

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 3rd September, 1997

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

PRAYERS

## ORAL ANSWERS TO QUESTIONS

*Question No. 259*

### CONTACT BETWEEN OPPOSITION AND CIVIL SERVICE

**Mr. Busolo** asked the Minister of State, Office of the President, what the Government position regarding official contact between Members of the Opposition and Civil Service is.

**Mr. Speaker:** Is anyone here from the Office of the President? We will leave that Question until the end. Let us move on to the next Question.

*Question No. 535*

### SETTLEMENT OF SQUATTERS IN NAKURU NORTH

**Bishop Kimani** asked the Minister of State, Office of the President when squatters in Subukia, Kabazi, Beef Research Station (KARI) and Ndundori locations in Nakuru North Constituency be will be settled.

**Mr. Speaker:** Is there anybody from the Office of the President?

**Bishop Kimani:** On a point of order, Mr. Speaker Sir. I thought we deferred our Questions yesterday because we were going to discuss dialogue, and that today, the Minister would be in to answer Questions.

**Mr. Speaker:** We will come back to this Question later.

Mr. Maore's Question.

*Question No. 545*

### POSTING OF SECURITY PERSONNEL TO NAATHU LOCATION

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

(a) whether he is aware that residents of Naathu Location, Mutuati Division, have constructed facilities for a police post through harambe at Nchiru, and that no security personnel have been posted there yet; and,

(b) if he could consider posting anti-stock theft unit in this post to curb cattle rustling in the area.

**Mr. Speaker:** Is there anybody from the Office of the President?

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

(a) I am aware that no security personnel have been posted to the proposed police post at Nchiru because the temporary houses that have been put up there on Harambee basis have not been completed. Also, there is not much water near the place. As soon as they have completed the construction, and if we can transport water to the place, we will be able to post the personnel.

**Mr. Maore:** Mr. Speaker, Sir, as we speak here, on Sunday, 31st August, 1997, over 300 head of cattle were stolen a few kilometres from this area. What assurance will this Assistant Minister give the residents of the area, despite the fact that those cattle were stolen and nothing has been heard of them yet, and we are so many thousands of kilometres in the interior. What assurance would he give to the owners of the cattle which were lost three days ago?

**Mr. Awori:** Mr. Speaker Sir, if the same spirit that moved the people to start constructing these structures could prevail so that they could complete the construction, we are going to make sure that water is available. The reason why we cannot send the personnel there is that we need an armoury. We cannot put an armoury in a place where there are no doors or windows. There is nothing that can stop an incident similar to the one which occurred in Likoni from happening.

**Dr. Wako:** Thank you very much, Mr. Speaker, Sir. Is the Assistant Minister aware that in various places, like Nithi, people have completed constructing the facilities, but the security personnel have not been posted in those areas? What assurance can he give this House that in the sub-locations where construction have been done, they will be able to post personnel to ensure that there is not much banditry in those areas?

**Mr. Awori:** Mr. Speaker, Sir, while I cannot give a guarantee of posting the personnel there, I can definitely assure the hon. Member that if there is a good structure where we can house our personnel with their armament, we will post the personnel to ensure banditry is at a low profile.

**Mr. Maore:** Mr. Speaker, Sir, I do not know what the Assistant Minister is trying to explain here. It is only a week ago when the Vote of the Office of the President was passed here. Here, we have residents who have lost over 300 head of cattle and he is not mentioning anything about them. The budget is about this Government and this Assistant Minister providing security for the property of these people and their lives. What assurance will he give this House that he will undertake to complete the structures that people have tried to put up on Harambee basis? The people's effort are actually a voluntary act. In the Budget, we voted for money for the Office of the President. What plans does the Ministry have to supplement the people's efforts and complete these buildings?

**Mr. Awori:** Mr. Speaker, Sir, when we vote a budget for the Office of the President, that budget covers the whole country and we look at all aspects, including giving priorities. While I am not saying that his particular one is not a priority, it is going to be considered alongside others.

*Question No.183*

AMENDMENT OF LOCAL GOVERNMENT ACT

**Mr. Kamuyu** asked the Minister for Local Government when the Local Government Act, Cap. 265, will be amended so that the residents of respective municipalities and county councils are mandated to elect their mayors and chairmen directly.

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

The Government is in the process of amending various sections of the Local Government Act, Cap.265 of the Laws of Kenya, which are considered necessary to be amended in line with recommendations that have been received from various study groups and commissions, once the final study is completed. While reviewing these sections, the sections that deal with the elections of the Mayor of the City Council, mayors of the municipal councils and chairmen of the county councils and town councils will also be considered. The study is still going on.

**Mr. Kamuyu:** Mr. Speaker, Sir, you might have noticed that the Assistant Minister has refused to answer this Question because this Question deals with the time frame which he has not touched. Indeed, he has not really answered the entire Question. He knows that the Mayors of Nairobi and other towns have been blackmailed. We know of the famous cases involving Mayors Mwangi, King'ori and now Waweru because the councillors want them to give them plots and do them other favours. Unless people are given a chance to elect the mayors, councillors will continue to blackmail them as long as they do not agree with their entire requests.

Mr. Speaker, Sir, I find it is very difficult to accept that answer because, here we are talking about the residents being mandated to elect their mayors or chairmen directly. Now, the Assistant Minister is telling us that this Act is in the process of being amended. When did the process start? When will it end? Is he aware that this is one of the requirements or demands for the reforms which we are looking forward to before the elections?

**Mr. Kamuren:** Mr. Speaker, Sir, the requirements, as I said are being studied by various groups including the Omamo Commission which has not been completed. Some of the---

**Mr. Ndicho:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to keep on misleading the House? The Question is: When will this Act be amended? We have been here for the last five years and anything that is to be amended is done through the office of the Attorney-General. He is now talking about a study. I want to be guided on this issue. If the House wants to amend Cap. 265 of the Local Government Act, do we need a study before the Attorney-General brings the amendment here? We are now confused!

**Mr. Kamuren:** Mr. Speaker, Sir, I thought that I was giving the right answer to the House. What is

happening is that the commissioners who have been appointed and, particularly to serve in the Presidential Commission and the Local Government Authority Commission of Enquiry, are doing the needful to make sure that this section of the law is amended. As soon as it is completed, then things will be in place.

**Mr. J. N. Mungai:** Mr. Speaker, Sir, the Local Government Act has been for a long time a very controversial issue in this country and it does not need anybody to go and study anything about it. This is because almost on daily basis, we read in our local dailies about mayors complaining or a chairman of a county council complaining about one thing or the other. Their hands are tied by this Act. Can the Assistant Minister very seriously, unless there is something that is being hidden, assure this House that we are not going to wait for the report of the Omamo Commission? We should solve the problem that is already existing over this controversial Act. Can the Assistant Minister tell this House how and when this Act is going to be amended? He does not need to study it.

**Mr. Kamuren:** Mr. Speaker, Sir, the various study groups that were given the job, will have to complete their work including the Omamo Commission Report, which has not been presented to the Cabinet.

**Dr. Otieno-Kopiyo:** On a point of order, Mr. Speaker, Sir. The Assistant Minister is misleading the House. The Omamo Commission has completed its work. His own Minister has been commenting on the outcome of that Commission's report. Is he in order to tell the House that that Commission has not completed its work? Your own Minister, Mr. Lotodo, has commented on this issue.

**Mr. Kamuren:** Mr. Speaker, Sir, the Omamo Commission's Report has not even gone to the Cabinet and that is what I wanted to say. As soon as those facts are completed, this section of the law will be amended.

**Mr. Wamalwa:** Mr. Speaker, Sir, way back in the eighties, a Motion was brought to this House and passed by this House recommending that the Government amends sections 14 and 15 of the Local Government Act to allow for the people in the various municipalities and county councils to elect their mayors and county council chairmen directly. Why, therefore, does the Government not implement a Motion that was passed by this House instead of waiting upon the recommendations of the Omamo Commission?

**Mr. Kamuren:** Mr. Speaker, Sir, this Question by the hon. Kamuyu is covered under Cap 265 of the Local Government Act, which is part of the laws governing the local government authorities. Now that there was a Motion that was passed in this House, in connection to this one, let us allow the Commission which has already studied the various recommendations to complete its work and then we will amend the law.

**Mr. Kamuyu:** On a point of order, Mr. Speaker, Sir. You realise that I only asked a straightforward question. Is the Assistant Minister in order to keep on referring to the Omamo Commission which is totally irrelevant to my Question? I have asked a question regarding the time frame which is: When will the Local Government Act, Cap 265, be amended? Despite that, he keeps referring irrelevantly to the Omamo Commission. If he does not have any answer, could he go back and dig deeper and come up with a better answer because this is an urgent matter which all Kenyans are waiting for?

**Mr. Kamuren:** Mr. Speaker, Sir, I quite agree that this is a very urgent matter that all Kenyans are waiting for since we are going for elections very soon. What is important is what I have said. The study should be completed in the way I have suggested and then there will be no obstacles.

*Question No.505*

PRIMARY SCHOOL CLASSES IN LWANDANYI ZONE

**Mr. Munyasia** asked the Minister for Education:-

(a) how many primary schools have been there in Lwandanyi Zone, Sirisia Division, in 1993, 1994, 1995, 1996 and 1997; and,

(b) how many teachers have taught these classes in each of the years mentioned.

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

The number of classes in Lwandanyi Zone of Bungoma District and the teachers who have taught those classes since 1993 are as follows: In 1993 there were 266 classes with 241 teachers. In 1994, there were 222 classes with 163 teachers. In 1995 there were 211 classes with 193 teachers. In 1996 there were 105 classes with 102 teachers. In 1997, there were 110 classes with 16 teachers.

My Ministry, through the Teachers Service Commission, will soon post newly qualified teachers to alleviate the current shortage of teachers being experienced in Lwandanyi Zone among others in Bungoma district.

**Mr. Munyasia:** Mr. Speaker, Sir, you can see that the policy of this Ministry is to understaff Lwandanyi Zone in Sirisia constituency. This is because it cannot be believed that for a full five years this Ministry could not testify to that situation of under enrolment. Could the Assistant Minister tell this House what he has found to be the

main reason why he cannot get enough teachers for Lwandanyi Zone. Could he agree that the main reason might be that the teachers who are posted in Lwandanyi Zone are usually teachers from outside that zone? They are not the indigenous people of that zone and so they get excuses to get away to move to other areas.

**Mr. Komora:** Mr. Speaker, Sir, there is a the shortage of teachers in the whole country and not only in one zone. Indeed, this is why we are training and we are using the policy of recruiting from each zone to contain the shortages.

**Mr. Busolo:** Mr. Speaker, Sir, could the Assistant Minister ensure that from the next teacher's recruitment exercise, many teachers will be taken from the Lwandanyi zone to fill up the gap? Could he assure the House about that?

**Mr. Komora:** Mr. Speaker, Sir, I have already given that assurance. We are taking teachers from areas with shortages for training purposes. This year we have posted 8,441 teachers to the district and we hope that DEOs, when serving their own schools in the boards of Governors, will take charge of that one while also considering the new intake.

**Mr. Speaker:** Next Question, Mr. Magwaga.

*Question No.585*

CONSTRUCTION OF SIGALAGALA-BUTERE-SIDIDI ROAD

**Mr. Magwaga** asked the Minister for Public Works and Housing if he could explain why the construction of the Sigalagala-Butere-Sididi Road has stopped.

**The Minister for Public Works and Housing** (Prof. Ng'eno): Mr. Speaker, Sir, I beg to reply.

The construction of the Sigalagala-Butere-Sididi Road has stopped because the contractor purports that his roller was vandalised while a grader was involved in an accident. However, the Ministry is not satisfied with this kind of explanation and, therefore, the contractor has been given notice to resume work immediately. The last notice of 14 days was issued on 14th August, 1997. The Ministry will take appropriate action if the contractor does not resume work as soon as possible.

**Mr. Magwaga:** Mr. Speaker, Sir, the answer is very unfortunate because there is no such answer in connection with this kind of work. The man who won the contract was working elsewhere and he has gone to complete that work. He only brought on the site a tractor, a lorry and a roller. Now that the notice of 14 days has expired, what is the Ministry going to do to ensure that this major road is constructed?

**Mr. Busolo:** On a point of order, Mr. Speaker, Sir. I cannot understand this Question. Is this road being graded, tarmacked or constructed out of a forest in order to start a new road where there is no road or what is going on?

**Mr. Speaker:** I am sure the Minister and Mr. Magwaga understand each other!

*(Laughter)*

**Mr. Shikuku:** On a point of order, Mr. Speaker, Sir. My Order Paper has "Sigalagala-Butere-Sidindi Road". There is no place called "Sididi", it is "Sidindi"!

**Prof. Ng'eno:** Mr. Speaker, Sir, some people call it "Sidindi" when it should be "Sidindi". We should understand that.

I do not understand what the hon. Magwaga means by saying that the answer is "unfortunate". I have just said that this man has failed, but there is a contract between the Ministry and himself, and he has to abide by the terms of it. One of the terms of the contract is that the engineer gives 28 days notice and the employer, which is the Ministry, gives 14 days totalling to 42 days. After the 42 days period expires, then we can now impose what is called "termination of work" and then if he is not satisfied, we can go through litigation and so on. But we will be coming soon to that. I have given the undertaking, we will remove the man if he fails to do the work and put somebody else.

**Mr. Shikuku:** Asante sana, Bw. Spika. Sijui kama mhe. Waziri anajua barabara hii miaka nenda miaka rudi ilipitishwa na DDC, na pia Rais alisema iwekwe lami. Huyu mtu alileta roller na lori moja kama vile imeelezwa na mhe. Magwaga. Anaweza kuliambia Bunge hili kwa nini mtu huyu hajapelekwa kortini na wananchi wanangojea barabara hii itengenezwe kwa sababu ilani ya siku 14 imekwisha?

**Prof. Ng'eno:** Bw. Spika, nitasema kwa lugha ya Kiswahili ili mhe. Shikuku aelewe. Nimesema mtu huyu amekosa kwa kutotengeneza barabara kwa muda unaotakikana. Jambo ambalo tunangojea kufanya ni kufuata---

**Mr. Speaker:** Order, Prof. Ng'eno! Thou shall continue in English!

**Prof. Mzee:** Mr. Speaker, Sir, he asked his question in the Kiswahili language and we know that Kiswahili

is an acceptable language.

I have given the undertaking that we will terminate the contract of this contractor as soon as the laws are fully operational. In other words, if I determine with my officers that the 14 days notice has elapsed together with the other 28 days notice, then we will terminate his contract and bring another contractor.

**Mr. Magwaga:** Mr. Speaker, Sir, can the Minister tell this House what attracted the tendering board to give this particular contractor that job because he did not have enough tractors, lorries and so on? What made you give him the contract?

**Prof. Ng'eno:** Mr. Speaker, Sir, this contractor was the lowest bidder among the ten companies that applied. The Brown Company Limited had offered to do the work at the cost of Kshs48,975,278 and others offered more. In fact, number ten offered to do the work at Kshs85,823,910. So, we went for the lowest tender and he won, but he has not been able to perform. So, we will terminate his contract.

