

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 16th June, 1999

The House met at 2.30.p.m.

[Mr. Speaker in the Chair]

PRAYERS

NOTICES OF MOTIONS

ESTABLISHMENT OF A POLICE SERVICE COMMISSION

Mr. Ndwiga: Mr. Speaker, Sir, I beg to give notice of the following Motion:-
THAT, in view of the fact that insecurity has increased alarmingly in the country, and considering that the Police Force is highly demoralised and demotivated due to poor terms and conditions of service; cognisant of the Government's declared policy of combating insecurity in the country, this House urges the Government to introduce a Bill for an Act of Parliament to establish a Police Service Commission to foster and promote discipline in the Force and to enhance their terms and conditions of service.

AMENDMENT TO THE CENTRAL BANK OF KENYA ACT, CAP.491

Mr. Donde: Mr. Speaker, Sir, I rise to give notice of the following party sponsored Motion:-
THAT, this House do grant leave to introduce a Bill for an Act of Parliament to amend the Central Bank of Kenya Act, Cap.491 of the Laws of Kenya to:-
(i) regulate the rate of interest that commercial banks and financial institutions can charge on loans; and,
(ii) to limit the amount of Treasury Bills that can be sold per week.

REVOCATION OF LAND ALLOCATION IN YATTA

Mr. Wambua: Mr. Speaker, Sir, I rise to give
notice of the following Motion:-
THAT, in the light of extensive irregularities witnessed in the allocation of land carved off the National Youth Service Farm in Yatta which has resulted in plots being given to individuals who could not have been possible target group for allocation, this House urges the Government to revoke the allocation and carry out a fresh allocation in a transparent and orderly manner.

ESTABLISHMENT OF A COMMISSION TO CURB POLLUTION

Mr. Munyao: Mr. Speaker, Sir, I beg to give notice of the following party-sponsored Motion:-
THAT, in view of the fact that Nairobi and other major towns in this country are polluted due to lack of garbage collection and uncontrolled smoke from vehicles and industries; and considering the health hazards caused by such pollution, this House calls upon the Government to establish a commission to study and recommend action to be taken to curb such pollution.

MEDIA COVERAGE FOR SELECT
COMMITTEE PROCEEDINGS

Mr. Kombo: Mr. Speaker, Sir, I beg to give notice of the following Motion:-
THAT, in view of the fact that the proceedings of the House are open to members of the public; noting the great interest Kenyans have shown in the proceedings of this House, in particular through "Today in Parliament Programme", and realising the need to institute parliamentary reforms in order to serve Kenyans more efficiently and effectively, this House resolves that Standing Order No.161 be amended to provide for the proceedings of all Select Committees of this House to be open to the members of the public and for such proceedings to be covered by the media.

ORAL ANSWERS TO QUESTIONS

Question No.149

SUBDIVISION OF LOCATIONS IN BUTERE DISTRICT

Mr. Osundwa asked the Minister of State, Office of the President, when the Government will sub-divide Nabongo Location into two locations, and East Wanga and South Wanga into three locations each, as recommended by the Mumias/Butere District Development Committee in 1997.

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

Following the recommendations of the Butere/Mumias District Development Committee, a new division, namely, South Wanga, was created with two locations and nine sub-locations as follows: Etenje Location which comprises the following sub-locations: Bukaya, Eshikalame, Elukongo and Ebukongo. It is noteworthy that Elukongo and Ebukongo are new sub-locations added to the old ones. Musanda Location was created as per the recommendations of the DDC and it comprises of Musanda Sub-location, Shihaka Sub-location, Bukasa Sub-location and two new sub-locations were added, namely: Bumala and Buria.

Mr. Speaker, Sir, a District Officer has been posted to the division, that is, South Wanga, and the other administrative units will be created subject to availability of resources.

Mr. Osundwa: Mr. Speaker, Sir, I appreciate the answer given by the Assistant Minister, but he will notice that South Wanga has an area of 95 square kilometres, with a population of 36,000 people while East Wanga has occupied an area of 158 square kilometres with a population of 51,000 people. Could the Assistant Minister tell this House why they decided to sub-divide a smaller area, leaving a bigger area?

Mr. Samoei: Mr. Speaker, Sir, as per the recommendations of the District Development Committee (DDC), the hon. Member knows very well that out of the two locations that were proposed for creation, the Government could only create one, namely, Musanda Location, which I have already stated, together with the new sub-locations that were created. I wish to assure the hon. Member that we will implement the other recommendations of the DDC as and when funds become available.

Mr. Osundwa: Mr. Speaker, Sir, the Assistant Minister has not answered my question. I asked him why they sub-divided a smaller location, which is 96 square kilometres, leaving a bigger one which is 158 square kilometres, with a population of 51,000 people. Can he explain why they sub-divided a smaller area, leaving a bigger area?

Mr. Samoei: Mr. Speaker, Sir, apart from the sub-locations in question, in South Wanga Division, there were other locations also created in East Wanga and Mumias Division. The considerations taken into account when creating locations or any other administrative units are not just confined to area and population only; there are other considerations that are taken into account. Besides, those recommendations were given by the DDC.

Mr. Speaker, Sir, we have implemented part of the recommendations and we will implement the balance as and when funds will be available.

Question No.157

DISAPPEARANCE OF MR. NYAMU MBUTU

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

- (a) what the current position is regarding the investigations into the mysterious disappearance of Mr. John Nyamu Mbutu, a Game Ranger at Murera Gate, Meru National Park, in April, 1993;
- (b) why the investigations have taken over five years to complete; and,
- (c) whether Mr. John Nyamu Mbutu could now be presumed dead.

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Speaker, Sir, I beg the indulgence of the House to be given more time. I will have the answer ready tomorrow.

Mr. Speaker: That is all right. Very well, Question deferred!

(Question deferred)

Question No.207

GROWING OF BHANG IN MT. KENYA FOREST

Mr. Ndwiga, on behalf of **Mr. Kathangu**, asked the Minister of State, Office of the President whether he could inform the House the status of the investigations on the growing and selling of bhang in Mt. Kenya Forest, in view of the fact that all police officers from Meru South District have been transferred.

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

A total of 326 acres of bhang have been destroyed and 48 suspects arrested and charged with cultivation of bhang, or being in possession of bhang in Meru South District. Some police officers, but not all as alleged, have been transferred out of the district as is normal practice, and not in connection with the bhang issue.

Mr. Ndwiga: Mr. Speaker, Sir, the issue of bhang plantations in Meru South has cropped up in this House many times. The issue here is that the police officers who knew who the actual owners of the bhang in the forest were, and who knew who were coming to the forest at night in helicopters, were the ones who were transferred. The police officers who are left there do not know anything. They are new police officers and the Assistant Minister concurs with me that they do not know where the plantations are. Could the Assistant Minister consider returning the officers who knew the actual bhang owners? This is because arresting the people who were cultivating bhang does not help. We need to know the actual owners of the plantations!

Mr. Samoei: Mr. Speaker, Sir, the issue of bhang is of great concern to us. The Government has taken stern measures and as I said, we have 48 suspects who have been arrested and are helping the police with investigations. I wish to assure the hon. Member that we are taking this issue with the seriousness it deserves. We will get to the root-cause of this problem.

Mr. Speaker, Sir, as for the transfer of the police officers, I did say that this was a normal exercise. All police officers are qualified and no part of this country is not known to the officers manning security in this country. I wish to assure the hon. Member that we are committed and the best is going to be done.

Mr. N. Nyagah: Mr. Speaker, Sir, over 3,000 acres of bhang have been destroyed by the Provincial Administration. The District Commissioner, Meru, has complained bitterly against the police who have been compromised. Can the Assistant Minister, if he is serious, ensure that the people who have been arrested are able to say who their employers are? This is because the people who have already been arrested must have been deriving a salary from someone. That is a very simple thing. That way, the Government will be able to get hold of the so-called protected people who are cultivating bhang in Mt. Kenya.

