

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 17th November, 2004

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

NOTICE OF MOTION

SETTLEMENT OF SQUATTERS IN KIBWEZI

Mr. Ndile: Bw. Spika, naomba kutoa Arifa ya Hoja ifuatayo kwa Wizara ya Ardhi na Nyumba:-

KWAMBA, ikieleweka kwamba familia zaidi ya 5,000 za Kibwezi ni maskwota na hawana makao wala mahali pa kuishi, ikifahamika wazi kwamba Serikali imetumia pesa nyingi mwaka huu kununulia Wakenya chakula ili wasiangamizwe na njaa, ikieleweka pia ya kwamba kiasi kikubwa cha ardhi kimetengwa ili kuhifadhi wanyama wa pori huku wananchi wengi wakiwa hawana ardhi, Bunge hili linaamua ya kwamba mashamba yafuatayo yapunguzwe kama ilivyo pendekezwa na kupewa maskwota:-

(i) ekari 50,000 kutoka ardhi ya mbuga ya wanyama ya pori ya Tsavo karibu na Mtito Andei.

(ii) ekari 20,000 zipunguzwe kutoka KARI, Kiboko.

(iii) ekari 6,000 kutoka ardhi ya Chuo Kikuu cha Nairobi, Kibwezi.

ORAL ANSWERS TO QUESTIONS

Question No.614

DISAPPEARANCE OF MR. FRANCIS

NJUGUNA KARANJA

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

(a) if he is aware that on 24th January, 2004, Mr. Francis Njuguna Karanja left his Kinangop home for Naivasha town and has not been seen since then; and,

(b) what urgent measures the Government has taken after the matter was reported to North Kinangop Police Station by his relatives.

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

(a) Yes, I am aware.

(b) The DCIO, Naivasha and the District Officer in charge of Naivasha Police Station are investigating the circumstances surrounding the disappearance of the said person.

Mr. Waithaka: Mr. Speaker, Sir, whereas this man disappeared on 24th January, 2004, we are now in November, almost one year later. This matter was reported to North Kinangop Police Station as indicated in my Question. Could the Assistant Minister explain to this House why this matter is being investigated by the DCIO, Naivasha and yet, Kinangop is under the DCIO, Nyandarua, who is based in Nyahururu? Could he also tell us why this case is being investigated under the OCS Naivasha while we have an OCS in North Kinangop Police Station?

Mr. Mungatana: Mr. Speaker, Sir, I have stated in this House that whenever it comes to investigations for any circumstances, the Commissioner of Police can direct any officer within the Republic to carry out those investigations according to the competence of those officers. So, there is nothing sinister in asking any other officer to investigate this matter.

Mr. Waithaka: Mr. Speaker, Sir, this answer is not satisfactory because there must be circumstances why the Commissioner of Police would prefer the DCIO who is in Naivasha to investigate a case which was reported in another police station. North Kinangop Police Station is under the Officer Commanding Police Division, Nyandarua District. By then, Naivasha Police Station was under the OCPD, Nakuru. There must be some special circumstances why the Commissioner found it strange to instruct the DCIO, Naivasha to investigate this matter. Could the Assistant Minister explain this to this House? It is very important that he does so unless says he does not know.

Mr. Mungatana: Mr. Speaker, Sir, I would like to inform the House and the hon. Member in particular that when we have cases such as this, all police officers in the Republic are involved. We circulate this information through the normal police channels to every police station to help us in tracing any lost person. In this particular case, an Inquiry File No.5 of 2004 was opened at the CID office, Naivasha. There is one *matatu* operator, Mr. Kingu Mungai who was the last person who was seen with the missing person. He recorded a statement and also led the police to Busia District. Unfortunately, the information we got in Busia District was that the missing person was said to have crossed into Uganda. We have also involved the police in Uganda. Everything we are doing is to ensure that we get this person back to this country. To allay the fears of the hon. Member, I would like to assure him that we are doing what can to ensure that this person is located.

Mr. Speaker: Next Question, Mr. Kagwima.

Question No.811

EXPENDITURE ON RELIEF
FOOD IN THARAKA DISTRICT

Mr. Speaker: Is Mr. Kagwima not here? The Question is dropped.

(Question dropped)

Question No.654

PROTOCOL OFFICER FOR PARLIAMENT

Dr. Manduku asked the Minister for Foreign Affairs:-

(a) if he is aware that MPs attending Parliamentary Conferences, for example, the Commonwealth Parliamentary Association (CPA), Inter-Parliamentary Union (IPU) and African Parliamentary Union (APU) are not aware of the Government foreign policy;

(b) if the answer to "a" above is in the affirmative, if he could consider attaching a protocol officer to Parliament who would accompany delegations to the above

conferences.

Mr. Muiruri: On a point of order, Mr. Speaker, Sir?

Mr. Speaker: Mr. Muiruri, what is it?

Mr. Muiruri: Mr. Speaker, Sir, I do not know if the Chair has actually read the Question which is accusing hon. Members of Parliament of being ignorant of Government foreign policy. I do not fall in that category. If the Questioner is not familiar with the Government foreign policy then, this does not apply to other hon. Members. So, before the Question is answered, I would like to know the position of the Chair on a Question like this one---

Mr. Speaker: Order, Mr. Muiruri! It is not being asked of you. By the way, are you telling the House that all hon. Ministers who are accompanied by experts on foreign policy are ignorant? It is not ignorance! What the hon. Member is seeking to know is that there are certain positions that the Government has taken in certain matters of policy that, maybe, hon. Members wish to be acquainted with, if they go to international conferences.

Since the Minister is not here to respond, we will wait for him.

Next Question, Mr. Omingo!

Question No.910

REVIVAL OF CATTLE DIPS
IN SOUTH MUGIRANGO

Mr. Omingo asked the Minister for Livestock and Fisheries Development:-

(a) whether he is aware that cattle dips in South Mugirango Constituency, which were hitherto operational, have collapsed; and,

(b) what urgent measures he is taking to revive the cattle dips and how much money has been set aside for the programme.

Mr. Speaker: Is the Minister for Livestock and Fisheries Development not here? We are relapsing to the old story. We will come back to that Question at the end.

Question No.579

UPGRADING OF BURA/MADOGO
HEALTH CENTRES

Mr. Wario asked the Minister for Health when Bura and Madogo Health Centres will be up-graded to sub-district hospitals.

The Minister for Health (Mrs. Ngilu): Mr. Speaker, Sir, I beg to reply.

For a health centre to be up-graded to a sub-district hospital, necessary facilities in the theatre, maternity, laboratory and admission wards must be put in place. Once the facilities are in place, the district management committee (DMC) must present its recommendations to the district development committee (DDC) for its consideration. If satisfied with the recommendation, the DDC gives its approval, which is then communicated to the Director of Medical Services for sanctioning by a Ministerial technical team.

As for Bura and Madogo, none of these three essential committees have recommended the health centres for up-grading. Therefore, these health centres will be up-graded once all the necessary facilities are in place and recommendations from the technical committees have reached my Ministry. I hope that I will get the recommendations as soon as possible, so that we can factor

the up-grading costs into the Estimates of the next financial year.

Mr. Wario: Mr. Speaker, Sir, I want to thank the Minister for that answer, and tell her that it is the responsibility of the Government to provide facilities to people. When will we get the facilities in these areas?

Mrs. Ngilu: Mr. Speaker, Sir, as I have just said, the laid down procedures require that the DDC and the district health management committee (DHMC) make recommendations to us. However, the most important thing is for us to ensure that we have funds to establish a theatre, a laboratory and a maternity ward which can be used. Without all those facilities, there would not be any need of up-grading the health centres and calling them sub-district hospitals. I want to assure the hon. Member that we will factor their up-grading costs into the Estimates of the next financial year.

Mr. Mwanicha: Mr. Speaker, Sir, I would like the Minister to tell us how long her Ministry takes to act once the development committees have recommended that health centres be up-graded to sub-district hospitals. Keroka Health Centre was recommended for up-grading by the committees more than a year ago, and yet nothing has been done.

Mrs. Ngilu: Mr. Speaker, Sir, once a hospital is recommended, resources have to be allocated to it so that facilities required for a sub-district hospital are put in place.

Question No.796

NUMBER OF BROOKE

BOND-INITIATED PROJECTS

Mr. Keter asked the Minister for Gender, Sports, Culture and Social Services if he could inform the House what social projects Brooke Bond Company Limited has done in the past five years within Kericho, Buret and Bomet Districts to uplift the living standards of people.

The Minister for Gender, Sports, Culture and Social Services (Mr. Ochillo-Ayacko): Mr. Speaker, Sir, I beg to reply.

This Question was partially answered the last time it was asked. The hon. Member wanted to have a list of students who have benefited from sponsorship by Unilever Kenya Limited. After answering this Question, I will table the list of the students. I want to say that between the years 1993 and 2004, a total of Kshs6.528 million has been spent in sponsoring students to public universities. I also wish to add that 223 farmers have benefited from fertiliser supplied by Brooke Bond Company. I wish to say that the period in respect of which these benefits were provided is 2002/2004. In 2002, a total of 6,092 50kilogramme bags have been issued during the period.

Mr. Speaker: Did you say that you were going to table a list?

Mr. Ochillo-Ayacko: Mr. Speaker, Sir, I have one copy of the list. Since I am still referring to it, it is as good as tabled.

Mr. Speaker: The list you have may not be having the numbers. I have a copy here. Do you want to have it?

Mr. Ochillo-Ayacko: Yes, Mr. Speaker, Sir.

*(Mr. Speaker handed over the list to
Mr. Ochillo-Ayacko)*

Mr. Keter: Mr. Speaker, Sir, this Question was not answered satisfactorily the last time I asked it. Instead, it was deferred. I have seen the list of farmers who have been supplying tea leaves

to Brooke Bond Company, and also the list of students who have benefited from it. All the outgrowers have been supplying tea leaves to the Kenya Tea Development Agency (KTDA). The KTDA supplies farmers with fertilisers but deducts its cost from the farmers. It is not true that Brooke Bond Company assists farmers in my constituency, or in the three districts. Could the Minister ensure that all the small-scale farmers who supply tea leaves to Brooke Bond Company are supplied with free fertiliser? The 20,000 hectares of land owned by the company were part of my people's land. My people were displaced so that white people could settle on it.

Mr. Ochillo-Ayacko: Mr. Speaker, Sir, the gist of this Question is corporate social responsibility. The fertiliser which is given to these farmers is on credit. The farmers must pay for credit facilities extended to them. There are no hard and fast rules about this. This is a corporate social responsibility.

Mr. Sambu: Mr. Speaker, Sir, considering that it is the core responsibility of the Government to ensure that the social welfare of all Kenyans is well taken care of, could this Government ensure that this piece of land, which was taken away forcefully by the British, is returned to the Kipsigis people?

Mr. Ochillo-Ayacko: Mr. Speaker, Sir, that question is completely at variance with the Question I have been asked. Therefore, I may not be in a good position to answer it.

Mr. Omingo: Mr. Speaker, Sir, the Minister has just admitted the fact that this Question entails corporate social responsibility. What policy does the Government have in place to ensure that factories do not just do what they wish? What policy does the Government have in place to ensure that besides making profit, people living in areas near factories are taken care of and compensated for any loss incurred, including health hazards?

Mr. Ochillo-Ayacko: Mr. Speaker, Sir, again, that would be for the Ministry of Trade and Industry, but I would venture to say that I believe that when issuing licences to investors, such are covered. The conditionalities under which investors obtain licences include their responsibility to the people who---

Mr. Sambu: On a point of order, Mr. Speaker, Sir. Is the Minister in order to mislead the House that this is an investor when actually this is a land grabber who grabbed land by force?

Mr. Speaker: Order! That is your opinion and you do not have to impose your opinion on others.

Mr. Salat: Mr. Speaker, Sir, my question to the Minister specifically concerns the names of the students who Brooke Bond Limited alleges to have sponsored from the three districts. I come from one of the districts which is Bomet and I am not aware of any student from my constituency being sponsored by Brooke Bond Company Limited. I am made to understand that most of the students on this list are children of managers who, in essence constitute only 10 per cent. In fact, 40 per cent of the tea pickers come from my constituency. How are these students picked so that they can get sponsorship from Brooke Bond Company?

Mr. Ochillo-Ayacko: Mr. Speaker, Sir, this corporate social responsibility, I believe, between Brooke Bond Limited and the district that the factory covers has been voluntary and one negotiated between the factory and the stakeholders. Now, I believe that improvement can be done about how these people are picked but it is also good to be grateful, whether these are children of rich or poor people.

Mr. Sambu: Grateful for what?

Mr. Ochillo-Ayacko: For paying school fees for these people.

(Laughter)

Mr. Speaker: Very well. Next Question by Mr. Choge!

Question No.847

MISMANAGEMENT OF KOBUJOI
WATER PROJECT

Mr. Choge asked the Minister for Water and Irrigation:-

- (a) whether she is aware of the existence of Kobujoi Water Supply Project;
- (b) whether she is further aware that the project is virtually non-functional due to poor management resulting from inadequate funding; and,
- (c) how many phases the project intended to serve and how many have been completed.

The Assistant Minister for Water and Irrigation (Mr. Munyes): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware of the existence of the Kobujoi Water Supply Project which was constructed in the late 1980s and was intended to serve Kobujoi, Kaptumek, Tongoro, Samichui Trading Centres, among other consumers in the Aldai Division of Nandi South District.

(b) I am also aware that the project has been experiencing operational difficulties due to the following reasons:

(i) Frequent damages to the distribution main pipeline between Kobujoi and Kaptumek caused by the road maintenance equipment. The pipeline runs a distance of 26 kilometres and a section of ten kilometres and six diameter requires to be re-routed to avoid further damages during road maintenance.

(ii) The poor condition of the access road from Kobujoi to the intake works has affected timely resource emergency breakdown of the intake works pumping station and Kenya Power and Lighting Company power lines to the intake.

(iii) The *El Nino* floods of 1998 caused destruction to various sections of the water distribution pipeline and this has interfered with the water flow to some consumers.

Mr. Speaker, Sir, my Ministry has not been able to attend to the above mentioned problem due to lack of adequate funds over the years. My Ministry submitted a budgetary request for the rehabilitation of the water supply project in Nandi South District for this financial year but, unfortunately, when the Printed Estimates were released, the district was omitted. However, my Minister has pursued the matter with Treasury and development funds have been allocated to the district.

(c) The Kobujoi Water Project was planned to be implemented in two phases. The first phase was completed successfully and it is supplying water from Kobujoi to Kamutek including the consumers and institutions located along the pipeline route. However, the second phase which was intended to supply water from Kobujoi to Kamiloi was not implemented due to budgetary constraints.

Mr. Choge: Mr. Speaker, Sir, I thank the Assistant Minister for that pathetic answer. From the written answer, one will observe that the Assistant Minister has stated categorically that Phase I of the project is complete and functional. However, to the best of my knowledge, Phase I of the project could only be functional and operational if four satellite tanks were based as per the construction programme. Now that only two were built, what is the Assistant Minister going to do so that he can correct the false impression he has given to the House that Phase I is complete?

Mr. Munyes: Mr. Speaker, Sir, according to the information we have for this project, the first phase is complete but however we have allocated Kshs2.5 million to complete the extra work the hon. Member is saying.

Mr. Ndile: Bw. Spika, unajua hili Swali ni muhimu zaidi na linahusiana na maji na sio kwa Mheshimiwa pekee yake. Ni kila mahali ambapo miradi imeendeshwa vibaya. Kwangu Kibwezi, kuna mradi wa maji ambao ulikuwa unaendeshwa na Serikali na ulikuwa unapata Kshs13,000 kila mwezi. Sasa umepewa wananchi na hakuna kitu kinaendelea; hakuna uchaguzi. Je Serikali, kupitia kwa hiyo Wizara, inao mpango wa kuhakikisha huo mradi umesimamiwa vizuri? Waziri ana mipango gani?

Mr. Munyes: Mr. Speaker, Sir, under the new law, we have created water boards in the regions. We have about seven water boards and we are now taking on capacity building by training people through community based organisations (CBOs). We have handed over the projects to the CBOs and we will not just leave the projects to them. We will continue training and supporting these projects.