**Mr. Nthenge:** Mr. Speaker, Sir, all the information required to terminate the contract has been given to the Minister and he himself is also aware that the 42 days notice has elapsed. Can he tell this House when he is going to terminate this contract so that a new contractor can be considered and start work?

**An hon. Member:** He has been paid already!

**Prof. Ng'eno:** Mr. Speaker, Sir, even if he has been paid a certain amount of money, there are regulations and laws which allow the recovery of money if the work is not done. I cannot give a specific date because this is something that will have to involve interpretation of the contract by the Attorney-General Chambers in conjunction with my officers, engineers and so on. So, I can only give the undertaking that if he does not move on the site in the allotted time, the contract will be terminated.

**Mr. Speaker:** Next Question, Mr. Maundu.

*Question No.575*

ELECTRIFICATION OF COFFEE FACTORIES IN MAKUENI

**Mr. Maundu** asked the Minister for Energy:-

- (a) when coffee factories in Makueni constituency will be supplied with electricity; and,
- (b) how much money has been set aside for the electrification programme of these coffee factories.

**The Assistant Minister for Energy** (Mr. Nang'ole): Mr. Speaker, Sir, the answer I have to this Question is not satisfactory. I beg to be given time up to Tuesday next week so that I can give the hon. Member and the House a sufficient answer.

**Mr. Speaker:** Is that okay with you, hon. Maundu?

**Mr. Maundu:** That is okay. The Assistant Minister can take his time to get an appropriate answer.

**Mr. Speaker:** So, that Question is deferred to next week on Tuesday.

*(Question deferred)*

Mr. Busolo's Question for the second time!

*Question No.259*

CONTACT BETWEEN OPPOSITION AND CIVIL SERVICE

**Mr. Busolo** asked a Minister of State, Office of the President what the Government position is, regarding official contact between Members of the Opposition and the Civil Service.

**The Assistant Minister, Office of the President** (Mr. Manga): Mr. Speaker, Sir, I apologise for coming late. However, I beg to reply.

Mr. Speaker, Sir, civil servants serve all members of the public, Opposition Members included, impartially without fear or favour regardless of one's political inclination.

**Dr. Kituyi:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to tell us that civil servants serve people partially, and then proceeds to say: "Without fear or favour", which is a contradiction in itself?

**Mr. Speaker:** What did you say, Mr. Manga?

**The Assistant Minister, Office of the President** (Mr. Manga): Mr. Speaker, Sir, I said that the civil servants serve the public without fear or favour regardless of their party inclinations. There is, therefore, no separate

policy spelling out contact between the civil servants and the Members of the Opposition.

**Mr. Busolo:** Mr. Speaker, Sir, I think the Government should issue out a circular on this matter. Many times, whenever we go to public offices, a number of civil servants run away from us. So, could the Minister assure this House that the Government is going to issue a circular to the civil servants, regarding the answer he has given us?

**Mr. Manga:** Mr. Speaker, Sir, there is no need of issuing a circular when the regulations of the civil servants are clearly spelt out. They are serving the public and the Members of the Opposition are not excluded from the public.

**Dr. Oburu:** Mr. Speaker, Sir, is the Assistant Minister aware that all over the country, district commissioners wear the KANU badge and shirt, and that they openly participate in KANU functions as KANU activists? Is this the impartiality you are talking about?

**Mr. Manga:** Mr. Speaker, Sir, the Member is trying to mislead the House. No district commissioner wears a KANU shirt.

**Mr. Munyasia:** Mr. Speaker, Sir, is the Assistant Minister aware that the Minister for Education, who is also the KANU Secretary-General has issued an order to all secondary school headmasters in Western Province not to co-operate with members of the Opposition, especially Members of Parliament? What is he doing about it?

**Mr. Manga:** Mr. Speaker, Sir, I am not aware of that.

**Dr. Kituyi:** Mr. Speaker, Sir, since hon. Manga does not seem to know the apparel used mainly in public functions by the members of the Provincial Administration, he is just being informed now that constantly, DOs, Chiefs and DCs wear a little token on their chests with a picture of Moi on which it is written: "Jogoo and KANU". Now that he has been made aware, how does this reality in practice relate to your statement that they are going to remain impartial?

**Mr. Manga:** Mr. Speaker, Sir, I would like to ask hon. Kituyi to look at that thing he is talking about carefully and he will see that KANU is not written on it. It is only the picture of the President, which is the symbol of unity for this nation.

**Mr. Busolo:** Mr. Speaker, Sir, it has been brought to my attention by my good friend, hon. Maore that a document was tabled in this House in February, 1993, regarding a letter from the then Head of the Civil Service, Prof. Mbithi, advising civil servants not to make any contact with the Members of the Opposition. Has that circular been withdrawn?

**Mr. Manga:** Mr. Speaker, Sir, as of now, Members of Parliament from Opposition parties are free to consult with the civil servants. I have directed Members of Parliament who have either come to me or to my Permanent Secretary that, they are free to consult with officers of the Provincial Administration to sort out any problems. If the circular he is talking about could have been there, it has been overtaken by events.

#### *Question No.535*

#### SETTLEMENT OF SQUATTERS IN NAKURU NORTH

**Bishop Kimani** asked a Minister of State, Office of the President when squatters in Subukia, Kabazi, Beef Research Station (KARI) and Ndundori locations in Nakuru North Constituency will be settled.

**The Assistant Minister, Office of the President (Mr. Awori):** Mr. Speaker, Sir, I apologise for coming late. However, I beg to reply.

I am not aware of any squatters in the areas that the hon. Member has mentioned.

**Bishop Kimani:** Mr. Speaker, Sir, the answer given by the Assistant Minister is very unfortunate. In fact, it is very sad indeed. Since most of the Members here have farms and homes, we tend to ignore those who have nothing. In 1993/94, the President went to Ndundori in my constituency and gave 200 acres to be allocated to squatters. Surprisingly enough, the county council and KANU leaders took this land, sub-divided it into small plots and sold them. The squatters from the locations mentioned who were supposed to be allocated that land are still needy right now. They are in problems and they have no shelter. They are being chased away by the land owners. Could the Assistant Minister tell this House whether he understands who a squatter is?

**Mr. Awori:** Mr. Speaker, Sir, to answer the first question as to whether I knew what the hon. Member was talking about - the answer of course, is no. As for the second question, I do of course know what a squatter is. If the hon. Member can give me details of these squatters, we will try and look for land and help to settle them.

**Dr. Kituyi:** According to the information being provided to the House, by Bishop Kimani in 1993/94, the President, realising that there were squatters in Ndundori, offered some land. Since the land was not eventually given

to the squatters, and the Government says today that it is not aware that there are squatters, what does the Government think happened to the squatters that the President saw in 1993?

**Mr. Awori:** Mr. Speaker, Sir, this is the first time I am hearing that land measuring 200 acres was given by the President to the squatters. It is also the first time I am hearing that the land which was given to the squatters by the President has been taken by party officials and sub-divided. If I can be given this information, I will go and investigate and bring back the answer. If indeed, land that was intended for the landless has been taken by "fat cats" it will be re-possessed.

**Bishop Kimani:** Mr. Speaker, Sir, I am perturbed that the Assistant Minister can deny that the President gave this land to squatters and that it was later taken by KANU officials and the county council. Now that the Assistant Minister is aware that, that happened, could he consider allocating the 5,000 squatters in Ndundori some land in the ADC farm in Lanet?

**Mr. Awori:** Mr. Speaker, Sir, in the first place, I did not deny that the President gave land. I said that this is the first time I am hearing of it. I said that if this was the case and that the land was taken by people who did not deserve it, then action will be taken.

### QUESTIONS BY PRIVATE NOTICE

#### ESTABLISHMENT OF ARMED HOME GUARDS IN NYATIKE

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

(a) Is the Minister aware that the residents of Nyatike and Gwasi in Nyatike Constituency are currently going through a difficult time as a result of armed robbery of their engine boats and fishing nets?

(b) If the answer to "a" above is in the affirmative, could the Minister, as a matter of urgency, authorise the establishment of armed home guards to supplement the efforts of the security forces in this area?

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

(a) No, I am not aware.

(b) Arising out of my answer in part "a" above, part "b" does not arise.

**Mr. Onyango:** Mr. Speaker, Sir, it is very unfortunate that the Ministry is not aware that we have armed robberies in Nyatike and Gwasi, Nyatike Constituency, because I think the main contract between the Government and the residents of those area is to provide security. Now that the Assistant Minister has accepted that the Government has failed to provide security, can he now allow the affected residents to hire armed guards to protect themselves?

**Mr. Awori:** Mr. Speaker, Sir, at no time did I admit that the Government was unable to look after its citizens. I simply said that in that area, security is quite adequate and no reports of both engine and boats stolen, have been made. That being the case, we believe that there is adequate security there.

**Prof. Ouma:** Mr. Speaker, Sir, if the Assistant Minister did not know, banditry is a "contagious disease" on the Kenyan scene. There is banditry in the lake region. Only two months ago, I lost two engines and two boats worth Kshs750,000 in that lake. It is true. Now that the Assistant Minister knows through hon. Onyango and me, that banditry is going on there - we are close to the border and people come across with guns - can he deploy marine police equipped with torpedo-boats so that they can protect us? When cattle rustlers steal cattle, they are pursued by the Anti-Stock Theft Unit, but when fish is rustled and boats are taken away, can we have something done? Can we have the marine police equipped with torpedo-boats?

*(Laughter)*

**Mr. Awori:** Mr. Speaker, Sir, indeed, action will be taken. Whether there will be torpedo boats or marine boats, I cannot say. But, definitely, there will be action taken.

**Mr. Onyango:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to say that he is not aware, and yet, on the 16th December, 1996, and 27th December, 1996, the DO for Nyatike accompanied the people in two boats to recover their property from Tanzania? When they were informed where those things were kept and were told to go back the next day to collect them, the DO decided to return home because they were not paid overtime. Can we know whether the Provincial Administration is involved in this robbery?

**Mr. Awori:** Mr. Speaker, Sir, the allegation made by the hon. Member and the information given is not with me. If I have that information, then I will see what action to take.

**Dr. Oburu:** Mr. Speaker, Sir, the Assistant Minister comes from the lake region, and just next to him, is my

constituency. Two months ago, fishermen were killed by robbers in the lake and the Provincial Administration was involved in the investigation. It is true that the police are not well equipped to deal with robberies in the lake region. Now that we are drawing this to his attention, and I think we are wrongly drawing, because he should know since he comes from there, what steps is he going to take to reinforce security in the area because this a serious matter, our people are losing property at the hands of robbers from Uganda?

**Mr. Awori:** Mr. Speaker, Sir, steps will be taken in conjunction with the availability of funds and equipment. As I said, I cannot stand here and say whether there would be marine boats, whether there would be the equivalent of Ant-Stock Theft Unit, but certainly, we are going to try and get security officers to protect the residents of that area.

**Mrs. Asiyu:** On a point of order, Mr. Speaker, Sir. The Assistant Minister is misleading the House. He comes from the lake region and knows that security is very badly needed on the lake, so that robbery is stopped. Can he tell us what action his Ministry is going to take to introduce security personnel on the lake?

**Prof. Ouma:** Marine police!

**Mr. Awori:** Mr. Speaker, Sir, I have just answered that. As all the hon. Members are stating, I am equally affected, not just because I am---

**Mr. Speaker:** Mr. Badawy's Question is deferred to next week.

#### CONTROL OF FISHING IN PROHIBITED ZONES

**(Mr. Badawy)** to ask the Minister for Tourism and Wildlife:-

(a) What action is the Minister taking to alleviate the suffering of Mr. Khale Kombo and his seven boat crew, whose four fishing nets were destroyed by a fishing trawler belonging to Messrs ALSECO Petroleum Limited on 30th May, 1997, since the matter has been reported to the Fisheries Officer, Malindi?

(b) Could the Minister give an assurance that such frequent incidents caused by trawlers doing illegal fishing in the prohibited zones along Malindi and Ungwana Bays shall be curbed by imposing stiff penalties, preferably by cancelling the culprits' fishing licences?

(c) What urgent steps is the Minister taking to introduce legislative measures to compel owners of the stray trawlers to compensate local fishermen, when their boats and equipment are destroyed in the course of fishing within the authorized zone?

*(Question deferred)*

**Mr. Speaker:** Next Question, Mr. Kinyua Mbui.

#### PAYMENT OF RETIREMENT BENEFITS TO MR. KARIUKI

**Mr. Mbui:** Mr. Speaker, Sir, I beg to ask the Minister for Education the following Question by Private Notice.

(a) Is the Minister aware that due to non-payment of Mr. Philip G. Kariuki's P/No.74039615, salary and voluntary retirement benefits since 1st July, 1995, his family land is up for auction due to unpaid loan?

(b) When will the complainant be paid his dues to enable him redeem the said land?

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

(a) I am not aware.

(b) Mr. Philip G. Kariuki, P/No.74039615, who was a Supplies Assistant, Job Group "H" in my Ministry, did not follow the laid down procedure for early retirement from the Public Service and ceased to work before his application was recommended by my Ministry. He was, therefore, considered as a deserter. But later on my Ministry withdrew the charge for desertion and has belatedly recommended his application for early retirement. Pending that reply, action will be taken to pay him.

**Mr. Mbui:** Mr. Speaker, Sir, I think the hon. Assistant Minister has been misinformed by his officers. According to the salary advice, which was signed by the personnel department in that Ministry, they stopped his salary with effect from 1st July, 1995, because the officer had retired. I have a copy of that letter. The answer that he is giving me is just an after thought from his officers who are very jealousy with the junior officers. Can the Assistant Minister now act as per that salary advice because this particular officer had not committed any offence? I am going



to table this letter, so that he can go and ask his officers to implement this retirement letter.

*(Mr. Mbui laid the letter on the Table)*

**Mr. Komora:** Mr. Speaker, Sir, I will certainly take action in relation to any false information passed to me. But whatever has happened, there has been delay in payment of his dues and we have taken action.

**Mr. Mathenge:** Mr. Speaker, Sir, now that the Assistant Minister has admitted that there has been delay in paying this officer and we are told that this officer is in trouble, can he make sure that the money is paid immediately, so that he can be saved from his predicament instead of saying that he is going to look into it?

**Mr. Komora:** Mr. Speaker, Sir, I can only agree to pursue the Public Service Commission to give a reply for expediting his payment. But I cannot force payment until we receive that reply from the Public Service Commission.

**Dr. Lwali-Oyondi:** Mr. Speaker, Sir, I have been dealing with some of these cases of retirement benefits and it takes very long before those retired civil servants are paid. This man is in trouble and his land is going to be auctioned. Could the Assistant Minister now undertake to pursue this case personally, so that this officer is paid within one month or so?