Mr. Samoei: Mr. Speaker, Sir, I wish to correct the hon. Member. It is 326 acres of bhang and not 3,000 acres. Secondly, I wish to assure him that if the suspects assisting with the investigations are, indeed, on anybody's payroll, we will get down to it.

Mr. Wamae: Mr. Speaker, Sir, the question of bhang is a very serious matter. In fact, we consider it responsible for what happened in Nyeri High School and very many other schools in Central Province. Could the hon. Assistant Minister take this matter very seriously, and promise this House that he is going to get the real people behind the bhang plantations, and not the small fellows who are cultivating it there? The real culprits are here in Nairobi!

Mr. Samoei: Mr. Speaker, Sir, as much as I agree with the hon. Member that the issue of drugs in this country is a very serious issue, and we are giving it the seriousness it deserves, if those people who have already been arrested are in anybody's payroll, we will certainly get to it. I would like to give my assurance that we are serious about it.

Mr. Maitha: Mr. Speaker, Sir, on reading the report on bhang, the former Police Commissioner was

said to be unable to contain it. When the new Police Commissioner came in, his first task was to assure Kenyans that he would make sure that the abuse of drugs would be eliminated. Can the Assistant Minister tell us whether the new Police Commissioner is ineffective because this thing is still going on?

Mr. Samoei: Mr. Speaker, Sir, the issue of bhang is not only the issue that will be taken up by the Commissioner of Police. This is an issue that requires the concerted efforts of all the policemen, including the politicians like us. The Police Commissioner, Mr. Abongo, is a very committed and professional policeman. I wish to assure hon. Maitha that he has already done a good job. That is why we have destroyed 326 acres of bhang since he came into office. I wish to assure him that more will be done!

Mr. Ndwiga: Mr. Speaker, Sir, the 326 acres of bhang destroyed was a commendable job done by this Government. But does the Assistant Minister know that there exist more than 1,000 acres of bhang in that forest? Indeed, last month, there were new acres cultivated because the planters moved further into the forest towards the slopes of Mt. Kenya. The forest guards are unable to control the fellows who are moving into that forest. Does the Assistant Minister know that 326 acres of bhang destroyed is really nothing because we are talking about bhang being cultivated in more than 1,500 acres in that forest?

Mr. Samoei: Mr. Speaker, Sir, while I do not know about the existence of 1,000 acres of bhang. I want to say that 326 acres of bhang is not nothing. It is something.

Mr. Ndwiga: Mr. Speaker, Sir, you will recall, because you were in that Chair when we first brought the issue of bhang in this House; that is when 326 acres of bhang were destroyed. Now, I am telling the Assistant Minister that there exist 1,500 acres bhang in the forest. The police officers who knew where it was have been transferred from that place. Could the Assistant Minister tell this House and the nation, what action he is taking to destroy what exists right now?

Mr. Speaker: Order! Except for the gravity of the matter and allegation, that is not a point of order. If I were the Assistant Minister, I would give you policemen so that you can go and show them the 1,000 acres of bhang.

The Minister for Natural Resources (Mr. F.P.L. Lotodo): Thank you, Mr. Speaker, Sir. My point of order is that the whole of Mt. Kenya is forest. Could the hon. Member of Parliament inform the Assistant Minister exactly which part of Mt. Kenya Forest he is talking about so that we can send the policemen to it?

Mr. Ndwiga: Mr. Speaker, Sir, the plantations are south of Chuka Town. It is in Mt. Kenya Forest, north of Mufu market in Runyejes. Towards the bamboo forest, there are new plantation of bhang. Could he give me policemen tomorrow morning and I will go and uproot it?

Mr. Samoei: Mr. Speaker, Sir, I wish to inform the hon. Member that the policemen will be available tomorrow morning. We will also avail transport in order for him and the policemen to be transported to that site.

Dr. Ochuodho: Mr. Speaker, Sir, although I have not received a written reply, I will ask Question 231.

Question No.231

EXPENDITURE ON SECOND GENERATION ID CARDS

Dr. Ochuodho asked the Minister, Office of the President:-

- (a) how much money has been spent on processing the second generation identification Cards (IDs) over the past three years; and,
- (b) how many new IDs have been issued or replaced on a province by province basis since the beginning of the year.

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Speaker, Sir, I beg to reply. First and foremost, I want to assure hon. Ochuodho that I did dispatch a copy of the written answer to the House and he can get it from the correct place.

(a) A total of K£93,360,575 has been spent on processing the second generation IDs over the past three years.

(b) A total of 194,624 new IDs have been issued and replaced since the begin of this year on province by a province basis as follows:

Central Province	43,260
Coast Province	14,769
Eastern Province	23,501
Nairobi	46,579
North-Eastern Province	279
Nyanza Province	22,471

Rift Valley Province	27,076
Western Province	<u>16,689</u>
Total	194,624

Dr. Ochuodho: Mr. Speaker, Sir, going by the reply given by the Assistant Minister that about Kshs2 billion has been spent in issuing the second generation IDs in the last couple of years, one would want to believe that most of this has gone into computerisation. Computerisation is fast turning as an avenue for misappropriating funds in this country. Can the Assistant Minister tell us exactly how this Kshs2 billion was used in producing the second generation IDs?

Mr. Samoei: Mr. Speaker, Sir, the second generation ID card project for the provision of close to 15 million high security ID cards was implemented with effect from November, 1995. The money I have mentioned formed the cost of supply and installing the required computerised equipment, consumables for production of ID cards, project management and technical assistance from the supplier up to the year 2000. The amount of K£93,360,577 has been spent over the last few financial years. These are: 1996/97, 1997/98 and 1998/99. This amount forms the total recurrent expenditure of the Department over this period. Since the inception of the project, a total of 11,621,400 IDs have been processed and delivered to various registration centres countryside for collection by their owners on a provincial basis. I cannot give the hon. Member the exact breakdown on item by item basis because that would be quite an exercise, but if the Chair can give me time, I can come up with the whole list although it will be quite a big document.

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. I think it is unfortunate to say that the breakdown of expenditure of Kshs2 billion is unnecessary. Kenyans would like to know how this money was spent.

Mr. Speaker: Order, Dr. Ochuodho. Let me ask you one question: What do you think the Controller and Auditor-General does?

Dr. Ochuodho: Mr. Speaker, Sir, the Controller and Auditor-General has his duty and Parliament has also got its responsibility.

Mr. Speaker: Order! What I am saying is that we cannot have, for every item on Government department, a separate audited report produced here. It cannot work. So, can you ask a general question? Dr. Ochuodho, do you have any further question?

Dr. Ochuodho: Mr. Speaker, Sir, I do. We were told that Kshs2 billion was used on this project. We want to know how this money was spent. The Assistant Minister should not just tell us that it was used for computerisation. As a computer expert, I do not see why this amount of money was required for this exercise. I think it is my right to know how the money was spent.

Mr. Samoei: Mr. Speaker, Sir, while agree with the hon. Member that it is his right to know how that amount of money was spent, I want to inform him that besides him being a computer expert, there was more to the project than computers. As I have said, there were consumables for the production of the identity cards (IDs). There was also technical and management assistance that went into this project.

Mr. Shidie: Thank you, Mr. Speaker, Sir. My question will be a little bit different from the others which have been asked by hon. Members. I would like to know from the Assistant Minister the status of the verification cards, which were issued to the Somali community. This is because today, we are not issued with identity (ID) cards unless we have verification cards. Could the Assistant Minister tell us the status of the verification card? This is because the card is not being issued right now, and the people of North Eastern Province are being denied ID cards. Could he give us the true position?