Mr. Choge: Mr. Speaker, Sir, over the years, last year and this year, this Ministry has allocated well in excess of Kshs300 million to the Mount Kenya region for water projects. Why is the Assistant Minister satisfied that Kshs2.5 million will provide sufficient water for a population of 300,000 (plus) people?

Mr. Munyes: Mr. Speaker, Sir, I cannot comment about other regions which have got money. These were monies that were allocated by donors before this Government came into place. However, as far as this project is concerned, we will endeavour to create more funds for this project.

Question No.751

IMPACT OF WTO/COMESA
REGULATIONS ON LOCAL PRODUCERS

Mr. Speaker: The Question by hon. Prof. Oniang'o is deferred to next week.

(Question deferred)

Next Question by Mr. L. B. Maitha!

The Minister for Trade and Industry (Dr. Kituyi): Jambo la nidhamu, Bw. Spika. Angalau ni haki yako kuwasiliana na Mheshimiwa Mbunge kuchelewesha kuja kwa Swali lake, baadhi ya wengine wetu kama Mawaziri, tutajuaje kama haya mawasiliano yamekuwepo, kama tunajitayarisha kuja hapa tukitarajia kama tutajibu haya Maswali?

Mr. Speaker: Bw. Waziri, ni jukumu lako kuja Bungeni! You are not doing Mr. Speaker a favour by coming to Parliament. It is your responsibility! If I may tell you, this information has been passed to me just now by an hon. Member here, who was sent by the hon. Questioner to ask for a deferment. However, I advise the House that if an hon. Member wishes to have a Question deferred, he should let the Minister know about it, as a matter of courtesy, and *vice versa*. We must have a courteous relationship across the board.

I hope you are happier, Dr. Kituyi!

The Minister for Trade and Industry (Dr. Kituyi): Mr. Speaker, Sir, you mitigated the first statement.

Mr. Speaker: Which one?

The Minister for Trade and Industry (Dr. Kituyi): Mr. Speaker, Sir, I do not doubt the

need for me to come Parliament, but it is courteous that I should be informed if the Questioner is not going to be here. Therefore, you have mitigated the first statement.

Mr. Speaker: Very well! However, I still reiterate that it is your duty to come to Parliament. Your doing so is not doing the Chair a favour!

Next Question, Mr. C. Kilonzo!

(Mr. L. Maitha stood up in his place)

Mr. L. Maitha, I am absolutely sorry about that.

Question No.536

REP-FUNDED PROJECTS IN MALINDI

Mr. L. Maitha asked the Minister for Energy which projects have been funded under the Rural Electrification Programme (REP) for the financial years 2002/2003 and 2003/2004 in Malindi District.

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

No funds were allocated for projects funded under REP in Malindi District during the financial year 2002/2003. However, electrification of Lango Baya Trading Centre was approved for funding in October 2003 at an estimated cost of Kshs2 million. As the ground work for the project was not completed during the year 2003/2004, the same is scheduled to commence around February/March 2005. Discussions are at an advanced stage to have Ganda, Madunguni, Mjalaheri, Ngomeni, Marikebuni, Marafa, Garashi, Kijiwetanga, Msoloni and Mayungu Trading Centres get electricity under the anticipated French Phase II funding. A bilateral credit agreement is expected to be signed by the second quarter of 2005.

Mr. L. Maitha: Mr. Speaker, Sir, I thank the Assistant Minister for that answer. However, considering the fact that for the last two financial years, no single shilling was allocated for any REP project in Malindi District, could he, apart from the donor funding he is talking about, consider allocating part of this year's Government money set aside for REP to at least one or two projects in the District?

Mr. Kiunjuri: Mr. Speaker, Sir, the Kshs2 million that we are going to use is already allocated for this financial year. The Budget allocation has already been made, and we cannot tamper with it right now. What I can request the hon. Member to do is to ask his people to go and sign way leaves accessions, so that, at least, we can tender for the use of the Kshs2 million that we already have. We are also requesting all hon. Members, who have projects that cannot be implemented because of lack of way leaves accessions, to ask their constituents to assist us acquire way leaves.

Mr. Manoti: Mr. Speaker, Sir, there is a Question everyday for the Ministry about REP, yet wherever we go we do not see any work going on. Could the Assistant Minister tell us how many projects he has started under the REP this year?

Mr. Kiunjuri: Mr. Speaker, Sir, it is not true that nothing is going on, on the ground. We already have some work going on. Two weeks ago, I answered a similar Question, and said that 148 projects are under way, of which 38 were completed at the end of the last financial year. However, we have had a shortage of designers and surveyors and we are now recruiting. A month ago we advertised for them. At the same time, we are faced with a serious problem of acquisition of way leaves. That is why we are asking hon. Members, who already know that they have been allocated money to go and plead with their people to sign the way leaves forms.

Mr. Salat: Mr. Speaker, Sir, during the last regime, we used to hear so much about the French REP, and we are still hearing about it now during the NARC Government. How much money does the French Government donate to the Kenya Government for this programme?

Mr. Kiunjuri: Mr. Speaker, Sir, I wish the hon. Member was specific about which programme and particular phase he is talking about. Donor funding is not controlled at all by the Government. What the Government does is to negotiate for funding. Donors have their own consultants who come and justify our projects. For now, we have already concluded discussions with the Spanish and French Governments and they have indicated clearly that we are going for the signing of agreements in the first quarter of next year.

Mr. Speaker: Last question, Mr. L. Maitha!

Mr. L. Maitha: Mr. Speaker, Sir, one of the villages that are due to be considered under this French Programme is Msoloni. There is a public primary school which an Italian donor has offered to electrify. However, the quotation he was given was according to market rates. He is ready to donate some money if the Government is ready to consider him for special rates. Could the Assistant Minister assure me that he is going to intervene in this project, so that this donor does not withdraw?

Mr. Kiunjuri: Mr. Speaker, Sir, if the primary school is within the area to be covered, I can assure the hon. Member that he will not pay more than Kshs35,000. It will be under customer creation and he will only be required to pay between Kshs25,000 and Kshs35,000.

Mr. Speaker: Next Question, Mr. C. Kilonzo!

Question No.775

TITLE DEEDS FOR SQUATTERS IN
NDALANI SETTLEMENT SCHEME

Mr. C. Kilonzo: Thank you, Mr. Speaker, Sir. After discussions with the Minister, I wish to withdraw the Question.

Mr. Speaker: Permission granted! The Question is, therefore, withdrawn!

(Question withdrawn)

Mr. Mwandawiro: Jambo la nidhamu, Bw. Spika. Hili Swali ni la Bunge zima na tuna maswali ya ziada kutokana nalo. Je, ni haki kwa mwenye kuuliza hili Swali kuliondoa sasa?

Mr. Speaker: It is never the property of the House until it is asked. If it is not asked, it is not the property of the House. You are at liberty to ask another Question at another time!

For the second time, Question by Dr. Manduku!

Question No.654

PROTOCOL OFFICER FOR PARLIAMENT

Dr. Manduku asked the Minister for Foreign Affairs:-

(a) whether he is aware that MPs attending parliamentary conferences like the Commonwealth Parliamentary Association (CPA), Inter-Parliamentary Union (IPU) and African Parliamentary Union (APU) are not aware of the Government's foreign policy; and,

(b) if the answer to (a) above is in the affirmative, whether he could consider

attaching a protocol officer to Parliament who would accompany delegations to the above conferences.

The Assistant Minister for Foreign Affairs (Mr. M. Kariuki): Mr. Speaker, Sir, I wish to apologise on behalf of my colleague, Mr. Wetangula, who was supposed to answer this Question yet he was not here in time.

However, I have looked at the answer and I know the expectation of this House is to have an answer that can satisfy it on matters touching on foreign policy. I am, therefore, seeking the Chair's indulgence to defer the Question to next week. I will give my personal undertaking to give an adequate answer to the House.

Mr. Speaker: Very well! What is your response to that Dr. Manduku?

Dr. Manduku: Mr. Speaker, Sir, I have looked at the answer and, indeed, it is not satisfactory. It is in order, therefore, that we get a better answer. I also want to add that the foreign policy of this country changes every other time, and there is

nobody who can say that he knows it well. We need to have a better answer next week.

Mr. Speaker: Can I put it off to Thursday next week?

Dr. Manduku: That is fine, Mr. Speaker, Sir.

Mr. Speaker: The Question is deferred to Thursday next week.

(Question deferred)

Question No.910

REVIVAL OF CATTLE DIPS
IN SOUTH MUGIRANGO

Mr. Omingo asked the Minister for Livestock and Fisheries Development:-

(a) whether he is aware that the cattle dips in South Mugirango, which were hitherto operational, have collapsed; and,

(b) what urgent measures he is taking to revive them, and how much money has been set aside for the programme.

The Minister for Water and Irrigation (Ms. Karua): Mr. Speaker, Sir, first of all, I apologise that the Question could not be answered when it was first asked.

On behalf of the Minister for Livestock and Fisheries Development, I beg to reply.

(a) Yes, the Minister is aware.

(b) The Government has no immediate plans to revive the collapsed cattle dips in South Mugirango Constituency. At the same time, the Government has not set aside any funds for this programmes. That is as a result of the change in policy, which has handed over the responsibility to control ticks and tick-borne disease to the respective owners of the livestock.

Mr. Omingo: Mr. Speaker, Sir, I appreciate the competence exhibited by the Minister, who can take up issues at short notice. However, I have just had a word with the Assistant Minister for Livestock and Fisheries, Dr. Wekesa, who promised to answer the Question and top it up with supplementary answers. I believe that the Minister has taken over those answers as well. Be that as it may, we know that the NARC Government has promised to touch the raw nerves in the agricultural sector. That is why Ministers have been put in charge of Ministries in which they can perform best with Dr. Wekesa being appointed Assistant Minister for Livestock and Fisheries. Does the Government have any policy aimed at touching the raw nerves in the agricultural sector, as it

promised farmers? Kenyans get their livelihood from the agricultural sector. It is through this sector that we can revive this country's economy.

Ms. Karua: Mr. Speaker, Sir, as stated in the written reply, the responsibility of buying tick-control medicines lies with the livestock farmers. The Government is doing demonstrations to show the farmers what they are required to do. As for the revival of the cattle dips, each constituency has a Constituency Development Fund. Any hon. Member who wishes to assist the farmers in the revival of the cattle dips could do so using those funds.

Mr. Abdirahman: Mr. Speaker, Sir, the biggest problem in the pastoral areas is that, although drugs could be available, we have a shortage of veterinary doctors. There are qualified veterinary doctors, but the Government is no longer employing them. What will the Government do to recruit veterinary doctors, who are now idle countrywide?

Ms. Karua: Mr. Speaker, Sir, I appreciate the point raised by the hon. Member. The Government will continue to increase the number of veterinary doctors once funds become available.

Mr. Omingo: Mr. Speaker, Sir, there is a worrying trend by Ministers, who say that the Government will do certain things when funds become available. We used to hear that reply in the days of the previous regime. It appears as if this Government is playing back that tape. Does the Government have a deliberate policy to improve the quality of livestock in this country or has the Ministry of Livestock and Fisheries been created for the sake of it? I do not want to believe that the Ministry is passing the buck to the Constituency Development Fund (CDF).

Ms. Karua: Mr. Speaker, Sir, the Government is very serious and committed. I would like to remind the House that the Constituency Development Fund is part of Government funds. The Government would want to do more for the farmers, but we can only work with the size of the envelop that we have. In the circumstances, the Government is doing its best and will continue to do so.

QUESTIONS BY PRIVATE NOTICE

DEATH OF MS. LYDIA SIDI

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

(a) Is the Minister aware that Ms. Lydia Sidi died at the Kilifi District Hospital on 26th October, 2004, after being raped by a gang of criminals in Mtondia area of Bahari Constituency?

(b) What measures is the Government taking to deal with criminal gangs that are raiding villages, especially in Kikambala and Bahari divisions, killing, robbing and raping women?

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

(a) I am not aware of the death of the said Ms. Lydia Sidi at Kilifi District Hospital on 26th October, 2004, after being raped. Ms. Sidi is very much alive. She recorded her statement following the rape incident on 27th October, 2004, a day after she was discharged from Kilifi District Hospital in fair condition.

(b) Police patrol and ambushes are being intensified.

Mr. Khamisi: Mr. Speaker, Sir, I do not know whether to believe the Assistant Minister or my people on the ground. This morning, I called Mtondia and talked to the villagers, who confirmed this fact. However, since the Assistant Minister insists that Ms. Sidi is alive, and that she recorded a statement with the police, could he tell the House whether the culprits have been arrested and what

the status of that case is?

Mr. Mungatana: Mr. Speaker, Sir, when the incident happened, the hon. Member called the Officer Commanding Police Station (OCS), Kilifi, and informed him that Ms. Sidi had passed away. However, the OCS personally visited the hospital and found that she was alive. So, the information I am giving to this House is factual. Upon her recording of the statement with the police, 12 suspects were arrested and charged with rape. We also suspect that the 12 suspects are involved, as a gang, in other robberies in that area. The case is pending in court with Police File No.Criminal 311/479/2004. The next hearing will be on 14th December, 2004.

Mr. Abdirahman: Mr. Speaker, Sir, we hear daily of gangs raiding households and raping women. Insecurity is now on the rise in this country. The first response we get from the Assistant Minister periodically is that they are intensifying patrols. That is insufficient to guarantee the security of Kenyans. What long-term strategy is he putting in place to ensure that we do not have this upsurge all the time? What are the major causes of this problem? It is on the increase.

Mr. Mungatana: Mr. Speaker, Sir, that is a good question. I have explained to this House before that the insecurity problems we have in this country are structural. Some of them are due to lack of money to run the Police Department the way we would want to. I have explained here before that we do not get the budgetary allocation we request for. In the current financial year, for example, we were allocated only a half of the amount we asked for. So, we have not managed to buy any vehicles. To answer the hon. Member, the UN's recommended ratio of police to citizens is 1:450. In Kenya, that ratio is 1:1,160. So, we are tackling that problem slowly by employing other officers and addressing the structural difficulties that we have. These are the long-term policies in place, which I have explained to this House many times. So, we are very slow, but we are getting there.

Mr. Khamisi: Mr. Speaker, Sir, there is a serious deterioration of the security situation in the whole of Bahari Constituency, especially along the Mombasa-Kilifi Road. The Assistant Minister has said that the police have intensified patrols. However, all the three police stations along that road, namely, Mtwapa, Kijipwa and Kilifi, are under-staffed and under-equipped. Could he tell the House when additional patrol cars will be supplied to those stations? When will additional personnel be deployed there, so that security can improve in that area?

Mr. Mungatana: Mr. Speaker, Sir, we hope to secure new vehicles through the next budgetary allocation, and I will ensure that, that area is given priority. On the issue of personnel, we are currently recruiting fresh recruits into the police force. I will consider his request.

Mr. Twaha: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to mislead the House that there are no funds available when the Government wastes Kshs6 billion on the National Security Intelligence Service (NSIS)? What they produce is for the consumption of only one individual who is always the sitting President. Would it not be a better idea to take that money from the NSIS and give it to the regular police who are protecting *wananchi*, instead of giving it to NSIS which is just protecting the regime; whoever is the sitting President?

Mr. Mungatana: Mr. Speaker, Sir, the functions of the NSIS are not to protect the sitting President alone, there are many functions, some of which I am not at liberty to discuss here. They include collecting intelligence to protect the country, not just in Kenya, but even against enemies abroad. We send a lot of people out and they come in with information on all our interests around the world. In fact, that budgetary allocation is not even sufficient for the work that they are doing. They need better equipment and so many other things, some of which I cannot discuss here. I can assure the hon. Member that we cannot replace the function they are carrying out by re-allocating that budgetary amount.

Mr. Oparanya: Mr. Speaker, Sir, I beg to ask the Minister for Education, Science and Technology the following Question by Private Notice.

(a) Is the Minister aware that the University of Nairobi has increased fees by over 250 per cent?

(b) What measures is the Minister taking to ensure that students from poor families do not drop out of University as a result of this increment?