**Mr. Komora:** If I can do anything to pay him tomorrow, I will do so.

**Mr. Mbui:** Mr. Speaker, Sir, according to the same document, the said officer has not been sacked. He has not been paid his salary. He has even appealed to the Ministry to reinstate him and yet, the Ministry has refused and he is not being paid. Can the Assistant Minister either reinstate that officer according to his appeal or effect his early retirement without further delay without blaming the Public Service Commission? As we wait for his early retirement, can the Ministry re-deploy him?

**Mr. Komora:** Mr. Speaker, Sir, I have already said that I am effecting his early retirement.

**Mr. Speaker:** Very well! Next Question, Mr. Githiomi.

#### PAYMENT OF BRUSH ENGINEERING COMPANY

**Mr. Githiomi:** Mr. Speaker, Sir, I beg to ask the Minister for Public Works and Housing the following Question by Private Notice.

(a) Is the Minister aware that Brush Engineering Company of P.O. Box 60047, Nairobi, sub-contracted for electrical works at Kenyatta International Conference Centre (KICC) - Contract No.0888AJ - awarded in 1994, and that Messrs Ongata Works Limited, P.O. Box 58160, Nairobi, gave irrevocable authority to the Ministry authorising the same to pay Brush Engineering Company directly?

(b) If the answer to part "a" above is in the affirmative, why has the Ministry not paid the sub-contractor a sum of Kshs3,582,568.10?

**The Minister for Public Works and Housing (Prof. Ng'eno):** Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Brush Engineering Company of P.O. Box 60047, Nairobi, was sub-contracted for electrical works at KICC - Contract No.0888AJ and that Messrs. Ongata Works Limited of P.O. Box 58160, Nairobi, gave irrevocable authority to the Ministry to pay directly to Brush Engineering Company Kshs3,582,568.10.

(b) The Ministry has not paid Brush Engineering Company a sum of Kshs3,582,568.10 due to lack of funds.

**Mr. Githiomi:** Mr. Speaker, Sir, from the answer that the Minister has given, one wonders whether he is taking this matter seriously. The sub-contractor is owed by the Ministry a sum of Kshs3.5 million. He completed the contract in May, 1994. The contractor borrowed a lot of that money from Kenya Commercial Bank (KCB) to complete this work. Now, the contractor is about to be auctioned. The Ministry prepared a payment voucher - and I will table it - but the contractor was not paid. When is the Minister going to pay this sub-contractor, to save him from being auctioned?

*(Mr. Githiomi laid the document on the Table)*

**Prof. Ng'eno:** Mr. Speaker, Sir, as I have just said, this was a sub-contractor, doing his work under the auspices of the main contractor. Actually, the main contractor should have paid the sub-contractor. But because the money---

**Mr. Githiomi:** On a point of order, Mr. Speaker, Sir. The Minister is misleading this House. He has just said that the sub-contractor had an irrevocable authority from the main contractor, and the Ministry had accepted to pay---

**Mr. Speaker:** Hon. Githiomi, he was saying the same thing; that giving irrevocable authority means that the person who was supposed to be paid is the main contractor. So, he is assigning his rights to somebody else.

Proceed, Prof. Ng'eno!

**Prof. Ng'eno:** Thank you very much, Mr. Speaker, Sir, that is exactly what I am saying. But you see, what the main contractor did was to say to the Ministry: "If you have any money owing to me, please pay to the sub-contractor". Now, the Ministry did not have that kind of money. We have requested the Treasury to give us authority to get that kind of money, but we have not received the money yet.

**Mr. Raila:** Mr. Speaker, Sir, if my memory serves me right, the Kenya International Conference Centre (KICC) is supposed to be the property of KANU. To the best of my knowledge, this matter is under dispute. But be that as it may, if that is the case according to the Government, what business has the Government to sign a contract with a contractor to do work at the KICC, if it actually belongs to KANU?

**Prof. Ng'eno:** Mr. Speaker, Sir, I think the mind of the hon. Member serves him right. It is true that the KICC is the property of KANU. But at the time this contract was given, the controversy as to who owned the KICC had not arisen.

**Mr. Maore:** On a point of order, Mr. Speaker, Sir. Is the Minister in order to state that by the time the contract was being given, which is 1994, his Ministry was not aware that this was KANU's property, while on 2nd June, 1993, there was an affidavit by the KANU Secretary-General that he was aware that the KICC belonged to KANU, and that the Commissioner for Lands did issue a title deed on 25th of May---

**Mr. Speaker:** Order! Can I ask hon. Members one thing? Hon. Githiomi, are you quite happy about the direction your Question is taking?

**Mr. Githiomi:** Mr. Speaker, Sir, mine was for the sub-contractor to be paid. But on that note, is the Minister telling this House that the Government is now broke and it has no money to pay Brush Engineering Company?

**Mr. Maore:** On a point of order---

**Mr. Speaker:** Order, hon. Maore! I called hon. Githiomi because his Question is being re-diverted to an irrelevant issue. The issue right now before the House is whether or not Brush Engineering Company is paid a sum that was assigned to it by a main contractor. As to the issue of whether the KICC belonged to the Government or to KANU, that is not the business of Brush Engineering and I am sure it is not the business of hon. Githiomi also. Anybody who wants to pursue the issue of the ownership of the KICC can do so in his own time. But hon. Githiomi is entitled to press his Question to the logical conclusion.

*(Several hon. Members interjected)*

*(Mr. Maore stood up in his place)*

**Mr. Speaker:** Order, hon. Members! Order, hon. Maore! Proceed, hon. Githiomi!

**Mr. Githiomi:** Mr. Speaker, Sir, can the Minister either, commit himself to pay Brush Engineering Company, and state when he will pay this company the money that the Government owes it, or, tell this House that the Government is under receivership?

**Prof. Ng'eno:** Mr. Speaker, Sir, the Government is not under receivership. In the first place, the undertaking of repairs at the KICC arose because there was to be a meeting in May, 1994 of the African Development Bank to commemorate 30 years of existence. When the Government agreed to give out this contract---

**Mr. Speaker:** I think you are also irrelevant, Prof. Ng'eno. Are you paying this person or not?

**Prof. Ng'eno:** Mr. Speaker, Sir, we do not have the money to pay this person.

*(Several hon. Members interjected)*

*(Messrs. P.N. Ndwiga and Ndicho  
stoop up in their places)*

**Mr. P.N. Ndwiga:** On a point of order---

**Mr. Speaker:** Order, all of you! Order, hon. Ndwiga! Order, hon. Ndicho! What is bothering you, hon. Ndwiga?

**Mr. P.N. Ndwiga:** Is the Minister in order to mislead this House that Brush Engineering Company was supposed to be paid by Ongata Works, when he knows very well that even Ongata Works has not been paid Kshs30

million? The main contractor has not been paid and the Minister is trying to mislead this House. Can the Minister confirm here and now to this House, that there is a deliberate move in his Ministry, to punish African entrepreneurs? How can he tell us that since 1994, and we have had three Budgets, that these people have not been paid? What are you telling this House?

**Prof. Ng'eno:** Mr. Speaker, Sir, let me say that I am one of those people who would like to protect indigenous entrepreneurs by any means necessary. I said that the initial cost of repairing the Kenyatta International Conference Centre was Kshs42 million, but it turned out that, due to the escalation of costs, an additional Kshs20 million was required. We went to the Treasury to ask for this amount of money, but they gave us money short of Kshs8,567,000. It is out of this money that we should have paid the engineering group. The aggrieved people know exactly what to do in order to get the Government or anybody else---

**Mr. Maore:** On a point of order, Mr. Speaker, Sir. Under what law has the Minister for Public Works and Housing been using public money to carry out work on a private building?

**Prof. Ng'eno:** Mr. Speaker, Sir, this money was given by the African Development Bank because they were going to meet in that building. It is for that reason that they chose to do the work.

**Mr. Achola:** Mr. Speaker, Sir, could the Minister explain to the House why his Ministry defied the Treasury order that all pending bills in any Ministry form the first charge of the succeeding year and, therefore, this Bill should have been paid at least three years ago? Could you tell us why you disregarded the Treasury directive?

**Prof. Ng'eno:** We did not disregard Treasury directive, but asked them to give approval, which they refused.

**Mr. Speaker:** That concludes Question Time. Next Order!

#### MINISTERIAL STATEMENT

##### DISPOSAL OF UNWHOLESOME MAIZE IN EMBAKASI

**The Minister for Health (Gen. Mulinge):** Mr. Speaker, Sir, under the Public Health Act (Cap.242) and the Food, Drugs and Chemical Substances Act (Cap.254), no person should sell or have in his possession any food for human consumption which is tainted, adulterated, diseased or otherwise in an unwholesome state. Such food should be notified or surrendered to the Public Health Officers of the Ministry of Health or the Municipal Councils as the case may be, who shall advise on the most appropriate methods of disposal.

The Ministry of Health takes great exception to the callous and irresponsible manner of action by the above company which in utter disregard of the existing public health laws and regulations, and without notifying our public health regulatory personnel, decided to dump unwholesome maize in an unsuitable site and in the most unprofessional manner, thus exposing the unsuspecting community to serious public health hazards arising from its consumption.

*[Mr. Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, legal action against all those involved in this criminal act is being taken by the Ministry of Health through the City Public Health Department.

The Ministry of Health would like to take this opportunity to inform and warn the public that the maize which was carelessly dumped at the disused quarry, off Outering Road, Embakasi, is unfit for both human and animal consumption and should, therefore, not be used for whatever purpose.

We appeal to all those who have helped themselves with it to be mindful of their own health and that of their children and other Kenyans and ensure that they do not consume, sell or offer it to other people. The maize in question should be voluntarily surrendered to the nearest health office where appropriate arrangements for its disposal will be made.

**Dr. Kituyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it not rather strange that toxic maize is dumped in a low income area and the Government does not ask people not to consume it until after three weeks, when all likelihood is that they have already consumed it? Why has the Ministry of Health found it so expedient to urgently react by calling on people not to eat what they must have eaten three weeks ago? If this Government abhors this conduct by Transami Transport Company, as seriously as the Minister wants us to believe, why is it that three weeks after the act, the Government is only promising that the health department of the City Council is going to take legal action and nothing has been done to demonstrate outright, in the period that has lapsed

since the act?

**The Minister for Health** (Gen. Mulinge): Mr. Temporary Deputy Speaker, Sir, we were not aware that this maize was toxic until it was dumped. The hon. Member knows that it is not possible for me to know which foodstuffs in the godowns of Nairobi are expired, unless the matter is reported to me.

*(Laughter)*

**Dr. Kituyi:** Mr. Temporary Deputy Speaker, Sir, the hon. Minister has forgotten that the reason why the maize was dumped was because his officers established that it was toxic. Now, how does he discover today that the dumped maize was toxic when it was dumped because his officers had declared it was toxic? Is there any relationship between the original banning order against the use of that maize and your position today that only now you have discovered that, that maize was toxic?

**The Temporary Deputy Speaker** (Mr. Otieno): Well, Dr. Kituyi, the matter is before court, as you know. Next Order!

## BILL

### *Second Reading*

#### THE CO-OPERATIVE SOCIETIES BILL

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

*(Resumption of Debate interrupted on 28.8.97)*

**The Temporary Deputy Speaker** (Mr. Otieno): Mr. Obure was on the Floor.

**Mr. Obure:** Mr. Temporary Deputy Speaker, Sir, while discussing this Bill, I would like to congratulate Members of this august House for their commitment to serve this country, co-operate and commit themselves to the present debate on constitutional reforms. I notice that there is commitment, dedication and I, therefore, call upon those Members of Parliament and any civil society, who might have interest of this country at heart, to co-operative with Members of Parliament so that we can save our country from collapsing.

**Mr. Imana:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order to discuss the Co-operative Bill when the Minister for Co-operative Development and his technical officers are not here? Who is going to respond?

**The Temporary Deputy Speaker** (Mr. Otieno): It is in order!

**Mr. Ndicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I think hon. Imana has raised a very important point. While debating this Bill, we expect the Minister and the technical officers to note down the points we are raising. In their absence, could the Chair give us guidance? We are talking to ourselves or converting the House into a talking shop.

**Mr. Temporary Deputy Speaker** (Mr. Otieno): It is in order to proceed, since they will be notified and I am sure they will be here soon.

**Dr. Lwali-Oyondi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister for Co-operative Development is notorious for absenting himself from Parliament when matters pertaining to his Ministry are being discussed. Are we sure that we shall really get any answer?

**The Temporary Deputy Speaker** (Mr. Otieno): Order! All proceedings are recorded! The staff of the Ministry and the Minister will be here shortly.

Can you proceed, Mr. Obure!

**Mr. Ndicho:** Then talk about the reforms and forget about the Bill!

**Mr. Obure:** Mr. Temporary Deputy Speaker, Sir, we cannot have co-operative societies in this country operating in a chaotic situation. First and foremost, we should have peace and tranquillity, so that members of co-operative societies operate freely, assured of security of their lives and their property.

Mr. Temporary Deputy Speaker, Sir, if we cannot reform in this country, co-operative members might not find an opportunity to go about their daily business and achieve their respective goals. For development of any country or achievement of any tangible targets, peace must prevail. So, it is my earnest request to the present Government and all Kenyans to cherish peace and tranquillity for effective operation of co-operative societies.

Mr. Temporary Deputy Speaker, Sir, secondly, I would like Members of Parliament and Kenyans to understand that for any successful co-operative society, the first important input or resource to achieve this goal, is to educate co-operative members before they join the various societies. So, we must have co-operative colleges which should produce enough manpower to be able to educate members on the functions and benefits of co-operative societies. I would like to propose that this Ministry puts up co-operative colleges in districts and provinces, so that each college can serve a district or province, for people to benefit in their localities. For example, if we had a co-operative college in Kisii, co-operative members from that community can be educated in local languages, so as to understand the role of the co-operative movement. This includes old women who did not go to school and have joined co-operative societies, yet they do not know the benefits accrued there-from. This is because officers from other communities can only educate the members in English and Kiswahili. So, I think colleges and education of members is really important towards enhancing co-operative societies. I propose that the Ministry undertakes the responsibility of ensuring that this country has got enough manpower, well versed with the knowledge of educating the un-educated co-operative members.

Mr. Temporary Deputy Speaker, Sir, while we undertake and recognise that co-operative societies are very important for this country, I take exception of their mismanagement. Co-operative societies have failed country-wide, because of dishonesty that exists in our society. Today, few co-operative officers or people who are appointed to these positions manage these important institutions in our land honestly and with dignity. I do not know, but I believe that dishonesty and corruption have eaten the fabric of our society. The people who manage co-operative societies must be vetted, to ensure that they are honest.

#### QUORUM

**Mr. Mathenge:** Mr. Speaker, Sir, there is no quorum in this House!

**The Temporary Deputy Speaker** (Mr. Otieno): Yes, you are right. Ring the Division Bell.

*(The Division Bell was rung)*

Order, Hon. Members! We have a quorum now. You may proceed, hon. Obure.