Mr. Samoei: Mr. Speaker, Sir, I think the issue of the Pin card is a completely different issue from the question we are addressing.

Mr. Speaker: Order! Mr. Assistant Minister, if I heard your statistics right, the province with the lowest number of people who have registered for the ID card in this country is North Eastern. This Province has registered 200 people for the ID cards.

Mr. Samoei: Mr. Speaker, Sir, I want to correct you; 223,467 ID cards have so far been issued out in North Eastern Province.

Dr. Ali: On a point of order, Mr. Speaker, Sir. The Assistant Minister has told us that it is only 279 people who have been registered in North Eastern Province. Does that mean that there are only 279 people who have attained the age of 18 years and above in the last three years, or is that outright marginalisation?

Mr. Samoei: Mr. Speaker, Sir, I would like to request the hon. Member to hold his anger because the correct status is that we have 223,467 people, who have been issued with ID cards. The figure I mentioned earlier

on of 279 was for this year only. Otherwise, over the last three years, 223,467 ID cards have been issued out in that province.

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House by saying that 279,000 people have been issued with ID cards in North Eastern Province in the last one year? Is that possible? That is more than the IDs for the entire country!

Mr. Speaker: He did not say that.

Mr. Angwenyi: What did he say?

Mr. Ndicho: The issue of issuance of ID cards in this country is very disturbing. There is total discrimination when it comes to issuance of ID cards to Kenyans. The people from Western Province who reside in Thika Town cannot be issued with ID cards. This is so because whenever they go to the registration officer, they are told to go to their respective home districts for an ID. The same applies to those people who come from North Eastern Province or any other province. Could the Assistant Minister tell us whether that is the policy of the Government? Could he also tell us whether it is in the laws of this country, or whether it is the creation of that particular officer? This is because every Kenyan can apply for his or her ID wherever she or he is, provided he or she is within the borders of this country, and provided he or she can speak one of the 42 languages used in this country. Telling somebody to go to his home district to be issued with an ID card is ambiguous. Is that the policy of the Government?

Mr. Samoei: Mr. Speaker, Sir, it is the policy of the Government to issue every eligible Kenyan with an ID card as and when he or she requests for one. I would like to urge Mr. Ndicho to be specific about his allegations to enable me to take up the matter.

Mr. Kamolleh: On a point of order, Mr. Speaker, Sir. I was born in Matuga Division of Kwale District, and I was given my ID card in Makadara. Is the Assistant Minister in order to actually mislead this House by saying that one must go back to his home district to obtain an ID card?

Mr. Speaker: He has not said that.

(Laughter)

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

Mr. Speaker: Order! What is it, Mr. Ndicho? By the way, let us not take it completely away from Dr. Ochuodho. Maybe, he has some issues he wants to raise. However, I will give you the chance.

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. I am the hon. Member of Parliament for Juja Constituency, and three quarters of the work I do there is solving the cases of the people who come from Western and Nyanza Provinces who are denied ID cards, even though they were born in Thika Town. Provided that one's father is called Mr. Ochieng, that person is told to go to Nyanza Province to apply for his or her ID card from there. I am the hon. Member of Parliament for that area, and I have experienced that problem. Kenyans know for sure that one cannot get an ID card here in Nairobi unless he or she has either bribes the registration officer or takes a bus to Western Province to get the ID card from there. Could the Assistant Minister come out loud and clear that any Kenyan can apply for his ID card from wherever he or she is in this country?

Mr. Samoei: Mr. Speaker, Sir, I have just said that.

(Mr. Ndicho murmured something)

Mr. Speaker: I am sure that is mis-statement. You have risen so many times from your place, and asked for the assistance of the Chair. So, your statement is not factually right.

Proceed Mr. Samoei.

Mr. Samoei: Mr. Speaker, Sir, that is why I was requesting the hon. Member for Juja Constituency to be specific so that I can help him. This is because this is a very serious issue. We take it very seriously, if Government officers twist the official policy of the Government. I have said that it is the policy of the Government that every Kenyan gets an ID card when he or she applies for one irrespective of where he comes from, the tribe he belongs to, or whether he is tall or short or black or white.

Mr. Shidie: Mr. Speaker, Sir, I think the Assistant Minister is misleading the House when he says that as a Kenyan, one can get an ID card anywhere in this country, and yet, we know very well that where I come from, we cannot get an ID card without a verification card. Could he waive the verification card and tell the District Commissioner (DC) in that area that he should issue ID cards to the local people without asking for their verification cards? This is because we cannot be issued with ID cards without first of all producing verification

cards. The Assistant Minister has told us that it is only 279 people who have got ID cards in North Eastern Province in the last three years. Could he come up with a clear figure? This is because he is taking us for a ride.

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

Mr. Speaker: Can he first of all respond to this question? Let him respond to this question first.

Mr. Samoei: Mr. Speaker, Sir, I do not know how clearer I should be. I said that 279 people from North Eastern Province have been registered for the ID cards this year, while 223,467 people have been registered since the exercise began three years ago.

Mr. Ojode: On a point of order, Mr. Speaker, Sir. We wanted a clarification from hon. Shidie. When he talked of applying for an ID card which takes three years, was he referring to Kenya or Somalia? This is because he belongs to both Somalia and Kenya! Could he clarify that?

Mr. Speaker: Order! Mr. Ojode, you are warned by the Chair to take the House seriously. That is not an amusing joke. Mr. Shidie is an hon. Member of this House, and a Kenyan citizen. If you do that next time, I will throw you out!

Dr. Ochuodho: Mr. Speaker, Sir, although the hon. Angwenyi has raised what the Minister said initially, I also wonder about the arithmetics because that was more than the total. Nonetheless, our estimations say that with the current growth rate, about 300,000 Kenyans are born on average per year. The Assistant Minister tells us that they give identity cards on average of about 194,000. We can see that, that falls way below the number of Kenyans that are born, vis-a-vis the number of identity cards given out.

Mr. Speaker, Sir, however, my major concern is that the Kshs2 billion, as an expert, was enough to give computers to every district headquarters and network, so that one does not need to travel from one part of the country to get verification from another part of the country. Can the Assistant Minister tell us why they were not able to use this money to computerise the entire district registries for ID registration? Can he also tell the House why they cannot give out voters' cards on an on-going basis like they do with the IDs, so that all Kenyans have their right and opportunity to vote?

Mr. Samoei: Mr. Speaker, Sir, I want to correct the first impression created by the Member that we have 300,000 Kenyans being born every year and we have only managed to register 194,000. I want to let him know that 194,000 is the number of Kenyans we have registered so far this year. We still have five or six months to go and I am sure that we will get to his target of 300,000. Secondly, the money that I did specify here was indeed, used properly, since we did have a target of 15 million Kenyans to be registered and so far, we have registered close to 14 million Kenyans. This is quite on target, as it were.

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

Mr. Speaker: Sorry, next Question; Mr. Mutahi? Time is running out and we have too many other questions.

Question No.227

OWNERSHIP OF KIHUTI MAKARIOS PRIMARY SCHOOL

Mr. Mutahi asked the Minister for Education and Human Resource Development:-

- (a) what the ownership status of Kihuti Makarios Primary School in Githi Location is; and
- (b) what urgent action he is taking to resolve the current dispute between Bishop Peter Kinyua and the public to ensure that the school does not close down as a result of these wrangles.

The Assistant Minister for Education and Human Resource Development (Mr. Awori): Mr. Speaker, Sir, I beg to reply.

(a) Kihuti Makarios Primary School is a public primary school under the sponsorship of the Greek Orthodox Church.

(b) As of now, there is really no dispute between the Bishop and the community and, therefore, there is no risk of the school being closed down.