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that the University of Nairobi has increased tuition and accommodation fees. However, I am aware that some charges levied on students, apart from tuition and accommodation, were reviewed and harmonised between groups of students. The harmonised increments come to about Kshs8,100. So, there is an addition of Kshs8,100 only related to specific charges; computer, caution money, examination, medical, activity, registration and so on. The tuition and accommodation fees payable by each student have been fixed since 1996 and they stand at Kshs16,000 per annum for tuition fees and Kshs7,000 per annum for accommodation.

(b) Poor and qualified students have been assisted to pay the above fees and charges through student loans and bursaries awarded by the Higher Education Loans Board. Those who are not awarded loans or bursaries are expected to pay from personal sources.

Mr. Oparanya: Mr. Speaker, Sir, my Question was with regard to the increase in fees. The Assistant Minister has mentioned that there is no increase in tuition fees. I never raised the issue of tuition fees. To me, fees is fees whether it is tuition or accommodation. I do not like the way the Assistant Minister has answered the Question by saying that he has only increased some charges. This means that the Assistant Minister is not serious with the answer that he is giving me.

Mr. Speaker, Sir, caution money was increased by 100 per cent and yet it is meant for emergency cases. Why would the Assistant Minister allow the increase of caution money which is just there for emergency cases?

Dr. Mwiria: Mr. Speaker, Sir, there are many issues here. I appreciate the point that was not very clear. Actually when we talk about other charges, it is true that this is not tuition fees or accommodation. There are other charges related to enrolment at the university. That increase has been Kshs8,100. The reason is that we all realize that universities have been under-funded for the last few years and in fact, the University of Nairobi is indebted to the tune of more than Kshs2 billion. We also realize that it is important for universities to compete in terms of the quality of the education they are offering compared to private universities and overseas universities.

If our graduates have to compete, some money has to come from somewhere given what has already happened in terms of monies that have been available for increasing the lecturers' salaries and the fact that there has been a decrease. It is for this reason that we are saying, if universities can make adjustments and charge a little bit to be able to complement the resources that are available from Government, then university education is going to be of much better quality than we have been having. It is good for our students, parents and the Government.

Mr. Wamwere: Bw. Spika, ni kweli ya kwamba, nyongeza ya karo imefikia kiwango ambacho wanafunzi wengi ambao ni maskini hawawezi kuimudu. Ningetaka kujua, wakati Wizara ilikuwa inapendekeza nyongeza hii, ilifikiria ya kwamba kuna wanafunzi maskini ambao hawawezi kulipa karo hii?

Dr. Mwiria: Mr. Speaker, Sir, indeed, we have considered this and that is why we have the Higher Education Loans Board that takes care of these kinds of cases. Let me repeat again a point I have made before, that 97 per cent of the students who apply for loans actually end up getting some

money. I would also like to remind hon. Members that, in fact, what university students are paying is on average lower than what an average high school student is paying. We have to come to terms with it. In view of the fact that resources are not limitless, I think universities have to be helped in some way. It is not our business, now that universities are independent. I think we must give them some leeway to find ways of raising additional income to make their programmes run more efficiently.

Mr. Twaha: Mr. Speaker, Sir, according to statistics, Kenyans are paying Kshs16 billion for education of Kenyan students in foreign countries for higher education. Could the Assistant Minister

agree with me that it is now high time we had a public university in every province even if we have to raise money to build the initial facilities?

Dr. Mwiria: Mr. Speaker, Sir, the idea of expanding higher education opportunities is accepted, but I do not think we should necessarily say that it must be in every province. I think we should consider it and find out where it is viable to start universities. The Ministry is, in fact, considering this. It is our hope that we will have many universities; more than seven, probably in every province. The brief answer to that question is that we are open to this and we will look at it, but it will be a subject of planning. We do not want to have a situation like the one we had before where universities were started politically, whether or not there were resources to manage them.

Mr. Oparanya: Mr. Speaker, Sir, we approved Kshs900 million in this House, for the Ministry of Education Science and Technology. This increase just came about last month. Could the Assistant Minister consider allocating in his Supplementary Estimates, more money to be provided for the Ministry so that the poor students do not drop out?

Dr. Mwiria: Mr. Speaker, Sir, it is possible to consider a lot of requests, but I do not think it is possible to implement them, and it is not feasible. We keep on saying that the Ministry of Education, Science and Technology is not the only Ministry in this Government and there is a limit to how much we should allocate to the education sector. I would like to insist that education is about cost-sharing and we must require from our parents and students a little bit of money to support their education. Nevertheless, 97 per cent of the cases that are deserving are being supported.

CLOSURE OF KILIFI CASHEWNUTS FACTORY

Mr. Kingi: Mr. Speaker, Sir, I beg to ask the Minister for Agriculture the following Question by Private Notice.

(a) Is the Minister aware that Kilifi Cashewnuts Factory has closed down its operations due to lack of raw cashewnuts, which are being exported by middlemen?

(b) Could the Minister impose a duty on cashewnuts being exported in order to protect the local industry?

The Assistant Minister for Agriculture (Mr. Akaranga): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Kilifi Cashewnuts Factory temporarily closed down in October 2004 due to inadequate raw nuts and routine maintenance. The peak period for cashewnuts harvesting is January to March. The factory is expected to re-open in January, 2005.

(b) The cashewnuts sub-sector is currently undergoing reforms. Imposing duty on raw cashewnuts being exported is one option being studied. This will safeguard the farmers and the local processors through better prices, value-adding and job creation.

Mr. Kingi: Bw. Spika, namshukuru Waziri Msaidizi kwa jibu ambalo ameleta Bungeni. Lakini ningetaka kulalamika kwamba Serikali haitilii maanani ufufuzi wa viwanda vilivyoharibika katika Mkoa wa Pwani. Tumeuliza Maswali mengi juu ya kiwanda hicho cha korosho. Ukweli ni

kwamba wakulima wengi hawana imani na kiwanda hicho tena kwa sababu kimeporwa na watu ambao siyo wenyewe. Je, Wizara inafanya nini kuhakikisha kwamba kiwanda hicho kinarudishiwa wakulima wa korosha kwa sababu kilikuwa chao kutoka mbeleni?

Mr. Akaranga: Mr. Speaker, Sir, that is a good question. When I was going through the records, I saw that the Public Investment Committee visited the Kilifi Factory in 1999 and came up with the eighth Report of 1999. There are various recommendations which, to me, if they are executed, then things would be okay.

Mr. Speaker: Last question, Mr. Kingi!

Mr. Kingi: Bw. Spika, Waziri Msaidizi amesema vizuri. Lakini sasa, anaweza kutueleza ni lini Serikali itafanya hivyo ili kiwanda kirudi kwa wenyewe?

Mr. Akaranga: Mr. Speaker, Sir, I am informed that the Ministry of Co-operative Development and Marketing has already written to the Attorney-General to take action. I will table that report for the hon. Member to go through and make a follow up.

Mr. Speaker: Very well. Thank you.

Mr. Mwandawiro: On a point of order, Mr. Speaker, Sir. You heard the Assistant Minister say that there is a list of suggestions on how to deal with the cashew nut factory in Kilifi awaiting implementation. Who will implement them, if not the Government?

Mr. Speaker: Order! You must know when it is a point of order. It may be a very useful question but, nevertheless, it is not a point of order!

Next Question, Archbishop Ondiek!

COMPLETION OF UGEGE/LINAO BRIDGES

Archbishop Ondiek: Mr. Speaker, Sir, I beg to ask the Minister for Roads and Public Works the following Question by Private Notice.

(a) Could the Minister inform the House why work has stalled on Ugege and Linao bridges in Ukwala and East Ugenya locations respectively, in Ugenya Constituency?

(b) When will work on the two bridges resume and how long will it take to be completed?

Mr. Speaker: Order, hon. Members. The honourable Minister called me this afternoon and said that they are unable to come to the House. I do not know whether they are here.

The Assistant Minister, Office of the President (Mr. Mungatana): Mr. Speaker, Sir, in fact, he had sent me to request for a deferment of this Question.

Mr. Speaker: Until when? Did he say?

The Assistant Minister, Office of the President (Mr. Mungatana): Next week.

Mr. Speaker: Is that okay with you, Archbishop Ondiek?

Archbishop Ondiek: Mr. Speaker, Sir, I would not mind, but the Minister was here! He should have answered this Question.

Mr. Speaker: According to them, they were going to a requiem mass for one of their engineers who passed away. The mass was beginning around that time. Shall I put it to Tuesday? Is that okay with you?

Archbishop Ondiek: Yes, Mr. Speaker, Sir.

Mr. Speaker: Is that okay with you, Mr. Assistant Minister?

The Assistant Minister, Office of the President (Mr. Mungatana): Yes, Mr. Speaker, Sir.

Mr. Speaker: Very well. The Question is deferred to Tuesday.

(Question deferred)

Next Question, Mr. Ndolo!

PAYMENT OF SALARIES TO KR EMPLOYEES

Mr. Ndolo: Mr. Speaker, Sir, I beg to ask the Minister for Transport the following Question by Private Notice.

(a) Is the Minister aware that employees of Kenya Railways have not been paid their salaries for the last three months?

(b) Is he further aware that employees who retired during the same period did not receive their benefits?

(c) If the answers to the above questions are in the affirmative, what is the Minister doing to stop the suffering of serving and newly retired Kenya Railways (KR) employees?

The Assistant Minister for Transport (Mr. Ligale): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that KR has been experiencing financial constraints caused by a number of factors including over-staffing due to reckless employment policies in the past, heavy maintenance costs of age-rolling stops as well as the permanent way and a large portfolio of commercial debts. Those liquidity problems have led to delays in salary payments. The corporation is now paying salaries for the month of October in respect to regular staff and have, so far, paid Kshs70.4 million, with Kshs75.3 million still outstanding. With regard to casual employees, the corporation has paid salaries for August 2004 in full, and has embarked on payments for the month of September amounting to Kshs23.5 million. Due to the use of work-time sheets which have to be verified on a monthly basis for payment of salaries, there has normally been a delay in settlement of casual employees salaries. However, the corporation is working on strategies to reduce the waging period per month.

(b) I am aware that employees who retired during the same period have not received their full benefits. But the corporation promises to provide the employees with a notice for retirement and then pay a lump-sum amount which is currently being paid in part.

(c) The Ministry is negotiating with the Treasury for funds to support KR to improve its cash-flow. The Ministry is also working closely with the management of the corporation to see how cost-cutting measures can be maximised, as well as the implementation of a more effective privatisation of expenditure.

Mr. Ndolo: Mr. Speaker, Sir, I thank the Assistant Minister for that answer. However, he is misleading this House. Regarding part (b) of the Question, I have a retiree who has only been paid Kshs10,000 and yet, he has been working in that corporation for more than 30 years. Could he tell this House what Kshs10,000 can do to somebody who has been working for 30 years, and who plans to build a house? What is the Ministry doing to make sure that they do not cheat those workers any more?

Mr. Ligale: Mr. Speaker, Sir, if he has been paid Kshs10,000, that is not his full entitlement. I am not disputing that. He may have been paid that amount of money, but it might be just to assist him to travel. Otherwise, his retirement benefits will be assessed and he will get them.

Mr. Billow: Mr. Speaker, Sir, we have been reading reports that recently, KR has been making some profits. We also read that there are plans to concession out KR to private investors, which are shrouded in secrecy. We do not know the impact of that concessioning on the employees who are in that company. Could the Assistant Minister tell the House whether there is a plan by the Government to table a Sessional Paper on the concessioning, so that we, as hon. Members who represent the people, can understand the impact of that concessioning both on the economy and on the employees?

Mr. Ligale: Mr. Speaker, Sir, there is no secrecy about concessioning the corporation. We have not tabled a Sessional Paper, but all the facts to do with concessioning have been laid open and, if need be, we can lay them bare to this House. We are concessioning in conjunction with Uganda. We have met the stakeholders and we have prepared a paper. Open bids are supposed to be accepted within next week.

Mr. Twaha: Mr. Speaker, Sir, we used to have the Kenya Posts and Telecommunications. Then the Government, in its wisdom, decided to split it into Posta and Telkom. In the past, Telkom used to subsidise the Posts. In the case of railways, we used to have the East African Railways and Harbours. They complemented each other. To an extent, the ports used to subsidise the railways. The Government again split the railways and it cannot assist itself any more. The Government has also put up Telkom for sale. When will the Government wisen up and put those companies together? The harbours and railways should be put together. Telkom, posts and other telecommunications should be put together. They should not be privatised. The reason why they are there is to provide public service.

Mr. Ogur: On a point of order, Mr. Speaker, Sir. I am a Member of the Departmental Committee on Health, Housing, Labour and Social Welfare. Yesterday, the National Social Health Insurance Scheme Bill was removed from the Order Paper and even today, it is not there. What will happen about it?

Mr. Speaker: What are you saying?

Mr. Ogur: Mr. Speaker, Sir, yesterday, hon. Members were prepared to discuss the National Social Health Insurance Fund Bill, which will assist the poor people of this country. Yesterday, it was withdrawn from the Order Paper suddenly and hon. Members were embarrassed.

Mr. Speaker: Mr. Ogur, in ordinary circumstances, that would earn you a marching order! We are on Question Time and you are somewhere else. There is no doubt about that! You do not know what is going on in the House. Will you come back to where we are?

Proceed, Mr. Assistant Minister!

Mr. Ligale: Mr. Speaker, Sir, in answer to Mr. Twaha's question, it is not possible to amalgamate the Kenya Railways with the harbours. These have been separate entities for a long time. They were set up by different Acts of Parliament. We have agreed to concession jointly the Kenya Railways and the Uganda Railways. That is where we are.

Mr. Ndolo: Mr. Speaker, Sir, the Assistant Minister has told this House that they are paying the workers now. I have just come from that place and the workers are not being paid. Could he tell this House when they will pay the balance of Kshs55,035,000?

Mr. Ligale: Mr. Speaker, Sir, as soon as the cash flow improves, we will pay that money.

Mr. Speaker: That is the end of Question Time!

Next Order!

MINISTERIAL STATEMENT

TABLING OF GUSILAND CO-OPERATIVE SOCIETIES MINUTES

The Assistant Minister for Co-operative Development and Marketing (Mr. Kenneth): Mr. Speaker, Sir, in a ruling that you gave last week arising from a Question by hon. Angwenyi, I was asked to table minutes from the co-operative societies in Kisii, Gucha and Nyamira, indicating their mandate to be able to borrow from the Co-operative Bank of Kenya. I hereby table those minutes.

(Mr. Kenneth laid the document on the Table)

Mr. Speaker: Have you seen the minutes, Mr. Angwenyi?

Mr. Angwenyi: Mr. Speaker, Sir, I am yet to get those minutes. Maybe you will allow me later, or another, day to raise questions on those minutes.

POINT OF ORDER

FATE OF THE CONSTITUTIONAL REVIEW PROCESS

Mr. Billow: On a point of order, Mr. Speaker, Sir. Last year, this House appointed a Parliamentary Select Committee on the Constitutional Review Process to guide this country towards the enactment of a new Constitution. That mandate was renewed early this year and Kenyans are still in the dark about what is going on with regard to the constitutional review process. I want the Chairman of the Parliamentary Select Committee on the Constitutional Review Process to submit a report to this House, telling us what they have done to date, and what is the status of the Constitutional Review Process, so that, as Kenyans, we can also be party to what is happening. We only read about the confusion and the shadow boxing in the media. **Mr. Ogur:** On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Mr. Ogur, if you are attempting to do what you did earlier, then you treading on ice. Sit down!
Next Order!

NOTICE OF MOTION FOR THE ADJOURNMENT UNDER STANDING ORDER NO.20 RECRUITMENT OF GAME RANGERS BY KWS

Mr. Angwenyi: Mr. Speaker, Sir, I rise to request to be allowed to raise a Motion of Adjournment to enable the House to discuss a matter of definite national importance under Standing Order No.20. This is with regard to the recruitment of game rangers at the Kenya Wildlife Service (KWS).