**Mr. Obure:** Mr. Temporary Deputy Speaker, Sir, I was saying that we have to have honesty in the running of our co-operative societies in order for them to prosper. Societies should have members who have a source of livelihood. I take very great exception to the behaviour of the Ministry of Education. The Minister for Education stated in writing that all teachers who had trained in private teacher training colleges would be employed. It is very sad for us to discriminate against certain members of our society.

The Minister for Education, hon. Kamotho, stated clearly that teachers from private colleges were going to be employed. To date, as I am speaking now, about 30 teachers from my constituency are hanging around the office of the District Commissioner (DC) in Gucha District, looking for posting letters. The Minister for Education and the Government are not taking their responsibility seriously. A senior Minister, in the name of hon. Kamotho, said on behalf of the Government that all teachers from private teacher training colleges would be employed, but so far those teachers have not been posted. Who is in charge in this country? Is it Government officers or Ministers? A Minister authorised the employment of all teachers from private colleges, but the Permanent Secretary has failed to issue posting letters to these teachers!

Kenyans are demanding an explanation on this issue. We cannot accept to be taken for a ride! We are responsible citizens and leaders of this country. These teachers are supposed to be members of Mwalimu Co-operative Society. They can only be useful to this society if they are employed. I am requesting the Government and the Ministry of Education to take their promise seriously and give these teachers letters of appointment immediately, so that they can earn a salary and feed their families.

The other thing is that the President came up with the idea of establishing the National Youth Development Fund for assisting our unemployed youth. We contributed funds to enable our youth start businesses and earn their living. Mr. Temporary Deputy Speaker, Sir, let us be serious in this country. When this idea was born in the minds of Kenyans, it was a noble idea but, some of us in the Opposition were very sceptical about its management. Today, in my constituency, and in the Greater Gusii-Gucha, Kisii and Nyamira we have about 30 to 40 youth groups who have not received their cheques and there is an outcry there. These funds were contributed to serve these youth groups but today they cannot get their cheques. They have been searching for these cheques but nobody has given them direction. The youths are hanging around in the district commissioner's office demanding these cheques but they cannot find the answers.

Mr. Temporary Deputy Speaker, Sir, on 7th July, 1996, in Bomachoge, Kenyena Division, we contributed

Kshs128,846.50 for the youth and the money was not taken to the DC's office as it was required. Where did this money go? The people of Bomachoge must be told where this amount of Kshs128,846.50, contributed publicly, went, because it was not remitted to the DC's office. The district officer, and the Provincial Administration, is involved in this kind of scandal and this is why these youths have not received any money. Since they did not remit their money to the national account, they cannot yet their share. I am requesting this Ministry, and the officers concerned, to look into this matter so that they can tell Kenyans what happened to this money. Our youths could be very useful if these funds were given to them so that they can join hands and form co-operative societies. For example, in Kisii, Gucha and Nyamira Districts have plenty of bananas. If this money was given to the youths, they could form co-operative societies; like a Banana co-operative society and others to sell bananas and earn a living and that way this country would reduce the problem of unemployment. These are the ventures that we need to look into and see to it that things move in the right direction in order to help our youth gain self-employment.

Mr. Temporary Deputy Speaker, Sir, when we talk of co-operative societies, we refer to things like coffee factories, soapstone co-operative societies and many others. There a lot of mismanagement and not only that, but also our coffee factories are obsolete, the machines are won out because they cannot be serviced and as a result of this farmers' produce goes to waste because it cannot be processed.

Mr. Temporary Deputy Speaker, Sir, I am asking the Government and the Ministry of Co-operative Development to establish a technical unit which should go around the factories to check those machines which are not serviceable and replace them. Let us revitalise our coffee factories. When factories fail it shows a weakness on the part of our Government and especially the Ministry of Co-operative Development.

**Mr. Mutahi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. When we debate Bills of other Ministries, we are used to seeing so many officers and either the Assistant Minister or the Minister taking notes---

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

**Mr. Mutahi:** I am on a point of order!

**The Temporary Deputy Speaker (Mr. Otieno):** Order! Proceed, hon. Mutahi.

**Mr. Mutahi:** Mr. Temporary Deputy Speaker, Sir, in other Ministries' debates, I do find Assistant Ministers or Ministers taking notes. In this case, I cannot see anybody from the Ministry of Co-operative Development taking notes.

**Mr. Ndicho:** We can tackle that one when we are---

**The Temporary Deputy Speaker (Mr. Otieno):** Order! There is collective responsibility and one officer is with us. It is in order to proceed.

Mr. Obure, you can proceed.

**Mr. Obure:** Mr. Temporary Deputy Speaker, Sir, while on the same, I would like to take the hon. Members to Page 302, Section 45, which states that: "A co-operative may invest or deposit its funds---" We have taken members of co-operative societies for a ride. The managements of various co-operative societies do collude and, without the authority of their members, invest the society's funds for their own interests. There are cases where the management colludes and forms a bogus bank and invests the members' money there knowing very well that, that investment will fail. Sometimes they have used the society's funds on unviable projects. They collude and buy an asset at an inflated price. The members of the management share the proceeds and nothing is left for the members.

Another thing that I wanted to draw the attention of this Ministry to, is where a co-operative society wants its members to--- For members of the co-operative societies to flourish, the payment should not be delayed like it is done in most cases. In the case of factories and co-operative societies, payment is made once a year. This cannot really act as an incentive to members so that they can work hard in their farms. You are aware that crops like coffee, tea, sugar-cane and others need inputs in order to get a good harvest. I, therefore, propose that farmers should be paid as soon as their produce has been sold. We cannot expect the farmers to get any extra money to pay for the inputs if they are not paid for their produce for a whole year. For example---

**An hon. Member:** Please, can you welcome the Minister?

**Mr. Obure:** Mr. Temporary Deputy Speaker, Sir, I welcome the Minister for Co-operative Development. I am glad he has now come to listen to what I have to say.

*(Mr. Munyi was applauded as he walked into the Chamber)*

**An hon. Member:** Hon. Munyi, where were you?

**Mr. Obure:** The Minister is taking notes and I think it is a good idea. To produce coffee, a lot of money is

required to buy fertilisers. The workers, because of inflation, are demanding for higher pay. The cost of the inputs exceeds the revenue and this makes the farmers to operate at a loss. That is why, these days, you find that many coffee co-operative societies no longer operate because the farmers cannot meet the cost to enable them to employ the people to work on their farms and buy fertilisers and meet transportation costs of their produce to these societies. In order to save these societies, I propose that the Government chips in to lessen the expenses incurred by societies. The Government should reduce the taxes on things like fertilisers, so that the farmers can buy the fertilisers or the inputs needed to produce these crops.

Mr. Temporary Deputy Speaker, Sir, I also want to say that there are times when we have crop failure, that is, when crops have failed or chickens have died because of a disaster. I request the Ministry to look into how it can salvage the farmers who have borrowed money. There could be a technical way of assuring the farmers that in case their crops fail, the loans will be written off. In such cases, the farmers should be assisted so that they can continue with their ventures and keep their co-operative societies going.

Today, as I speak, whatever money the farmers are paid is not commensurate with their produce. Farmers are paid once a year and not quarterly. You can find a case where the management has sold cotton or tea and payment to the farmers is delayed for a whole year while this money is put in private banks. The managers put this money in private banks to earn interest, but this interest is not paid to the farmers. We must be honest and serve members of our co-operative societies effectively. So, I propose that if we cannot pay our farmers their money with interest, payment should be made outright, as soon as their produce is sold. This will give them an opportunity to buy the necessary inputs and enhance their co-operative societies.

Mr. Temporary Deputy Speaker, Sir, I would also like to talk about the mismanagement of our co-operative societies. This happens because the co-operative societies are not left alone to operate freely. Today, co-operatives have been invaded by the Provincial Administration. Let us leave these co-operative societies to operate freely, elect the people they want to manage their affairs and to fire whoever they want to fire if they know that there is mismanagement within their society. I also have a case where the Government has influenced the appointment of individuals to run societies. The Commissioner for Co-operatives or the Minister here calls and says: "We want so and so to be the chairman of that co-operative society". This creates a conflict between the members and the Government. We should leave members of Co-operative Societies free to choose whoever they want, so that they can choose people who are knowledgeable, faithful and who can serve them well. It is very unfair that those people who mismanage one co-operative society are again allowed to operate another co-operative society. You will find that those same people who have looted the factories or the societies, have, on many occasions, gone scot-free. These people are neither imprisoned nor taken to court. The only penalty that they can suffer is to be told, "You have been fired." But why should they only be fired? For instance, if they have taken Kshs2 million from the society and they have bought properties, why can the Government not confiscate these properties? So, you find that a co-operative officer or an employee runs away with Kshs2 million belonging to the co-operative society. They know that they will only be fired and then walk away with the Kshs2 million. Nothing else will happen to them. We should be able to charge these officers in courts of law.

Mr. Temporary Deputy Speaker, Sir, we should be able to charge these officers. Their properties should be confiscated. The amount that has been misappropriated should be returned to the society or to the respective members.

On page 311, Section 72 states:

"Any person who is convicted of an offence under sections of the Companies Act specified in section 71 shall cease to be, or remain, an officer of a co-operative society and shall cease to be concerned in or take part in, whether directly or indirectly, the management of a co-operative society, for a period of five years from the date of his conviction, and any person acting as, or purporting to be acting as such an officer, or being so concerned in, or taking part in the management of a co-operative society during that period shall be guilty of an offence and shall be liable to an imprisonment for a term not exceeding two years".

Why should such a person be jailed for only two years? If you are employed in a co-operative society and you are able to steal about Kshs10 million, do you not think that you can withstand a two-year imprisonment since you know at the end you will earn Kshs10 million? This kind of imprisonment will encourage corrupt officers to steal funds. There must be stiff penalties. I propose, first and foremost, that if an officer mismanages properties or money of a co-operative society and he is found guilty, then his properties should be confiscated and secondly, he should be imprisoned.

Mr. Temporary Deputy Speaker, Sir, to conclude, because I know that other Members want to say a lot more, I just want to say that my Gusii community borders with the Maasai. We have co-existed for a long time and sincerely we have restrained ourselves from taking action because of the disturbances that we get from residents of Trans Mara. A lot of times, you find that cattle rustling emanates from Kisii and ends up in Trans Mara District. All the times the

cows are stolen from the Kisii and taken to Maasailand. Yesterday when I came from home, some people were injured when they were tracking down the stolen cattle. A guy called Josiah Momanyi was wounded because he was on the farm and he did not know what was going on. We cannot connect these acts with cattle rustling in order to perpetuate criminal activities. People who commit crimes should be convicted. I am appealing to the Government to look into this incident seriously so that we can save the situation. As I speak now, a number of my people are in hospital and we do not want to react. So, I appeal to the Government to intensify security in Trans Mara District because what we want is peace in this country and more especially at this time when we are discussing reforms. I would request people from both sides of the area, that is both the Maasai and the Kisii community to restrain themselves for the sake of peace in our country.

With those few remarks, I support the Bill.

**Mr. Imana:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to talk on the Co-operative Societies Bill. My mind was still thinking about the dialogue that we had yesterday. I think today is my happiest day because when I first came to this Parliament, there was some sort of a cold war. Now that we have initiated dialogue between the Opposition and KANU, I can see that we are able to talk and have tea on the same table without any problems.

Mr. Temporary Deputy Speaker, Sir, coming back to the Co-operative Societies Bill, you will find that it is long overdue. I remember way back in 1982, it was drafted and presented to Parliament and it never came to the Floor of this Parliament until today. That is 15 years back. So, it is long overdue and it is an important Bill in that the co-operative movement accounts for more than 50 per cent of the crops produced in Kenya. So, it is a movement that is worth to be considered in the country. This Co-operative Societies Bill should attract a lot of amendments in that the first laws that govern co-operative societies in this country have a lot of loopholes. First of all, there is no consideration of qualifications for one to be a member of a co-operative society. You will find that even illiterate members serve on the management committee. So, in that regard, the professionals who are employed in the co-operative societies, I think, manipulate these societies to the extent that the management committee does not even know about the embezzlement going on in the society.

Mr. Temporary Deputy Speaker, Sir, another issue also is that we need to set academic qualifications when it comes to the election of management committees in the co-operative societies. In the past a lot of interference has been coming from the Ministry of Co-operative Development. This is because even when it comes to the signing of cheques, you will find that the co-operative society is 50 kilometres away and members have to travel all the way only to have just a single leaf of a cheque signed. That is an expense that members of co-operative are supposed to meet. Since in Kenya we are going liberal in business, it is time also that co-operative societies were liberalised or they were left alone to do their business rather than having a lot of interference from the Ministry of Co-operatives. This is because even a small thing has to be approved by the Commissioner for Co-operative Development and yet there is a boss who is supposed to run that business and who should be able to approve everything, even an annual general meeting. So, I think the co-operative movement should be left to compete with the rest of the businesses or industries in Kenya.

Mr. Temporary Deputy Speaker, Sir, we have only one co-operative college in Kenya that trains the staff of the co-operative movement plus the staff of the Ministry of Co-operative Development. Now, the highest qualification that one can get is a diploma and then you can either go abroad or elsewhere to further your studies. Now, my recommendation is that if we could convert that co-operative college into a constituent college of the University of Nairobi, then that will go a long way in improving the quality of staff of many co-operative societies as well as staff of the entire co-operative movement in Kenya.

Mr. Temporary Deputy Speaker, Sir, when we talk about the co-operative movement in Kenya, there are two types; that is savings and credit, and marketing co-operatives. The savings and credit co-operative societies in Kenya are doing very well because the staff who are running them are qualified, the management committees are also qualified and they have become some kind of banking institutions of their own. So, the savings and credit co-operative societies are also capable of starting their own banks just like any other financial institution.

Mr. Temporary Deputy Speaker, Sir, when it comes to marketing co-operative societies in Kenya, this is where we have all the problems that we are now talking about. This is where we have illiterate committees, the monopolies controlling certain kind of societies, members who avoid co-operative societies and market their produce to other markets where they can get higher prices and so on. It is high time we made this liberal and removed all the monopolies of some co-operative societies in Kenya.

Mr. Temporary Deputy Speaker, Sir, the co-operative societies should be left alone to do their own business. For example, in Scandinavian countries, there is no political interference from Government and so on. However, in Kenya, what spoils many co-operative societies is political interference and yet one of the principles of co-operative movement is non-political interference. But we find that, as one of the speakers mentioned, there is a lot of political



interference. For example, even the management committees that deal with issues of the co-operative movement in Kenya, instead of deciding independently, they usually consult politicians and bring that decision to the management boards. By so doing, they get divided and make bad decisions which eventually lead to the collapse of co-operative societies. So, I think the co-operative movement should be left alone to carry out their business without any interference.

Mr. Temporary Deputy Speaker, Sir, as regards auditing, some co-operative societies have small turnovers, but we find that they hire private auditors who charge them so much that they cannot afford. So, I think, if the co-operative societies are left alone to do their own business, their turnover would be high. They would employ their own auditors and pay them.