Mr. Mutahi: Mr. Speaker, Sir, that is a very sad answer because the current file of this school at Jogoo House Ministry headquarters reads that this is a church public (private) school. The recommendation from Nyeri by the District Education Board was for it to be a church public school. But the matter was followed to Jogoo House by this Bishop and some corruption was done there. They amended the form to read church public (private) school. Can the Assistant Minister go and re-check his answer, because there is a dispute here and there are many problems on the ground and he has written two letters to the Ministry---

Mr. Speaker: Can he answer you? Mr. Awori, is there such thing as 'public (private)'?

Mr. Awori: Mr. Speaker, Sir, after the property was allocated to Kihuti, the Bishop on his own, without consulting either the stakeholders or the Ministry, sneaked and tried to change the property to private. His reason was that it is only when the school was private that it would continue to be financed by the Greek Orthodox Church. After the stakeholders and the Ministry and the Nyeri County Council came together, it was agreed that the school must remain public. The last meeting to resolve this was on the 16th February this year, when only the Bishop was on one side insisting that it must remain private, while everybody else stated that the school had to be public, because that was the criteria under which the land was allocated.

Mr. Mutahi: Mr. Speaker, Sir, to avert any future problem on this issue, can the Assistant Minister now promise that he is going to correct the documents that were messed up by the Bishop and other people in his office, so that the file can now read church public school and not church public (private) school as it reads today?

Mr. Awori: Mr. Speaker, Sir, it cannot be public (private). If indeed, that is the way the document is reading, first of all, the official who registered it as such made a mistake and, therefore, it would be null and void. I will undertake in this House to ensure that the correct terminology reads on the document.

Mr. Speaker: Very well, next Question Mr. Kiunjuri.

Question No. 178

CHILDREN'S ISOLATION WARD FOR
NANYUKI HOSPITAL

Mr. Kiunjuri asked the Minister for Health when the Ministry will put up a children's isolation ward in Nanyuki District Hospital.

The Assistant Minister for Health (Mr. Criticos): Mr. Speaker, Sir, I beg to reply. The Ministry has no immediate plans to put up a children's isolation ward in Nanyuki District Hospital because of lack of funds.

Mr. Kiunjuri: Mr. Speaker, Sir, considering the love the President of this nation has for children, I want to assure you that I will be the first person to meet the President at the airport.

Mr. Speaker, Sir, I am also assuring this Assistant Minister that if this answer came from your desk, you would automatically be fired.

Mr. Speaker: Mr. Kiunjuri, will you stop threatening Ministers? Go to the question and stop threatening Ministers.

(Laughter)

Mr. Kiunjuri: Mr. Speaker, Sir, could the Assistant Minister first deny or accept that this answer came from his desk before I meet the President?

Mr. Mutahi: On a point of order, Mr. Speaker, Sir!

Mr. Speaker: Yes, Mr. Mutahi?

Mr. Mutahi: Mr. Speaker, Sir, is it in order for hon. Kiunjuri to take advantage of this House to threaten the Assistant Minister?

Mr. Speaker: Order! Order! May I say this; I think the hon. Criticos is not scared in the least of Mr. Kiunjuri. Will you want to answer him, hon. Criticos?

(Laughter)

Mr. Criticos: Mr. Speaker, Sir, this answer came from my office in the Ministry of Health and I am responsible for all the utterances which I make on behalf of the Ministry of Health in this honourable House.

Mr. Kiunjuri: Mr. Speaker, Sir, the same Ministry, but not the same Assistant Minister, promised us last year in the same House that they were going to construct two children's wards. Now, this means that they were not serious with what they said. In six months' time, they have forgotten that they promised the people of Laikipia East and the nation that they would construct two children's wards in Nanyuki District Hospital. Could he now deny or accept that, that is what the Ministry promised? He is now standing here to tell us that they are not doing it after all.

Mr. Criticos: Mr. Speaker, Sir, the wind of change in our country at the moment--- In the forthcoming

budgetary allocation, 12 Government Ministries' Development Votes are expected to decline over the next two years in order to reduce local borrowing from the money market and to reduce Government deficits and allow more funds to be available for borrowing by the private sector in order, to stimulate economic growth. This means that we shall not be able, in the Ministry of Health, to take any new projects aboard during this period.

Mr. Ndicho: Mr. Speaker, Sir, children are very vulnerable to diseases, especially when they are put in the same wards with adults. The issue of building an isolation ward for children is very crucial. Can the Assistant Minister tell us how much it would take to construct a children's isolation ward? How much would it cost; Kshs50,000 or Kshs100,000 and then we can call for a Harambee because it is a very serious matter?

Mr. Criticos: Mr. Speaker, Sir, since the Question was different I do not have the figures, but I agree with hon. Ndicho that it is very important that the isolation ward is built in Nanyuki. Without doubt we agree with that view. However, the funds are not available, but we are willing. If you invite me for a harambee I will come.

Question No.004

COLLAPSE OF NZIU RANCHING
CO-OPERATIVE SOCIETY

Mr. Kitonga asked the Minister for Co-operative Development:-

- (a) if he is aware that Nziu Ranching Co-operative Society in Mutitu constituency collapsed in 1994; and,
- (b) if the answer to "a" is in the affirmative, when the farmers will be paid their benefits/dues and what steps the Ministry is taking to divide the assets and the ranch.

The Assistant Minister for Co-operative Development (Mr. Opore): Mr. Speaker, Sir, I beg to reply.

- (a) I am not aware that Nziu Ranching Co-operative society in Mutitu Constituency collapsed in 1994.
- (b) In view of the answer in "a" above part "b" does not arise.

Mr. Kitonga: Mr. Speaker, Sir, I am not surprised by the vague answer given by the Assistant Minister. Considering that my constituency is in a very remote area, there are no telephone facilities and no roads despite the recent visit by the President. However, I would like to know the status of the Nziu Ranch, its members and the assets available.

Mr. Opore: The membership of the ranching society is 1492. The size of the assets is 1,745,000.

Mr. Kitonga: I would like to know the assets available. What are they? Are they cows or goats?

Mr. Opore: The society deals with the keeping of animals. Of course, we are talking about cows.

Mr. Anyona: On a point of order, Mr. Speaker, Sir. I think the Chair should help the House when we get answers like "I am not aware" from Ministers. When a Member of Parliament brings an issue to the House, surely, there must be a problem on the ground. When the Assistant Minister says that he is not aware and he starts uttering some figures and information about matters of which he has said he is not aware of? can the Chair help us so that when a Minister says he is not aware and he has been made aware by virtue of the Question he will tell us what he has found on the ground which justifies the answer that he is not aware of. It is unfair for Kenyans to get these kind of answers.

Question No.060

CONSTRUCTION OF BRIDGES ACROSS
KHALABA RIVER

Mr. Wanjala, on behalf of **Mr. Wafula**, asked the Minister for Public Works and Housing when the Government will construct the Khalaba river bridges at points:

- (i) Kibabii to Luucho; and,
- (ii) Bungoma Town to Munyayi/Chemuche

The Minister for Public Works (Mr. Ngala): Mr. Speaker, Sir, I beg to reply.

(a) My Ministry is not planning to build the bridge at this river crossing because this point is not on a classified road.

(b) My Ministry shall not construct the bridge at this crossing point because it is only a footpath which is not on a classified route. The Ministry only considers to build bridges on classified roads. The Member should request through the local DDC for the upgrading of the footpath in order to qualify for Government funding.

Mr. Wanjala: Mr. Speaker, Sir, I am very saddened with the answer from the Minister because it is very clear that last year these bridges were passed by the DDC that the Government should make an effort and build the two bridges. Is it in order for the Minister to tell this House that this project has not been passed by the DDC?

Mr. Ngala: Mr. Speaker, Sir, I do not see the reason why the hon. Member is saddened because what I said is a fact. It is not on record as having been approved as a priority by the DDC.