(Several hon. Members stood up in their places)

Mr. Speaker: Order! What are you doing? Mr. Angwenyi, you are not a choir master! Hon. Members, I have listened and I have seen the application by the hon. Member. I think the matter is definite and of national importance. It is urgent and, therefore, I think it qualifies under Standing Order No.20, for discussion under adjournment subject to there being support.

(Mr. Angwenyi waved other hon. Members to stand up in their places)

Order! You do not do that! Let the hon. Members stand up on their own free accord if they

wish. This is a dignified House.

Hon. Members: We support it!

*(Several hon. Members stood
up in their places)*

Mr. Speaker: Order, hon. Members! I am satisfied that there is support of more than the requisite number. For the benefit of the new hon. Members who have not looked at this particular Standing Order, you require 15 hon. Members or more in support of that Motion. I am satisfied that there are more hon. Members than the requisite number. I will, therefore, call upon Mr. Angwenyi to move that Motion for the Adjournment today at 5.30 p.m., for one hour.

Next Order!

MOTION

ADOPTION OF 1997/98 PAC REPORT

THAT, this House adopts the Report of the Public Accounts Committee for the year 1997/98 laid on the Table of the House on Thursday, 3rd June, 2004.

Mr. Speaker: Mr. Wanjala is absent. So, for the second time, we are postponing that Motion.

*(Mr. Wanjala, on behalf of Mr. Omingo,
on 14.10.2004 again deferred)*

*(Resumption of Debate
interrupted on 14.10.2004)*

BILL

Second Reading

THE BANKING (AMENDMENT) BILL

The Assistant Minister for Finance (Mr. Katuku): Mr. Speaker, Sir, I beg to move that the Banking (Amendment) Bill be now read a Second Time.

The Banking (Amendment) Bill mainly proposes to transfer the supervisory power from the Minister for Finance to the Central Bank of Kenya. It also proposes to transfer the powers of licensing and de-licensing banks and non-bank financial institutions from the Minister for Finance to the Central Bank. In this Bill, we are trying to transfer these powers to the Central Bank.

In doing so, we are trying to comply with the international core principles of effective supervision of banks, which recommend that supervisory powers be exercised independently. In this case, we expect the Central Bank to exercise these powers independently without any interference from any quarters. This means that if the Central Bank of Kenya (CBK) is satisfied that a bank or financial institution is not performing, it will be able to move very fast and take action without going through the bureaucracy of consultations here and there. We also want to establish accountability of various actions and the Banking Act through transfer of these powers to the CBK.

Also, we want to ensure or enhance speed in taking supervisory actions against institutions which may breach requirements of the law governing regulations or operations of the bank. As I said, this will ensure that decisions are taken as quickly as possible without going through unnecessary bureaucracy. As it is today, when the CBK notices that there is a problem with a bank, it has to consult the Ministry of Finance. In addition, if one has to operate a bank, he has to go into seeking the Minister's approval for a licence.

Mr. Speaker, Sir, the amendments proposed in this Bill cover several areas where the CBK itself will be exercising autonomy in a way, but to some extent, where an individual might feel the CBK is being unfair; for example, when one is applying for a licence, there is a provision in this Bill where the aggrieved person may appeal to the Minister for Finance on any decision made by the CBK. The decision of the Minister, therefore, according to the amendments we are proposing, shall be final and binding to the CBK. So, if an individual feels that a decision taken by the CBK is not right, he still has some option to appeal to the Minister for Finance who would then listen to the issues raised by the concerned party and give a ruling which will be binding.

Mr. Speaker, Sir, I would now want to highlight a few of the provisions of this Bill. I will start with Clause 4 of the Act, which is being amended by inserting a new provision where we need vetting of shareholders who control more than 5 per cent of the share capital in financial institutions and banks. We would want people who establish banks or financial institutions to be vetted. We have experienced, in the past, situations where, individuals or persons with bad reputation join the industry, establish institutions and collect monies from Kenyans and later disappear with these monies; or within a few years the banks go under simply because the characters themselves had no reputation at all, even to be allowed to run financial institutions. So, what we are trying to achieve in this amendment of Clause 4 of the Act is to ensure that, if one is to be licensed to operate a financial institution where he or she will be charged with the responsibility of collecting or regulating monies, he or she is a person of repute. So, the ordinary shareholders who have less than 5 per cent will not be subjected to the same. But any shareholder who goes above 5 per cent of the share capital of the institution would be required to be vetted by the CBK.

Mr. Speaker, Sir, Clause 5 of the CBK Act will also be amended by inserting subsection 8 which clarifies that, "for all fees and other amounts of money payable to the bank, licensing will continue to be paid to the Consolidated Fund." As I said earlier, individuals now will be able to apply to the CBK without necessarily applying to the Minister. But here, we are trying to clarify and say, even though they will be applying to the CBK, the licence fee itself will still go to the Consolidated Fund and not to the CBK. So, that clause tries to clarify that aspect of who should collect the licensing fee. The fee must be paid to the Consolidated Fund, so that Kenyans can benefit from the fees raised, and not the CBK.

Mr. Speaker, Sir, we are also introducing Clause 9, which will provide for persons to be certified as fit and proper to manage and control institutions before being appointed as directors or chief executives in such institutions. The CBK will also be able to determine that, an existing director, senior officer or significant shareholder is fit, or is a person who can be trusted with depositors' money. Therefore, it is not only the shareholders, but also, the chief executives in these institutions must be vetted to ensure we have people of reputable character running our institutions.

Mr. Speaker, Sir, Clause 44 of this Bill is very important. This clause currently requires that, before any bank makes charges, it must get approval from the Minister. We are deleting a subsection from the Act because we have realised it is important that we let banks compete in terms of charges. The bank which will charge less will attract more customers, while any bank which will charge extra-ordinarily will obviously not be able to compete. In yesterday's newspapers, the CBK published the charges in different banks. We have been publishing this yearly and it has been a

requirement all through that, before a bank charges any new charge, it must get approval from the Minister. We are trying to delete Section 44 of the Banking Act to ensure that, that is not a requirement any more.

Mr. Speaker, Sir, in the same breath, we are trying to introduce Section 44(a) which is very crucial. We have seen situations where people take loans from banks and they keep on charging interest at very high rates. The interest rates keep on going up without a limit. So, the new Section 44(a) limits the total interest an institution can recover on non-performing loans. The total interest should not exceed the amount of outstanding principal and the interest from the time the loan becomes non-performing. That is what we are trying to do. If you take a loan and you are not able to service it, the bank will be expected to charge you up to the principal amount that you are not able to pay and the interest. For example, if you have taken a loan of Kshs10 million and repaid up to a balance of Kshs1 million, and then you are unable to clear it, it is expected that the interest accrued from that amount you are unable to pay will be equal to the principal. That is you will be expected, at most, to pay Kshs2 million. Presently, interest rates continue to go up and you can even end up paying Kshs100 million! So, we are trying to protect customers. We do not want them to suffer when they fall into difficulties of repaying their loans.

We want to bring in the In Duphem rule, which the Minister for Finance promised this Parliament when he was moving the Budget. So, that amendment is purely to address the concerns of Kenyans who have lost their properties in such circumstances. That section is very important. I urge Members to support it and save Kenyans from the embarrassment they have suffered from those institutions.

Mr. Speaker, Sir, there are many areas which I would have wished to comment on, but the Bill is self-explanatory. As I said in the beginning, Clause 2 of the Bill expects a shareholding of 5 per cent. The amendment we are introducing in Clause 3 offers effective supervision. The amendment of sections in Clause 4 of the Banking Act covers the issues of licensing. I have said that from now, people will just go direct to the Central Bank of Kenya for licensing. The amendments proposed to Section 5 (i), (ii), (iii), (iv), (v), (vi) and (vii) are meant to empower the CBK to deal with matters of licensing. The amendment we are seeking on Section 5(10) to (11) of the Banking Act still covers issues of licensing.

In Clause 9, I have talked about a new Clause 9(a), (i) to (vii) of the Banking Act. It is geared to instil proper governance. The issue of governance is crucial in financial matters. All those sections are addressing governance issues. We need to run our institutions with the ethics required. We need to get people of reputable backgrounds to run our institutions. We do not want political appointees to run our institutions. We do not want individuals who are controlled by others out there, who borrow money beyond the required levels, thus making a bank to go under receivership. We do not want a situation - which we have experienced - where some of the directors of banks do not follow the laid-down rules. They borrow money beyond what they can offer as collateral. That is some of the discipline that we want to instil in that sector. That is a very important sector and unless we have the right rules to govern the game, Kenyans will continue suffering. We have had some who lost their money in the collapsed institutions.

Mr. Speaker, Sir, we are seeking these amendments to ensure transparency and competence in the running of our financial institutions. Men and women of competence will be appointed to run those institutions. We, at the Treasury, are giving those powers to the CBK to exercise them, be independent and compete with the rest of the world in terms of ensuring that our institutions are run properly.

The amendment to Section 43 of the Banking Act seeks to empower the CBK to approve representatives of offices of foreign financial institutions without the Minister's approval. It has been

the procedure that those who want to invest in that sector have to come to the Minister for approval. This time, we are giving those powers to the CBK to exercise them. This Bill seeks to improve the performance of the CBK, the financial sector and decision-making in the financial sector. We are trying to avoid bureaucracy by giving those powers to the CBK to run the financial institutions without interference.

With those few remarks, I beg to move and request Mr. Wetangula to second.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Speaker, Sir, this Bill is very important and long overdue. It seeks to achieve two critical issues. First, I must say that it is very courageous for the Treasury to bring such a Bill to this House, because it seeks to liberate the CBK from the clutches of the Treasury. The Bill also seeks to protect the public, borrowers and businessmen who access loans, from the greed and oppression of banking institutions.

Mr. Speaker, Sir, in a liberalised and freed economy; an economy that does not have Government clutches, the missing link is giving total autonomy and authority to the CBK.

Mr. Speaker, Sir, the CBK will, after the passage of this Bill, have the overall authority of licensing, supervising, auditing and doing all other matters related to banking under its purview. One will only expect that the licensing authority should have the authority to supervise, audit and in many other ways oversee the operations of the banking sector.

Mr. Speaker, Sir, there is no single hon. Member in this House who does not represent a Kenyan who has suffered under the weight of draconian and shylock-like behaviour of banks. Everyday you open a newspaper, there are dozens and dozens of properties advertised for sale. When you look at it, you will find that every single victim has paid the loan many times over, and yet he is being auctioned because of uncontrollable and runaway interest rates. You do recall that sometime back in the early 90s, interest rates in this country went high up to 78 per cent per annum. At the end of the day, bank owners and directors were parading themselves on television and smiling that they had realised enormous and admirable profits. This was the sweat of Kenyans. It is at this point that we need to appreciate the efforts of the NARC Government in bringing this amendment Bill, which aims at controlling banks.

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

Mr. Temporary Deputy Speaker, Sir, in the UK and many other developed economies, a bank is not allowed to charge interest beyond the sum borrowed. I am happy that this Bill seeks to enforce that principle. Clause 17 provides that not only will banks not be allowed to charge interest more than double the amount borrowed, but also that the principal will run through the entire loan profile until it is fully paid. So, if you borrow Kshs10 million and you default when you have a balance of Kshs2 million, then the principal will remain Kshs2 million and not Kshs10 million. I have in my professional career acted for a person who borrowed Kshs5 million, but was subsequently sued and auctioned for Kshs78 million accruing from interest rates that are totally immoral, questionable, unreasonable and unjustifiable, yet even if you go to court, you will be told that you entered the contract with your eyes wide open and you, therefore, have to bear the brunt. The only control we can now have is by ensuring that the law clearly states, like it has in Clause 17, that banks shall only charge interest to that extent.

Mr. Temporary Deputy Speaker, Sir, the Bill also provides for the regulation of the moral probity and character of persons who become directors and shareholders of banks. We all know the stories that were common in the 1980s and 1990s when crooked people obtained licences to open

banks, collected deposits from wananchi and parastatals. They then, criminally, lent to themselves all the money, thereby collapsing the institutions. They also disappeared. The banks collapsed and anybody who had great deposits, like my colleague hon. Twaha, lost everything. The only amount that could be recovered is Kshs100,000 from the Deposit Protection Fund. Of course, we all know the enormous fortunes hon. Twaha controls.

Mr. Temporary Deputy Speaker, Sir, this has visited a lot of damage and has made people bankrupt. A person who shall be allowed to be employed as the chief executive of a bank must be a person who can table his or her curriculum vitae, have it properly checked, tested and approved by the CBK, to prove that the person is fit enough to be the custodian of other people's money without the temptation to take it.

We are trying to eliminate a situation where hyenas are allowed to guard sheep. That cannot work. The CBK is being given this legal authority to make sure that Kenyans of dubious character and unproven integrity are not given an opportunity to be custodians of other persons' money. This also goes a long way to ensure that we do not have situations such as those that begot Euro Bank being replicated. We know directors became the major borrowers, and rules of collateral flouted with impunity. In fact, they do not wish and never account to anybody whatever borrowing they take.

Also, in this Bill, the legal authority of the Ministry of Finance has been stipulated as far as licensing and control of the operations of banks, whether local or foreign, are concerned. There first and only stop-shop is the Central Bank of Kenya. As we give this enormous responsibility to the CBK, I want to urge the Ministry of Finance to maintain a critical nexus with the CBK to ensure that the responsibility is exercised fairly, legally and reasonably. We do not want to experience situations of the past where the CBK audits a bank--- You can take the example of Trust Bank, where the CBK issued a licence to Trust Bank to open a high-street branch on the basis that the bank was liquid and its management was solid with men and women of probity. Within a week, the same CBK moved in to close Trust Bank for having liquidity problems. One wonders whether the inspectorate of the CBK knew or had any link with other arms of the bank that eventually made such decisions. We must maintain that live wire between the Treasury and the CBK, to make the CBK more responsive so that any time they make errors like those related to the opening of Trust Bank, they can also be held accountable.

Mr. Temporary Deputy Speaker, Sir, the CBK must rise to the occasion. Setting interest rates that are not double the money borrowed is just the beginning. We want to see a situation where the Governor of CBK conducts his business like Mr. Allan of the Federal Reserve Bank in the USA and Mr. Eddy George of the Bank of England. Their duty is to monitor the operation of banks on, literally, a minute-to-minute basis, determine the interest rates chargeable, even if it is by 0.5 per cent, so that the economy can grow. The economy will not grow if banks are let loose to charge the interest rates they want. As important as Clause 17 is, the Treasury would have done better to make sure that the interest rates charged are in conformity with what the CBK directs. If we want this economy to grow, publishing in the newspapers on a regular basis the interest rates charged by banks may help, but will not stop them from exhibiting and executing greed where they want to. That is something that the Treasury as the oversight Ministry to the CBK may wish to do.

I would also like the Treasury and the CBK, with the autonomy we are giving it, to consciously develop policies that support local banking institutions. If the Co-operative Bank, the KCB or another local bank made the "obscene" profits that we see foreign banks make of Kshs14 billion, that would be money injected into the economy of this country. When a foreign bank makes Kshs14 billion, that is money going out of the economy of this country. It is important that while we appreciate the importance of foreign banks for international trade, the operations should be

encouraged to be within areas where international trade is carried out such as Nairobi or Mombasa. There is absolutely no justification for Barclays Bank to have a branch in Kilgoris, Karatina or Lodwar while we can have local banks with proper management and supervision operating banking business to help build, generate and recycle money into this economy.

That is a view I have held dearly and I think I am right that we need affirmative action. If we are talking of affirmative action to have more women in this House than hon. Shaban and a few others, we must extend affirmative action to all other sectors of our life, so that we can support our own institutions to benefit from the now promising looks that we have in our economy. This is a duty I expect the CBK to execute in future. I expect my good colleague here to go and look at this Bill again. When he brings it at the Committee Stage to see whether there are any further amendments, he needs to add on the empowerment of our local business people and the ordinary Kenyans to enjoy the welfare of this country. I believe foreign banks should facilitate international trade so that they do not collect money from a shoe-shiner, cotton grower or coffee grower all over the country and take it away as profits made. This will help generate local wealth.