Mr. Temporary Deputy Speaker, Sir, those are the contributions I wanted to make. Thank you, very much.

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, I would like also to say a few things concerning the Ministry of Co-operative Development.

Mr. Temporary Deputy Speaker, Sir, you will agree with me that we have as many problems with this Ministry as we have with the Minister himself, because we have the Minister and the Assistant Minister, hon. Paul Titi, who do not take the business of this House seriously at all. This has a reflection on the officers who are serving under them. If they see that the Minister and the Assistant Minister are not serious, even the officers in the Ministry will not be serious. We also know that when we started this debate there was nobody from the Ministry of Co-operative Development and had it not been for you who saved the situation by declaring that there is a "collective responsibility", we were about to adjourn because we were talking to ourselves.

Mr. Temporary Deputy Speaker, Sir, the primary idea why the co-operative movement was formed and given a lot of prominence in 1963 was to organise Africans who were taking over from the Europeans farmers in parts of Rift Valley, Central and Western provinces so that they could organise themselves into bodies where they could work together for the benefit of all. That was the primary idea.

Mr. Temporary Deputy Speaker, Sir, I would like to liken the co-operative movement to a baby-walker. When a baby is so small, the mother buys a baby-walker for the child to learn how to walk. After the baby has been able to walk, the baby-walker is discarded because it serves no other purpose. Since 1963, Kenyans have known how to manage their own affairs. Farmers in this country or even those in the saccoes do not need the Ministry of Co-operative Development at all because it does not give any technical advice and so on. I would like to request the Government, if it has the will, to abolish the Ministry of Co-operative Development because it serves no useful purpose at all.

Mr. Temporary Deputy Speaker, Sir, the co-operative societies in the rural areas or at the farmers level, are the ones which are more affected than those in urban areas. This is an area where the co-operative members, in the name of farmers, are extensively exploited by people who work in cahoots with those in Government and in the management committees of these co-operative societies.

Mr. Temporary Deputy Speaker, Sir, the sub-sector of coffee should be liberalised and removed from the pangs of the co-operative movement as it has been done with the tea sector. For example, in the tea growing areas, each and every tea factory takes care of the quality of their own tea, management committees of their own tea factory until it is sold through the KTDA and any other marketing body. When money is realised from the sale of tea, it goes directly to that factory, at the farmers level. This is unlike what is happening in the coffee sub-sector where we have a co-operative society where farmers in a village or a location take all their coffee, then the coffee is taken by the district co-operative union. From the district union, it is taken to Kenya Planters Co-operative Union (KPCU), and then KPCU takes that coffee to the Coffee Board of Kenya. Before the farmer gets the money for the coffee harvested in March or April of any year, it is around December. Finally, when the farmer gets the money, he has been deducted so much because of the bureaucracy of the co-operative movement. I would like to call upon the Ministry and the Government to make the coffee sub-sector operate like the tea sub-sector where we have individual coffee factories operating individually, responsible for the quality of their coffee, management of co-operative societies so that the farmers can realise as much money as possible.

**Mr. Mutahi:** Mr. Temporary Deputy Speaker, Sir, I would like to inform the hon. Member that, those of us from Nyeri District and especially from Mukurweini Constituency, have opened an account for each factory. So, the money is coming direct to the account of the factory. That is happening!

**Mr. Ndicho:** Thank you very much for that information but I am asking the Government to make it a policy. Let it not operate in Nyeri, Kirinyaga or Embu alone. Let it be a Government policy, that every co-operative society will have its own coffee and it will be responsible for bringing it to the Coffee Board of Kenya or the KPCU. After that coffee has been sold, the money should be taken directly back to that coffee society, so that the farmer can get his money directly from that co-operative society. The coffee farmer in this country is the most exploited person. Those of us who are Members of the COTEPA have done calculations and we have discovered that coffee sold at Frankfurt

costs Kshs1,000 per kilo in the European Market and yet, the farmer here in Kenya is paid Kshs3 or Kshs4 per kilo. If you compare the difference, it demonstrates that the coffee and the tea farmers are exploited so much. Tea is sold at Kshs2,000 per kilo in Frankfurt and yet, the farmer in Kenya is paid Kshs7 or Kshs8 per kilo.

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

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

Mr. Temporary Deputy Speaker, Sir, this is why we are saying that these sub-sectors should be liberalised, so that our farmers can benefit extensively from the sales of their products. I wish to agree with the sentiments of the hon. Members who have contributed before me, especially with regard to their appeal to the Government to make it a policy that the people who are elected to serve on management committees are those who have got some education. What happens now is that a farmer who is completely illiterate is elected as a chairman of a certain co-operative society of any kind at the village level. It could be in the milk industry, coffee industry or any other co-operative society at the village. On the other hand, the people who sell chemicals like fertilizers exploit the illiteracy of such persons and steal a lot of money from the co-operatives and the farmers end up paying for services that were not even rendered.

Mr. Temporary Deputy Speaker, Sir, the Government must ensure that the technocrats who are there to advise the members from those particular societies are educated on their respective fields. There is no way somebody who does not have the know-how can start lecturing to us on how to grow coffee. For example, the Mzungu in his country does not grow coffee and yet, you will find that he is employed in the coffee societies as a technical man. We have one old man in a co-operative society in Ruiru who came to Kenya in the 1940s and he is still the manager of Murera Coffee Estate. Through experience, he has come to understand some of these things but the owners of that co-operative union are exploited. The majority of them come from hon. Kamuiru's constituency; there are the Nyakinyua farmers.

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

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

It is high time that our people are trained in the disciplines concerned, so that they can benefit instead of employing expatriates for all this time.

Mr. Temporary Deputy Speaker, Sir, I would also like to say that co-operators' money is stolen through unnecessary deductions which go to pay unnecessary personnel from the societies, unions and also the Ministry. Why do we have so many people running a very small industry? I call for the reduction of personnel in the co-operative movement because the more they are, the more money they take. This money should go to benefit the individual members like it happens in the SACCOS. I would like to congratulate the people running the Ministries' SACCOS and the parastatal SACCOS because they are doing a good job. But this is only because they know what they are doing and they are people who know that once they mess up with the money of the co-operatives, they will be arrested easily.

We have heard of people who are stealing co-operators' money and the biggest punishment they are given is to be jailed for two years or fined about Kshs10,000. This is an encouragement for them to steal. This is one issue in which the Government should mete out severe punishment, so that it can serve as a lesson to those people who are misusing and exploiting the co-operative members.

Mr. Temporary Deputy Speaker, Sir, it has been said here that Government officers collude with management committees to procure even obsolete chemicals and useless seeds for the co-operative members and yet, even if the members fail to realise any crops from these seeds and bad chemicals, they are still charged and they pay for those bad chemicals and seeds.

Mr. Temporary Deputy Speaker, Sir, we heard the hon. Member for Mukurweini complaining that people from his constituency had bought bad chemicals for coffee and as a result, his people are losing about 50 per cent of their coffee. When we asked the Government what it is going to do to those people, they passed the buck and said that this is the work of the individual society. So, the Government must also formulate strict rules concerning the importation of chemicals for the coffee farmers and all other farmers in this country. This is because our people buy

sub-standard goods and yet, the Government is there to act as a watchdog. There are Government officers who are supposed to implement the laws concerning the importation of such items. The laws stipulating the punishment which should be meted out to such offenders is there. The Ministry officials who are supposed to implement these rules in order to protect the farmers just watch and do nothing. We call upon the Government to make sure that all the things that are imported into this country are verified because at the end of the day, they affect production and quality of the crops.

Mr. Temporary Deputy Speaker, Sir, this morning, I met with some officers from Thika Municipal Council who showed me some goods imported into this country. The goods, such as Thailand raw sugar were highlighted in the Press last week. This was reported to the Government, samples were taken to the Government Chemist and the report was given. From there, nobody did anything. We are exploited right from the farmer up to the consumer. I saw the manufacturers of these fruit juices, debenture and so on. According to the report from the Government Chemist, I think this is only water and sugar which is just coloured, yet in the label they say it is pure fruit juice. I am just giving an example of how people are exploited, and yet there is nobody who is out to protect Kenyans from this exploitation which is done by these greedy people who are out to make quick money. I was told that this is the reason why East Africa Industries Limited stopped manufacturing *Tree-Top* juice because its price was almost double the price of these other Asian manufactured juices. It could not compete and Kenyans go for cheap things because of poverty. Kenyans are exploited right from the housewife to the farmer. I am calling upon the Government to ensure that imports into this country are checked because some people are dumping products which cannot be used in countries of origin. The officer informed me that there is no provision for "raw sugar" in the Act because any "raw goods" should not be taken by anybody, yet the Asians in Thika Broadway Bakeries, are importing "raw sugar" and Mjengo Limited are selling it to unsuspecting people. This is how Kenyans are being exploited. I think it is high time the Government became more strict on imported goods.

Mr. Temporary Deputy Speaker, Sir, I wish to touch on what hon. Imana also talked about, that is the poor auditing and supervision of the co-operative societies in this country from the Government. The Government is the watchdog and supervisor of these co-operative societies. That is why there is a Minister, Assistant Ministers, the Permanent Secretary and his personnel, to supervise what is happening within the co-operative movement. But you will find that most of the co-operative societies are almost on the verge of collapse because of poor auditing and supervision, and because the managers who know what is happening, are the ones who are stealing this money. I am calling upon the Government and the Ministry, to be more strict on the auditing of the co-operative societies.

Mr. Temporary Deputy Speaker, Sir, the other point that I would like to make is that the Government must also come up with a policy. The managers of these co-operative societies must be learned people. The Government should arrange seminars for the rural folks and resource persons should be drawn from successful Saccos and sent to the rural areas to assist the co-operators to run their co-operative societies successfully as the Saccos in the urban centres if the Government is also concerned with that man at the grassroots level.

The workers in the coffee industry are so much exploited because coffee is one of the industries which generates millions and millions of shillings to this country, yet the workers themselves are underpaid. For example, in my constituency, we have got a lot of coffee estates, but the workers are still living in grass-thatched houses that were built by the Mzungu in the 1930s and yet these people are really minting money. They are paid about Kshs1,700, and going by what a particular employee had borrowed, the net pay is a mere Kshs500. I support this Bill because it is going to help our people in the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, the Co-operative College that we have in this country should have a wing where the management committees could be taken for induction courses and be taught simple management skills, to learn how to conduct their co-operative societies.. It is out of that, that we can grow like Europe where the co-operative movement started. As I said in my opening remarks, after they were able to work, and after they were able to put their goods together, those co-operative societies were not necessary; they went individually and they are making money. That is why somebody like Lord Delamere did not need a co-operative society to bring his milk here because he had learnt the art of dairy farming. It is my hope that what this House is giving to this Ministry will help every co-operator in this country, so that the co-operative movement can be better than what it was last time.

Finally, Mr. Temporary Deputy Speaker, Sir, when we are still talking about the co-operative movement and co-operation, I would like to say that I appreciated the fact that many hon. Members accepted yesterday and even this morning to forgo their business in the House to talk about dialogue, "the co-operative dialogue". Personally, I abstained from that "co-operative dialogue" because I am a graduate of the "GEMA-KAMATUSA" talks that yielded completely nothing. The people who are behind the current dialogue are the same people who were behind the failed "GEMA-KAMATUSA" talks. I vowed never to attend those talks again because I was not consulted when the "GEMA-KAMATUSA" talks were broken.

**The Temporary Deputy Speaker** (Mr. Kariuki): Order! Order, Mr. Ndicho! Can you restrict yourself to

the Bill before the House?

**Mr. Ndicho:** Mr. Temporary Deputy Speaker, Sir, these talks will not achieve anything. But I appreciate the "co-operativeness" between KANU and the Opposition. But we are realising it when it is too late and my fear is whether we are going to get anywhere. If they get anywhere, I will ride on, but I know that they are not going to achieve anything. I am an experienced co-operator in these talks and dialogue.

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

**Mr. Ndicho:** With those few remarks, Mr. Temporary Deputy Speaker, Sir, I support the Bill.

**Mr. Wetangula:** Thank you, Mr. Temporary Deputy Speaker, Sir. This is a very important Bill and it should have come to this House many years ago. When you look at the objects of this Bill, they are very noble. They are meant *inter alia* to make the co-operative societies autonomous, member control, self-reliant, commercially viable and ensure that co-operative societies operate within the internationally accepted co-operative principles. It also sets out to reduce the Government control over the co-operative societies.

Mr. Temporary Deputy Speaker, Sir, co-operatives are very important in any economy and more particularly in a growing economy. We do know that current mega economies like the Scandinavian countries, in fact, grew through the co-operative movement and have continued to grow through leaps and bounds because of the trends, proper management and non-government interference in the co-operatives. In this country, if co-operative societies were properly managed, streamlined, democratically run and had less Government in them, they would help to generate wealth, improve the lives of the co-operators and also help to market the goods of those involved. The first and foremost thing is that the Minister must ensure that from now henceforth, there is very little, if any, or no Government interference at all, in the running of the co-operative movement. Co-operatives are the property of members. They belong to members who sacrifice their resources, income, energy and time to ensure that they co-operate together and make their lives a little better than they are. But unfortunately, what we see is that from time to time, they get very unnecessary and uncalled for interference in the running of the co-operatives, especially from the Provincial Administration.

I am saying this in reference to one co-operative society in Bungoma called Kitinda Dairy. It was set up with the assistance from the Government of Finland and it was a very viable co-operative processing milk. It was one of the very few co-operatives in the country processing, pasteurising and packaging whole milk, with a shelf life of 14 days at room temperature. This co-operative grew up to the extent where it was handling 22,000 litres of milk a day. What happened is that there was a District Commissioner (DC) in Bungoma called Mr. William Changole. He woke up one morning, dissolved the management of the co-operative, set up a commission chaired by himself, and "ate up" everything in the co-operative, including the physical assets like the tractors and so forth. This kind of behaviour from the Provincial Administration is very dangerous, criminal and demoralising to the public. It is high time that the Government stepped in. We know that where such activities which are criminal have been perpetrated, there is no time limit or bar under which the Government can follow up such officers. It is not only the case of Kitinda---

**Mr. Munyasia:** On a point of information, Mr. Temporary Deputy Speaker, Sir. The same DC that hon. Wetangula has been talking about also abolished or dissolved the management committee of Malaba-Malakisi Co-operative Union, and went ahead to chair a commission that was to run this particular co-operative and, of course, he has brought it to total ruin.

**Mr. Wetangula:** Thank you, Mr. Munyasia. As a matter of fact, hon. Munyi, that society has since collapsed.

**Mr. Ndicho:** When you are in the Chair, you call hon. Munyasia "honourable". Why are you calling him just Mr. Munyasia?

**Mr. Wetangula:** Mr. Temporary Deputy Speaker, Sir, please, protect me from the hon. Member for Juja.

**The Temporary Deputy Speaker (Mr. Kariuki):** You are protected!

**Mr. Ndicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Wetangula not to refer to hon. Munyasia as "hon." Munyasia? We know that he is used to calling him "Mr. Munyasia" when he is in the Chair. But when he is not there, he should call him hon. Munyasia!