Question No.072

CONSTRUCTION OF BRIDGE ACROSS RIVER ATHI

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

(a) If he is aware that there is no bridge to cross Athi River from Kamuthambya area in Kikesa Location to Kyawango area in Mwala Location and that people in both areas travel for more than 30 kilometres along the river to access a bridge; and,

(b) If the answer to "a" is in the affirmative what steps he is taking to ensure that a bridge is constructed to serve the residents of the said area.

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

(a) Yes, I am aware.

(b) Currently, my Ministry is constructing two bridges and one drift in Machakos District namely Wethanga Drift on road E1805, Kivaani Bridge on road E483 and Kathaani Bridge on road C99, which was submitted as district priority project by the DDC.

Mr. Speaker, Sir, my Ministry will consider building a bridge across Athi River at the Kamuthambya area as soon as funds are available and when this project becomes a district priority project.

Mr. Wambua: Mr. Speaker, Sir, the bridges that the Minister is talking about are not in my constituency. In fact, according to my Question, if the Minister is serious and if he can consider people walking from Kamuthambya area in Yatta Constituency and from Mwala area, about 30 kilometres along the river where there is no bridge and he is aware of course, that this river is all the time impassable, could he consider constructing a bridge in that area which I have mentioned, rather than talking about other bridges which of course, as he claims, the Ministry is building?

Mr. Ngala: Mr. Speaker, Sir, the consideration from the Minister is not applicable in this situation. We have a system which we must comply with. We get all the projects recommended by the relevant DDC and take them on and use public funds on them.

Mr. Wambua: I am going to make it passed by the DDC within the next few days and then table the minutes of the DDC here since he has accepted that he will take over the project. Can he accept to do that?

Mr. Ngala: Mr. Speaker, Sir, if it is number one in priority, we will take it.

Mr. Ndicho: On a point of order, Mr. Speaker, Sir. As you know very well we have complained about the issue of Ministers hiding behind an "animal" called DDC which never meets. In my district for the last one year we have never met in that so called animal. Parliament is supreme over the DDCs. If the Member has brought an issue here, you should rule him out of order because he should not hide behind the DDC which, in fact, never meets. Protect us.

Mr. Speaker: When I am not threatened by time; but now I am. Time is up and so, the next Question is deferred until tomorrow afternoon.

Question No.090

COMPLETION OF KISII-CHEMOSIT ROAD PROJECT

Mr. Anyona: On a point of order, Mr. Speaker, Sir. I am sure this Question and a few other Questions were deferred yesterday. I would have thought that, on today's Order Paper, they would have been given priority over new Questions.

Mr. Speaker: Well, I assure you that we will have it done tomorrow in the afternoon.
Next Order!

(Question deferred)

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 10.6.99)

*(Resumption of Debate interrupted
on 16.6.99)*

(The Third Day of Budget Debate)

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Mr. Sumbeiywo): Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech.

Mr. Speaker, Sir, I would like to start from the outset by saying that, if the Budget Speech presented here by the Minister for Finance will be implemented, it will go a long way in alleviating the problems that we are now facing in this country.

Mr. Deputy Speaker, Sir, I would like to talk about security as a top priority issue. I think we have to be very serious in this country and address the question of security very seriously. I have talked more than once on the Floor of this House about the availability of resources like means of communication in the security organisations of this country. In the security organs of this country, we still use the old system of communication that cannot communicate from one province to the other. The means of transport used by the security officers and, in particular, the police, is outdated. They use Mahindra vehicles which cannot even chase a donkey! It is bad. We should address the issue of security in as far as tourism is concerned. We cannot lure tourists into this country if the security in our national parks cannot be guaranteed. We recently waived the visa rule for tourists intending to spend their holidays in this country. That is not enough. Waiving the visa rule is just one way of encouraging tourists to visit our country, but the roads in the national parks have to be repaired. Security in national parks must be guaranteed so that we can encourage tourists to come to this country. The remuneration of policemen in this country is below that of any other civil servant. Policemen in this country earn a salary of Kshs4,000 to Kshs5,000 and they have to share accommodation. It looks odd for officers to share accommodation together with their wives. It is ridiculous! There were some houses constructed a long time ago when I was still a policeman, and those houses have not been completed up to this day. I do not know whether somebody is "eating" the money; the budgetary provisions, made for the completion of such projects. So, many security projects which were put up a long time ago have stalled. I think we should go back to our drawing board and see where we went wrong.

Mr. Speaker: Order! Order, Members! There is a growing tendency by hon. Members to use words that are not Parliamentary. I listened to the debate of yesterday and this morning and I heard too many of such remarks. So, can Members restrain from using unparliamentary language? This warning also relates to the drafting of Questions. I am getting too many Questions with words that cannot enter this House. So, can we leave all those words; and, will you withdraw the word "stolen"?

The Assistant Minister, Office of the Vice-President and Ministry of Planning and National Development (Mr. Sumbeiywo): Thank you, Mr. Speaker, Sir. I withdraw the word "stolen". But sometimes money is misappropriated. I would like to recommend that, when money is voted for any project in this country, that money must be taken to the district concerned. Such money must be administered, not only by the civil servants, but also by the leaders in that area, including politicians, councillors and the elected Members of Parliament, so that we know where our money goes to. When we talk about the Controller and Auditor-General's Reports, I think it is high time those who have looted the coffers of this nation were investigated and if found guilty, they should be taken to court.

Mr. Speaker, Sir, we would like to encourage Ministers, Assistant Ministers and the top civil servants to visit the countryside because the officers serving in those areas need to be given guidance. Sometimes officers sit in their offices; like the Ministers, Assistant Ministers, civil servants. What we are missing in this country, and which we have to put right, are the implementors of Government decisions. These are the technocrats who should go to the ground and attend to the problems that we face in this country. We are going to have a severe

drought in this country and because of that, there will be no grain harvesting. However, we have not constructed dams in order to irrigate our land. We always say that His Excellency the President is not helping this country to progress. It is the Civil Service that is supposed to implement the plans which have been drawn for the development of this country.

Mr. Speaker, Sir, we represent farmers and business people in this country. The inputs for farmers, like fertilizer, are very expensive. This year, the price of fertilizer rose to Kshs1,700 per bag of 50 Kgs. That is beyond the reach of an ordinary farmer. I am happy the price of maize is still low, but the price of wheat seed and that of fertilizer is so exorbitant that our people cannot afford to buy them with their meagre resources.

[Mr. Speaker left the Chair]

[Mr. Deputy Speaker took the Chair]

The increase in the price of kerosene was not well thought out. This will encourage our people to go back to the forest and get firewood instead of using kerosene. I think something should be done so that, at least, our people can use kerosene. For example, diesel for the farmer is too expensive. The price of spares for vehicles has increased. It is high time we controlled the price of oil in this country because this is what determines the prices of spare parts and everything that an ordinary person purchases.

With those few remarks, I beg to support.

Mr. Kajwang: Mr. Deputy Speaker, Sir, I want to thank you for the opportunity you have given me to contribute to this Budget Speech.

First and foremost, I would like to say that this Budget presupposes that there will be a lot of tranquillity and peace in this country, so that this Budget can achieve a few things which it ought to. But it has started on a wrong premise, because without dealing, first and foremost, with the constitutional review process, this country is going to have a lot of chaos, especially in the next half of this year. Most of our people will be in the streets; they will make noise, throw stones, burn tyres, and businesses will collapse. I am saying this honestly because I know how our people feel about the constitutional review process. There are some two extreme views which I have heard in this country, one of them saying--

Mr. Katuku: On a point of order, Mr. Deputy Speaker, Sir. I would not like to take the hon. Member's time, but I am worried about events at the corner where hon. Nyenze, hon. Kitonga and hon. Mwewa are seated. Could hon. Kitonga be protected from hon. Nyenze?

