deputy Speaker, Sir. As the Secretary General of COTEPA, is it in order for the Attorney-General to mislead this House about reasons he refused to register COTEPA knowing very well that the main reason was to protect those who stole billions of shillings from Coffee Board and KTDA belonging to the farmers? The Registrar is protecting those people and the only reason he is doing that is to secure the protection of these "thieves" of public property.

Mr. Wako: Mr. Deputy Speaker, Sir, the reasons were clearly stated by the Registrar of Societies and it is clearly not to protect any person who has looted any money from whatever the hon. Member is saying. If such people have looted any money and I get proper file from the Police Department and *prima face* evidence, I will prosecute. We are here talking about registration of a society not the issue of whether or not other persons are being prosecuted. The function for that lies elsewhere.

Mr. Deputy Speaker: Next Question No.378 for the second time?

Mr. Murungi: On a point of order, Mr. Deputy Speaker, Sir. It is on a matter of procedure. When you recognised me, I gave my opportunity to my friend hon. Gatabaki. Is there anything in the Standing Orders which prevents me from doing that?

Mr. Deputy Speaker: Yes, hon. Murungi. That goes against the inherent jurisdiction of the Chair to recognise hon. Members who should ask questions and contribute. The Chair will not abdicate that responsibility. If hon. Members do want to share their time, there is a way one can courteously come to the Chair and say, "Please, I will want So-and-so to help me on this Question." But I will want, for the avoidance of doubts, to underline the fact that the Chair ultimately has the sole responsibility for equitably sharing out opportunities between hon. Members. Thank you. Mr. Kamuyu's Question.

Mr. Kamuyu: Mr. Deputy Speaker, Sir, since the Minister seems to suddenly have woken up, may I ask Question No. 378?

Question No.378

TRAFFIC MARKINGS ALONG UHURU HIGHWAY

Mr. Kamuyu asked the Minister for Local Government:-

(a) if he is aware that there are no visible road traffic markings along Uhuru Highway, between Haile Sellasie Avenue Round About and Nyayo Stadium Round About; and,

(b) if the answer to "a" is in the affirmative, he could take immediate action to rectify the situation.

The Assistant Minister for Local Government (Mr. Kamuren): Mr. Deputy Speaker, Sir, I beg to apologise for having not come to the House on time. However, I beg to reply.

(a) I am aware that there are no visible traffic markings along Uhuru Highway between Haile Sellasie Avenue and Nyayo Stadium.

(b) The programme for marking on Uhuru Highway is already on and the road markings will commence immediately.

Mr. Kamuyu: Mr. Deputy Speaker, Sir, taking into account that this Question was asked five months ago and considering that there are fatal accidents along Uhuru Highway every week because there are no traffic markings at all, could the Assistant Minister give a commitment because he says here that traffic markings will commence immediately, could he give a commitment because there are people dying on the road because of this kind of laxity? How "immediate" is "immediately?" Is it today?

Mr. Kamuren: Mr. Deputy Speaker, Sir, when I say "immediately," I mean within this coming week.

Dr. Kituyi: Mr. Deputy Speaker, Sir, could the Assistant Minister tell us why he has decided to embark on this exercise only now? Why have you decided on the next one week?

Mr. Kamuren: Mr. Deputy Speaker, Sir, the officers who are working on these markings are right now on the ground, and immediately we get into the next week, I am sure these markings will continue to be seen on the road.

Mr. Kamuyu: Mr. Deputy Speaker, Sir, apart from the Uhuru Highway, I think 80 per cent of Nairobi roads have no visible traffic markings at all and that is why there are very many accidents along all the roads in Nairobi. How much money is the City Council or the Local Government committing itself to spend for this entire exercise beginning with this week?

Mr. Kamuren: Mr. Deputy Speaker, Sir, that is a wide area which has got to be looked into and it will be included when this other exercise is going on.

Mr. Kamuyu: On a point of order, Mr. Deputy Speaker, Sir. This morning I passed through Uhuru Highway, but I did not see the personnel working on the Highway. Could the Assistant Minister tell this House when this work will commence, not only for Uhuru Highway, but for the entire City, and how much money would the whole exercise cost?

Mr. Kamuren: Mr. Deputy Speaker, Sir, the experts are working on the amount of money and immediately it starts, the total expenditure can then be tabulated.

Mr. Shidiye: Mr. Deputy Speaker, Sir, those markings we see along Uhuru Highway are not enough.

Could the Assistant Minister put reflectors such that these roads become visible during the night?

Mr. Kamuren: That will be done, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Next Question, Mr. Owino Achola.

Question No 894

SEWERAGE SYSTEM IN MIGORI TOWN

Dr. Otieno-Kopiyo, on behalf of **Mr. Achola**, asked the Minister for Local Government when Migori Town will be provided with sewerage system and street lighting.

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

Migori Town will be provided with sewerage system and street lighting when the town population grows to a figure in excess of 40,000 people and qualifies through the criteria for inclusion in the GOK Public Investment Programme (PIP). The criteria constitutes the following factors:- One, immediate contribution to increased production and exports, to enable the economy to sustain a steady growth to reach the targeted growth rate of 56 per cent per annum. Two, creation of employment opportunities in the private sector, particularly in the rural areas. Third, support or assistance to small-scale farmers, pastoralists, rural markets, urban poor, the disabled and disadvantaged so as to increase their economic productivity. Fourth, earnings or savings of foreign exchange; and, fifth, the provision of basic services that are defined as a priority in the 9th National Development Plan.

Dr. Otieno-Kopiyo: Mr. Deputy Speaker, Sir, when will the targeted population of 40,000 be achieved by Migori Town, and what is the current population of the town?

Mr. Kamuren: Mr. Deputy Speaker, Sir, the population will be determined after any other census.

Dr. Otieno-Kopiyo: Mr. Deputy Speaker, Sir, I am asking him: What is the current population of Migori Town, and given the fact that the Government knows our population growth rate, when does he estimate the target of 40,000 people to be achieved?

Mr. Kamuren: Mr. Deputy Speaker, Sir, we will ask the Council to do the estimation and immediately we get the report, we will do it.

Mr. Deputy Speaker: Next Question, Mr. Wetangula.

Question No 1000

COUNCIL SERVICES TO LWAKHAKHA RESIDENTS

Mr. Wetangula asked the Minister for Local Government:-

(a) how much money the County Council of Bungoma collects from Lwakhakha Shopping Centre per annum;

(b) what fraction of that money is ploughed back to Lwakhakha Market; and,

(c) what services the County Council provides to the residents of Lwakhakha.

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

(a) Bungoma County Council's total income from Lwandanyi Location including Lwakhakha trading centre has been as follows:-

| <u>Financial Year</u> | <u>Kshs Income</u> |
|-----------------------|--------------------|
| 1994/95 | 283,917.00 |
| 1995/96 | 270,372.50 |

(b) The whole amount was ploughed back to the location more especially on recurrent expenditure, that is, payment of salaries, allowances and emoluments, totalling to Kshs409,720 (1994/95) and Kshs412,390 (1995/95).

(c) The services that are provided include:-

First, the provision of marketing facilities, including cleansing of the market. Two, provision of public latrines. Three, provision of community/social services. Fourth, provision of nursery schools education; and fifth, unclassified roads - opening/maintenance.

Mr. Wetangula: Thank you, Mr. Deputy Speaker, Sir. To begin with, the Assistant Minister is answering a question I have not asked. My question relates to Lwakhakha trading centre. He is purporting to give figures about Lwandanyi Location. I do not know who gave him that idea. Be that as it may, the services he is supposed to be providing are not there. There is no cleaning of the marketing and no provision of a single public latrine. Also there are no community services. Could he tell us how many nursery schools are there in the area and which are these un-classified roads that the funds are being used on? The truth is that there are no services being provided for in that

area. How is the money being used?

Mr. Kamuren: Mr. Deputy Speaker, Sir, I have outlined a few areas where this money is being used, and if it is not within the satisfaction of my colleague, hon. Wetangula, then he can give me time to investigate and give him a proper answer to this Question.

Mr. Kamuyu: How much money was spent on services in this particular County Council of Bungoma in the last financial year to confirm that, indeed, there were services offered by the Ministry of Local Government against what was collected during that financial year?

Mr. Kamuren: Mr. Deputy Speaker, Sir, we only allow what was collected by the County Council to be spent and be ploughed back for services within the County Council concerned.

Mr. Deputy Speaker: Next Question, Mr. Sifuna.

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

Mr. Deputy Speaker: Next Question, hon. Sifuna. I think we have to go very fast.

Question No.381

CONSTRUCTION OF KIBABII TEACHERS' COLLEGE

Mr. Sifuna asked the Minister for Education:-

(a) when the construction of Kibabii Teachers' College would start; and,

(b) when the College intake will take place.

The Minister for Education (Mr. Kamotho): Mr. Deputy Speaker, Sir, with the permission of the Questioner, I will give an oral answer, because the written answer was not correct.

(a) Mr. Deputy Speaker, Sir, the construction of Kibabii Teachers' College will start as soon as money gets released by the African Development Bank (ADB) through the Ministry of Finance.

(b) Therefore, the College intake would take place as soon as the College is completed.