**Mr. Wetangula:** Mr. Temporary Deputy Speaker, Sir, I did, in fact, refer to hon. John Munyasia as the hon. Munyasia. He was my high school teacher and he is the Member of Parliament for the area which I come from, and we are likely to compete for the same seat in the next General Elections.

As I was saying and agreeing with hon. Munyasia, this kind of behaviour from the Provincial Administration is really demoralising to the co-operative movement. Before I was rudely interrupted by the hon. Member for Juja, I was saying that countrywide, we have millions of cases where the Provincial Administration has either, in one way or another, interfered with the running of the co-operatives. The Provincial Administration has sometimes been party to the vandalism and theft of co-operative property. We want the Ministry to come up with a system of protecting the

co-operatives, and securing their assets from these marauding administrators. Sometimes you go to co-operative societies and you find a district officer, district commissioner or a chief sitting on the board, and he is neither a co-operator nor a member. Under what law do they come to these boards? The Minister must ensure that this kind of transgression is stopped.

Mr. Temporary Deputy Speaker, Sir, another malaise that faces the co-operative movement is the lack of know-how for the member who are entrusted with the running of these co-operatives. Time has come when, apart from the figure head characters in the co-operative movement like the chairman of a co-operative society, who really nobody cares whether he is educated or not, or members of the committee, but when you come to the technical management of the co-operative societies, we have a co-operative college which is Government funded, and which is established under an Act of Parliament. We should ensure that members of the technical management committees of co-operatives are properly trained and undergo continuous re-fresher courses and training, so that they are kept abreast with the development and the dynamics of running the co-operative movement not only locally, but countrywide.

Mr. Temporary Deputy Speaker, Sir, if you go to the countryside, sometimes you wonder what the role of the Ministry of Co-operative Development is. I have from time to time, talked to the Minister, and he says that part of the duties of his Ministry is not only to encourage people to form co-operatives, but also show them how to become co-operators. But when you drive from here to Western Province, every short distance, you find about 50 women selling the same commodity, either potatoes, cabbages or chicken. It should be the duty of this Ministry to go to such women and tell them that they are wasting a lot of man hours sitting along the road from morning to evening, trying to sell the same commodity, and that they should co-operate, come together, pool their resources together and have it marketed by a joint organisation called a co-operative. If this is done, instead of having 100 women hanging at Kinungi, Kinare and Timboroa selling the same things, a co-operative would help. All they need to do is to produce the food from their farms, hand it over to the co-operatives, go back and wait for payments. This will help a great deal in developing the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, the other thing that the co-operative movement should do, is to ensure that markets are available for those who produce the foodstuffs, or whatever they are co-operating in. We have areas where we grow foodstuffs like onions. If you come to Bungoma at this time of the year up to sometime in December, everybody is harvesting onions. They have nowhere to sell them. What happens? We have unscrupulous businessmen from Central Province who come to Bungoma and buy these onions at a pittance. They bring them to Nairobi and sell them at over 1,000 per cent profit.

**Mr. Gitau:** On a point of order, Mr. Temporary Deputy Speaker, Sir. With all due respect to hon. Wetangula, is he justified, without substantiation, to call businessmen from Central Province "corrupt" and "unscrupulous"? Do all the businessmen in Kenya come from Central Province? What about the Asians?

**The Temporary Deputy Speaker (Mr. Kariuki):** Order! You have made your point!

**Mr. Wetangula:** Mr. Temporary Deputy Speaker, Sir, it is obvious that this Member of Parliament was not listening to what I was saying.

**The Temporary Deputy Speaker (Mr. Kariuki):** Of course, he was not listening!

**Mr. Wetangula:** Thank you. First of all, the farmers should be assisted by the Ministry to bring together their produce, so that they can market it and get the returns for their sweat, other than throwing away the produce. I repeat that if you come to Bungoma now, farmers have harvested their onions and they are being bought by businessmen from Central Province at a pittance. They bring them to Nairobi and sell them at over 1,000 per cent profit. If this Ministry was working, it would help the farmers to come together, form a co-operative and market their produce at a better price than what they are getting. This has nothing to do with malice or anything that hon. Gitau may be reading in my speech. This is because anybody who comes to Bungoma will see this happening.

Mr. Temporary Deputy Speaker, Sir, one impediment to the development of the co-operative movement in this country is the ineptitude and corruption of officers of this Ministry. If you come to Bungoma, officers from this Ministry are at their best when you find them either consuming alcohol or harassing co-operative members and officials to give them financial gifts so that they cannot dissolve the co-operative societies or do something sinister. They do not do anything to assist the growth of the co-operative movement. In fact, if you visit Bungoma at around 10.a.m. - and the Minister should pay a visit to what used to be called Magugu Village - you will find the officers dead-drunk instead of assisting the members of the public to develop their co-operative societies.

Mr. Temporary Deputy Speaker, Sir, another thing that we need to put emphasis on is honesty. Corruption has become a cancer in this society and very steadily eating away our society. It has not left the co-operative society intact. You will find that people who fight to lead co-operative societies, ultimately, do not try to leave them because they do not have the desire, will and interest of the co-operators at heart. Everybody wants to go there to make a quick living. Everybody wants to go there to "eat" something. This attitude should change. Kenyans at large should have an attitude of respecting public property. It sometimes hurts when you go to the countryside and find that some

unscrupulous and dishonesty people have found their way into the leadership of co-operative societies. You will find a man leading a coffee society when he is not even a coffee farmer. He has wangled his way to the top of coffee farming and is driving the best cars, living in the best house and doing everything the best way when the farmer himself, gets nothing.

Again, the Ministry should find a way of abolishing a series of bottlenecks that hamper the income from produce from reaching the farmer. You go to the coffee industry, there is Coffee Board of Kenya, KPCU, primary co-operative society and secondary co-operative society. By the time you reach the farmer, the administrative costs of managing these men and women on the ivory tower is so much that the farmer ends up getting nothing. I come from a sugar-growing area and we have a society called Nzoia Outgrowers Society. Again, this is an area where the farmer is being swindled left, right and centre in broad daylight. Money is deducted from the farmer by the sugar factory, remitted to a society that is supposed to be looking after the interests of the farmer, but that money is keenly "eaten" by those who run this society. I am sure this is happening everywhere in the country. The Minister for Co-operative Development must act seriously and decidedly as we hear him speak when he stands up to speak. He should go back to his co-operatives and ensure that he weeds out all the people who have got taints of dishonesty, corruption and those who have compromised the positions of trust that public has bestowed upon them. I would like to urge this Minister and his Ministry to ensure that everywhere where we have cash crops and cash activities, be it fishing in Lake Victoria or growing of fruits like the ones we see in hon. Muite's Constituency, where you find young men running after every vehicle that appears to slow down, honesty is upheld. If you allow such people to co-operate, register them and give them some financial support, they will do a lot better than having 50 people hanging on the roads from morning to evening.

Further to that, I want to urge the Minister to ensure that proper training is given to each and every officer involved in the co-operative movement. I also want to take this opportunity to remind the Minister that we have benefactors from Scandinavian countries. They bring in some donor-aid to support ailing co-operative societies. For the last five years, we have not heard of any single co-operative society in Bungoma being assisted in any way. We have co-operative societies for coffee, cotton and others. We want the Ministry also to look at Bungoma and help the co-operative societies through the donor-aid that comes in through the Ministry. From time to time, we hear about money donated to various societies. We want this service to be extended to us also.

More importantly, is the issue of road maintenance. These co-operatives engaged in primary production of food crops and cash crops will not reach the market, if the roads remain impassable. The Ministry of Co-operative Development should hand-in-hand with the Ministry in charge of roads, ensure that roads in high potential areas of Central Province, Western, parts of Nyanza, Kisii and so on, are permanently maintained to motorable condition so that produce can move from a primary production area to the consumer areas.

I will end by talking about the alluvial gold in West Pokot District. There is a lot of alluvial gold in West Pokot. I have got contacts with clients from there and I am aware that their efforts to come together and form co-operatives and market their products have not been properly supported by the Ministry, leaving the ultimate consumption of the produce to unscrupulous Indian businessmen engaged in jewellery business and a few other Kenyans who collaborate with them. The Ministry should assist the people of West Pokot to realise the fruits of their natural resources.

We may pass a very good law here, but if the attitude of Kenyans remain uncaring, bent towards corruption and generally having a moral degradation, it will be meaningless. We must examine ourselves. People who want to lead others, be it in a small co-operative society, a Member of Parliament or at whatever level, must be people of impeccable credentials, otherwise, all this will be meaningless.

Lastly, may I take this opportunity to lend my hand and support to the on-going discussions between the Opposition and KANU to ensure that Kenya is a sober country. Thank you.

With those remarks, I beg to support.

**The Temporary Deputy Speaker** (Mr. Kariuki): I will give the Floor to hon. Muite and hope he will confine himself to the Bill before the House.

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, there should be presumption of good faith when a Member stands to talk. The Chair should assume that he or she is going to talk on the Bill.

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

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

I would like to emphasise on the importance of the co-operative movement to the economy of a country like Kenya. It is very critical if it is properly managed. It is the only way in which we can assist small individuals. Whether they are farmers or traders, they must put their efforts together in order to make an impact. This is the only way. If properly handled and understood, the co-operative movement can be the engine of growth in countries like Kenya in as far as their economies are concerned.

Mr. Temporary Deputy Speaker, Sir, there is a country like Israel, which only started as a state in 1948 and today, it dominates in the sale of oranges and flowers. Those who have been to Israel, will testify that this is because of the co-operative movement there. Each farmer has got his two or three acres and they all pull together. Because of the economies of scale, they are able to buy the inputs at competitive prices. Whether it is chemicals or fertilizers, they are able to buy in very large quantities because they negotiate with the supplier. Therefore, the eventual member of the co-operative gets his input in terms of fertilizer and chemicals at a much lower price than would otherwise be the case, if they were all buying individually from the market. That is how Israel is now dominating in that field, even though their climate is very hostile. We can also do it. There is nothing to stop Kenya from doing it because we are placed in a much better ecological situation in terms of climate, soil and water than Israel. For example, the whole area between Nairobi and Kibwezi, in other words, Ukambani, is an area which year-in-year-out has to be bailed out in terms of famine relief. If the co-operative movement was to be employed properly in Ukambani, there is no reason why Ukambani should not be the basket of Kenya in terms of fruits, vegetables and many other crops that can grow there. The soil is very rich, the sunshine is good and the growth rate is very fast. All they need is water with small-scale irrigation dams and the whole place can be turned into a very productive area through the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, the question we should ask ourselves is why the co-operative movement in this country has not succeeded to date. It is not going to succeed because of beautiful provisions in this Bill. Indeed, the good art of drafting a good bill or law is to sit back and pose to think: "What is it that I am trying to achieve by drafting this Bill?"; "What is the evil in the present legislation that I am seeking to eradicate?". This must be very clear. I doubt whether the office of the Attorney-General had addressed the reasons for the failure of the co-operative movement in this country. Why have we not been effective with the present co-operative movement in terms of the Bill which was drafted in 1956?

Mr. Temporary Deputy Speaker, Sir, it is not just the Ministry of Co-operative Development, the Commissioner for Co-operatives or the officers who have made the co-operative movement fail in this country. There are two major factors which will continue even after we have passed this Bill. The first one was mentioned by hon. Wetangula. It is not the Ministry or even the Commissioner for Co-operatives; it is because of the Provincial Administration in this country. It is the one that has been running all the co-operative societies. No society is able to meet without the DC, DO or the chief being involved. They are the ones to call shots. In Central Province, the Provincial Administration is responsible for ensuring that only those members of the committee who will collude with them are elected as office bearers in a particular co-operative society. This is in order to access the societies' funds by the Provincial Administration. This is the biggest evil facing the co-operative movement in Kenya today. Unless a way is found of eradicating the interference and the facilitation of accessing members' money by corrupt committees with the collusion of the Provincial Administration, this Bill will only remain a beautiful piece of legislation in our statute books.

Mr. Temporary Deputy Speaker, Sir, the second factor is the corruption that has engulfed the entire country. We cannot expect the co-operative movement to operate in isolation, as if it is not part of the country. It is part and parcel of the rest of Kenya and the governance of this country. How are we going to eradicate corruption in the co-operative movement if the police are corrupt? If the CID officer who is going to investigate whether money has been defrauded from the co-operative society is compromisable by the famous *kitu kidogo*, how are we going to eradicate corruption in the co-operative movement in Kenya? So, we have to appreciate and create an overall environment in the country where the police force is not corrupt, the courts are operating efficiently without corruption, and where the officers in the co-operative movement are not corrupt. Then, this can work. Unless and until we appreciate that, we are really skirting around the problem. We cannot do that unless the rest of the Government is prepared to have the political will to make the co-operative movement in this country a success.

Mr. Temporary Deputy Speaker, Sir, for example, we used to have KFA which was a co-operative society registered under the Co-operative Societies Act, and which belonged to members. We set a very bad precedent when we called a public meeting in Nakuru which was attended by non-members and said: "We have dissolved KFA and replaced it with Kenya Grain Growers Co-operative Union". I later learnt that the correct name was "Kalenjin Grain Grabbers Co-operative Union". Be that as it may---

**The Assistant Minister for Lands and Settlement** (Mr. Sumbeiywo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Muite to mislead this House that KGGCU stood for Kalenjin Grain Grabbers Co-operative Union? Could he prove that?

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! Hon. Muite, did you say that? I was talking to hon. Criticos.

**Mr. Muite:** No, no. Mr. Temporary Deputy Speaker, Sir, I did not say that. I was giving the example of how all of us in the country must learn to respect and to leave co-operative societies alone. I gave the example of how KFA, a co-operative society belonging to members was illegally dissolved by non-members at Nakuru and replaced with a society that was named Kenya Grain Growers Co-operative Union, which I was later told meant "Kalenjin Grain Grabbers Co-operative Union". This is how it was being called in Nairobi.

**Mr. Sambu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Muite to allege that "KGGCU" stood for "Kalenjin Grain Grabbers Co-operative Union" when he was actually told that it meant "Kikuyu Grain Grabbers Co-operative Union"?

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, I am not saying that this was the name of the union.

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! Hon. Members, let us not raise tribal passions unnecessarily. Whether it is "Kikuyu Grain Grabbers Co-operative Union" or "Kalenjin Grain Grabbers Co-operative Union" is neither here nor there. We do not want to raise any tribal feelings here. Let us debate the Bill soberly.

**The Assistant Minister for Lands and Settlement** (Mr. Sumbeiywo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Can hon. Muite be asked to withdraw the use of the words "Kalenjin Grain Grabbers Co-operative Union"? That is my bone of contention.

**The Temporary Deputy Speaker** (Mr. Wetangula): Mr. Muite, it does appear like you have offended the feelings of hon. Members. You can withdraw the words complained of.