Mr. Kajwang: Mr. Kitonga, can you move away from hon. Nyenze? You are going to go back to KANU again!

Mr. Deputy Speaker, Sir, I said that there is going to be a lot of disturbance in business and all sorts of things in this country unless the constitutional review process is taken seriously. There is one view; an extremist view, that Parliament is illegitimate. That view is held by some people in something called NCEC; a very extremist view, that this Parliament is illegitimate; that hon. Otieno-Kajwang rigged himself into this Parliament. That view is stupid because I fought against KANU and won.

Mr. Ojode: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for hon. Nyenze to come and persuade hon. Kitonga on our side to defect?

Mr. Deputy Speaker: Order! Order!

An hon. Member: Amekuwa "Bw. Dawa"?

Mr. Deputy Speaker: Order! There is nothing under the sun to stop hon. Nyenze from sitting where he is seated right now. Secondly, and more important, if he wants to persuade hon. Kitonga to cross from SDP to KANU, I am sure he has got many places and many opportunities outside this Chamber.

Proceed!

Mr. Kajwang: Mr. Deputy Speaker, Sir, there is another extremist view that this public; the nation of Kenya, does not know anything about the Constitution. That is another very stupid view. I was at home in a small public rally and I asked them: "Ladies and gentlemen, are you of the view that when we elect the President, we should elect him together with his Vice-President, or should we elect him alone so that he can joke around with people like hon. Saitoti and sometimes stay alone without a Vice-President"? They told me: "We want to elect him with his Vice-President". Then I asked them: "Are you of the view that when we elect the President, he should stay as President for two terms, or should he go on until he expires?" They told me: "After 10 years, he should go home!".

Mr. Deputy Speaker: Order! Hon. Kajwang, we are on the Committee of Ways and Means, not constitutional review.

Mr. Kajwang: Mr. Deputy Speaker, Sir, I said this because this Budget is predicated on a view that this country is going to be a very peaceful country; there will be no riots; no disturbances, and we hope that it will work. I am saying that these two extremist views are the two stupid views which are going to destroy this country, and this Budget will not see the light of day.

Mr. Deputy Speaker, Sir, I heard somebody saying that corruption is from two sides; it is in the heart of the people and that the Opposition is also corrupt. You must know the meaning of corruption. "Corruption" means using public office for private profit. Otieno-Kajwang does not have any public office other than to tell the Ministers and the Permanent Secretaries not to steal--- Sorry, not to misappropriate public funds. So, when somebody talks of corruption--- I attended the COMESA meeting, and I was embarrassed when our Head of State said that everybody and every country is corrupt. I said: What is this? Are we justifying corruption? Are we saying that because America and China are corrupt, Kenya must also be corrupt? If we do not deal with this "animal" called corruption, this Budget is useless.

Mr. Deputy Speaker, Sir, I read this Budget Speech in and out, and I noticed it is talking about domestic debts like a joke. There is this "animal" called domestic debt which is going to destroy this country. When the Minister is responding, he must tell us clearly how he is going to deal with it. Right now, the domestic debt is standing at Kshs178 billion, and I am sure it is a little higher than that. This Budget alone has provided for another debt where Treasury is going to borrow from the public over Kshs14 billion. So, towards the end of this Budget, we are going to have a domestic debt of over Kshs200 billion. We are already paying more than Kshs34 billion every year in interest alone. We are now paying almost Kshs32 billion in foreign debts interest alone. That does not leave us with any money to pay salaries. But after we pay salaries, there is no money for operations and maintenance in this country. That is why there are no roads and everything is out of order. I sympathise with the Minister, that he has been put in such a situation; that he has inherited an empty granary, and he does not want to say so. What is the Minister going to do about this debt? Is he going to sell it to somebody; externalise it? Is he going to get some concessionary loan to take it away somehow for 40 years, so that we breed and get some money to maintain this economy? What is he going to do with this domestic debt? He should tell us that he is not taking us anywhere because he will never have any money to manage this economy.

Mr. Deputy Speaker, Sir, I now know that the World Bank is not coming back very soon, and the IMF is not coming, at least, for the next two years. They have said that they were investigating corruption in this country and one of the biggest scandals of corruption in this country, was Goldenberg, and the chief architect of Goldenberg is now the Vice-President. So, they are not coming because they cannot investigate a Vice-President.

So, what are you telling us? Tell the President to sack Prof. Saitoti, and then you can talk to the IMF. Otherwise, they will not talk to you. This is a very serious issue.

I brought a Motion to this House seeking to discuss Prof. Saitoti so that we can remove him if the President cannot remove him, and you are sitting on it. I want to know where my Motion is, so that I can discuss this gentleman, he goes home and leaves us to breathe. With him there, we are not going to get any money from anybody. If IMF does not give you any rating, there will not be any concessionary loan from anywhere; even from Russia or a drug lord; you will not get it. So, where are we going to get money to run this country?

Mr. Deputy Speaker, Sir, if I were the Minister for Finance, first of all, I would ask the President to fire Prof. Saitoti immediately. Secondly, I would invite private developers to build a tall highway from Mombasa to Kisumu and to Busia. There are people who can do that so long as they are given some incentives which we do not have and which we will not have. Thirdly, I will privatise the port.

Yes, he is here! He must go first before this country can be saved.

(Laughter)

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): On a point of order, Mr. Deputy Speaker, Sir. The matter the hon. Member is speaking about, we all know that it is in court. Is it in order for the hon. Member to bring a matter here which is *sub judice*? I would also like to ask the hon. Member, if he has got evidence against me, the matter is in court, let him take the evidence to court because he tried it once, but he did not get anywhere. Now, he should go and file whatever evidence he has. I am tired of this so-called "Goldenberg" on me. I am innocent! I do not want to talk about it, the matter is *sub judice*. He is a lawyer, he ought to know it. He should take the evidence to court, if he has any.

Mr. Kajwang: Thank you very much, Mr. Deputy Speaker, Sir. As far as I am concerned, I went to court and Prof. Saitoti and the Attorney-General went behind me and they threw me out. I want to go back, if they

assure me that they will not throw me out. But that is not the matter. I did not talk about the Goldenberg issue. In fact, there are more serious things I want to talk about in this House, if my Motion comes.

Mr. Deputy Speaker, Sir, I was outlining the priorities of what I will do. The fourth thing I would do is to privatise the Kenya Railways. The Kenya Railways will not run the way it is run. It has no money, it is dry. We have to give it to some Koreans or somebody to run it. So long as the Kenya Railways is run efficiently, we do not care who owns it, we want the services. After doing that, I will build one to Manderu and Moyale to open up the North-Eastern Province so that their cattle can come down and be exported. Again, if I were the Minister for Finance, I would have given ten years tax-holiday for those who want to invest in this country, at least, to some degree of dollars. I am sure many investors will have come.

With those few remarks, Sir, I oppose.

The Minister for Transport and Communications (Mr. Ntimama): On a point of order, Mr. Deputy Speaker, Sir. I want the ruling of the Chair because you have just said after hon. Sumbeiywo had spoken here that the word "steal" is unparliamentary. It is definitely okay when you misappropriate funds. What happens when one steals a goat? Do you misappropriate her as well?

(Laughter)

Mr. Deputy Speaker: Hon. Members, that situation has not arisen here yet. Stealing or misappropriating goats has not arisen and, therefore, there is nothing that the Chair is called upon to rule on!

The Assistant Minister, Office of the President (Mr. Gumo): Thank you very much, Mr. Deputy Speaker, Sir. I rise to support the Motion. I congratulate the Minister for Finance for having brought a very balanced Budget, which I think most of us agree with. But there is one thing which is the backbone of this country which if we do not look into it, there is no way we shall ever be stable.