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I do not know whether you heard what the Minister said. He said that the answer that was provided to Parliament was wrong and that now, he was going to give us an oral answer.

Mr. Deputy Speaker, Sir, are you satisfied that the Minister is treating this issue seriously, because how could two different answers come from the same Ministry, and how are we to believe what he is going to tell us now, if the other answer was wrong? Are you satisfied?

Mr. Kamotho: Mr. Deputy Speaker, Sir, do I give the answer?

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

Mr. Deputy Speaker: Order!

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. When the Minister started answering this Question, he stated that the answer that was provided to Parliament in accordance with the Standing Orders is, in fact, wrong, and now, he was going to give the House an oral answer. The point is that both answers are supposed to come from the same Ministry. How are we to believe now that what he is telling us is true, and what we were told earlier is not correct and in any case, was he then being misled by his assistants? What were they covering up? Is he treating this matter seriously?

Mr. Kamotho: Mr. Deputy Speaker, Sir, the answer given to this question was that, construction was to start in June 1996. The point is, the construction has not yet started because of what I just said. Therefore, there is nothing to debate about, it is an obvious point.

Mr. Sifuna: Mr. Deputy Speaker, Sir, this is another funny day, and, that is why Kenyans have lost faith in this Government for giving contradictory statements from time to time. On November 9th, 1994---

Mr. Deputy Speaker: What is your question?

Mr. Sifuna: Mr. Deputy Speaker, Sir, I have a newspaper cutting dated November 9th, 1994 where the same Minister promised this House that, the construction of Kibabii Teachers' College would start during the 1994/95 financial year. Now, he is telling us that they have not received the money. It is the same story the Minister has been giving us since 1979. Can he tell us whether they are going to build this college or not? Or if they are going to use it as a bait during the general elections?

Mr. Kamotho: Mr. Deputy Speaker, Sir, Kibabii Teachers College will be constructed with external funds. Negotiations were done and completed, tenders were done, evaluated and forwarded for final approval to ADB headquarters through the Ministry of Finance. The delay is between the Ministry of Finance and ADB. There is nothing the Ministry of Education can do, until money is received and released to the Ministry for construction. So, I

do not know what the hon. Member is arguing about.

Mr. Sifuna: Mr. Deputy Speaker, Sir, my argument or my question to the Minister is, from 1979, the same Ministry or the same Government has been promising this House, that, the college is going to be constructed. There are so many other colleges which came later and were constructed. Could he therefore, tell us point-blank whether the college is going to be constructed and when? The Minister should tell us specifically when the college will be built, rather than telling us to wait until 1997 when the general elections will be about to take place, and then he will come up saying, they will build the college.

Mr. Kamotho: Mr. Deputy Speaker, Sir, first of all, the hon. Member is misleading this House. Let him give an example of a college which was constructed after Kibabii was already conceived. Secondly, the hon. Member who is a Member of the Opposition, should remember that he was on the fore-front opposing external donor funds. What is he talking about now? He should tell the people of Kanduyi his stand on external donor funding to Kenyan projects, because he is contradicting himself by trying to be a good "boy" to get money to construct Kibabii Teachers College.

Mr. Sifuna: Mr. Deputy Speaker, Sir, the Minister has asked me to clarify. Bondo Teachers Training College was build later on, Migori, Garissa and Baringo Teachers Colleges came later than Kibabii which was proposed in 1979. What is wrong with this Minister?

Mr. Kamotho: Mr. Deputy Speaker, Sir, I do not know what the hon. Member is talking about. He does not even know when those colleges were constructed and completed.

Mr. Deputy Speaker, Sir, even the acquiring of land for Kibabii Teachers College was done after those colleges were already built and completed. So, I do not know what the hon. Member is talking about.

Mr. Deputy Speaker: Next Question!

Question No.371

BENEFICIARIES OF OVERSEAS SCHOLARSHIPS

Rev. Ommani asked the Minister for Education:-

- (a) how many Kenyans benefitted from the scholarships awarded through the Government to study Overseas in the years 1992 and 1993; and,
- (b) if he can give names of the people from Kakamega District who were awarded these scholarships.

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

(a) The total number of Kenyans who benefitted from the scholarships awarded through my Ministry by various friendly governments during 1992/93 and 1993/94 was 37 and 45, respectively.

(b) My Ministry does not award any scholarships, as this is the prerogative of the foreign governments offering these scholarships. The role of the Ministry is limited to advertising, interviewing and nominating eligible candidates. As the hon. Member will appreciate from the statistics which I am going to table here, the number of scholarships available annually is quite small, relative to the demand and competition.

Mr. Deputy Speaker, Sir, I am going to table the list of those who benefitted from those few scholarships. From the list, the hon. Member can tell where those candidates come from. For foreign scholarships, we only ask for those who meet the minimum qualifications to forward the applications in their hand writing. We do not ask them to state their home areas or their home districts. I will, therefore, table the list of those who benefitted and the Member can try and find out where these people come from.

(Mr. Kamotho laid the document on the Table)

Rev. Ommani: Mr. Deputy Speaker, Sir, arising from the answer given by the hon. Minister, all Kenyans know that each of those who were awarded these scholarships have their names and their home districts recorded. Could the Minister deny or confirm, that, according to his records, there is none of these scholarships that was awarded to a person from Kakamega District or Western Province?

Mr. Kamotho: Mr. Deputy Speaker, Sir, I will neither deny nor admit.

Mr. Anyona: Mr. Deputy Speaker, Sir, the question of distribution of scholarships nationally is a very important point. Now, the Minister is afraid of facing the reality, that, this country consists of many communities and many areas.

Now, can he tell us from that list where the majority of these people come from, because there is a feeling that

whoever is the Minister for Education at any particular point, makes sure, that those who benefit from the scholarships come from his home area or from his tribe? Can he tell us?

Mr. Kamotho: Mr. Deputy Speaker, Sir, I have tabled the list of those who benefited and I am sure, none of those 37 plus 45 come from Mathioya Division where I come from. I would also like to deny the allegation which has been made by hon. Anyona, because, as a Minister in charge of Education, I do not get involved in the selection of those who benefit from the scholarships advertised in the Press.

Mr. Deputy Speaker: Next Question!

Dr. Kituyi: Mr. Deputy Speaker, Sir, I wish to express concern, that I have not received a written reply to this Question.

Question No.513

ALLOCATION OF GOLD PROSPECTING LICENCES

Dr. Kituyi asked the Minister for Environment and Natural Resources:-

- (a) which companies have been given the exclusive exploration licences to prospect for gold in Turkana District since 1992;
- (b) what procedure was followed in negotiating and allocating these licences; and,
- (c) if he could table the copies of the contracts.

The Minister for Environment and Natural Resources (Mr. Sambu): Mr. Deputy Speaker, Sir, with all due respect, I beg to decline to answer the Question.

Mr. Deputy Speaker, Sir, in accordance with the Standing Orders of this House, Standing Order No.37 sub-section 12, says:-

"A question, the answer to which is readily available in ordinary works of reference or official publications, shall not be asked".

Mr. Deputy Speaker, Sir, the information being sought is readily available in the Mining Register which is prepared under the Mining Act, Cap 306.

Dr. Kituyi: Mr. Deputy Speaker, Sir, this is outrageous. First of all, no Minister should have the temerity to ask the National Assembly to forward a Question to him. Under the Standing Orders a Question that has been forwarded to a Minister has been approved by the Speaker and that Minister should not have the authority, even the temerity, to pretend that he has such authorities to declare that he cannot answer a Question as put before him.

Secondly, Mr. Deputy Speaker, Sir, if he proceeds to give an answer, I will give the reasons why I asked that Question; that companies like those associated with Joshua Kulei have been withdrawn from the Registrar of Companies Register so that one cannot get the details of the contract. Could you, Mr. Deputy Speaker, Sir, bind and oblige this Minister to answer the Question as put to him?

Mr. Deputy Speaker: Mr. Minister, once the Speaker has approved a Question, it is in proper form and it is not upto anybody to challenge its propriety for the House. So, once the Question has been approved, you have to answer the Question. May I also add that the claim of Question being one "answer to which is readily available in ordinary works of reference may not be raised" by you is only with regard to supplementary questions.

Secondly, I think, a register and a specific statute which I think, is not readily available in our Library cannot, by any stretch of imagination, be said to be an "ordinary works of reference".

Mr. Sambu: Mr. Deputy Speaker, Sir, I am not challenging your ruling but it also says "Official Publication". My interpretation was that anything under the Mining Act is an official publication. But, be that as it may, he has not gone to the Commissioner of Mines to pay the inspection fee to be given the information.

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

Mr. Deputy Speaker: Order! Wamalwa.

Mr. Wamalwa: Mr. Deputy Speaker, Sir, having made such a clear and explicit ruling, is the Minister in order now to continue to contradict your ruling?

Mr. Deputy Speaker: What is the Minister saying? I did not hear him?

Mr. Wamalwa: He is contradicting your ruling.