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, I have absolutely no intention of annoying some hon. Members. I have got very good friends, like the chief constable over there, among that particular community. So, I withdraw those words. But I did not suggest that, that is what they were. Do you know what it is called these days?

**The Assistant Minister for Lands and Settlement** (Mr. Sumbeiywo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Muite, whom I have very high respect for, is complicating the matter: He is now calling me the "chief constable". It is true that in Commonwealth countries the position of "chief constable" exists. But today, I am an elected Member of Parliament for Kerio Central. I am not a nominated Member of Parliament! I am no longer a "chief constable". Can he withdraw the words "Kalenjin Grain Grabbers Co-operative Union"? I do not mind about being called the "chief constable".

**The Temporary Deputy Speaker** (Mr. Wetangula): Order, Mr. Sumbeiywo! He had already withdrawn the use of the term "Kalenjin Grain Grabbers Co-operative Union". In so far as he called you the "chief constable" I thought that was said in jest! Everybody knows that you are not a constable.

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, it is, in fact, a respectable title.

To get on to serious matters, I am saying that if you examine the history of the former Kenya Grain Growers Co-operative Union (KGGCU) after the Kenya Farmers Association (KFA) was dissolved unconstitutionally and illegally you will see that it ran debts of hundreds of millions of Kenya Shillings of tax payers' money from the Treasury. It went on lending money. This is unacceptable because it is ruining the co-operative movement. Now we are told that, that money should be written off, and yet we know that for every debit entry there must be a credit entry. The debit entries were left with the KGGCU but the credit entries are in the pockets of individuals. These are the things that are ruining the movement. We must have the political commitment to leave co-operative societies to run on their own if we are going to succeed in turning round the co-operative movement as an engine of economic growth in this country. That is what I am saying is absolutely critical.

We need to confine the role of the Ministry to that of regulation only. To this end I would recommend very strongly to the Minister that, as and when this Bill is passed, empowerment educational seminars to members of co-operative societies must be undertaken by the Ministry as a way of ensuring that the movement works in this country. We must educate ourselves, as Kenyans. We must get out of the culture of looking upwards to somebody up there to come and resolve our problems. We must get it across to our people that it is their responsibility to manage our economic destiny themselves. They must assume that responsibility. If we create an environment where the country is working, the police is not corrupt and the courts are functioning then the people themselves must assume the responsibility of electing only able people to manage the co-operative societies. They must assume the responsibility of following up to see whether that is done and voting their managers out of office if they are not doing a good job.

However, Mr. Temporary Deputy Speaker, Sir, interferences are not just limited to co-operative societies. Very recently, we had a case of Mbo-I-Kamiti Farmers Company, which is a limited liability company and whose meetings should be attended by only the shareholders, where a DC was sitting on the board of directors. We had meetings, which were basically public rallies, being attended by people who are not shareholders or directors of the company. We must educate shareholders or co-operators to know that if they have a dispute they should go to a



lawyer and resolve whatever dispute they have legally and without involving the Government or the Provincial Administration in it. As long as we have this notion that whatever side the Government supports in a dispute in a co-operative society will carry the day we are never going to be able to get this movement to become an engine of growth.

There is a nexus between the creation of an enabling environment and the totality of the governance of this country. This has a direct nexus to the co-operative movement in this country. That is why I would like to support very strongly meaningful and structured dialogue. There has been a lot of disinformation campaign in this House and other places to the effect that some of us are opposed to dialogue. We are not opposed to dialogue, and I do not know of anybody who is opposed to dialogue. What we are opposed to is being taken for a ride. We do not want stage-managed exercises that are clearly a waste of time. If this Government is interested in meaningful and structured dialogue for reforms it must demonstrate that commitment by actions. It must create the environment for the dialogue.

It must take to court and prosecute those who were responsible for the mayhem in the Coast Province, particularly in Likoni, Malindi and other areas. The Government must come out clearly and tell us who ordered that mayhem, and also take to court, not just scapegoats, but the real individuals. Bringing to an end the mayhem in Mombasa is the first condition for the creation of meaningful---

**Mr. Temporary Deputy Speaker** (Mr. Wetangula): Mr. Muite, how do you bring in dialogue?

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, I was saying that there is a direct nexus between the totality of governance in this country and the co-operative movement. I was saying if this Government is serious in wanting this Bill, when enacted, to work then we must have the constitutional, legal and administrative reforms that we have been asking for. I was saying that nobody, certainly not me, is against dialogue. I am fully for dialogue and reforms. It is for the Government to create the environment for that dialogue to take place. The Government must make a public announcement, or commitment, that it has suspended all preparations for elections until the reforms have been discussed and agreed upon. An announcement like that one will demonstrate to us that the Government is serious about dialogue. The Government must withdraw the two Bills that it has attempted to bring to this House before we can---

**The Minister for Co-operative Development** (Mr. Munyi): On a point of order, Mr. Temporary Deputy Speaker, Sir. I have been listening to what hon. Muite has been saying and I want to ask this of him: Does he want the Government to act illegally? There is a requirement for elections to be held every five years! He has not been supporting dialogue! That is wrong!

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, I have no wish to enter into an exchange with hon. Munyi.

But he knows that one of the amendments to the Constitution which are being proposed is the one that provides for Nominated Members. The provision for Nominated Members has to go completely. Nominating people who have lost elections to Parliament and then giving them important Ministries to run is not acceptable.

What I was saying is that, in order for us to enter into meaningful dialogue that is going to result in meaningful reforms the Government must accept the legitimacy of the National Convention Executive Council (NCEC). That is the only body which is going to bring reforms to this country.

**Mr. Rotino:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that hon. Muite is really being relevant to the Bill? What he is saying is irrelevant because dialogue has nothing to do with the Bill. If he is short of material he can sit down and we can contribute to the Bill.

**The Temporary Deputy Speaker** (Mr. Wetangula): Mr. Muite, the NCEC has got nothing to do with the Bill before us. I allowed you to make a small issue about dialogue. It cannot now become a major subject on the Bill, surely. The rules of relevance apply all the time, and I urge you to go back to the Bill.

**Mr. Muite:** Mr. Temporary Deputy Speaker, Sir, with great respect, I have no wish to argue with the Chair. I made a statement that the co-operative movement cannot operate in isolation in this country, it is part and parcel of the sum total of governance in this country. Even if we enact this Bill without creating the environment in which it can work, then it will become just a dead letter in the law. That is the basis on which I was saying that, that environment in which this can work, can only be brought about by constitutional, legal and administrative reforms which we have been debating. What is going on at County Hall is a waste of time, and in two or three weeks' time, every Kenyan will know that this was an absolute waste of time. I am asking this Government to come back and negotiate reforms with NCEC, together with the political parties that are supporting NCEC.

With those few remarks, I support the Bill.

**Mr. Rotino:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important Bill.

*(Mr. Ekidor walked into the Chamber)*

**Mr. Obwocha:** What are you showing us you, Turkana?

**The Temporary Deputy Speaker (Mr. Wetangula):** Order, hon. Obwocha! There are no Turkanas here, we only have hon. Members of Parliament. I order you to withdraw that remark?

**Mr. Obwocha:** I was not on the Floor!

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Obwocha, the Chair is not only concerned with Members on the Floor; even those seated have to be orderly.

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, I have not heard the Communication from the Chair.

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Obwocha, shall you withdraw the reference to an hon. Member as "this Turkana"? We have no Turkanas here, we only have hon. Members of Parliament.

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, the Member for Turkana North is a Turkana.

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Obwocha, can you withdraw that rude remark which you made? It is as simple as that!

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, what is the remark? I just said that hon. Ekidor is a Turkana as Obwocha is a Kisii. What is the hassle about it?

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Obwocha, can you withdraw the remark?

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, Sir, did I qualify that---

**The Temporary Deputy Speaker (Mr. Wetangula):** Order! Before you came in, I had just ruled that we should not have utterances and remarks that raise unnecessary tribal passions in this House. And hon. Muite dutifully complied to oblige the ruling of the Chair. Will you withdraw that remark?

**Mr. Obwocha:** Mr. Temporary Deputy Speaker, I respect the Assistant Minister, Mr. Ekidor. I have not referred to him in any derogatory manner. I just said that he is a Turkana and that is all I said. So, I do not understand the directive from the Chair.

**An hon. Member:** He is not even complaining!

**Mr. Rotino:** Mr. Temporary Deputy Speaker, Sir, if he does not understand, you can forgive him.

I want to contribute a few points to this very important Bill because the co-operative movement all over the world is a very important tool for development. The co-operative movement in any given economy is very vital and it plays a very key role in development. If you look at co-operative movements all over the world, especially in developing countries like India, you will find that they have played a great role in assisting the economies of those countries to grow given scarce resources. The only solution is that, people should get united and think of developing themselves through the co-operative movement. Since the co-operative movement started in this country, we have grown over time and we have learned a lot of things. I think the Ministry of Co-operative Development should have done an evaluation on how far the co-operative movement has gone in various districts and provinces. If we do not put in a lot of emphasis and a lot of checks and balances in the co-operative movement, we are going to have a big shortfall or a big failure in the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, the Co-operative College is not doing what it is supposed to do because there are many graduates coming from co-operative colleges all over the world and the Co-operative College should act as a training institution for the co-operators; to have frequent meetings of co-operators and refresher courses to inform the co-operators about their role and their functions. This is because members in some co-operative societies do not even know their functions and also what they are supposed to do as members. The Co-operative College must provide facilities and perform the function of training members and not just the officials or the management committees. Also, they should even go down to training members because we expect the co-operative movement to expand. One co-operative society can be split to form another co-operative society because the population is growing bigger and bigger and we expect it to grow.

The co-operative movement faces a problem of poor management. I am saying this with a lot of concern about the co-operative societies in West Pokot. People may think that in West Pokot we do not have co-operative societies. We have a co-operative society called Lalwamurui Co-operative Society for gold panning. This co-operative society has failed its members because the last time they had an annual meeting for its members was more than four years ago. The management, or even the officials, have lost track of their members. It is very important that the membership of any given society must be kept alive because they gave their shares contributions. If there is no meeting by the officials, refresher courses and statements by the officials, then the society is seen to be a society only for the officials.

Lalwamurui Co-operative Society has failed and the co-operative officers who were in West Pokot have seen the society dying and they have done nothing to revive it. The co-operative officers in West Pokot do very little. They only take care of about five co-operative societies which are in one specific area and they do not have the ability to

sensitise people so that they can start co-operative societies.

Mr. Temporary Deputy Speaker, Sir, we have a lot of oranges, mangoes and bananas. The co-operative officers in West Pokot could have started horticultural co-operative societies where farmers in the low areas of Kerio Valley could start co-operative societies. The officers within the Ministry, or those officers who work in the district, must be empowered and be given facilities to start the co-operative societies. The management of co-operative societies must be strengthened because the management committees in most of the co-operative societies are the guys who get the big loots while the people who do the donkey work, the growers and the members, do not benefit at all. That is why most of these annual conferences for co-operators end up in wrangles, fighting and members quarrelling with the officials. Hence, we witness a high turnover of officials of management teams every year because of the distrust between the management committees and members of co-operative societies.

The Co-operative College of Kenya should organise refresher courses for management committees because most members of these management teams do not have any management skills. The Co-operative College of Kenya, through the Ministry, should be able to train these officials on how to run the co-operative societies well.

One of the other things I would like to mention here is corruption within the co-operative movement. Most of the managers of the co-operative societies are corrupt. Corruption has completely destroyed most of the co-operative societies. The Ministry should set up a unit to go round to investigate and inspect the audit reports of the co-operative societies. When you say that you have given the responsibility to the district officers, you should realise most of the time, the DOs are bribed by the co-operative management. When they are bribed, they will do a very clean job. That proposed audit unit or the investigating unit should be centralised within the Ministry so that they can go to the Rift Valley, spend there a week or two, investigating the co-operative societies that have problems. Most of the co-operative societies in West Pokot, especially in the Valley, must be investigated and their books must be checked by an officer from the Ministry headquarters, not from the DO's office because the DOs have been corrupted by the co-operative officers there. Corruption must be checked and stamped out to ensure that the society grows because, as you know, the co-operative movement is the backbone of development in the rural area. So, I urge the Minister to set up a unit, if it is not in existence. If it does exist, then it is not functioning very well. This unit should go down to every district and check the books of accounts of various co-operative societies so that members of any given society are not discouraged or do not give up in starting other co-operative societies.

Many countries which encouraged and strengthened their co-operative societies have really grown economically. One such country, as one hon. Member said earlier, is Israel. The Kibbutz and the Moshav in Israel now in operation have done a wonderful job in that country. We should emulate that system in Israel and try to centralise our co-operative management. This will build confidence of our co-operative members in the rural areas. If we do not do that, our people in the rural areas will have a big problem.

Mr. Temporary Deputy Speaker, Sir, some of us who come from pastoralist areas have a lot of problems. Therefore, we urge the Minister to put a lot of emphasis on livestock marketing so that we have co-operative societies that completely direct themselves into the marketing of livestock and related products like hides and skins. The co-operators should attend public rallies, and accompany their chiefs, DOs and the politicians. In this way, the livestock farmers can be taught the importance of joining together to start a livestock marketing co-operative society. I say so because early in the 1960s, there was a body known as the Livestock Marketing Division. We should have a body like this one so that livestock farmers can come together and start livestock co-operative societies which can assist them to market their livestock and other products like hides and skins.

Mr. Temporary Deputy Speaker, Sir, we can tell the co-operative officers to go down and teach the farmers in the rural areas how to start their co-operative societies related to processing of hides, skins and livestock. This is because if those farmers who depend on livestock to earn their livelihood, do not form co-operative societies, then they are doomed because that is the business they know most and farmers must be educated by the co-operative officers.

Mr. Temporary Deputy Speaker, Sir, as regards the rights and liabilities of members, this Bill addresses very well these issues. This is because when a co-operative society "dies" or is corrupted by officials, many members lose their money. They lose their money because nobody follows the case. In the first place, nobody tells them how much money they have got because they do not get what is called frequent audit reports. The members must be accorded their rights so that they do not become what we call free riders in a co-operative society, but instead they must become active members in these co-operative societies. This can be done by reviewing membership of these co-operative societies every year. They should continue to pay registration fees and other dues which every member has to pay so that they can obtain loans to solve their problems.

Mr. Temporary Deputy Speaker, Sir, the duties of any co-operative society must be spelt out. I want to thank the Minister for Co-operative Development for bringing this Bill here and for elaborating what the duties of co-operative societies are. But my problem concerns the implementation of this Bill. We can have a wonderful Bill that is well written or constructed, but when it comes to the implementation part of it, I do not know whether the Ministry

has the ability and the capability of doing this. Otherwise, this Bill can be shelved and then 20 to 30 years will pass before the Bill is implemented. That is why it is important that the Ministry carries out what we call an evaluation exercise to ensure that some of those things that act as bottleneck in the movement are addressed and rectified. The backbone of a given co-operative society is the management, sincerity and the honesty of its officials. That must be checked by the officers from the Ministry. I insist very much that the Minister should be able to create an independent unit or tribunal for checking the co-operative movement. Once in a while the Ministry should pick a few officers from some co-operative societies with related activities and take them to countries like Israel and India because that is where we can borrow ideas. Let us not take them to Europe because we have very little to borrow from Europe. Let us take them to some of these Asian countries where we have the co-operative movement forming the backbone of the economy of these countries. It is very important that the transparency of co-operative officials must be checked because I will once again say that it is very important that the co-operative movement should be strengthened in this country.