Mr. Temporary Deputy Speaker, Sir, as I said this Bill is so important and it is unfortunate that it has come this late. My colleagues across should benefit from the goodwill of the NARC Government, that we are ready to make reforms in every direction to ensure that Kenyans enjoy the freedom of the NARC Government in both the economy and every other area.

With those remarks, I beg to second.

(Question proposed)

Mr. Twaha: Thank you, Mr. Temporary Deputy Speaker, Sir. I want to congratulate the Minister for bringing this Bill. There are some components in the Bill which I support, and some which I do not. I shall propose some amendments.

To begin with, I do not know if "suspicious" is a very strong word, but I wonder why the Minister who is a politician; and the whole idea of going into politics is to get power, wants to cede power to the CBK. I would expect the Minister to tell us, when he is replying, why he is ceding power from the Treasury to the CBK, who are accountable to no one.

The institution of the CBK is so important that it has to be accountable to somebody. We should not just parrot ideas which we are told that we should have the independence of the CBK. What will happen once they have that independence and they control supply of money in this country? We want the powers of the CBK to remain with the Minister. The Minister has to come to this House to be accountable to the representatives of the people of this country. That is one of the objections that I have.

I suspect that the international banks that Mr. Wetangula was referring to, through their networks and their patrons at the IMF and the World Bank, have pressurised the Minister to bring such a Bill, which will cause him to cede his powers to an institution which could use those powers properly or misuse them. I think the Minister understood our misgivings, that we do not believe it is a good idea for him to give away powers to an institution that is not accountable to this House, or will be very far removed from this House that it will not be directly accountable to this House.

Secondly, Mr. Wetangula was right when he said that foreign banks are making "obscene" profits from our financial market. We allow capital and goods to come in and out of this country, including sub-standard goods and *mitumba*. The rich countries have not liberalised their markets for our labour so that our youth can go and look for jobs there. This is a form of inequality. The Government imposes tariffs and customs duties in order to protect the local industries, agricultural sector, discourage importation of the same goods and earn revenue for the Government. Now

international banks are importing services into this country.

If it is a foreign bank operating in this country, you will find that it has imported services which are competing with services by local banks. The case is, therefore, strong for the Minister to consider imposing an additional tax on foreign owned banks. Just as we have import duties on imported goods, we should also have import duties on imported services in order for the Government to get extra revenue since it is always crying that it will implement policies when funds become available. In order to protect the local banks we have to give them a fighting chance.

I support the component of the amendment which the Minister has brought with regard to protecting the borrowers who have been having a very rough time with the banks. Many people have gone bankrupt and some have committed suicide because of the previous practices by banks. The *In Duplum* Rule that the Minister had suggested in the last Budget was very welcome here and it was loudly applauded. We are happy that it is coming now as a proper substantive amendment. I am afraid that it is being used to sweeten the other part of that Bill which is bitter. We might be tempted to approve these amendments in order to please the borrowers, but at the same time we are ceding our sovereignty to several banks which will not be accountable to us any more.

Mr. Temporary Deputy Speaker, Sir, the *In Duplum* Rule which seeks to limit how much interest rate a bank could recover from the principal is welcome. We support the Minister for Finance on that aspect.

We had a very able legislator in the last Parliament, Mr. Joe Donde, who brought the Central Bank (Amendment) Bill before this House and it was passed overwhelmingly by a majority. That Bill sought to control the mischief of the banks. It also stipulated that the Government should appoint a committee to regulate interest rates charged by banks. To date, that committee has not been established. I would like the Minister for Finance to inform us why the Government has not implemented the law by establishing that committee. He should also inform us why the Government has tried to come up with a parallel Bill when the Central Bank (Amendment) Bill was passed by this House and is already in existence.

Kenyans should elect many economists to this House, like Mr. Donde, President Mwai Kibaki and Mr. Twaha, so that we can debate things which will promote economic growth. Right now, there are too many lawyers who were elected to Parliament and they have given first priority to issues like the Constitution. The Constitution will not put food on the table or increase the number of *sufurias* of *ugali* in the kitchens of our homesteads. I urge Kenyans to elect many economists and technical people to Parliament so that we can have constructive debate, instead of all the time arguing about *Katiba*, which will not help anybody.

Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to support the Bill.

(Laughter)

The Assistant Minister for Livestock and Fisheries Development (Dr. Wekesa): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Bill and thank the Minister for Finance for bringing it before this House. I concur with what my colleague, Mr. Wetangula, who is an Assistant Minister, has said. He has rightly said that, first of all, we are trying to bring good governance in the financial institutions.

Over the years, it has been assumed that we had a regulator who was in charge of the banking institutions in this country. We also assumed that the regulator has been the Central Bank of Kenya (CBK). In fact, the CBK has not played this role at all because some powers were still with the Minister for Finance. While some people are trying to amass power, the Minister for Finance, in his wisdom, has realised the essence of ceding part of his powers to the CBK, which he

has proposed to be the regulator of the financial institutions.

Mr. Temporary Deputy Speaker, Sir, those of us who have suffered as a result of the uncontrolled interest rates charged by various banks will bear testimony as to what has been happening. I congratulate the Government for dealing with this matter, which has affected Kenyans for over 20 years. We have many Kenyans who have suffered because of the excessive interest rates charged by the banks.

In the farming sub-sector, we have seen poor Kenyans lose their farms and businesses which they established after many years. The changes, in fact, incorporate some of the Central Bank (Amendment) Bill aspects which were raised here two years ago. We do not know whether the Minister for Finance will consider moratorium to some people who have suffered as a result of uncontrolled interest rates.

I have several examples within the horticultural industry, where some farmers who wanted to start horticultural farming had to borrow money from the banks at 26 per cent interest rate. It became impossible to recover the money and repay the loan plus the 26 per cent interest. As a result, nearly 30 per cent or 40 per cent of the new farmers who invested in horticultural farming became bankrupt. The high interest rates charged by the banks did not only affect the farmers, but also other people. For example, people who opened shops and did well were unable to run the businesses because of the high interest rates charged by financial institutions. I am glad that the Minister for Finance will rectify the situation.

Mr. Temporary Deputy Speaker, Sir, Clause 4 of this Bill, which states that directors of more than 5 per cent capital will be vetted, is good. My colleagues have said here that the businessmen who had amassed wealth through dubious methods, for example, money laundering, could set up new banks because they happen to have huge amounts of money. This will discourage money launderers and businessmen who have amassed wealth through dubious means from establishing banks.

Clause 5 talks about licences and licensing fees. This is a positive move because the Kenyans who drew funds from the Consolidated Fund when the Government gave the money to the projects will use them. So, the ordinary mwananchi will benefit. Mr. Temporary Deputy Speaker, Sir, unemployment affects us, and as legislators, we are concerned about this problem. We hope that the changes we are seeing in the financial institutions will assist alleviate unemployment in this country. I am also thinking of those who work within the banks. We have very many young people who are qualified in financial matters. So, there is no need to bring back people who have worked in financial institutions and who are of my age to work in those institutions. Let us bring in new blood and new graduates who have the expertise in financial matters, so that we can reduce the spectre of unemployment.

Mr. Temporary Deputy Speaker, Sir, we are also calling on banks to go the Information Technology (IT) way. You are aware that some of our local banks are still *jua kali*. So, with this policy of good governance, in order for the local banks to be able to compete with foreign banks, they must have computers. I have been a member of the Kenya Commercial Bank (KCB) for many years and they are still struggling to computerize. Unless they do that, they are bound to lose a lot. As has been said here earlier, we want to support the local banks. So, KCB must make sure that they are competitive by going the IT way.

There is an issue of other finance institutions; credit unions as they are called in other countries; Savings and Credit Co-operative Societies (SACCOs) as we call them in this country. I had an opportunity to go to the United States of America to look at how co-operative unions operate. One of the issues that I found out, together with my colleague who is sitting right across, that the supervisory mechanism within the co-operative unions were very much strengthened. We

are, therefore, also calling on our local financial institutions, co-operative societies and even banks to ensure that they do not collapse, now that we have a regulator like the Central Bank of Kenya (CBK). The supervisory powers within the CBK should be strengthened so that there is no need for any banking institution to collapse because of corruption. With these supervisory mechanisms in place, this will be a thing of the past, because long before so-and-so has stolen money, it will already be noticed that there is something going wrong and the proper mechanism will be put in place to make sure that, that thief is caught before he runs away with the money.

Mr. Temporary Deputy Speaker, Sir, I am also thinking of auctioneers. Auctioneers, together with lawyers, have had a field day. My colleagues here who are lawyers must bear with me. We have had auctioneers who, knowing very well that they can make quick money through interest rates, collude with some of the lawyers and, therefore, make away with a lot of money. We are hoping that when this Bill comes to Committee Stage, we shall introduce amendments so that, in fact, some of the activities of lawyers and auctioneers are put under control.

With these few remarks, I beg to support.

Dr. Oburu: Thank you, Mr. Temporary Deputy Speaker, Sir. This is a very, very important Bill, and it is necessary that we have full participation of Members. I am a bit disappointed that we are not as many---

QUORUM

Mr. Mwanicha: On a point of order, Mr. Temporary Deputy Speaker, Sir. In view of the fact that this is a very important Bill, I would suggest that we ring the Division Bell so that more hon. Members can come in, so that we can have a quorum.

An hon. Member: But you have not raised your point of order!

Mr. Mwanicha: My point of order is that we do not have a quorum.

The Temporary Deputy Speaker (Mr. Khamasi): Why are you repeating yourself? I had heard your point of order, and it is only the Chair who can tell you whether you have got a point of order or not!

There is no quorum. Ring the Division Bell.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Khamasi): Order! Hon. Members, we now have quorum. You may proceed, Dr. Oburu.

Dr. Oburu: Mr. Temporary Deputy Speaker, Sir, this is a very important Bill for this country. I think the Minister was not being very frank with this House when he introduced the Bill. This is because the main gist of this Bill is that it is a reaction to the so-called "Donde Bill." That was a very popular Bill when it came to this House for debate, because the banks had been exploiting the people of this country for a very long time. Banks became the only business institutions in this country that were making windfall profits, when the economy as a whole was going to the doldrums. Kenyans were indignant and annoyed by the way the banks were instituting charges arbitrarily.

When the "Donde Bill" came here, Members did not even want to scrutinise the details of it, because as long as it was directed to helping the ordinary Kenyan to get some relief from the exploitation by the banking sector, Kenyan Parliamentarians were happy, leaders were happy and everybody was happy.

Mr. Temporary Deputy Speaker, Sir, I was a serving Member of Parliament and I remember

the Government opposed the Bill because it was felt that some of the provisions in it were not implementable. What surprises me now is that an amendment is being brought on the Banking Act, whereas the provisions of the "Donde Bill" which is now being deleted, have never been implemented. Why do we come here in Parliament to discuss, enact and seek the President's consent and then the Act becomes obsolete or unimplementable before it is even tried? Why should we amend something that has not even been tried? This Bill, which was introduced in this Parliament was popular it was passed by Parliament, it became law, and it is a law which has been deliberately ignored by the authorities from the time it was enacted. One of the provisions of that Act is that interest rates were to be controlled. This was popular, because, if you remember, the banks were charging interest rates of up to 35, 40 or 50 per cent in this country. Some of the banks had just become wild. They were even introducing charges that were supposed to be approved by the Minister.

Mr. Temporary Deputy Speaker, Sir, when the Minister comes to reply, I would like him to explain to this country why he is bringing an amendment to an Act which was passed by this House and has never been put into practice. I want him to tell this country where there were difficulties. I want to know where the problems arose in implementation, so that when we enact this Bill, we are fully convinced that those controls which were introduced were not necessary and, therefore, unimplementable. You cannot say that something is not implementable when you have not even tried it, and it is law. I am sure there is no institution, leave alone the Government, that is allowed to flout the laws of this country with impunity.

Mr. Temporary Deputy Speaker, Sir, the Minister is proposing to remove the powers of the Minister to control charges by the banks. The section the Minister is removing, of controlling charges by the banks is the only safety valve for the consumers of banking services in this country. This is the only safety valve to help *wananchi* from unscrupulous banks who are out to reap windfall profits from the ordinary Kenyan. It is again one of those rules and laws which have been flagrantly violated by the banking sector.

Banks have been charging anything they like. If you want to leave this to the market forces, this is unacceptable. The Minister is supposed to approve charges. He has not been approving charges. He came to this House and complained that banks have been charging customers without his approval. What corrective measures has he taken to make sure that these people comply, even before these people comply to the law which is there? We have not passed another law! He is now asking us to pass this Bill. Why should we remove it, when the Minister has not told us the corrective measures he has taken? There are Kenyans who are aggrieved; robbed by these banks! What is the remedy to these Kenyans who have been robbed over the years, by these banks instituting charges without consulting the Minister? The Minister was supposed to approve these charges. Are they now supposed to take legal action against banks if their Government is not protecting them against these charges? What is the ordinary person, who is aggrieved and who has been charged against the law, going to do about this? Again, it is incumbent upon the Minister to explain to this House why he is removing the powers of the Minister to control charges by the banks, when the banks themselves have not even implemented the provisions in the law.

Mr. Temporary Deputy Speaker, Sir, the *In Duplum* rule was incorporated in the Donde Act. So, it is not anything new; it is something which the Minister himself also introduced during the Budget Speech. Because of this, I want to say that is a good thing, and to confirm that the provision given by the Minister is quite acceptable because the banks have been actually over-charging, and sometimes, you find that the person who is unable to pay, who has bad debts, accumulates the original borrowed capital up to 10, 15 or 20 times. Therefore, it is a good provision in this particular Bill. But it should not be a replacement for the Donde Act. This is because, even though we have a

free market and we are moving away from controls, regulation of banking interests must be part and parcel of the responsibility of this Government. Even in developed countries, like England, the Bank of England has a special committee which regulates interest rates in that country. Even though they do not directly dictate the interest rates in the banking sector, they control the Bank of England's lending rates to the banks, and all the banks, because of the discipline, follow suit and adjust their interests rates accordingly. In the United States of America, it is the same.

I would like the Minister to tell us why the provisions which were there of not controlling, but at least, regulating the interest rates in the country, are completely left again with the Central Bank. In the provisions, we were supposed to have an advisory committee composed of independent people from the private sector and also the Central Bank, to advise on the levels of interest rates. This was supposed to be the replacement of the Donde Act. Instead of fixing an interest rate of the 91-day Treasury Bill rates of 4 per cent in the Donde Act, we were supposed to have an advisory committee. Now, the Minister is completely silent about this advisory committee, in which case, it means he is leaving Kenyans in the hands of the banking sector, without giving any proper remedy or suggestions as to what is going to happen in the future in respect of consumers of banking services in this country.

Mr. Temporary Deputy Speaker, Sir, liberalisation is not only for the banking sector, but also for all other sectors of the economy. Business people of a particular sector affected by liberalisation are supposed to take advantage of the liberalised environment to charge prices in respect of those services they offer in conjunction with the risks taken. I would have expected banks to expand their services to the rural areas when the market was liberalised. What have we seen instead? Instead of charging high interest rates in rural areas where they feel there is more risk, they are actually shrinking their services. It has been noted that most foreign banks are closing down their branches everywhere and centralising to the more lucrative areas, for example, Nairobi and Kisumu, and abandoning the rural areas. Why should they be allowed to continue misusing the liberalised atmosphere to abandon our people? I think regulation is important because we were elected by the people and we are responsible for them. People need banking services even if they have to be charged a little higher interest. In my own view, I think banks have been misbehaving.

Mr. Wamwere: Correct! They have been more than misbehaving!

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Wamwere!

Proceed, Dr. Oburu!

Dr. Oburu: Mr. Temporary Deputy Speaker, Sir, the section provided here on significant shareholding is important. I would like to support the Minister that we would not like people who have monies which are ill-gotten, or those who have a history of money laundering, to come and clean their ill-gotten money and take over our banking sector. As a result of this, it is necessary that people who come in with lots of money to be vetted because it is, of course, quite obvious that somebody who has got money in an ill-manner might want some way of cleaning it by investing in the banking sector. Kenyans might be cheated that they are actually getting money into the economy when they are actually getting into more trouble or in a worse situation than they were before that money was brought in the banking sector.