Mr. Deputy Speaker: Order! Order! Mr. Minister, the issue of the Kenya Gazette, for instance, will be a classic example of the official publication which you may plead because it is readily available everywhere. Every Member of this House receives a free copy. I have made my ruling that the Question is properly before the House. Mr. Minister, you are under obligation to answer it. In any case, parts (b) and (c) could not possibly be said to be available in ordinary works of reference. If you do not have the answer, I may give the indulgence to put the Question on the

Order Paper at a later date but if you have the answer now, please answer it.

Mr. Sambu: Mr. Speaker, Sir, I beg your indulgence to bring the information later.

Mr. Deputy Speaker: Thank you. Order! Order, hon. Kituyi! Order hon. Gichuki. I direct that the Question be put on the Order Paper at the earliest convenient time, possibly Tuesday if not on Wednesday. Next Question.

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, I apologise for coming into the House late.

Question No. 922

TARMACKING OF MASENO-AKADO ROAD

Prof. Anyang'-Nyong'o, asked the Minister for Public Works and Housing:-

(a) when the Maseno-Kombewa-Wangarot-Akado Road will be tarmacked; and,

(b) why the Ministry has failed to properly murrum this road as it promised in 1994.

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

(a) The Maseno-Kombewa-Wangarot-Akado Road has not been prioritised and ranked by the local District Development Committee (DDC) for tarmacking. Further, the Government is giving priority to the maintenance of the existing classified road network at motorable standards in the whole country. Consequently, there is no immediate plan to tarmac the road in question.

(b) The Ministry has spent Kshs2 million to improve the Maseno-Kombewa-Wangarot-Akado Road during the last financial year. The money facilitated murrumming some sections, installing ten lines of culvert and raising a 20 kilometre section out of the 22.4 kilometre long road. The Ministry, has therefore, not failed to act on its promise.

Prof. Anyang'-Nyong'o: Arising from the answer that the Assistant Minister has given, this House will be aware that the state of roads in this nation, especially in the rural areas is appalling. There have been many, many questions in this House about roads and all the Ministry says is that they are doing something. Kshs2 million for murrumming a 25 kilometre road is peanuts. It is impossible to do any sensible work with Kshs2 million on a road like that.

Secondly, Mr. Deputy Speaker, Sir, that road has not been murrummed, even the sections the Assistant Minister is talking about are not murrummed. So, I would like the Ministry to do a special investigation on how public monies are used in doing work for the public.

Thirdly, Mr. Deputy Speaker, Sir, is the Assistant Minister aware that Maseno Division has been split into two divisions, and Kombewa and Maseno are now divisional headquarters which should be connected by a proper road if Government work is to be done?

And, finally Mr. Deputy Speaker, Sir, is the Government aware that there has been gold discovery at K'olwenge Gold Mine which makes it important for the economic development of this country for this road to be tarmacked so that economic exploitation of that gold mine can go on?

Col. Kiluta: Mr. Deputy Speaker, Sir, we normally act on the list of the priorities given by the DDC and that particular road is ranked number five. So, the question of the road being tarmacked really rests on the DDC. If they want to change their priorities, we have no quarrel with that.

Secondly, Kshs2 million given to one particular road, in our Ministry's view, is adequate.

Prof. Anyang'-Nyong'o: Arising from that yet another inadequate and incompetent answer, is the Assistant Minister aware that this road has been prioritised by the DDC in Kisumu three times for tarmacking and the current Kisumu District Development Plan includes this road for tarmacking for the third time running in the last four years?

Col. Kiluta: Mr. Deputy Speaker, Sir, I think, the hon. Member may not have been attending the DDC meetings because what we have got here is that road number one is Kopere-Songhor Road. Two, is the Ahero-Miwani Road from the DDC priorities. Then Sondu-Kuso Road, Muhoroni-Songhor Road and Maseno-Akado Road which is number five. So, I do not see what he is arguing about.

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, the Assistant Minister is misleading this House. I have the Kisumu Development Plan which we discussed at the last DDC meeting. I have it in my office and it gives Maseno-Kombewa-Wangarot-Akado Road priority for tarmacking. I have the plan in my office. The Assistant Minister should not mislead this House.

Col. Kiluta: Mr. Deputy Speaker, Sir, we act on records and this is what we have on our records.

Mr. Deputy Speaker: Mr. Gichuki's Question.

INSTALLATION OF TELEPHONE BOOTHS

Mr. Deputy Speaker: Mr. Gichuki still not here? His Question is dropped.

(Question dropped)

Question No. 199

PROVISION OF CLEAN DRINKING WATER

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

- (a) whether he is aware that since 1980s international aid has helped to bring access to clean drinking water to an additional 1.6 billion people in the developing world; and,
- (b) if the answer to (a) above is in the affirmative, how much international aid Kenya has received to finance schemes for clean drinking water, and how many people have had access to such utility since 1980.

The Assistant Minister for Land Reclamation, Regional and Water Development (Mr. Ligale): Mr. Deputy Speaker, Sir, I apologise for coming to the House late.

Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that between 1.3 billion and 1.6 billion people in the developing world have had access to clean drinking water since the early 1980s. However, whatever the number of people that has benefited, this was not entirely due to international aid, as concerted efforts by Governments, individuals and communities have all contributed to the realisation of this target.

(b) From July, 1979 to July, 1995 a total of K£720 million has financed schemes for portable water covering a population of 16 million people in Kenya. Of this amount, K£420 comprise foreign loans and grants to the water sector through the Kenya Government, while the balance has been availed by the Government. From 1982 some donor aid has been channelled directly to the community projects. In addition data relating to community and individual water projects has not been fully taken into account.

Mr. Gatabaki: Mr. Deputy Speaker, Sir, I wish to thank the Assistant Minister for that comprehensive answer. However, I am speaking on behalf of 25 million people who are shocked by the Government's inability to provide water to them, four years to the year 2000, by which this Government committed itself to providing every Kenyan with safe drinking water. The Kenya Government has not benefited from donor community aid because the donors are fatigued with corruption in this Government. Could the Assistant Minister tell this House why in over 100 constituencies from Githunguri, to Limuru and Murang'a there is not a single Government water project that is functional?

Mr. Ligale: Mr. Deputy Speaker, Sir, I entirely refute that allegation. In fact, if one looks at the statistics of people who have benefited from Government-funded projects, either directly through our own resources or through resources made available by donors, one will see that Central Province comes out tops. Apart from Nairobi, it has the highest coverage of portable water projects in this country. So, I do not understand how the hon. Member can stand here and say that there not a single project that is working in that area.

Mr. Wamalwa: Mr. Deputy Speaker, Sir, in 1980, this Government declared in 1980 that it was its objective to supply every Kenyan with clean drinking water by the year 2000. From the Assistant Minister's answer, it is obvious that this cannot be achieved. Would he like to tell the nation now what the Government is projection is? By what year will the Government be able to supply every Kenyan with clean drinking water?

Mr. Ligale: It is a thing good for the Government to have a target and to aim at achieving it. Although we had hoped to be able to achieve the goal of bringing portable water to every Kenyan by the year 2000, in effect we have done extremely well. As at present, about 75 per cent of Kenyans in urban areas do have access to portable water and, on average, 54 per cent of the people in the rural areas have access to portable water. We do hope to continue with these efforts, but I cannot give a definitive date by which we may be able to get water to every Kenyan.

Mr. Gatabaki: Mr. Deputy Speaker, Sir, the provision of water is taken to be a big necessity. It is one of the most important infrastructural aspects of any nation. Provision of water to homes and villages is a pre-requisite for any Government worth its salt. This Government has neglected millions of Kenyans in the provision of basic services just as it has neglected other aspects of infrastructure like roads, electricity and so on. In view of the inefficiency, inability and incapacity of this Government, when will his Excellency the President agree to sit down with the Opposition parties and hold discussions, and then he retires quietly and peacefully, so that a responsible Government

can serve the people of Kenya?

Mr. Deputy Speaker: Next Order.

MOTIONS

SELECT COMMITTEE TO PROBE KCC

THAT, while taking into consideration the enormous difficulties various sectors of the economy have undergone due to liberalization processes and noting that the agricultural industry has borne the brunt of these economic adjustments and inherent mis-management, particularly in the dairy industry, this House resolves to set up a Select Committee to look into:-

- (i) the main causes that have run down Kenya Co-operative Creameries (KCC); and,
- (ii) give recommendations on how the organisation can be put on sound financial footing.

(Mr. Kirwa on 31.7.96)

(Resumption of Debate interrupted on 31.7.96)

Mr. Deputy Speaker: Mr. Mulusya, you were on the Floor last time.

Mr. Mulusya: Mr. Deputy Speaker, Sir, this is another day when we are going to show---

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

Mr. Deputy Speaker: Order! Let me make it very clear that if you have points of order over which you have consulted the Chair, when I call out for the next Order you should jump up immediately. I actually expected one or two hon. Members to raise points of order. These hon. Members include hon. Sifuna. I called out twice for the next Order and nobody responded. I am left with no option but to comply with the calling out for the next Order by the Clerk-at-the-Table. Mr. Sifuna, if you are rising on the point of order which I had given you the green light to raise, I am afraid to tell you that you have to raise it this afternoon and not now. Already I have called an hon. Member to take the Floor.