Mr. Temporary Deputy Speaker, Sir, this is the only hope of addressing the poverty that is looming in this country. As population increases, we expect poverty to increase. The poor will become poorer and the rich will get richer. The only hope for the rural folks is co-operative movement. The Ministry of Co-operative Development should take these activities very seriously and know that the hope for the Kenya society is the co-operative movement.

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

**Mr. Gitau:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this time to contribute on this Bill.

From the start, Mr. Temporary Deputy Speaker, Sir, I will say that this Bill is very important. However, important as it may be, without discipline, it is a useless Bill because all along this country has had a lot of regulations and they have been ignored.

Mr. Temporary Deputy Speaker, Sir, this Bill is to make sure that the co-operative movement serves the people of this country. All along, we know that the co-operative societies in both coffee, milk and in other areas have been mismanaged under the supervision of the Commissioner for Co-operatives. For example, in my area where we have milk and coffee, two giant dairy co-operative societies have collapsed. These are Chania Dairy and Kiganjo Dairy Co-operative Societies. They have collapsed due to the mismanagement committees which have compromised the co-operative officers. Unless, co-operative officers are disciplined, even if this Bill goes through, we are not going to have any effective measure or help from this Bill. Co-operative officers, including the district co-operative officer in my area, have quite often been bribed by the management committees which frustrate the co-operators themselves. They even threaten co-operative societies that they will be run by a commission under the chairmanship of the district commissioner.

Mr. Temporary Deputy Speaker, Sir, when I go through this Bill, I find that we still have the Commissioner for Co-operatives. I want to suggest that we should abolish the title of the Commissioner of Co-operatives because he has been wielding more powers than the Minister himself. In fact, when we have queries or problems with the Commissioner for Co-operatives, the Minister is always rendered useless by the Commissioner for Co-operatives. He is just a figure head. So it goes with the Permanent Secretary. Therefore, since we are dealing with the people who elect the chairmen of co-operatives, I would suggest that we abolish the title of the "Commissioner for Co-operatives" and replace it with the "National Chairman of Co-operatives" who will be elected or appointed by co-operative societies throughout the country so that he will be answerable direct to the people who have actually appointed him or who have elected that particular person.

Mr. Temporary Deputy Speaker, Sir, we have noted that the Commissioner for Co-operatives is not even answerable to the Minister or to the Public Service Commission, but he is answerable to the Head of State. Since the Head of State himself has said that the co-operatives should be left alone to run their own businesses without the interference from the Government, then I do not see why we should have the Commissioner for Co-operatives being appointed by the Public Service Commission.

Mr. Temporary Deputy Speaker, Sir, the Commissioner for Co-operatives is known to have been compromised by the rich leaders in the co-operative movement. He has gone even to the extent of frustrating the liquidators who have been appointed by the farmers themselves, particularly when a society has to be liquidated and the findings of the liquidator reveal that the management committee has been looting co-operators' money. Although the liquidator, has the powers through the Companies Act to prosecute such a management committee, quite often, and in all the cases, the Commissioner for Co-operatives has protected these thieves in the co-operative movement. I have got a good example here of the already liquidated Gatukuyu Co-operative Society which had been led by one person for 13 years as a chairman. This person was finally thrown out by force. The coffee farmers had to demonstrate against him, so as to relinquish his seat. When this person and his management committee realised that they were about to be thrown out by the farmers, they managed to steal Kshs23.9 million in a record period of four months. Up

to this point, that management committee officials have been protected by current Commissioner for Co-operatives, although they are out of office.

Mr. Temporary Deputy Speaker, Sir, even if we surely pass this Bill and we still have people like the current Commissioner for Co-operatives, who normally receives handouts from the same thieves, our farmers and co-operators will continue suffering and we will not be doing any good work for our people. The situation should be such that, members of any management committee that mismanages a co-operative society and steals a lot of money in form of goods or cash, should be prosecuted. They should be arrested, prosecuted and even their properties should be attached. But this is not happening. If this Bill does not say that, then it should be thrown into the dustbin and another Bill should be drafted to include a clause which states that such people should be prosecuted.

Mr. Temporary Deputy Speaker, Sir, currently, we are having discussions on the KPCU and the Coffee Board of Kenya. I do remember way back in 1993, the President said that the Coffee Board of Kenya should be abolished. I would like to say that the Coffee Board of Kenya has been a liability to the---

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Gitau has made a very serious allegation that there is one chairman of a co-operative society in his area who stole Kshs23.9 million from that society, but proceeded to oil the hands of the Commissioner for Co-operatives and went scot-free. Could the hon. Member substantiate this very serious allegation against an otherwise, innocent man?

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, this gentleman who oiled the hands of the Commissioner for Co-operatives whose friendship is beyond being religious, is none other than one of the directors of KCC. He is Mr. Patrick Kariuki Muiruri. This Patrick Kariuki Muiruri of Photo Media Promotions is also a director of KCC, although he does not even own a single cow, leave alone a bull! He is not even a member of any co-operative movement.

**Hon. Members:** Declare your interests!

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, I am being asked to declare my interests, but my interests are the interests of the dairy and coffee farmers in my area. As we say this, there should be a law to protect farmers. If somebody has been charged or declared a thief of public money, he should never be allowed to contest any national seat, leave alone being a director of a body like KCC. These people are there.

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that the naming of the person is itself evidence of theft? I thought we had asked the hon. Member on the Floor to substantiate that society, indeed, lost Kshs23 million, and that it is this Patrick Kariuki Muiruri who stole it. Can he substantiate that this Patrick Kariuki stole that money from the co-operative society and bribed the Commissioner for Co-operatives to let him go scot free?

**The Temporary Deputy Speaker (Mr. Wetangula):** Mr. Gitau, you know the seriousness of the allegations you are making. You have been challenged to substantiate and you must do exactly that, that, one Patrick Kariuki Muiruri stole Kshs23 million and "oiled" the hands of the Commissioner for Co-operatives? Otherwise, you will be guilty of maligning people who cannot defend themselves here, as hon. Munyasia puts it. Can we have your substantiation?

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, although hon. Munyasia seems to have some interest in that issue, because of what is happening to milk in his area, where farmers are losing heavily; and they are losing through the same fellows who were the directors of KCC, I am prepared to lay audited papers here by the liquidators by the name of Njenga Kihui & Partners showing clearly how the money was laundered. This is an audited public document and the Commissioner for Co-operatives has got a copy of it. I have the document as the local Member of Parliament and the farmers themselves also have this document. I will bring them here tomorrow for all to see and to ask ourselves---

**The Temporary Deputy Speaker (Mr. Wetangula):** Order! Can you prove that a Mr. Muiruri stole Kshs23 million and that he used it to "oil" the hands of the Commissioner? That is the allegation hon. Munyasia is challenging you on.

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, if you listened carefully, hon. Munyasia said he wanted to know, whether first and foremost - and mind my words - Mr. Patrick Kariuki Muiruri, with his management committee, took this money. I am talking about the management committee under the leadership of that person by the name of Patrick Kariuki Muiruri, not him alone. But when a team fails to score, we blame the captain for not coaching his people properly because he is their leader. He was the chairman and the co-operative movement in my constituency was mismanaged through his leadership. As a result, when the liquidator attempted to have this management committee prosecuted, he was refused even to table this same document by the co-operators back home. The words of the Commissioner for Co-operatives were that this being an electioneering year, such prosecutions and papers will only be hurting certain individuals during this particular time of elections. That is enough. If I am allowed, I will lay the papers here tomorrow, to prove that somebody somewhere went round to make sure that he is

not prosecuted. We are now trying to institute private prosecution, if the liquidator is going to be refused completely. This is because the farmers must get their money back.

**The Assistant Minister for Home Affairs and National Heritage** (Mr. Mutiso): On a point of information, Mr. Temporary Deputy Speaker, Sir. I want to educate the hon. Member, who is a very good friend of mine. One of the allegations that he is trying to make is to the effect that there should be a law barring somebody who has been a criminal and has been charged in a court of law and found to be guilty of a criminal offence, from standing for elections. But I want to tell him that, that law is there. Anybody who has been charged in a court of law and found guilty of criminal offence is not allowed to stand for any elections, unless he is worried by Mr. Muiruri, who is his opponent, and perhaps, he is fearing him.

**Mr. Gitau:** Thank you very much, hon. Mutiso, for informing me. We are all players and I have no fear at all. We have people who want to come to Parliament and it is their right.

There is one clause in the Bill, that is Clause 43, which talks about giving loans to members and non-members after a resolution. This is a very tricky clause because the management committee could easily be compromised by somebody wanting to borrow money from a co-operative society, with the promise that if the committee gives him Kshs20 million, he will give them ten per cent. That is very gullible and very easy, and a resolution will be forced through, whereby such a society will be allowed, through a resolution, to lend money to such people. I would suggest that this clause be re-worded and that we remove that sentence dealing with the resolution. Non-members should not be loaned money by the societies at all. It is a clause that is likely to be misused any time.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Wetangula): Order, hon. Maundu and your clique! You are engaged in laughter as if this is a public market!

Proceed, hon. Gitau!

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, Kenyans will remember that way back in early 1990s, there were some non-members of the Kenya Planters Co-operative Union (KPCU), who worked their way into the KPCU and borrowed a lot of money. Up to this day, these people have not refunded this money back to the KPCU, and yet they were not members. That particular clause should not be there at all.

Mr. Temporary Deputy Speaker, Sir, we have planters, particularly in coffee growing areas. These planters do not take their coffee to the co-operative societies. They deliver their coffee directly to the KPCU. In most cases, these planters steal or encourage the stealing of produce from other farmers. They take more coffee to KPCU than they actually produce in their own farms. The co-operative movement should ensure that anybody who delivers more produce to KPCU than he can actually produce on his own farm, is charged and his licence cancelled because this encourages the stealing of other farmers' crops. It also helps in---

**Mr. Moiben:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I respect my friend, hon. Gitau, but he has made a very serious statement. He has said that a member of a co-operative society who delivers more produce than his shamba can produce, should be taken to court. We all know that middlemen, make more money than the farmers themselves. What will happen to a middleman who is very active and is not a thief?

**Mr. Obwocha:** Such a person is a thief.

**The Temporary Deputy Speaker** (Mr. Wetangula): Hon. Moiben, what is your point of order?

**Mr. Moiben:** I do not think it is fair for the hard-working farmers---

**The Temporary Deputy Speaker** (Mr. Wetangula): You are arguing and not presenting any point of order. A point of order shall never be a disguise to pursue an argument as you are doing.

**Mr. Moiben:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for hon. Gitau to impute improper motives on hard-working farmers? Is it right to say that they should be charged in a court of law?

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! The doctrine of improper motives is only limited to hon. Members in this House.

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, it appears that hon. Moiben is one of the farmers encouraging thieves to take produce to his farm and pay them cash---

**Mr. Moiben:** On a point order, Mr. Temporary Deputy Speaker, Sir. I hardly grow any coffee. For my brother to say that I encourage farmers to steal other farmers' produce, is out of order. Is he in order to say this?

**The Temporary Deputy Speaker** (Mr. Wetangula): Now, he is out of order.

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, hon. Moiben is a Christian, so I hear, but even Rasta, who was shot the other day, had a Christian name. So, we do not know the position. We have---

**The Assistant Minister for Public Works and Housing** (Mr. Mwamzandi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to compare hon. Moiben with Rasta? Is he being fair to the hon. Member?

**The Temporary Deputy Speaker** (Mr. Wetangula): Order! It is impractical to compare hon. Moiben with Rasta. You can look at the head of Moiben and make your judgement. Carry on.

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, I was talking about the---

**The Assistant Minister for Transport and Communications** (Mr. Saina): On a point of order, Mr. Temporary Deputy Speaker, Sir. The name "Moiben" can be taken to mean the name of a person or a place. We have a river called "Moiben". Which Moiben was the hon. Member referring to? Hon. Moiben is an hon. Member. If that name goes into the print media tomorrow, it will confuse the general public. Which name was he referring to? Was it the river or the person?

**Mr. Gitau:** Mr. Temporary Deputy Speaker, Sir, it is unfortunate that some of the respected Members of this House do not listen carefully. We were talking about hon. Moiben and not the Moiben we have been told about.

In short, I was talking about the planters. Specifically, those who encourage coffee stealing from other farmers. This should be looked at very carefully by the Ministry. When these planters are encouraged to buy coffee from the small scale farmers, they perpetuate the collapse of the co-operative movement. When that is done, the co-operative society does not receive as much coffee as it ought to receive.

Mr. Temporary Deputy Speaker, Sir, we have also had problems with dairy farmers. The Dairy Board has licensed so many milk vendors, thereby crippling the dairy industry. When some individuals are officials of the Dairy Board, they license their friends and we find that in a particular area, like Chania and Kiganjo, the dairies immediately die because no milk is taken there. The licensing of the planters and milk vendors should also be checked and be discouraged as much as possible, if we intend to strengthen the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, it is quite obvious that at the moment, we are co-operating very well with KANU. But with the historical record of KANU, we are suspicious that the current dialogue is not going to bear any fruits. It can only bear fruits if there is discipline all the way from the top. By saying this, I mean discipline from the President's Office, all the way to the office of the sub-chief in this country. While we are pretending that we are co-operating in this dialogue which most of us have refused take part in, district commissioners are interfering with the co-operative movement. As chairmen of land allocation committees, they are dishing out even land belonging to co-operative societies to their friends and the people who give them money. They are even dishing out Government land, inclusive of road reserves. There is a case in Thika where the DC has given out a road reserve of the Ministry of Transport and Communications to an Asian by the name Artison. He has taken about 10 acres of land belonging to the Ministry of Transport and Communications and thus blocking farmers who have been using that road. That allocation is going to be queried. We are questioning the powers of the DCs as the chairmen of land allocation committees, why they should allocate public land and denying that land to the rightful users of that access road.

With those few remarks, I beg to support.

**Mr. Mwiraria:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important motion. I am a very firm believer that the co-operative movement in this country has contributed greatly to the welfare of Kenyans. I am very pleased to see a Bill which is intended to improve the welfare of co-operators as well as the societies.

Mr. Temporary Deputy Speaker, Sir, first of all, I would like to speak about liberalization of the co-operative movement. In recent months and particularly last year, the co-operative movement has been liberalised, but without proper guidance and controls from the Ministry of Co-operative Development. I must say that unless the Ministry takes---

## ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Wetangula): Order hon. Members! It is now time for interruption of business. The House is, therefore, adjourned until 4th September, at 2.30 p.m.

The House rose at 6.30 p.m.