Mr. Temporary Deputy Speaker, Sir, I agree that the Minister needs to have the Central Bank of Kenya (CBK) given some independence. If the CBK was independent, I am sure the ripping off of billions of shillings through the Goldenberg scandal could have, at least, been controlled. However, as it is now, the CBK is part and parcel of the Treasury. This made it very easy for Ministers and Permanent Secretaries to dictate to the CBK on what to do and, in fact, they gave them instructions to transfer money. Therefore, it is necessary to have separation of authority. Therefore, the Minister for Finance should be more of a policy man. He should deal with fiscal,

monetary policies and matters of finance. However, when it comes to banking matters, we should be left to specialised people in that area. That is the CBK. What is missing is the advisory council which was proposed. That council needs to be in place so that the CBK is also not left loose to do what they want to. I do not want to continue because the Committee on Finance, Planning and Trade will come up with some amendments.

Mr. Temporary Deputy Speaker, Sir, I hope the Minister has noted my remarks. I am sure that he, being also a representative of the people, will take them into consideration when we come to the Third Reading of the Bill.

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Bill. I also agree with those hon. Members who have spoken before me that it is important to regulate the banking sector for a number of reasons that have been given, including the need to support Kenyan entrepreneurs and economic growth. If we do not support people who invest in banks, then, that will also be a big problem in terms of benefits accruing from what comes in.

In terms of taking care of issues of corruption, we have already been told how banks have been used and also avoiding situations where politicians have used them to print money. I agree absolutely that it is important to vet those people who will have significant shareholding in banks. I agree that the focus should not be so much on just local investors, but even much more on those investors that are coming from outside this country with very dubious credentials. The process of vetting these kind of people will have to be much more thorough in terms of seeking information from their respective countries, tracking their history and records in business, and in whatever other spheres of life they will have been involved in. Usually, we tend to focus more on our own people, but forget many of the people that come camouflaged as professionals and business people when their records are not so clear. Sometimes they are being used by politicians and other entrepreneurs who are based in this country to cover up.

[The Temporary Deputy Speaker

(Mr. Khamasi) left the Chair]

[The Temporary Deputy Speaker

(Dr. Oburu) took the Chair]

Mr. Temporary Deputy Speaker, Sir, I also agree that while we have to vet, the criteria must be very clear. I hope that this criteria will not only be determined by the CBK and the Treasury. People who have vested interests in the banking industry should already be assumed to be of integrity wherever they are. These days it is very difficult to tell people of repute when we read stories about bishops being paid to run sermons. Scandals virtually cut across in any profession in this country. So, I would like to say that, that business should not be left to the CBK and Treasury only; the business of coming up not only just with a criteria, but also of constituting the team that will come up with this criteria and that will do the actually vetting. There must be a representative body that takes into account all interests. Interests must be represented of those people that are professionals, non-professionals and have succeeded in the banking industry. Particular attention needs to be taken in terms of ensuring that politician, their relatives and the well-connected do not again take advantage of this opportunity to get into starting new banks by utilising connections with officials in the CBK and Treasury, to ensure that they are cleared even when they do not deserve to be cleared. So, even if it is necessary to say that if you are a politician and you are likely to have an interest in investing in banking, it is important to guard against those kind of persons using those connections to start banks or to use other people who would cover up for them.

Mr. Temporary Deputy Speaker, Sir, as we become so strict, we need also to be careful on what happens to local entrepreneurs; those that would like to start local rural banks. I would like to suggest that as much as we have come up with a very rigorous criteria, maybe this criteria needs to be different when it comes to those people that would like to set up banks in rural areas. We know of village banks that have been successful in other countries. I think we should not lose the opportunity just because we believe in regulations to make it difficult for those that are willing to invest in rural communities, to make it possible for people who do not have the collateral that would be required for big loans to benefit from borrowing facilities. In this connection, in terms of enlarging the capacity of rural people to have collateral to use, we have said before that the process of land adjudication, especially in districts, for example, in Meru North where this is still not completed, needs to be quickened so that persons in those communities will have the collateral and the resources to be able to benefit from this kind of reform.

Mr. Temporary Deputy Speaker, Sir, it is okay to talk about ethics, but ethics must not only focus on those that are investing. It is not enough for us to judge those who are investing whereas we have not determined that those who decide whether or not you can invest, in fact, are themselves clean. In other words, we must be very careful about officers at the CBK and the Treasury that will be entrusted with this responsibility. In this connection, I would like to say that it is not enough that we just have officers at the CBK. It is important that we ensure that those who are officers at the CBK and the Treasury, and are given the responsibility of ensuring that the process of regulation goes according to our wishes, are people of integrity, with a good record and those who have some business sense and cost efficiency, which is not the case with a lot of the people in our Ministries. They should also be people who can be trained. We need to have more youthful people working at the Central Bank of Kenya, especially those handling high responsibility positions. The demands placed on them cannot only be based on what they knew previously, but also on new ideas which come up from changing trends in the banking sector.

In order to attract young qualified people, it would be necessary to improve the remuneration of employees at the CBK, especially those dealing with issues to do with banking regulations. Fortunately, the CBK pays its employees better salaries than most other Government units. However, it is not clear whether those employed by the CBK are employed on the basis of merit or not. There have been allegations that people are employed on the basis of nepotism. It is also said that if you know someone who works at the CBK, then it is easier for you to get employed there. The CBK is an important institution. Therefore, people who man it should be of integrity and good qualifications.

I would like to suggest that it is important that we introduce competition with regard to the recruitment of officers who run the unit. With regard to the key officers, including the CBK Governor, it would be necessary for this House to approve any appointments, as is the case in many developed countries. If this House was to determine suitability, as we are doing with the Kenya Anti-Corruption Authority, then the bank officers would not be accountable to politicians. The officers would not also be subject to manipulation by politicians, which is what existed in the previous regime. In the previous regime, the President could decide that the CBK Governor was to release a certain amount of money for political campaigns. He could also require the CBK to print money for use during political campaigns. If we make sure that the CBK Governor is answerable to this House, then he will be more careful with the way he runs the business of the bank.

Mr. Temporary Deputy Speaker, Sir, we need to expedite processing pending cases which touch on the banking sector. If we want to start on a clean note, it is important that any pending cases, whether on the Euro Bank, Delphis Bank or Goldenberg Affair, are concluded quickly. When we decide to have a new beginning, it should be a truly new beginning. Whoever wants to join the

sector should find a much cleaner sector compared to what it has been.

With those few remarks, I beg to support.

Mr. Muiruri: Thank you, Mr. Temporary Deputy Speaker. I stand to support the Banking (Amendment) Bill.

We all know that in the past, banks have not been assisting ordinary people, and that instead, they have made them poorer. There was a time when bank loan interest rates had risen as high as 80 per cent. One would borrow Kshs1 million and in about five years down the line, the sum to be paid would be over Kshs10 million.

I one time chanced to be a director of the National Bank of Kenya (NBK). The NBK protected the well-connected debtors. The loan portfolio shot up to about Kshs21 billion. At that particular time, the bank would only sue and challenge a few debtors who were not well-connected. Those well-connected to the system were well protected. The Chief Executive of the NBK had been placed there to protect such debtors. Whenever we raised our concerns regarding these issues as board members, someone would be kicked out of a board. That happened even to me. The former CBK Governor, Mr. Cheserem, had at one time given me clearance to sue debtors. One morning, he woke up and thought that I was not good enough for bank directorship because I had told him that there was no need of recovering money from only some debtors, and not from all of them. Some of these debtors still owe the NBK a lot of money. Unfortunately, nothing has been done to them.

Mr. Temporary Deputy Speaker, Sir, I was with you in the last Parliament. You know how things were being done. I support this Bill purely because of Clause 44(a). I think the Assistant Minister, in his reply, will make it clear that the amount of money repayable will not become, at any time, more than the original amount borrowed. There is no time when the borrowed amount should increase due to interest and other charges to more than the principal amount. That means that if one borrows Kshs1 million, there is no way he will be asked to pay back Kshs2 million because the loan has become non-performing. This is what was expected from the Donde Bill.

As you know, the Donde Bill became very popular. I was in this House at the time it was being debated. The Bill became so popular that hon. Donde himself was allowed to speak from the Dispatch Box. Those who were in power at the time of the Bill's enactment were owners of banks and, therefore, could not allow it to be effective. In fact, they killed it. In fact, the former President refused to assent to it.

It is because of this that I support the Bill. People used to borrow money and once they defaulted after making one or two repayments, demand letters from the banks would follow. The banks would then double the amount of the loan from interest and, eventually, a debtor would be declared bankrupt. If it was a company that had borrowed money, it would be put under receivership. The banks would appoint their own people to act as receiver-managers in such companies. The banks sold people's assets at throw away prices, and some people committed suicide due to that. Several of my friends killed themselves. One found nowhere to go to after his house was taken over by a bank. Banks have contributed to some of the debts that people have.

There are some other banks which are not really banks, but building societies. An example is Equity Building Society. Equity Building Society is doing very well, especially in my constituency. It has a branch in Thika, and other branches all over the country. It has what could be referred to as regular small customers, for example coffee and tea farmers. A farmer can go to Equity Building Society, apply for a loan and have his application processed within 24 hours. The society waits for six months before it starts getting its money back. Its interest rate is very low. Look at a bank like the Barclays Bank of Kenya. This bank changed the whole practical system of the past; whereby you would approach the manager with a proposal. He looked at it and approved it. He

got a card and wrote what was required. He then gave you a letter of offer. You accepted it and at times, when the loan becomes slightly non-performing, you would talk to him. There were what were called man-to-man discussions.

However, what Barclays Bank has done now is that they have employed young girls of about 20, 25 to 26 years old. They look at the computer and when it says "no", the answer is "no". It does not matter how you talk to them. You have no explanation to give to them. You cannot tell them that the money is coming tomorrow. They say the computer has rejected your application. This is not practical with the day-to-day business in Kenya because Kenya is not like Europe whereby, if you are retired, your retirement money comes in time to meet your needs. Here we live on handouts. Some of the coffee payment is not made. Sometimes our tea is not paid for and in between, there is a lot of imbalance in what we practically do as Kenyans and what the other banks do in practice especially in Europe.

*[The Temporary Deputy Speaker
(Dr. Oburu) left the Chair*

*[The Temporary Deputy Speaker
(Mr. Khamasi) resumed the Chair*

Mr. Temporary Deputy Speaker, Sir, it also angers me in the sense that instead of the Central Bank of Kenya (CBK) promoting our local banks like Equity Bank, you will find the shareholders of Barclays Bank all live abroad. There are very few people who live here. The major ones are out there in South Africa or in Europe. Here, they trade with our money and not with their money and then they take away the profits outside this country. This cannot be allowed to continue any more after 43 years of Independence. We must be able to have our own banks. We must be able to support our own banks. For example, a bank like the Equity Building Society must be supported to revert it to a fully-fledged bank so that we can move on.

Mr. Temporary Deputy Speaker, Sir, let us talk about the powers of the Governor of the CBK. This man is vested with so much powers. He is so powerful in the sense that if you look at some of his powers, he can fire any director of a bank. Nobody can be appointed director of a bank without his permission or authority. It is high time that the appointment of the Governor of the CBK was approved by Parliament in the sense that when he is doing whatever he does, it does not have to end up like another Goldenberg.

Mr. Temporary Deputy Speaker, Sir, if it were not for the performance of the former Governor of the CBK, Mr. Kotut, the Goldenberg issue would not have been there; where Kenyans lost a lot of money, in billions, under the umbrella of Mr. Kotut who approved it and in the process a lot of taxpayers money was lost. So, it is high time we vetted the appointment of the Governor of the CBK.

Mr. Temporary Deputy Speaker, Sir, I hope the Assistant Minister, hon. Katuku, will expound more on the same Section 44 because, looking at it, it allows further interest rate if allowed by the court. It is a dangerous thing that we are saying; that the principal and the interest will now be more than double. He then says that: "This is not going to apply to some interest rates as a result of a court order". This is not very clear and I hope hon. Katuku is going to make it very clear because we are supporting this Bill for only one reason, which is that the principal borrowed and the interest accrued, inclusive of all charges and penalties, will never be more than the principal already borrowed. On all the other things, of the court orders and so forth, the Assistant Minister had better look into that because Kenyans are very smart in their own mathematics and we caution you on that.

Mr. Temporary Deputy Speaker, Sir, otherwise, I fully support the amended Bill and we

hope that this time nobody is going to mess about with it. We hope the President will be able to sign it as quickly as possible so that we can lead comfortable lives because we have all borrowed. Personally, I borrow. I am waiting for this Bill to be passed so that I go to the bank and tell them: "Look, now we can negotiate. You are no longer going to mess me about".

With those few remarks, I fully support the amended Bill.

The Assistant Minister for Local Government (Mr. Tarus): Thank you very much, Mr. Temporary Deputy Speaker, Sir. I was thinking that, because of my age, I will not be given a chance. Let me begin by thanking the Minister for coming up with this Bill which, I am sure, many Kenyans are looking forward to see it pass through.

Mr. Temporary Deputy Speaker, Sir, first of all, NARC promised to streamline the economy, reform the sectors of the economy and also make sure that we have a vibrant economy.

Mr. Temporary Deputy Speaker, Sir, I think the banking industry is indeed a very important industry in our economy. We are also talking about having a working nation. What has denied Kenyans the opportunity to contribute to the development of this country is none other than the banking industry. When you talk to those people who are interested in venturing into business, they want to access capital and capital is with the banks.

However, Kenyans are scared away by the issues that many hon. Members of this House have raised today, which is the issue of the interest rates. So, we believe that this Banking (Amendment) Bill will go along way to assist Kenyans to access a very important resource, that is finance, in order to be able to participate effectively in our economy.

Mr. Temporary Deputy Speaker, Sir, this Bill does begin, first of all, by strengthening the position of the CBK to manage the banking institutions and I think this is very important. At some stage, we have had so many proposals made by the Government every year through the Budget. Whereas more often Kenyans laud representation, there has been lack of realisation of the real expectations due to, perhaps, the lack of distinction between the CBK and the Treasury.

So, just as the previous speakers have spoken, the de-linking or empowering of the CBK to manage the banking industry is one way of ensuring that we remove the manipulation of the CBK by the political arm.

Mr. Temporary Deputy Speaker, Sir, with this amendment, the Central Bank of Kenya (CBK) will participate effectively in encouraging investment and savings.

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Tarus! When debate on this Bill resumes, you will have 27 minutes to contribute.

**MOTION FOR THE
ADJOURNMENT UNDER
STANDING ORDER NO.20**

RECRUITMENT OF
GAME RANGERS BY KWS

The Temporary Deputy Speaker (Mr. Khamasi): Hon. Members, as you decided yourselves, there is a Motion for the adjournment on a definite matter of urgent national importance. It was requested by Mr. Angwenyi and approved by Mr. Speaker. It is the matter that we will start discussing now. However, before I call upon Mr. Angwenyi to move his Motion under Standing Order No.20, you should know that there is a limitation on time for every speaker. Traditionally, Motions of this nature are very popular and many hon. Members want to participate in them, and so we normally limit time. In this case, therefore, I would like to propose that we give the Mover ten minutes, and every other hon. Member speaking only five minutes. Unless there is an objection, we

will adopt that as is our tradition. I will straightaway call upon Mr. Angwenyi to move his Motion.

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, I beg to move this Motion under the provisions of Standing Order No.20. I seek leave for adjournment to discuss a matter of definite and urgent national importance with regard to the recruitment saga at the Kenya Wildlife Service (KWS). As we know, a week ago, the Minister for Tourism and Wildlife made a Ministerial Statement in this House to the effect that there had been allegations of interference in the recruitment exercise at the KWS. As result of that statement, certain drastic measures were taken against the KWS Director and poor innocent recruits; the 920 young people who had been recruited for training at the KWS College at Manyani were affected.