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

Mr. Deputy Speaker: Order! Hon. Members, let us not argue on this. I think it is important that we respect our rules and conventions. If you intended to raise points of order, on which I had given you the green light and you have failed to do so, and not only has the next Motion been called out, but an hon. Member has taken the Floor to contribute to it, then we will not revert to the previous stage. Mr. Sifuna, you can raise your matter in the afternoon.

But I must tell you that I hesitated for seconds before calling for the next Order, waiting for you to shoot up. Since you did not shoot up I thought you had withdrawn your point of order.

Mr. Raila: On a point of order, Mr. Deputy Speaker, Sir. There is in fact, a ruling by the late Sir, Humprey Slade, that matters which are being debated in the House are not supposed to be taken out of the House. Extension of debate outside the House is not allowed. The Motion before the House has not been disposed of, but over the last few weeks it has been publicly debated outside the House by Members of this particular House, who had the opportunity to come and air their views in this House. I would like to seek your guidance and ruling as to whether those hon. Members, including Member of Parliament for Baringo Central, who have violated the practice and Standing Orders of this House should not be disciplined.

Mr. Deputy Speaker: Hon. Raila, I fully agree with you that it is against the Standing Orders and practice of the House to drag debate on a matter before the House outside the House. I would want to appeal to all hon. Members to respect that rule. If on the other hand, you have any details, which you think warrant further action you can consult the Chair, that is me, later. For now, may we continue with the debate?

Proceed, Mr. Mulusya

Mr. Mulusya: Mr. Deputy Speaker, Sir, I want to tell this House---

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. In view of your ruling, I think, this is an insult and a serious matter. It has been said outside the House that certain Members of this House were violating the Standing Orders of this House and you have confirmed it this morning. But among those Members who violate the Standing Orders of this House is the hon. Member for Baringo Central. The point is, in all seriousness---

Mr. Deputy Speaker: Order! Order, hon. Anyona! My response to hon. Raila's very pertinent point of order was quite clear. It definitely did not elicit any further rejoinders from hon. Members. I stick to that ruling, and I am giving the Floor to hon. Mulusya. For heavens sake, let us not engage in---

Hon. Mulusya, proceed.

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

Mr. Deputy Speaker: Order, hon. Anyona! I have made my ruling on that and it is final. I will not entertain any further points of order on that. Mr. Mulusya proceed.

Mr. Mulusya: I wish to explain to this House why there has been so much hue and cry over the privatisation of KCC. There has been an internal audit report by the auditors of KCC which has revealed a loss of Kshs3.38 billion. Within the audit report, there is a further loss of a further amount which was caused by importation of milk products by the former directors of KCC which amounts to Kshs2.72 billion. The total loss so far for KCC is Kshs6.1 billion. The current market valuation of KCC is Kshs14.91 billion. When you subtract that loss of Kshs6.1 billion, you will have a net book value of assets of Kshs8.81 billion.

Today, farmers, co-operative societies and individuals are owning 94.6 per cent of KCC. The reason why the Kenya Commercial Bank has given the KCC up to the 15th of this month to pay all its overdrafts is because they have negotiated with individuals to buy 76 per cent of the KCC assets and the farmers will be left with 24 per cent of the shareholding. Those people, whom I am going to mention, have negotiated with Kenya Commercial Bank to buy the 76 per cent of the shareholding at Kshs1.7 billion. These people would then have a gain of Kshs7.1 billion which is a loss to the farmers, who own 94.6 per cent of KCC.

Those people who are fighting to cripple KCC were brought together over breakfast on Wednesday last week before the President went to open the Nairobi International Show. Those people consist of two groups. One group is led by Raymond Moi and three Wazungus from the Netherlands. Those Wazungus are already here in this country. The other team consists of Members of this House. These are: Hon. Nyachae, hon. Biwott and hon. Kones. All of those people---

Mr. Biwott: On a point of order, Mr. Deputy Speaker, Sir. I am a dairy farmer and I do not think the hon. Member for Kangundo is a dairy farmer. The Motion before the House today, is about the mismanagement of KCC, as a result of the liberalisation of the economy. I would like the hon. Member who has departed from the main issue to malign my name to substantiate fully and repeat this in the House because I have absolutely nothing to do with this one. As far as I know---

Mr. Deputy Speaker: Order! Order, hon. Biwott!

Mr. Mulusya: Mr. Deputy Speaker, Sir, I am going to substantiate. One of those Wazungus was here on Wednesday morning with him and they rode in the same Volvo to the Nairobi International Show. They were together in this Parliament on Wednesday morning.

Mr. Deputy Speaker: Order! Order, hon. Mulusya! I am afraid, that is not substantiation, but your time is up anyway.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachea): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute on this Motion. I think we should all accept, as leaders in this House, that we are dealing with a very important subject that affects the lives of Kenyans and the economy of this nation. Regardless of what hon. Mulusya said about me, I do not want to be emotional about the subject. This is a matter that I think should be resolved in a clear and beneficial manner to the farmer and to the nation. I have been a shareholder of KCC for the last 30 years and I will continue to be a shareholder. I have been delivering my milk to the Sotik KCC factory since 1966, and I will continue doing so. What we are interested in is the dairy industry, as a whole, including Kenya Co-operative Creameries (KCC), and the other 35 players in the milk processing and marketing. We now have, including KCC, 35 milk processors and marketers. We would like to see them all process the milk in a quality manner, using the latest technology and marketing the milk at a competitive price outside Kenya and within the country.

Mr. Deputy Speaker, Sir, the Motion here should bear in mind the fact that KCC has a Board of Directors, who are elected by shareholders, and these Directors must be allowed to decide on matters affecting them and the shareholders. Therefore, I am left wondering why in this particular case of KCC, we should not allow the Board of Directors to investigate whatever concerns the farmers. I do not see why a public company, privately owned by thousands of shareholders---

Mr. Orenge: On a point of order, Mr. Deputy Speaker, Sir. This is a very important Motion. Is hon. Nyachae talking as the official respondent?

(Loud consultations)

It is important because the weight of what he is saying depends on whether he is the official respondent to the Motion or whether he is a Minister for Co-operative Development?

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachea): Mr. Deputy

Speaker, Sir, I am making a contribution. The Minister who deals with the co-operative matters will respond. I am making a contribution as Minister for Agriculture, Livestock Development and Marketing..

Dr. Kituyi: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Minister in order to tell this House that KCC has been exempted from the Co-operative Act, as a private company and proceeds to tell us that the Minister for Co-operative Development will reply officially?

Mr. Deputy Speaker: Order! He is perfectly in order. Somebody from the Government Benches will have to reply to the Motion. If the hon. Minister is contributing, he is entitled to contribute. If the Government decides, any Minister can respond; it may be the Minister for Agriculture, Livestock Development and Marketing, the Minister for Co-operative Development or even Office of the President. Therefore, I take it that he is contributing and the Minister for Co-operative Development is going to respond.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): Mr. Deputy Speaker, Sir, for the benefit of my brother, hon. Orenge, most of the milk that goes to KCC comes from the co-operatives. That is why we are putting it that way.

I am standing here to indicate that the Government is not interfering with KCC. What the Government is doing is exactly what the Government has done in holding discussions with tea and coffee growers in the process of liberalisation. We are now discussing with the dairy farmers in the process of liberalisation. From there, we will move and enter into the beef industry in the process of liberalisation. Therefore, the question of interference does not arise.

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): Mr. Deputy Speaker, Sir, I do not want my time to be wasted. In 1991, in support of the dairy industry, the Government went ahead, in conjunction with the farmers, produced--

Dr. Otieno-Kopiyo: On a point of order, Mr. Deputy Speaker, Sir. You have heard the hon. Minister say that he was making a contribution. From the tone and his procedure now, he is clearly stating what the Government policy is. We have heard from the President on the matter, we are hearing from him now---

Mr. Deputy Speaker: Order! Every Government Minister or Assistant Minister is within his right to state what he believes is Government policy.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): Mr. Deputy Speaker, Sir, in 1991, the Government produced five volumes of the dairy policy paper. I would like to table them here to indicate how the dairy industry should be improved for the benefit of the farmers. These ways and means include the latest technology that can attract international market, the best method of producing milk and marketing it at the lowest cost possible. That was done with the support of the Danish International Development Agency (DANIDA) group. Then a masterplan for the dairy industry was produced in 1995. In 1993, the dairy industry policy was produced. These are the issues that we are discussing with the KCC and the other 35 players.

(Mr. Nyachae laid all the documents on the Table)

Therefore, there is nothing to stop KCC from debating with the Government and among themselves, and in the end, telling us what they want. We are entitled, as a Government, to amplify these policies with the players. But finally, as it happened with coffee and tea, it is the farmers themselves who will decide. I believe in these two recommendations in the Motion. While respecting this House, and while recognising that it is supreme and can intervene in any other matters concerning this nation, I believe that if we say we should not interfere with KCC, this House also should not interfere with KCC.

(Applause)

The Board of Directors should be the one to decide, investigate and find out if there is any crime committed, or anybody who has mismanaged funds in the past, then the Board of Directors should be left to deal with those matters like any other company.

Mr. Wamalwa: On a point of order, Mr. Deputy Speaker, Sir. The Minister has very authoritatively asserted that this House should be stopped from interfering with KCC. Is he in order to limit the jurisdiction of Parliament, when we know Parliament can debate anything under the sun?