Mr. Deputy Speaker, Sir, ours is an agricultural country and right now, most farmers have given up farming. If we do not have food, there is no way this Budget is going to work. There have been a lot of imports of maize, wheat, sugar and every agricultural produce. Even now, the KCC is in a mess. The farmers do not know where to take their milk. If farmers do not have money, the country can never be stable. We must take a bold step and protect the farmers. We must stop the importation of agricultural products; they are ruining our economy. Today, we are getting some eggs, sugar, rice and even juices from South Africa, to the extent that our local factories are closing down. If they close down, definitely, there will be no employment. That is why we are having economic problems. If we do not do that, I do not know how we are going to survive.

Mr. Deputy Speaker, Sir, on the issue of the infrastructure, although we have been talking about roads, roads in Nairobi are in a pathetic condition. Some Members of Parliament from Nairobi stand up and talk of one area as if--Even in my constituency, Westlands, not every road has been done. We need to do something about the roads in the City Centre and Industrial Area. We should forget everything else and, at least, do the roads in Industrial Area and in the City Centre because those are areas where we have even visitors coming to this City, particularly the City Centre.

Mr. Deputy Speaker, Sir, if you go down beyond Tom Mboya Street, the road is in a terrible condition. With the *El Nino* funds, we should concentrate first on Nairobi roads before we go outside. Mr. Deputy Speaker, Sir, we talk of tribalism, but tribalism is going to ruin this country. Even today, people who are looking for employment, will first ask: "Who is the manager of that company?" If you do not belong to that tribe, you cannot get a job there. People go back to the countryside to get even casual workers. They cannot employ anybody who is not from their tribe. Even Indians are going back to India to bring labourers and even security guards. So, tribalism is becoming a thing that should be controlled.

Mr. Odoyo: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to tell us about Indians going back to India to bring Indians when he is the one responsible for immigration in the Office of the President?

The Assistant Minister, Office of the President (Mr. Gumo): Mr. Deputy Speaker, Sir, I was talking about tribalism. We are trying to control even Indians. I was just giving that as an example. I hear people talk of things like "*Jeshi la Mzee*" and so on. It is now getting out of control. I have always said it, both in this House and outside, that there is nothing like that.

Mr. Mutahi: On a point of order, Mr. Deputy Speaker, Sir. I thought the Motion before us has nothing absolutely to do with "*Jeshi la Mzee*." If the Assistant Minister has become irrelevant---

Mr. Deputy Speaker: Order! Let the Chair rule on the relevance of what he is saying!

Mr. Mutahi: But I should alert you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: I have got ears!

The Assistant Minister, Office of the President (Mr. Gumo): Mr. Deputy Speaker, Sir, he said it and I want to make it very clear that, that thing is not there. Whoever knows that there is "*Jeshi la Mzee*" anywhere, should show us where it is. He should not just go round shouting "*Jeshi la Mzee! Jeshi la Mzee*", when he knows very well it is not there. That stigma must be removed immediately. I am not going to allow Members of Parliament and other people to joke around with me everyday like that. I am very serious about this matter. I know that Members of Parliament are trying to pick on that.

(Laughter)

Mr. Deputy Speaker, Sir, I am very serious about this, and this thing is not there. The only thing is that, I am the Member of Parliament for Westlands, just as you are the Member of Parliament for Thika or wherever, and when you are in your constituency, definitely, there will be many people around you. Whenever you appear there, there are people around you. Is that the *Jeshi*? If people come to see you in your constituency-- You want me to be a loner? You want me to walk alone? If that is what you call *Jeshi*, then I am very sorry for you. This thing is not there and, please, stop it because it is threatening wananchi. People think that it is there, but it is not there. If it is there, then come up and show us where they have camped.

Mr. Deputy Speaker, Sir, the other day, *The People* newspaper said that the *Jeshi la Mzee* is as big as 27,600 people, but I am asking them: Where do you keep these people and how do you feed them?"

Mr. Mutahi: You know that yourself; tell us!

(Laughter)

The Assistant Minister, Office of the President (Mr. Gumo): So, let us stop this talk.

On security, we need to give more money to the police. The only thing is that, if the police worked they way they worked to look for that man who messed up on Budget Day, then they would be arresting all the thieves in this country. Even journalists should try to take photographs of people who break into banks and flash them in the papers. People are robbing banks every day and they cannot be found. Money is going and the culprit himself cannot be arrested. We are putting ourselves in a situation where people are now living under fear. The police should do all their best to make sure that most of the criminals in this country are eradicated completely. They should do that because they are losing millions of money. One day, we lost over Kshs97 million here. It just went like that and nobody has been arrested, up to today.

Mr. Angwenyi: On a point of order, Mr. Deputy Speaker, Sir. Is the Member of Parliament for Westlands in order to lament about the inability of the police to apprehend culprits when, in fact, he is in charge of the police?

The Assistant Minister, Office of the President (Mr. Gumo): Mr. Deputy Speaker, Sir, I am asking the public to help the police. Police are not there when people are breaking into banks, but there are always people around. If they can identify others, then they should identify everybody. We should use our military to work even on the roads like other countries. We have qualified engineers in our Defence Department. We have equipment which can carry out a lot of work in this country. Some of these qualified engineers are just sitting idle. They should be given work to do by going to the roads. The commander should ask and, in fact, he can even tender for some of these jobs and do the roads, and make money for themselves. Let us commercialise some of these departments.

Mr. Deputy Speaker, Sir, we should even use the National Youth Service personnel. We should not just sit there and wait. We are in an economic situation where, unless we put our hands together, and unless we support each other; including you, Members of the Opposition--- You should support the Government. Do not criticise the Government all the time but support us. When we are hungry, all of us are hungry, and even you are hungry and not only us. Let us work together. This is not the time to criticise each other; this is the time to build. This is not the time to destroy.

With those few remarks, I support.

Mr. Kariuki: Thank you, Mr. Deputy Speaker, Sir for giving me an opportunity to comment on the Budget. It is a Budget that appears fair to wananchi, but I think it does not address the very pertinent issues which this country is facing at the moment. We are faced with a crisis, whereby we do not have adequate jobs for our people; corruption is rife; there is poor governance, and all these are causing major problems in the economic

development of the nation.

Mr. Deputy Speaker, Sir, the Minister did come up with observations in various sectors. Particularly, he mentioned about the outflow of capital. Investors will not come into this country, if at all the environment is not conducive for them to do so; when we have tribal clashes and insecurity prevalent all over and, as I said before, corruption and very poor infrastructure. Really, we should be lamenting as to why they are not coming. What we are simply doing is to create an environment which can attract them to come. We are competing against other nations in the world and, unfortunately, Kenya appears to be living in the old glories, whereby we were flattered to be the best in Africa and the best in everything.

Mr. Deputy Speaker, Sir, I think we should forget all that and now live to the realities of time, in fact, mending fences and also addressing issues that have caused problems, rather than have very beautiful policy papers and Sessional Papers which are never implemented. They are safely kept in archives and nothing happens, and we are being

[Mr. Kariuki]

looked at as leaders for guidance, which is not forthcoming. We should ask ourselves in the first place: "Why is it that the World Bank and the IMF have not been chipping in aid for the last seven years?" "Why is our bill of health that bad and tainted?" These issues are not being properly addressed. We are just beating about the bush by saying that we are doing things to rectify the economy. I think we are not!