Let me give a short history of this exercise. Sometime in June, the then Minister for Tourism and Wildlife, the late Mr. K. Maitha, the former Permanent Secretary, Mr. Godo, the Board and the management of KWS realised that there would be a shortfall of 929 rangers by April next year. Being smart people, they decided to undertake an exercise to recruit people to make up for that shortfall. They allocated funds through their budget, to the tune of Kshs100 million, which was enough to train 1,000 recruits. They expanded the facility at Manyani to accommodate 1,500 recruits. The Board, the management and the late Minister decided that they did not want to use the traditional way of recruiting rangers. They wanted to go out and recruit from districts because before then there were districts in this country that had never had their residents recruited as rangers.

Mr. Temporary Deputy Speaker, Sir, the Kenya Wildlife Service wanted to recruit rangers from the field, because some districts in this country, including Kisii District, had never had a ranger in the service. So, the KWS recruited part of the trainees at the district level, and the balance was recruited on the basis of traditional methods. That was not the first time we were recruiting rangers. Rangers have been recruited since the creation of the KWS; even before Independence. However, they have always been recruited in a traditional manner such that hon. Members, including myself, and other influential people, approached the KWS, and they were given one or two vacancies. That is what they did. They used the two methods to recruit.

Therefore, the allegation that the number of trainee rangers recruited was excessive is not true. The number of the trainees recruited was approved by the KWS Board of Directors. We have an Act which created the KWS. That Act spells out the role and functions of the Board. The Board worked within its authority. It also consulted the parent Ministry throughout. So, the KWS completed the recruitment exercise and started training the recruits. The recruits have been trained on how to shoot and how to assemble a gun. So, in the last one-and-half months, we have trained 920 Kenyans on how to use a gun, whether lawfully or otherwise.

Mr. Temporary Deputy Speaker, Sir, what transpired is that a senior officer at the KWS, by the name Martin Ng'ang'a, who was the Financial Controller, was sent on compulsory leave because he had been implicated in a theft of Kshs6 million at the KWS. This person went home, but he had a grudge against the KWS management, under Mr. Mukolwe, who is a distinguished Kenyan we sourced from the United Nations. Mr. Mukolwe is an expert in meteorology and management. Mr. Ng'ang'a went and asked his cousin, Mr. Nixon Ng'ang'a, of the *Standard*, to publish a story making up these allegations. The allegations were so severe that they intimidated the Minister to the extent that he took action on baseless allegations.

This was the fairest exercise of recruitment of the KWS rangers in this country. As you know, the KWS ranger outfit is a security service. It is just like the Kenya Army or the police or the prison service or the National Security Intelligence Service (NSIS). You do not give the exact number of personnel you recruit. That is why the KWS gave the number of 460 rangers, which was the number it was going to recruit from the districts. The balance was kept secret, because the KWS

did not want to disclose the exact number of rangers it was going to recruit. This was a security exercise. It is now being alleged that by keeping a security exercise secret, the officers concerned at the KWS have abused their offices.

Mr. Temporary Deputy Speaker, Sir, there are allegations that hon. Members, including the late Karisa Maitha, influenced the recruitment. How could the late Karisa Maitha have influenced the exercise while in his grave? Does he talk from the grave? They said that I also influenced the exercise. What I did was my daily normal work; of seeking employment for my people. I seek jobs for my people openly. I do not bribe or influence anybody. There are allegations that the Minister, the Vice-President, the KWS Director and a few Assistant Ministers had taken an inordinate number of positions. That is not true. We went to the Minister and sought a place or two for our people. That is what hon. Members do.

We always approach Ministers to provide roads, jobs, water and electricity to our people. The other day, I petitioned the Minister for Energy to provide electricity in my constituency. Was I influencing him? Was I abusing my office? That is a function of an hon. Member. So, the recruitment of the new KWS rangers was fairly and properly done. It does not transgress the budgetary allocation to the KWS as has been alleged. The KWS Director and the Minister never abused their offices. Neither did I abuse my office by asking to be given one position. What we are saying is that, this House must let the Minister know that he cannot act on baseless allegations. We are assassinating other people's characters. We are destroying the integrity of people. We are destroying the morale of young Kenyans. People who have spend Kshs10,000 to get to that college are all at home.

I would like to urge this House to plead with the Minister to rescind his action and return back Mr. Mukolwe to his job and restore his integrity. He should reopen the college, re-admit the students and allow the Minister to run the programme as it was supposed to be run so that we get these rangers to graduate. These are the people who protect our wildlife from poachers. They are the people who protect the environment. God gave us the flora and fauna and we must protect it, otherwise God will curse us. We should re-admit those students and let them be trained.

Mr. Temporary Deputy Speaker, Sir, I would like to make a final plea, that in the recruitment of these rangers, from now on, we should do it on constituency basis and extend the same programme to the Kenya Army, the Kenya Police, Prisons, National Security Intelligence Service, General Service Unit and Administration Police, so that we are able to know that so many people have been recruited from a particular constituency. However, we must give a small figure to the Minister so that he can fix his people.

(Laughter)

Mr. Temporary Deputy Speaker, Sir, where I come from, you cannot slaughter a cow without some blood dropping on you. So, he should be given some particular number. That is not corruption!

With those few remarks, I beg to move and ask Mr. Osundwa to second.

The Temporary Deputy Speaker (Mr. Khamasi): Order! There is no secondment in this type of Motion. We will just allow hon. Members to contribute.

Mr. Osundwa: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to second this Motion by my good friend, Mr. Angwenyi. Indeed, I want to thank the Chair for allowing this matter to be discussed here, because a few of us here, who had prior information like Mr. Owidi, were thrown out when they sought to substantiate some of these matters.

Mr. Temporary Deputy Speaker, Sir, I would like to thank the Chair, once again, because this is going to present an opportunity for people who were implicated in this matter to be shamed. If they are men or women enough, they should resign, because in 2003, we enacted an Act of Parliament called the Public Officer Ethics Act, and if you look at Section 17, it does not allow a Minister or any public officer to practise nepotism or favouritism.

Mr. Temporary Deputy Speaker, Sir, what has happened is, that a very, very loyal civil servant, hardworking, plucked from his job in Geneva, was brought here by this NARC Government and now he is being labelled corrupt and, therefore, being sent home for sins committed by senior civil servants and politicians sitting on the Government side. I am saying this with a heavy heart, because a lot of hardworking civil servants have been sent home at the instigation of other civil servants and senior politicians. Mr. Mukolwe is one of them.

Mr. Temporary Deputy Speaker, Sir, as Mr. Angwenyi pointed out, KWS sought to recruit only a limited number of game rangers to be trained, and they had a budget of only Kshs100 million. When civil servants and some of us here pressurised him to increase the number, they did not tell him where he was going to get the money from, especially during this financial year. So, let us not sacrifice Mr. Mukolwe for sins committed by hon. Members on the Government side. I have a list of those letters written by senior civil servants and politicians here.

Hon. Members: Table them!

Mr. Osundwa: Mr. Temporary Deputy Speaker, Sir, I will lay them on the Table, because there is nothing I am going to hide here. Somebody can come for them! In this list, Mr. Tuju himself has 68 names! State House - and you know the chief tenant there - has 30 names. The Permanent Secretary in the Ministry of Gender, Sports, Culture and Social Service, Mr. Godo, has 15 names. I cannot name them all. But you will see them when I lay the list on the Table.

Hon. Members: Name them all!

Mr. Osundwa: Mr. Temporary Deputy Speaker, Sir, this is a list of names--- I will also table the names. We have the names of Mr. Kimunya and Mrs. Kilimo! They have brought shame to this House! Why am I saying that? On 19th November, 2004, newspapers headlines were screaming: "KWS Chief Suspended in MPs Job Scandal." Why should we be all labelled corrupt individuals because of a few names? This is a very sad day for Kenya and anybody who has broken the Public Officer Ethics Act and, more so, a Minister - and I have named you - please, step aside for investigations.

(Applause)

Mr. Temporary Deputy Speaker, Sir, we want this Parliament to set up an investigating team to find out what happened. When politicians forwarded---

The Temporary Deputy Speaker (Mr. Khamasi): Your time is up!

Dr. Godana: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member said that he has letters from the Ministers. We want him to table them!

(Mr. Osundwa moved forward and threw papers on the Dispatch Box)

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Since the hon. Member gave a list of selective names, I want to lay on the Table a full list!

(Mr. Angwenyi moved towards

the Dispatch Box)

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Angwenyi! We do not transact the business of the House in the manner in which you have started! Go back and sit down!

For Mr. Osundwa, this is a respectable House. If you have documents, you do not throw them on the Dispatch Box. I order you to come back, collect those papers and place them in the right place with honour!

*(Mr. Osundwa retrieved the documents
and laid them documents on the Table)*

The Assistant Minister for Lands and Housing (Mr. Ojode): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important Motion. At the very outset, I am not amused!

An hon. Member: On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! I am one of you! I know that this Motion can be very emotive. Everybody who wants to speak here has got only five minutes. So, let us restrain ourselves from being emotional. Let us discuss issues with a clear conscience, please!

The Assistant Minister, Office of the President (Dr. Machage): On a point of order, Mr. Temporary Deputy Speaker, Sir. Some documents have just been tabled. Is it not in order that you peruse through them and rule whether they have been rightfully tabled?

The Temporary Deputy Speaker (Mr. Khamasi): Now, Dr. Machage, that is the job of the Chair! You are not going to give us lectures on what to do. When the papers come here, we will look at them and make a decision.

The Assistant Minister for Lands and Housing (Mr. Ojode): Mr. Temporary Deputy Speaker, Sir, I want to start by saying that I do not see anything wrong with the Kenya Wildlife Service (KWS) hiring 929 trainee rangers. First of all, let us ask ourselves: Who is the complainant? Is it the KWS management or the Ministry?

Mr. Temporary Deputy Speaker, Sir, Ruma National Park is within Ndhiwa Constituency. I was allotted just one slot and yet, there are allegations here that some people were given 68 slots. What criteria was used for them to get 68 slots?

Mr. Temporary Deputy Speaker, Sir, the criteria which was used for Mr. Ojode to get a slot is because Ruma National Park is in Ndhiwa Constituency. We must benefit from this national park because the wild animals destroy our crops. The Government has done nothing, even to fence the Ruma National Park and yet they claim that they are the right people to get 68 slots. If my people cannot be recruited on the basis that they are not politically-correct, the Minister should de-gazette the Ruma National Park. I do not want it in Ndhiwa Constituency. First, Ruma National Park is not helping us with anything. There is no revenue that is being collected from it. Instead, wild animals destroy our crops and there is no compensation.

I am also told that the KWS had planned to retire game rangers through the normal process and also through natural attrition and, come April, 2005, they were supposed to recruit another 1,025 recruits. So, why do we have to make these young boys suffer? Who is complaining? I would like to order the Minister in charge of wildlife to reinstate these boys back to the camp. They must be trained! After all, we also promised to create jobs for our people. Where will we recruit people from? Do we have to import them from India or South Africa? No! These are young Kenyan boys from the villages.

Mr. Kagwima: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am not complaining, but Mr. Ojode has said that he would like to order the Minister in charge of wildlife to take action. Does he have that authority?

The Temporary Deputy Speaker (Mr. Khamasi): That is not a point of order!

The Assistant Minister for Lands and Housing (Mr. Ojode): Mr. Temporary Deputy Speaker, Sir, that is a point of argument! Let us be serious when we are talking about employment. We have not employed people from outside the country. Let us reinstate these boys. They should go back to the camp and be trained. These boys are being fed using the taxpayers' money. Who has complained?

If you look at the people who have benefited, you will find that they are people who have never had anything to do with national parks. Why should we allow national parks to be created in our constituencies if they cannot benefit our people? It is better for the Government to de-gazette Ruma National Park! I would also like to say that if there are any additional slots, they should be extended to my constituency, so that my people can benefit from the Ruma National Park.

Finally, Dr. Mukolwe is a gentleman and a professional. The Government should look into Dr. Mukolwe's problem and sort it out amicably. Let us not continue making professionals suffer after poaching them from international jobs.

With those few remarks, I beg to support.

Mr. Serut: Mr. Temporary Deputy Speaker, Sir, the exercise of the recruitment of the rangers in this country which was done a few months ago, was corrupt, especially with regard to the additional recruits. At the outset, I want to say that it is my considered opinion that the Minister in charge of the KWS should reconsider his position as far as the first 460 recruits are concerned, and let them go back to the college. Any additional recruits should be done away with.

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

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Angwenyi! Hon. Members, let us behave along the lines I have specified. Let us restrain ourselves from being emotional, lest we give nobody here time to express his or her views. The hon. Member's views may be completely contrary to what you think, but give him time to express them!

Proceed, Mr. Serut!

Mr. Serut: Thank you, Mr. Temporary Deputy Speaker, Sir, for protecting me from my colleagues. I say this with a lot of bitterness, because Mt. Elgon has a forest. We were given five slots. Later on, I was shocked to find out that there were other two additional slots. I have been trying to investigate whether there is any Sabaot, Bukusu or Teso from Mt. Elgon who got the two additional slots, but there is none. I want to know from the Minister where those two additional slots came from. It seems some of those recruits were brought through the back door. So, let them go back through the same door! If the Government requires additional rangers, let it go back to the districts and recruit afresh. We do not want to practise nepotism in this country. In fact, what we are trying to do now, by asking certain districts to give, for example, two or 20 names, is practising what we call discrimination, nepotism and bias. The NARC Government was elected on a platform of zero tolerance to corruption. What is more corrupt than bringing in 15 or 20 recruits through the back door?

This is the first time that we are experiencing this kind of corruption under the NARC Government. Could the Government, therefore, put this to a stop when it comes to recruitment? I know soon the Government will be recruiting police officers. Could the Government allocate all the slots to the respective districts or constituencies? If there is any special consideration, let the Government come out clear and say: "We have 20 or 30 special consideration cases to go to So-and-so." That is a transparent manner of assisting.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

Mr. Wanjala: Thank you, Mr. Temporary Deputy Speaker, Sir. I stand here with a lot of bitterness. Kenyans suffered under the previous regime because a small constituency was converted into a district. You will find, for example, in Busia---

The Assistant Minister, Office of the President (Dr. Machage): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is Mr. Wanjala in order to insinuate that some areas and people of Kenya have no right to have districts?

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, I said that some constituencies were made districts and those were "political districts."

The Assistant Minister, Office of the President (Dr. Machage): On a point of order, Mr. Temporary Deputy Speaker, Sir.

Mr. Wanjala: Why are you interrupting me?

(Loud consultations)

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! I will not preside over an unruly House! I want to repeat what I said. Keep your emotions out of this debate and we will make progress! Dr. Machage, could you, please, relax? Let Mr. Wanjala say his bit. I will give you an opportunity to say your bit.

Proceed, Mr. Wanjala!

(Dr. Machage stood up in his place)

Order, Dr. Machage! I think if you just took my advice what you are doing would be very wrong!

Proceed, Mr. Wanjala!

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, they recruited five people per district. Busia District has four constituencies. The five slots were not enough for the all the constituencies and Budalangi Constituency missed a slot at the district level. Teso and Mt. Elgon districts, which have only one constituency each, got five slots. If I negotiated for only two slots, is that bad for the people of Budalangi Constituency?

Mr. Temporary Deputy Speaker, Sir, when you look at the distribution of recruitment by districts, it was countrywide. Those boys and girls have been trained for two months on how to use guns. They come from various villages of this country. We have now sent them home. A gun is available at Garissa Lodge in Eastleigh for Kshs1,500. Those boys and girls are going to train other people to kill us! What kind of a Minister is this? Who is running a Government using newspapers allegations? We did not put you there to play with this country! This country is ours and we have a right! We did not need to send away those innocent recruits based on allegations.

Mr. Temporary Deputy Speaker, Sir, Members of Parliament gave letters to those recruits and they are here.

(Mr. Wanjala laid the letters on the Table)

That included Mr. Wanjala! We gave out those letters innocently! Mr. Wanjala later complained

that he missed out on the slots!

With those few remarks, I beg to support.

(Laughter)

Mr. Owidi: Mr. Temporary Deputy Speaker, Sir, last week, I was sent out of this House because it was alleged that I could not substantiate my claims. I was ready for substantiation but, thank God, another Member of Parliament has done that.