(Applause)

Mr. Deputy Speaker: Order! I do not think he has pretended to limit the jurisdiction of Parliament. He has only expressed his views that, perhaps, the House should not deal with it and, I think, the House is competent to deal with any matter within this country.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): Mr. Deputy Speaker, Sir, I respect this House, as I am one of the hon. Members, and the House is supreme. But I appeal to this House, that it is just fair that when we say "nobody" should interfere with the KCC, then we should all show, by demonstrating that we are also not interfering with the management of KCC by saying we want to investigate KCC matters. Why should we investigate? Is the Board of Directors unable to do so? We need to help the farmers. Right now, our milk is two and a half per cent more expensive than the milk outside the industry. Therefore, I do not see the purpose for us to agree that we should set a Select Committee. I do not see the purpose at all.

Mr. Kiliku: Thank you, Mr. Deputy Speaker, Sir. This Motion, as it reads, is not complete because it is talking about a Select Committee, but not enumerating the members who will constitute it.

I propose that the Motion before the House be amended by inserting the following words, after the last line, to read as follows: "A Select Committee so formed to be constituted by the following Members:- Hon. Kipruto arap Kirwa, MP, hon. John Michuki, MP, Dr. Mukhisa Kituyi, MP, hon. Falana, MP, hon. Kennedy Kiliku, MP, hon. Kamau Icharia, MP, hon. Apili Wawire, MP, hon. Henry Obwocha, MP, hon. Ibrahim Salat, MP, hon. Jared Ndwiga, MP, hon. Eliud Mcharo, MP, hon. Arte, MP, and hon. J.M. Mulusya, MP. I would like the Members who have been selected to take only 60 days to bring a report to this House.

We talked about corruption in this country. When the Committee starts its investigations, it should visit the Purchasing Department of KCC. They should call all the former members of the Board of KCC before the Committee. They should also establish the registered suppliers of KCC.

Mr. Deputy Speaker, Sir, there is no need for anybody being emotional about this Motion. The Motion is for this country, and if you play around with it, you are playing around with the children of this country. You are playing around with the people of this country.

Some of the shareholders of KCC are in this House. If you say that KCC is a private firm, why has the Government appointed Members of the Board?

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member right to say the Government appointed the Board of Directors of KCC when he knows that they were elected by the farmers themselves?

Mr. Kiliku: Let me continue with my contribution. I have withdrawn that statement.

This Government has run down so many private companies and parastatals. When hon. Nyachae was the Head of Civil Service, he messed up the Kenya Cargo Handling Services. This Government has messed up NCPB and Kenya Airways. Therefore, when we are talking about privatization, we are not giving anybody a permit to practise corruption. This Government did even bring a document containing a list of all the state corporations that were going to be privatized. They just went ahead and started privatising them. Why have they privatized most of the state corporations like, for example, Brollo Kenya Limited?

Mr. Shamalla: On a point of order, Mr. Deputy Speaker, Sir. Hon. Nyachae did raise a point of order with regard to the Government appointing directors to KCC. Hon. Kiliku has not confirmed that. He has not named any director appointed by the Government. Will he withdraw that statement?

Mr. Kiliku: Mr. Deputy Speaker, Sir, I withdrew that statement and hon. Nyachae appreciated it.

In the last two years, this KCC imported milk contaminated with radio-active substances.

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

Mr. Deputy Speaker: Order! Order! I think this is a very simple matter and let us continue with the debate. You can reply, if you want.

Mr. Kiliku: When I am talking, hon. Chebelyon should keep quiet. He is the one who imported milk contaminated with radio-active substances!

Mr. Chebelyon: On a point of order, Mr. Deputy Speaker, Sir. I want to tell hon. Kiliku that I was elected to the Board of Directors.

Mr. Kiliku: He was the one who was responsible for importing milk contaminated with radio-active substances which was stored in Miritini, Mombasa.

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

Mr. Deputy Speaker: Order! Order! I think, when you are contributing, you should be tactful because you provoke people by mentioning their names. In accordance with natural justice, they should be given an opportunity to make a remark, and in the process, your time is being eroded.

Mr. Chebelyon: Can he substantiate that I imported milk contaminated with radio-active substances into this country?

Mr. Deputy Speaker: That is a serious allegation against the Member and he has demanded that you substantiate it. So, you go ahead and substantiate.

Mr. Kiliku: I will substantiate that allegation. When this milk was imported and taken to Miritini in Changamwe, I went there personally. When I asked the manager then about that milk, he said that this milk had been imported with the blessings of the chairman of KCC at that time who was hon. Chebelyon.

Mr. Chebelyon: Mr. Deputy Speaker, Sir, can he lay on the Table the proof to that effect?

Mr. Kiliku: I urge the members of the Committee---

The Assistant Minister, Office of the President (Mr. Sunkuli): On a point of order, Mr. Deputy Speaker, Sir. I notice that hon. Kiliku in moving his amendment, he has included his name among the Members of that Select Committee. I am asking the hon. Kiliku to declare his interest in the Motion, in view of the fact that he was the chairman of a committee that was misused politically? I wonder whether hon. Kiliku wants to misuse another commission.

Mr. Kiliku: I will ignore that.

Mr. Deputy Speaker, Sir, I am calling upon the members of this Select Committee to call all those people who have been named in this scandal to appear before the Committee regardless of their status in society, irrespective of whether they are the sons of kings or the poor.

Also, they should know that because of the KCC problem, the children across this country are blaming the Government. Although this Government says that it loves children, the love is no longer there. Children are not getting milk because of this Government. If there is no corruption in the Government, why should you be emotional? Why do you not want to listen?

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): On a point of order, Mr. Deputy Speaker, Sir. It is erroneous to say that the children of Kenya do not have milk. We have moved from 1.9 billion litres to 2.2 billion litres of milk for the children.

Mr. Kiliku: In this debate, I would like to warn hon. Nyachae as one of the shareholders of KCC, to keep quiet. He should listen. He has declared his interest by saying that he is one of the shareholders of KCC. Let us say what has been happening. It is due to corrupt practices by this Government that we do not get enough milk in the country.

Why did the KANU Parliamentary Group carry out a Motion of this House and discuss it in the Old Chambers when it was still before this House?

An. hon. Member: Who said that?

Mr. Kiliku: This information was in the newspapers and it was not refuted by hon. "ole" Kamotho!

With those few remarks, I beg to move and ask hon. Orengo to second it.

Mr. Orengo: Thank you very much, Mr. Deputy Speaker, Sir, for giving me this opportunity to second the Motion.

This is a very important Motion and, probably, we need to approach it with very sober minds. I heard very clearly here, hon. Nyachae saying that KCC is a private public company and that nobody, including this House, should interfere with its affairs. I am wondering why both hon. Nyachae and the Government have taken it upon themselves to interfere with the affairs of KCC.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): On a point of order, Mr. Deputy Speaker, Sir. It is the responsibility of the Government to formulate policies for every sector and sub-sector of this nation, and to discuss with the parties concerned. When the Government is discussing with farmers on matters concerning the dairy industry, that is not interference.

Mr. Orengo: Mr. Deputy Speaker, Sir, that is not a point of order. If he has difficulties in understanding concepts, I am not going to help him. Mr. Deputy Speaker, Sir, a little bit of history is important. KCC---

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

Hon. Members: Defector! Defector! Defector!

Mr. Shamalla: Has hon. Orengo taken the responsibility of the Speaker to rule on whether a point is out of order or not?

Mr. Deputy Speaker: Nobody can usurp that responsibility of the Speaker.

Mr. Orengo: Mr. Deputy Speaker, Sir, I was merely making a comment.

Mr. Deputy Speaker, Sir, KCC was founded in 1925 as a public company limited by shares. KCC is actually a year younger than President Moi.

In 1932, KCC was registered as a co-operative society under the then Co-operative Registration Ordinance of

1932.

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

Mr. Deputy Speaker: It had better be a serious point of order!

The Assistant Minister for Health (Mr. Mutiso): Mr. Deputy Speaker, Sir, is it in order for hon. Orengo to compare the age of His Excellency the President with that one of KCC?

Mr. Deputy Speaker: Order! Order, hon. Members! For heavens sake, can we minimise our interjections of points of order to the absolute necessary?

Mr. Orengo: Thank you, Mr. Deputy Speaker, Sir. It is important to understand what the colonial Government did, and what we did after attaining Independence.

Subsequently, when KCC was registered under the Co-operatives Ordinance of 1932, it had a dual capacity. Its legal status was under the Companies Act, as a public company, and it was also a co-operative society under the Co-operative Ordinance.

Knowing the useful work that KCC was doing at that time, and other organisations like Kenya Farmers Association (KFA), the colonial Government realised that it was necessary and important to ensure that there was no Government interference in the affairs of KFA, KCC and Kenya Planters Co-operative Union (KPCU). In 1945, by an order in the Kenya Gazette and by a proclamation, Mr. Foster Satin who was then a member of the law and order, exempted KFA, KPCU and KCC from the provisions of the Co-operatives Act or Ordinance.

It is very important, and I am pleading with hon. Munyi to understand that if you are exempted from the provisions of the Co-operatives Act, that does not mean you cease to be a co-operative society. You are merely exempted from the provisions. That is a very, very important distinction.

Then, when we attained Independence, hon. Ngala who was the then Minister in charge of co-operatives, again, by a gazette notice in 1963, exempted KPCU, KFA and KCC from the provisions of the Co-operatives Act. Again, that was to ensure that the Government, under the provisions of the Co-operative Societies Act would not, under any circumstances, interfere with the affairs of KPCU, KFA and KCC.

Mr. Deputy Speaker, Sir, what then happened is that after this Government came into place, that is, in the Moi era, it was just a litany of errors.

In 1996, hon. Munyi, as Minister of Co-operatives, by a gazette notice, exempted KCC from the provisions of the Co-operatives Act. In doing so, he was not aware that his predecessor, Mr. Cheruiyot, had also by a gazette notice, exempted the same organisation from the Co-operatives Act in 1989. But what Mr. Cheruiyot did---And we must remember that this same Cheruiyot went into Kenya National Assurance Company and started bringing it down. What he did was not to follow the footsteps of hon. Ngala and the colonial Government of saying that KCC was exempted from the Co-operative Act. He went ahead and said that from then on, the co-operative societies will be managed by a board, which was, in addition, to ensure that this Government was now in a position to appoint its own people to go and wreck KCC.

Mr. Deputy Speaker, Sir, that was not the end of the story. In 1991, and hon. Nyachae can bear me out on this, because he says that it is a public company. The Registrar-General, by a gazette notice in June, 1989, struck off KCC from the Register of Companies. Four years later, when they realised that this was not going to work out, that cancellation from the Register of Companies was cancelled by the same Government. So, I do not know what head this Government is using. What it says today, is not what it says tomorrow. This is very typical of this Government.

Having said that, the problem in KCC at the moment is a question of shareholding and structuring of shareholding, but the most crucial problem is that the previous directors of KCC and some shareholders and members were acting in contravention of its By-laws and Articles of Association by going into direct competition with KCC in the dairy industry.

Mr. Deputy Speaker, Sir, the whole strategy was to ensure that KCC was brought down so that certain individuals, including Raymond Moi, were now in a position to dominate dairy industry. This is was really the strategy that this Government wanted to achieve.

Now, we have been talking about decentralising and privatising KCC and so on. Now, in view of what the Minister for Agriculture, Livestock Development and Marketing has said, how can the Government now pretend to be involved in exercise of trying to decentralise a company which belongs to shareholders and which does not belong to the Government, unless, the motive is not to try and rig the assets and the business of the KCC?

Mr. Deputy Speaker, Sir, I will end by saying that before this Government can talk about KCC, let them tell us what they have done to Kenya National Assurance Company (KNAC), let them tell us what they have done to Nyayo Bus and so on. Your record is so bad and you have no moral authority to talk about any other organisation. I beg to second.

(Applause)

(Question, that the words to be added be added, proposed)

(Question that the words to be added be added, put and negatived)

Mr. Deputy Speaker: Order! We are now debating the original Motion.

(Debate on the original Motion resumed)

Mr. Biwott: Mr. Deputy Speaker, Sir, first all---

Mr. Deputy Speaker: Order! Order! For the avoidance of doubts, there are hon. Members who are asking why there was no debate on the amendment. There is no time for us to debate on that and is perfectly procedural. In any case, whether the amendment sailed or not, the fate of the Select Committee will depend on the final verdict. Hon. Biwott, you have two minutes.

Mr. Biwott: Mr. Deputy Speaker, Sir, because of the limited time, I will go straight to the matter. First of all, I would like to declare my interest. I am a KCC shareholder, and I have been supplying KCC with milk faithfully todate for the last 27 years. I have fought and assisted KCC as much as possible, whenever I had responsibility, especially when I was in the Ministry of Agriculture, Livestock Development and Marketing, to enhance the welfare of dairy farmers. Therefore, I cannot act against my own interest and against the interest of dairy farmers as well.

I was surprised to hear somebody who is not even a dairy farmer accusing me of participating in the breakfast which I never took part. I never went to State House on Wednesday prior to the Nairobi International Agricultural Show. I never took a mzungu to the show and I think I have got every right to demand that the hon. Member, in all fairness, tables the name of the fellow we went with, and also substantiate that I participated in the breakfast to discuss the fate of the KCC

First of all, the Motion, as it is, is conclusive. It talks about---

Mr. Deputy Speaker: Order! Order! Your time is up. Yes, hon. Minister.

The Minister for Co-operative Development (Mr. Munyi): Mr. Deputy Speaker, Sir, the "culture" of misleading the nation is a very dangerous "culture" because during the KANU Parliamentary Group meeting, nothing was discussed about KCC. I want to refute all the false allegations which have been given against the Kenya Government and that cannot be tolerated.

Mr. Raila: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Minister in order to mislead the House that the matter of the KCC was not discussed at the last KANU Parliamentary Group meeting when the Secretary-General of KANU himself did actually brief the Press and said that the matter was discussed and a resolution was passed that it will be decentralised?

The Minister for Co-operative Development (Mr. Munyi): Mr. Deputy Speaker, Sir, I actually did not mislead the nation.

As it stands now, KCC is running as a private company, and its Board members were elected by the farmers themselves. This is a fact and these documents which have been laid before this House by the Minister for Agriculture, Livestock Development and Marketing, were discussed and agreed upon.

Mr. Muite: On a point of order, Mr. Deputy Speaker, Sir. Could we get a clarification from the Minister for Co-operative Development? He has just made a statement that KCC is running as a private company; private company in law, is a company with less than 50 members. As far as we know, KCC is a public company, it has got more than 50 shareholders. Which is the position?

The Minister for Co-operative Development (Mr. Munyi): Mr. Deputy Speaker, Sir, what I am saying is that KCC is a public company and no interference should be entertained. I would like the hon. Member for Kikuyu to come and see the facts which have been laid here on the Table. We should know that what the Government has been doing is sounding very helpful and we do not want any interference over matters of KCC to be used as political matters. This, we are not going to accept.

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. The country today, farmers and our children in the galleries, are expecting the most sober debate on this issue and we hope from today this issue will be put to rest. My point of order is, the Minister is making noises which---

Mr. Deputy Speaker: Hon. Members are too honourable to make noises!

Mr. Anyona: I want to improve on that---

Mr. Deputy Speaker: I would like to appeal to you all to try and minimise these points of order which turn out to be really sensitive for derailing hon. Members who are contributing. It is really an appeal to all of you. Please, be sensitive about the point of order.

Mr. Anyona: Mr. Deputy Speaker, Sir, I agree with you. In fact, we on this side of the House today want to listen attentively so that the country can reckon. What I am saying here is that the Minister is "drowning" himself---

Mr. Deputy Speaker: What is the point of order?

Mr. Anyona: Mr. Deputy Speaker, Sir, my point of order is that we want the Minister to state clearly what the Government policy on this issue is. Two, it is the practice of this House that when we have an important matter being debated in the House that we do have the Minister with his staff supporting him. If you look at those Benches, they are empty. Is the Minister taking this House, this issue, and this country seriously?

Mr. Deputy Speaker: Order! I think that was frivolous really, you should not have intervened! Its a point of argument.

Mr. Deputy Speaker, Sir, we are taking the House very seriously, and we want the dairy farmers to be given the opportunity to deal with their own affairs without interference from outside, especially from the Opposition. This one cannot be tolerated. After having said that, there is no use of a Select Committee because other committees have dealt with this matter. Therefore, I want to oppose this Motion very strongly.

The Assistant Minister for Commerce and Industry (Mr. Osogo): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity. I was keenly following---

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

Mr. Deputy Speaker: Order! Order! We try to allocate time on the basis of a see-saw kind of between the Government and the Opposition side, and there arises occasions when we have to give two consecutive hon. Members from one side. Hon. Members to my left, surely, have no reason to complain today, because not long ago I did allow hon. Orengo and hon. Kiliku, the Mover of the amendment and the Seconder through the same. Since 11.05 a.m. the time was really for the Official Government Responder to my right, but he decided, maybe out of his generosity, that he was not going to use all his time, because in any case, the official mover of the Motion is from the Government side, but I think his sentiments are move akin to the Opposition side today. I decided to give somebody from the Government side to finish his time. Proceed, hon. Osogo.

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

The Assistant Minister for Commerce and Industry (Mr. Osogo): Mr. Deputy Speaker, Sir, I was very keenly---

Dr. Kituyi: On a point of order, Mr. Deputy Speaker, Sir. It is not within my powers to question rulings by the Chair, but what exactly is meant by the Chair when you say that the Mover of the Motion's sentiments are on the Opposite side of the House?

Mr. Deputy Speaker: Order! Order! Let me assure you, hon. Members, that no harm was intended. I just felt about expressing the pros and cons of the Motion, and I am sure, hon. Kirwa, has understood me. Proceed, hon. Osogo.