Mr. Temporary Deputy Speaker, Sir, I want to say that I support the Motion. I want to say that Mr. Mukolwe never made any mistake. He is a patriotic Kenyan who saw the need for employment and employed only 926 people. *Hongera!*

(Applause)

Mr. Temporary Deputy Speaker, Sir, what is really sad is that we decided to sacrifice him, just like we did in the Goldenberg Inquiry, Anglo Leasing and Kenya Pipeline. The same is now happening at the Kenya Wildlife Service (KWS). I have no particular grudge against any Minister. It is only that they were trying to evade the real issues. Had they said: "Yes, we requested for more chances," the matter would have ended there. So, what we are saying is that we should stop the idea of sacrificing civil servants when the bigshots are left to walk free.

(Applause)

Mr. Temporary Deputy Speaker, Sir, even the Press is being vilified. The Press is doing a great job. Had it not been for the Press, I am sure most of us would not have known what was taking place. What I would like to say is that a mole is a very dangerous animal. If you want to remove it from the hole, you first pour in cold water. When it comes out, you then pour on it hot water and kill it.

The Ministers and the bigshots were trying to sacrifice an innocent man. The game rangers who were recruited should be recalled. They were very innocent people. As a matter of fact, the KWS has the capacity, resources and will to accommodate 2,000 recruits. So, Mr. Mukolwe should be allowed to recruit another 1,000 recruits, instead of being victimised. Hardcore criminals never confess voluntarily, unless you prod them. Sometimes, you have to apply minimum force. It is only that the Ministers were unfair and thus, took more than their fair share.

(Applause)

Mr. Temporary Deputy Speaker, Sir, that is the whole problem. Who can resist any pressure from Mr. Kimunya, Mr. Michuki, Mr. Tuju, Mr. Ochilo-Ayacko or Prof. Kibwana? Who are you? Please, reinstate Mr. Mukolwe. Thank him, congratulate him and allow him to recruit another 1,000 people!

The Assistant Minister, Office of the President (Prof. Kibwana): On a point of order, Mr. Temporary Deputy Speaker, Sir.

Mr. Owidi: He wrote a letter to KWS! If he says "no", I will---

The Temporary Deputy Speaker (Mr. Khamasi): Order! Yes, Prof. Kibwana, what is it?

Hon. Members: You wrote a letter! You wrote a letter!

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Owidi! Order, hon.

Members!

The Assistant Minister, Office of the President (Prof. Kibwana): Mr. Temporary Deputy Speaker, Sir, I would like to know where I come in.

Hon. Members: The letter is there!

Mr. Owidi: Mr. Temporary Deputy Speaker, Sir, I shall again table the letter!

(Mr. Owidi laid the letter on the Table)

(Applause)

Let me continue before my time elapses. One Minister is always adversely mentioned in any form of corruption in this Government. I want to tell him that one's level of intelligence is not equivalent to the size of one's body. He should not underrate some of us!

Finally, as hon. Members of Parliament, one of our job descriptions is to look for employment for our constituents. That is not a mistake!

(Applause)

So, if you have to relieve Dr. Mukolwe of his responsibilities, then the Minister should also resign.

(Applause)

The Assistant Minister, Office of the President (Dr. Machage): Thank you, Mr. Temporary Deputy Speaker, Sir.

Dr. Godana: On a point of order, Mr. Temporary Deputy Speaker, Sir. This is a serious matter. Normally, when dealing with a Motion such as this one, where the House does not resolve at the end, it is important that the Government gives the lead of where it wants the debate to go. Could I be in order to ask the Minister to actually give us his version, now that there has been enough ventilation, of what exactly happened?

The Temporary Deputy Speaker (Mr. Khamasi): We had consulted over that matter and the Minister will have time towards the end.

The Assistant Minister, Office of the President (Dr. Machage): Mr. Temporary Deputy Speaker, Sir, today, the House will have to prove to Kenyans, the level of its wisdom. Indeed, we have had many Kenyans employed through ways that are not acceptable to many people. Again, we have had a situation where the Minister swallowed his pride and declared the recruitment exercise to be unpatriotic; true to what it was and yet here we are throwing stones and engaging in mudslinging. Kenyans will judge us today.

Corruption, by whatever means, is corruption. Even if your Ministerial docket is involved, it is good to accept that a mistake has been made and accept to change the clock. That is what the Minister did. He investigated the matter. I praise him for the action that he took. The exercise was flawed and so he ordered that investigations be done. What I would request is that the investigations should touch on everyone who was involved equally. They should not take too long because the victims, that is, the traineeangers who had joined training committed no mistake. However, this House stands to respect other communities. There is no district in Kenya that was not created as a political preserve. Even at Independence, districts were created on the basis of tribalism and political reasons. So, nobody should rise up to say that some districts were not created so. Some districts are so big and they should be allowed to have more constituencies. My own Kuria District

is a single constituency district with 113 polling stations. We have constituencies with only seven polling stations.

Fairness and affirmative action should be seen to be done. Just because there was no Kuria person at that level, my constituency was never given the extra slots that the others are taking pride in this House to have been given. It is unfair. Let the 400 that were initially recruited be taken back to college so that they can continue with their studies. The other applicants who were accepted but there were no funds can be put on a waiting list and fairness will have been done to the other constituencies. That is the only way Kenya can work, through fairness and affirmative action.

Mr. Billow: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister says clearly that there is no money for the extra over the 460 recruits. According to the Director, who is still on leave, there is enough money budgeted for the whole exercise. Is the Minister in order?

The Assistant Minister, Office of the President (Dr. Machage): Mr. Temporary Deputy Speaker, Sir, all situations taken care of, the Minister's word is supreme and that is what we accept. It is a Ministerial Statement. Until he retracts his statement, there is no money to cater for that because he is the Minister in charge of that Ministry. Unless he says otherwise, that is the truth. It is true we want Kenyans employed. We are very excited when we hear people are employed, but let it be done in a proper way. I sympathise with Mr. Mukolwe just like all hon. Members in this House. We should pray that fairness is done during this investigation. The names that have been tabled today in this Parliament should be checked by the Chair to ensure that the documents you have are genuine. Were they actually signed by the people purported to have done it?

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, I want to table this document from the Kenya Wildlife Service showing that there was adequate market for the recruitment.

(Mr. Angwenyi laid the document on the Table)

The Assistant Minister, Office of the President (Dr. Machage): Mr. Temporary Deputy Speaker, Sir, all the documents that have been tabled here today should be authentically studied to show whether the Minister actually signed; saying that he wanted 68 names. Is it just an impersonation, corruption, somebody who wanted to create a story out of an anthill? I believe it is not true. If it is true, then the Minister is here and he will tell us whether he actually did that. I know of hon. Members who never wrote any letter to the KWS and yet their names appeared with the letters that they are supposed to have signed. All these documents will be subjected to specialists to see whether they are genuine.

The Temporary Deputy Speaker (Mr. Khamasi): Order! I think we will now call upon the Minister to reply.

The Minister for Information and Communications (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, let me take this opportunity to thank hon. Members for their very good contributions. I would like to assure them that I have been listening very keenly.

Mr. Sungu: On a point of order, Mr. Temporary Deputy Speaker, Sir. I thought there is a Standing Order barring any hon. Member from standing between the Chair and an hon. Member on the Floor! I just saw the Member for Kuria stand between you and the hon. Member on the Floor!

The Temporary Deputy Speaker (Mr. Khamasi): You are out of order! You should read your Standing Orders properly. What is happening now shows that you do not read your Standing Orders!

The Minister for Information and Communications (Mr. Tuju): Thank you, Mr. Temporary Deputy Speaker, Sir. I will not answer everybody, but I should issue a statement which

should clarify the situation in the best way I can.

First of all, from the documentation which I have received, there is no document which shows that there was Board approval for the recruitment exercise. However, that does not mean that there was no approval from the Board. It simply means that we do not have the documents. From the documentation I have received, there was no approval from the Treasury to have that recruitment. I would like say that Kshs450 million or Kshs400 million, because my figures are not right, was meant for security, but the management of the Kenya Wildlife Service (KWS) decided to allocate Kshs100 million for the training exercise.

Dr. Godana: On a point of order, Mr. Temporary Deputy Speaker, Sir. I hate to interrupt the Minister when he has a very short time. Maybe, you could even extend his time. I think the Minister is being diversionary. The issue before the House is whether the recruitment exercise was corrupt or not. He never said in the past that there was no authority to recruit. He said that the authority to recruit was there, but the recruitment was excessive and corrupt. The allegations from the newspapers are very specific about the number of places the individuals got, including him! That is what he should respond to!

The Minister for Information and Communications (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, if you had allowed me to make even one sentence, I would have brought some comfort to the hon. Member.

Basically, the recruitment took place and we are not denying that fact, but there were so many procedures which apparently were not followed. Whether it means that the management exceeded their powers or not, is another question. As far as I am concerned, I have no reason to say that the management of the KWS exceeded their powers because I have not seen any provision in the Act which stops them from doing that.

(Applause)

Mr. Temporary Deputy Speaker, Sir, we need time to investigate the matter. I would like to make one point. You may think it is diversionary, but it goes to the core of the issue. I issued a Ministerial Statement in this House on 9th November, 2004, and on 11th November, 2004, 26 more recruits reported to the Manyani KWS Training Camp. This means that something was basically wrong. I looked at the list, and several lists were brought to me, and found out that, Mr. Ojode, who is here, received five places, but he says he received one.

The Assistant Minister for Lands and Housing (Mr. Ojode): I only received one chance!

The Minister for Information and Communications (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, let the hon. Member listen! Where did the other four places go? Those are the questions we are asking. There are claims that the Vice-President and Minister for Home Affairs got over 20 and I got 68 vacancies. You do not need above average intelligence to check how many recruits came from Bondo District, where I come from, for you to realise that, that is a wrong figure.

Mr. Owidi: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister should not mislead this House! He did not have to give all the chances to people from Bondo District. He could have given the chances to his girlfriends and other people!

(Laughter)

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! Mr. Owidi, this is the sort of thing I said we should not get into. Please, withdraw your remarks and apologise to the House!

Mr. Owidi: Mr. Temporary Deputy Speaker, Sir, I withdraw my remarks and apologise to the House!

The Minister for Information and Communications (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, I thank Mr. Owidi because that is the most decent thing I have heard him say this year; apologising.

Mr. Mwandawiro: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is not in order for us in this august House to abuse Ministers. Let us listen to them. I think that the Chair is not in control!

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Mwandawiro! Look at what is happening! Mr. Mwandawiro, you have no business to say what you have said. The Chair is alert and in full control! Do not waste our time!

(Applause)

The Minister for Information and Communications (Mr. Tuju): Mr. Temporary Deputy Speaker, Sir, I would like to say that I see nothing wrong with hon. Members of Parliament writing notes for their constituents who are trying to get positions.

(Applause)

When I see hon. Members of Parliament who have requested for one or four positions for people who have gone to them and requested them by telling them: "Please, write for me a note to take to the Director of the Kenya Wildlife Service (KWS) to see if there is a chance that I might go through", I think that is within reason, and I am ready to defend that.

Mr. Temporary Deputy Speaker, Sir, some hon. Members even came to me to request if I could assist them to get positions, and I did refer them to the Director of KWS and told him that, if there are any chances which have been created by, for example, those who had been disqualified on medical grounds; or if there were any chances that there was going to be any affirmative action for certain areas then, they should go because the Director did have the discretion to do that. I am ready to defend that.

But we have a problem with the brief which was given to me, in which I was told of only 560 positions; 350 of them which had been recruited from the field and they had the discretion on the 150 or more. When the number jumped to 960, I was totally in the dark and I was surprised. I did take this issue up with the Director of KWS. Unfortunately, he was not able to explain to me convincingly how he had an extra 400 recruits, except that it was a management decision. However, he was able to explain to me that there is actually a shortfall of over 900 rangers, and I did explain that to the House.

Mr. Temporary Deputy Speaker, Sir, there is one thing which I made a decision on and for which I have been vilified by certain hon. Members of the House, and that was to close the college. It was a difficult decision to make, but it was based on intelligence. Here we had a camp with close to 1,000 young men from different districts, communities and tribes. There was potential for tension as we tried to pick out those who were validly there from those who had to be discontinued. It was a recipe for violence; it was a recipe for lynching of our trainers, and it was a recipe of having chaos within a military-style training camp, and that was too risky to allow to happen. I did it for the purpose of the safety of the recruits. As soon as I have the task force sort this mess out, we will make sure that we return those recruits to go back for training. However, you do accept even on the Floor of this House that there is debate as to whether we should allow the 460 recruits, the 350

recruits or all of them.

Hon. Members: All of them!

The Minister for Information and Communications (Mr. Tuju): Basically, what we are saying is that, that kind of decision should be arrived at after sober discussions and considerations of the facts of the matter, and we cannot do that within the context of everybody voicing their opinion in a place like this. That is why I have decided to give it to a task force who are going to think it through, look at the facts, give us advice, then we will take action. I want to assure you that, that will be done as soon as possible.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Assistant Minister for Lands and Housing (Mr. Ojode): On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not want to waste the hon. Members' time, but the Minister did not indicate to us the fate of the director, Mr. Mukolwe! He should have told us something about him.

Mr. C. Kilonzo: Mr. Temporary Deputy Speaker, Sir, we all agree that the KWS recruitment exercise was a sham. Three mistakes were made here. One, the procedure in the recruitment exercise. Another mistake was sending the recruits home. Thirdly, sacking the wrong person. If we were genuine, we should have seen the Minister coming to this House and owning up and resigning. That is the right way to go. But sacking a civil servant is wrong. Most of us here are sons of civil servants and we are very bitter when we see Ministers sacking civil servants. The example of Prof. Kibwana is a shame!

The Temporary Deputy Speaker (Mr. Khamasi): Order! Hon. C. Kilonzo, you have been here for some time and you know that when you take that route, you will never get away with it. So, if you steer clear, then you have three minutes, otherwise you will not get away with it.

The Minister for Information and Communications (Mr. Tuju): On a point of information, Mr. Temporary Deputy Speaker, Sir. I would like to leave no doubt that Mr. Mukolwe was sent on leave, pending investigations on this particular matter. He was not sacked.

Mr. Osundwa: Mr. Temporary Deputy Speaker, Sir, why can you not go on leave yourself?

Mr. C. Kilonzo: Mr. Temporary Deputy Speaker, Sir, corruption is corruption. Whether you took one person to KWS or 58, it is all corruption. We know very well that the Government is using the recruitment exercise to compromise Members to vote in its favour in this House!

Mr. Temporary Deputy Speaker, Sir, I was also shocked at the amount of greed exhibited. Let me assure the Government side that there is enough for everyone. If you sat down together, you would have shared comfortably; you do not have to fight. I heard one Member complaining that he was given only five slots and another one said he was given only one slot. There is enough for you! But is that the right way to do things? We do not want to see a situation whereby, if we elect a President today, then he starts employing his people. That is wrong. We went to school to make sure things are done right. We came to this House to make sure things are done in the right manner. I have no business chasing a Minister so that he can employ my people. What I want to hear is that people are employed in every constituency. If there are vacancies for 1,000 people to be employed by KWS, we want every constituency to get an equal share.

Mr. Temporary Deputy Speaker, Sir, sending those recruits home was a mistake. We want to hear---

Mr. Temporary Deputy Speaker, Sir, can you protect me?

The Temporary Deputy Speaker (Mr. Khamasi): Yes, you are fully protected!

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for that son of a former Commissioner of Police, who employed a lot of Kambas---

The Temporary Deputy Speaker (Mr. Khamasi): Order! You are too senior to get into that

petty reasoning! You are ruled out of order.

Can you finish your contributions, hon. C. Kilonzo?

Mr. C. Kilonzo: Thank you, Mr. Temporary Deputy Speaker, Sir. The fact that I am sitting on this side does not mean I am not in the Government. It is only that sometimes I get so ashamed to sit on that side!

(Applause)

Mr. Temporary Deputy Speaker, Sir, I remember very well, when we were being elected, we were supposed to be transparent.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Khamasi): Order! Hon. Members, I am sorry we must end the debate. It is now time to interrupt the business of the House. The House is adjourned until tomorrow, Thursday, 18th November, 2004 at 2.30 p.m.

The House rose at 6.30 p.m.