Mr. Biwott: On a point of order, Mr. Deputy Speaker, Sir. My time was cut short---

Mr. Deputy Speaker: Order! Order! It is unfortunate that things developed that way. Had the hon. Munyi indicated to me that he will not need all the 20 minutes, I would have given you more time. I am afraid, we cannot revisit that allocation now. Hon. Osogo, please, you have exactly 10 minutes.

The Assistant Minister for Commerce and Industry (Mr. Osogo): Mr. Deputy Speaker, Sir, I was very keenly following what the hon. Orengo was saying, and he was very correct, on the sequences of events. The only thing he did not know is that in 1964 when the late Ngala, the then Minister for Co-operative Development, made a gazette notice, there had been a discussion in the Cabinet, and I was then an Assistant Minister for Agriculture, where the late Bruce Mackenzie insisted that KCC should remain a private company. The Cabinet, therefore, decided that if Wazungus were pulling out and they were the main shareholders of KCC, it should remain a co-operative society in view of the fact that the Government was trying to encourage co-operative societies at that time to form the dairy industry, so that they become the shareholders. That is what it stands up to now. But the Government has been messing up itself by all the time not seeing the gazette notices that the others had been made, and that is only natural, that when officers do not look into the past records, these mistakes do happen.

(Applause)

They have been happening, and we have accepted that these mistakes have happened. Now, we are saying

as, indeed, the hon. Minister for Agriculture, Livestock Development and Marketing said, that the KCC is a public company with shareholders. That is the state in which the Government is now accepting, because the Minister for Agriculture, Livestock Development and Marketing, and also the Minister for Co-operative Development have accepted.

So, what we are saying on the Government side is that there is no need of appointing a Select Committee to go and probe or look into the activities of a public company which has got shareholders. This is what we are maintaining. I am sure the hon. Members in the Opposition side have seen this, because we have accepted that we have messed up by not looking at the past records. We have accepted this and there is no sin in us not accepting what is obvious.

So, we want the hon. Members on the Opposition side to have a look at the state in which this Motion has come. It is requesting and it comes from the Government side, for a Select Committee to be appointed. I am sure the Mover of this Motion had not seen history which has been revealed already in this House. So, the status of KCC is that it is a public company, it does not need any probing from this House or any other person apart from the directors of KCC.

Mr. Orengo: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Osogo in order to mislead the House by saying that the status of KCC is that one of a public company when its registration under the Co-operative Act has not been cancelled? It still has duo registration. Is he in order to mislead the House?

The Assistant Minister for Commerce and Industry (Mr. Osogo): Yes, Mr. Deputy Speaker, Sir, and indeed, you would agree with me that when hon. Orengo was referring to the legal notices that had been signed by various Ministers, he was referring to those legal notices as exempting KCC from the Co-operative Act. That is what he said, and that is what we have agreed it is. These are the *status quo* that the legal notices that exempted KCC from the Co-operative Act still stand as a private company. This is a very clear thing. We know that this Motion is very sensitive, but owing to the fact---

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I think there is one point that is not coming out clearly and we are going to come to the end of this Motion without knowing where we are. The Minister for Agriculture, Livestock Development and Marketing has stated and the Minister for Co-operative Development in his own way, has stated---

Mr. Deputy Speaker: Order! Order, Mr. Anyona! You definitely know that I have a lot of respect for you as I have for every hon. Member in this House, but I am afraid points of order should really relate to either efforts to bring to the attention of the Chair questions of the actual order on the Floor of the House, or serious pointers to breaches of the Standing Orders. I am afraid you are using the opportunity of a point of order to advance an argument. This is what you have been persisting on today. Please, Mr. Osogo, continue.

The Assistant Minister for Commerce and Industry (Mr. Osogo): Mr. Deputy Speaker, Sir, I would like to appeal to the House that, we should leave the matters to the shareholders of the Kenya Co-operative Creameries. Let them look at the matter and decide what to do without any interference from a committee from this House.

Mr. Deputy Speaker, Sir, this is a crucial matter, because the hon. Member who Moved this Motion and who is a shareholder of the Kenya Co-operative Creameries felt there was something amiss. He was right in feeling like that and everybody in this House felt like that, including farmers themselves. They felt there was something wrong at that time. But, it is being rectified and I thank the Mover of this Motion for having brought it so that matters can be rectified as they are being rectified now.

With these few remarks, I oppose the Motion.

Mr. Kibaki: Mr. Deputy Speaker, Sir, the matter which I want to clarify is that, that side of this House is misleading Kenyans because, the issue of the status of KCC was first raised by the President and the Minister for Agriculture, Livestock Development and Marketing. The issue of intervention and interference is by the President and the Minister for Agriculture, Livestock Development and Marketing. Mr. Deputy Speaker, Sir, what this House is saying, and I am only saying things which are factual is: What happened earlier? In fact, we have been told by the President and the Minister for Agriculture, Livestock Development and Marketing, that, this Company is about to collapse.

The Minister for Agriculture, Livestock Development and Marketing (Mr. Nyachae): On a point of order, Mr. Deputy Speaker, Sir. Is hon. Kibaki whom I have respected for many years and who is a shareholder of KCC like myself---

Mr. Deputy Speaker, Sir, hon. Kibaki should not mislead this House because he is misleading the House in the sense that discussions either by the President or by the Minister for Agriculture, Livestock Development and Marketing on matters concerning Dairy Industry is tantamount to interference. That is not interference. He is misleading the House.

Mr. Kibaki: Mr. Deputy Speaker, Sir, all I am saying is, what has brought this debate is the President and

the Minister for Agriculture, Livestock Development and Marketing and, I am quite sure. Therefore, I do not agree with them. This Parliament has a right to assist us, the Milk producers and to protect us from this terrible Government which wants to loot everything.

Mr. Deputy Speaker, Sir, those who looted KCC were appointed by the Minister for Co-operative Development after hon. Chebelyon had lost the election and it is the Minister for Co-operative Development who imposed him on us. He also forced on us the Vice-Chairman. Therefore, what I am saying is---

The Minister for Co-operative Development (Mr. Munyi): On a point of order, Mr. Deputy Speaker, Sir. Hon. Kibaki has been using KCC for his own political gains. He is misleading the House.

Mr. Kibaki: Mr. Deputy Speaker, Sir, I am only stating facts and facts are very painful. We the shareholders had elected a Board some five years ago, but the Minister was ordered to nominate Chebelyon Chairman and Raymond Moi as his Vice-Chairman. They interfered. So all I am saying---

Mr. Deputy Speaker: Order! Order! I am afraid his time is over, so there is no point of order you can raise now. It is time for hon. Kirwa to reply.

Mr. Kirwa: Mr. Deputy Speaker, Sir, thank you for this opportunity again to respond to this particular Motion.

Mr. Deputy Speaker, Sir, quite a number of issues have been raised pertaining to the question of KCC. Those who are propagating for decentralization which the Government has now clearly stated, it is not going to interfere again in the affairs of KCC has been on various grounds. One is that, KCC is so indebted to the extent that the best thing to do to make it effective is to decentralise. I realise that many of us even in this House have borrowed money from one institution or the other. Even this particular country of ours is indebted to the World Bank and the IMF. Are we saying by the same argument that this country is going to be dismembered to clear the indebtedness it has. This is the question the Government must always address when they are talking about issues affecting the public.

Mr. Deputy Speaker, Sir, while the Government has been talking about the loss KCC has incurred and the problems that are now bedeviling that particular organization, the Government has not been articulate in trying to make the public aware that KCC for so many years up to now, has been the holder of food strategic reserves under the laws, because it was holding it at a time when there was scarcity of food and when there is surplus, the food was going to go to waste.

Secondly, the Government for very good reasons has denied the public the knowledge of the fact that KCC has been a buyer of the last resort and this, KCC has been doing at a very great loss. These are issues we must articulate.

The other misleading opinion which has been tossed around in the public and because the Government has the media, Kenya Broadcasting Corporation (KBC) and they are faced with the international media, has been making allegations that members of KCC from Central Province have withdrawn from KCC. It is clear from the daily intakes of milk, that Central Province, and when I talk of Central Province, I am talking of Nyahuru, Naivasha, Kiganjo, Nairobi itself and even Nakuru. Those are members originally from Central Province. They are still producing over 40 per cent of all the milk intake in this country.

Mr. Deputy Speaker, Sir, these are the issues we must articulate as leaders of this nation. Let us not be emotional about this issue, because, if we are saying that it has been politicised, it is the Government that has politicised the issue for the last one and a half years. May I remind the Government that there is a difference between structural adjustments, privatization and decentralization. These are the issues which the Government has been confusing. Thanks to the ignorance of the Kenyan people, but now, the Kenyan people are no-longer ignorant. They know the difference between those aspects.

Mr. Deputy Speaker, Sir, the Government ought to have laid off its hands from KCC on the 27th March this year through a policy paper that said KCC was going to be handed over to the farmers. Indeed the election of Mr. Metto was just a culmination of that particular process because the Government handed over KCC to farmers. Farmers elected delegates who in turn elected Directors and the Directors elected Metto as the Chairman of the Board of Directors. So, any interference by the Government is uncalled for, it is unnecessary.

Mr. Deputy Speaker, Sir, the other issue which we need to tackle very effectively is the issue of money that the Government advanced to KCC. We are urging the farmers, in case the Government is going to try to misbehave again, we are going to call all the shareholders; and I am here not necessarily in my capacity as a shareholder, but as a Member of Parliament representing farmers. I have heard so many Members declare their shareholding capacity and yet they have been in the fore-front trying to dismember KCC. It is not the question of decentralisation, it is dis-membering. The question is, the money the Government gave to KCC must be worked out in such a way, if this streamlining of KCC is required, in such a way that KCC is going to get the benefit from the two aspects I raised earlier.

I am referring to the issue of the buyer of the last resort and also the holder of strategic food reserves. This loan or the money that was given by the Government ought to be written off because KCC never asked for the money.

Thirdly, the money was never disbursed from the offices of KCC. It was disbursed from the Office of the President. So, the Office of the President knew why it was writing cheques to KCC.

Mr. Deputy Speaker, Sir, I do not intend to take long because the Motion is clear. But to those who are going to vote against this particular Motion, you are not voting against Kirwa but you are voting against the farmers.

Mr. Deputy Speaker, Sir, I beg to move and leave the balance of the time to the Leader of the Official Opposition in Parliament, the hon. Wamalwa.

Mr. Wamalwa: Thank you very much, Mr. Deputy Speaker, Sir, for giving me the opportunity. I would like to start by thanking the Member for Cherangani, first for bringing this very important Motion to Parliament so that the representatives of the people including the milk farmers can have a chance to deliberate on this very, very important Motion.

Mr. Deputy Speaker, Sir, I would like to congratulate the Government this morning for standing up and realising that the course that they were pursuing was not necessarily the best and seeing reason to say that they are abandoning that course. I congratulate them for that and, I hope, that in future when it becomes clear that the path the Government is pursuing is not necessarily the best, they will have the same moral strength to do so.

Mr. Deputy Speaker, Sir, I am glad that the Government has realised that the KCC is the property of the farmers and those farmers include members of the Government as well as well as members of the Opposition. Speaking for myself, I am a shareholder in the KCC. My number is 222 and I also represent an area that produces a lot of milk but whether I am a milk farmer or not, Members of this House as representatives of the people have a right to debate any matter that affects any individual in this country even if it is only one individual.

Mr. Deputy Speaker, Sir, therefore, an attempt to try and say that this House would be interfering if it debated the affairs of the KCC is totally misplaced. There is no interference by Parliament. So long as a matter has been properly brought before this House, it can never be interference ; it is the right of Parliament to debate such a matter.

Mr. Deputy Speaker, Sir, the previous speaker here, Mr. Mulusya read a long list of financial mis-management resulting in large losses of money in billions of shillings. What more reason would we need than such statistics to establish a committee to probe into the management of this very important organisation from a financial point of view?

Mr. Deputy Speaker, Sir, it is obvious to us that people have been used to borrowing money from public institutions to either invest in banks or other nefarious organisations that have gone down with the peoples' money. KCC is no exception. There is an amount of over Kshs800 million on KCC which was invested in a bank which has now gone under. This Probe Committee would interview the borrowers of this money; find out how this money can be recovered instead of letting it go to pot.

Mr. Deputy Speaker, Sir, a probe such as contemplated in this Motion is going to be very useful to the dairy industry in the future. There have been probes in other areas affecting farmers. There have been probes in coffee and tea. What good reason can the Government give for opposing a Parliamentary Select Committee to probe into the affairs of the KCC especially in the wake of the previous acrimony that has been going on?

Mr. Deputy Speaker, Sir, the previous directors of the KCC have a lot to answer for the current mess in that organisation. We on this side of the House would see the Government attempt to stop the establishment of such a Probe Committee as obstructionist; designed to defend or protect certain individuals involved in this wheeling and dealing that has almost ruined a very, very important dairy industry.

Mr. Deputy Speaker Sir, the farmers' money and the public money, during the course of this Government has been plundered carelessly. In the NSSF and NHIF money that belongs to the poorest people in this land has been plundered by the richest people in this land so that today, in Kenya, it would be quite right to say that the poor are giving welfare to the rich in this country. It is the poor who are funding the rich and this must be stopped and such a Probe Committee would be very useful in exposing this.

I do thank you, Mr. Deputy Speaker.

(Question put and negatived)

Hon. Members: Division! Division!

Mr. Deputy Speaker: You want a Division? Very well, ring the Division Bell.

DIVISION

(The Division Bell was rung)

(Question put and the House divided)

(Question defeated by 84 to 56 votes)

AYES: Messrs. Achieng-Oneko, Akumu, Aluoch, Anyona, Busolo, Farah, Gatabaki, Gichuki, Githiomi, Gitau, Gitonga, Icharia, Kairu, Kamuyu, Kapten, Karan, Kareng'e, Kibaki, Kiliku, Kirwa, Dr. Kituyi, Dr. Lwali-Oyondi, Messrs. Mak'Onyango, Mathenge, Mbeo, Michuki, Muite, Mulusya, Mungai R.K., Munyasia, Murungi, Mutahi, Mutani, Mutere, Mwaura, Mwavumo, Mwiraria, Ndubai, Ndwiga G.I., Ndwiga P.N., Nthenge, Nyanja, Nyagah, Obure, Dr. Oburu, Messrs. Obwocha, Ogeka, Ojode, Dr. Ombaka, Mr. Onyango, Dr. Opere, Dr. Otieno-Kopiyo, Messrs. Orenge, Raila, Ruhiu, Sifuna, Wamae, Wamalwa.

Tellers of the Ayes: Messrs. Falana and Gatabaki

NOES: Messrs. Abdi, Ahmed, Ali, Angatia, Arte, Awori, Ayah, Badawy, Barmasai, Biwott, Boy, Chebelyon, Criticos, Falana, Galgalo, Dr. Godana, Messrs. Gumo, Imana, Kaino, Kalweo, Kamotho, Kamuren, Kariuki, Khalif, Khaniri, Col. Kiluta, Messrs. Kirior, Kirima, Kisiero, Kochalle, Koech, Komen, Kones, Kosgey, Ligale, Lotodo F.P.L., Lotodo J.D., Magwaga, Makau, Dr. Manduku, Messrs. Manga, Manoti, Marita, Masinde, Maundu, Mbela D.D., Mbela D.M., Mcharo, Dr. Misoi, Messrs. Mohamed H.M., Moiben, Morogo, Muchilwa, Mudavadi, M'Mukindia, Gen. Mulinge, Messrs. Mumba, Muoki, Munyi, Mutiso, Mwamzandi, Mrs. Mwendwa, Messrs. Nang'ole, Ndilinge, Ndotto, Ndzai, Ngala, Prof. Ng'eno, Messrs. Noor, Ntimama, Nyachae, Osogo, Oyondi, Rai, Prof. Saitoti, Messrs. Salat, Sambu, Sankori, Shamalla, Shidie, Sing'aru, Sumbeiywo, Sunkuli, Bishop Tanui, Mr. Titi, Dr. Toweett, Dr. Wako, Mr. Wawire.

Tellers of the Noes: Mr. Mcharo and Dr. Otieno-Kopiyo.

Mr. Deputy Speaker: Next Order!

REVENUE FROM WILDLIFE SERVICES

THAT, since the Kenya Wildlife Service collects large revenue from tourists staying at Coast Hotels in form of fees from the marine parks and bed occupancy levy, this House urges the Kenya Wildlife Service to make available 40 per cent of this revenue for improvement of education and vocational training in the region of collection.

Mr. Deputy Speaker: Order! Hon. Members, the Mover of this Motion, hon. Prof. Mzee, had sent me a message early this morning, saying that he was indisposed and, therefore, he would not be able to move the Motion today. I have acceded to his request to defer the Motion to the next earliest day.

(Motion deferred)

That means we have to move on to hon. Mak'Onyango's Motion.

REVIEW OF LANDS ACT

BEING aware of the acute shortage of land in our urban centres and the negative effect this has to development; concerned over the indiscriminate manner in which land, public utility land included, has been allocated within these centres in the last five or so years, this House resolves:

- (a) that the Government Lands Act Cap. 280 of the Laws of Kenya be immediately reviewed; and,
- (b) a Land Commission be established with branches at district level and its membership to include Parliamentary and civic leaders in order to eliminate the current abuse in land allocations.

Mr. Deputy Speaker: Order! Hon. Members, Mr. Mak'Onyango had also indicated that he may not be ready to move his Motion today.

(Motion deferred)

ESTABLISHMENT OF A REMEDIAL PROCESS IN PUBLIC UNIVERSITIES

THAT, being conscious of the need to distribute higher education opportunities equitably throughout the country, and considering that some districts in this country have seriously lagged behind educationally due to historical, geographical and cultural reasons, this House urges the Government to establish one year remedial courses in public universities for selected bright KCSE students from the specific districts to prepare them for university entry.

Mr. Deputy Speaker: Hon. Members, the Mover of the next Motion, hon. Mcharo, is also not in and, in the circumstances, we are left with no option but to adjourn the House until this afternoon.

(Motion deferred)

ADJOURNMENT

Mr. Deputy Speaker: Order! Hon. Members, the House stands adjourned until 2.30 p.m. this afternoon.

The House rose at 12.15 p.m.