Mr. Deputy Speaker, Sir, there has been a slump in agriculture, tourism and, of course, manufacturing. If you look at the tourist industry, which used to be a major foreign exchange earner, and it is no longer; really, we are the cause of the problem ourselves. It is not a problem that we should be lamenting over and telling the international community to help us on. The solutions are with us. The issue is that, insecurity caused the problem that we had at the Coast and elsewhere, and rather than addressing it, we are beating about the bush. I think we should ask ourselves: "What caused all these, and how can we stop an occurrence of that type taking place again?" The Minister did talk about compulsory third-party motor vehicles insurance, but you see, in this insurance area, it is very interesting to find that there is a very major loophole whereby aircraft are not insured. There is no compulsory insurance for aircraft. This is very interesting. Most of the aircraft that carry passengers between here, North Eastern Province, Somalia and other places are not insured. I think this is a very major omission in law and I think compulsory insurance should cover not only motor vehicles but also aircrafts, boats and even bicycles that move on our roads, because I think we are exposing lives to danger. So, I think that is an area that ought to be addressed.

Mr. Deputy Speaker, Sir, there was mention about lack of activity or low activity on the Nairobi Stock Exchange (NSE) but, here again, we are in a vicious circle whereby activities that slacken the economy, also cause spill-over effects on other sectors of the economy, the NSE included. But more so, we have not addressed the other issues that can, at least, help activity on NSE. And I fear when I realise that privatisation has not been properly addressed because we have been talking about other potential companies like Kenya Ports Authority and Telecoms, but we are not talking about the companies that are profit-making, like the Kenya Wine Agencies and the Kenya Pipeline; the reduction of ownership of the Government in KPLC; reduction of Government ownership in East Africa Industries (EAI). Now, those are the areas where the Government is making profit and where the mwananchi would like to invest, and these will be the areas that will make the activity on the market more active. There has been a tendency to dump only loss-making companies on the NSE, and I think we should revert the position, such that, investors would be more attracted by companies that are making profits and not those that are making losses. More so, we should look at the possibility of giving tax holidays for companies that are listed on the market, and having preferential treatment for companies that are listed on the market, so that companies can be attracted to be floated on the market. We have very large family concerns like the Chandarias, House of Manji and the others, but they do not list on the market because there is no extra incentive.

Mr. Deputy Speaker, Sir, the Minister also talked about Treasury Bills interest rates having fallen from 26 to 25 per cent, but the interest rates of commercial banks have not fallen in tandem. One would have expected them to fall from 30 per cent to something like 15 to 10 per cent. However, this has not been the case. I think liberalisation is causing our people a major problem because bank charges are exorbitant, and there is nobody who can control them. I think controls should be put in place in certain areas where we find that our people are exposed to the vagaries of people who want to make profits at the expense of poor *wananchi*. Foreign banks seem to becoming more interested in profit making. We are letting big banks to be even bigger.

Mr. Deputy Speaker, Sir, I find it ridiculous that the Minister is also coming up with the proposition to increase the capital base for banks. This means that we will never have indigenous banks in this country. It is unfortunate that we hate our own black people. We do not want black people to own banks. We have crushed all

the indigenous banks, and we are only left with multinational ones such as the Barclays Bank and the Standard Chartered Bank. This is a disaster for this country. In future, our children will ask us about this. We are found to be perpetuating foreign ownership at the expense of local ownership; it is a disgrace.

Mr. Deputy Speaker, Sir, it is good that some of the Asian banks, which were being used by those in Government to siphon money out of the NSSF, have also collapsed. The National Hospital Insurance Fund (NHIF) is another Government-oriented parastatal. Those banks happened to collapse, so siphoning of public money has stopped. Now, there is no more money which is flowing out to enrich politically-correct individuals. The Kenya Revenue Authority (KRA) is doing a very good job. However, I think the parastatal---

(Loud consultations)

Mr. Deputy Speaker: Order! Order!

Mr. Kariuki: Thank you, Mr. Deputy Speaker, Sir, for protecting me.

Mr. Deputy Speaker: Hon. Ndicho, sit down if you want to talk to hon. Nyenze.

Mr. Kariuki: Mr. Deputy Speaker, Sir, I was commending the KRA for a job well-done. The Authority should keep up its efforts in trying to raise revenue. However, while the Authority is doing that, there are also other people who try to avoid paying tax. An example of these is a company called "UT Tobacco Limited". The company has imported tobacco, but did not pay the rightful duty. Some of its containers are still lying at the port. I have a document to that effect. I understand that the company was trying to avoid duty to the tune of about Kshs234 million. This type of thing is not welcome. It is important that we help the KRA to collect as much revenue---

Mr. Odoyo: On a point of order, Mr. Deputy Speaker, Sir. Could the hon. Member lay on the Table the document he claims to have, so that the Minister could take appropriate action against the company that has been said to have evaded paying tax? The hon. Member has claimed that the company has not paid millions of shillings in duty.

Mr. Deputy Speaker: Mr. Kariuki, could you proceed and lay the document on the Table?

Mr. Kariuki: Mr. Deputy Speaker, Sir, I will kindly oblige.

*(Mr. Kariuki laid the documents
on the Table)*

Mr. Deputy Speaker: What is the name of the company?

An hon. Member: Could we have the details?

Mr. Kariuki: Mr. Deputy Speaker, Sir, the details are contained in that document.

Mr. Deputy Speaker, Sir, as I was saying, we must have policies which are implementable. We have been talking about various superfluous and cliché-oriented policies. For instance, we had a policy which stated that every Kenyan would have clean drinking water by the year 2000; the policy on the eradication of poverty in the next 16 years, *et cetera*. Government policies should be realistic. The Government had formulated a policy to ensure that there is clean drinking water to every Kenyan home by the year 2000, but this will not be realised by December this year.

Mr. Deputy Speaker, Sir, this Government has a tendency of coming up with policies that are totally unrealistic. Now, the same Government has now come up with a policy on poverty eradication. Poverty is not an animal that we can attack and shoot dead. This is not, really, being realistic. Let us talk about issues such as economic growth, generally, and poverty alleviation will come in automatically. The Government should not address itself to an animal that is non-existent. Poverty is there, but I think the policy dwells on generalities which do not make sense.

With those few remarks, I beg to support.

Mr. Deputy Speaker: Order! Order, hon. Members! Hon. Kariuki, this document does not prove that what you have said is correct. The document is a mere report by somebody, to the effect that the company's containers were left at a warehouse, and that the KRA should investigate it. So, I will not accept this document as a substantiation of the allegation you have made.

Mr. Odongo, proceed!

Mr. Odongo: Thank you very much, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to the Motion on the Budget Speech. The Minister for Finance attempted to come up with a balanced Budget. However, after reading through his Speech, I found that apart from a drop he has attached to corporate tax

and dropping the Value Added Tax to the 15 per cent rate, he has not come out clearly to tell this House and the country how he intends to raise revenue in the current financial year. Mr. Deputy Speaker, Sir, we cannot talk of a Budget where we expect to spend some revenue, when we are not sure of how that revenue is to be raised. In the previous Budget, the then Minister was very specific. For instance, he came out clearly and stated that a number of vehicles being used by Government officers would be surrendered, and that a number of telephone lines would be disconnected. He also said that some civil servants would give up Government-rented houses. However, these specific important aspects of that Budget were never implemented. I am sure that if these measures were implemented, we would have made a number of steps forward in achieving what was proposed in that Speech. Unfortunately, this year's Budget does not address any of those issues. At the moment, this country has the ability to attract investment. Investors can be persuaded to come and invest in this country. Who persuades investors to come and invest in a country? Has this particular Budget taken care of this aspect? I would like to say that very little has been included in this Budget in terms of investment. I believe you have learnt through the Press that in West Pokot District, an investor went there with a very large amount of money which he wanted to invest, but some of the politicians turned off that would-be investor. Now, who controls particular kinds of investments which come into this country? Is it I, or is it the Government?

The Assistant Minister for Finance (Mr. Lomada): On a point of order, Mr. Deputy Speaker, Sir. The hon. Member has made a very serious allegation that the investor who was supposed to go to West Pokot - and he is coming - was kind of stopped from doing so by a politician, yet that is not true. *The People Daily* does not actually report true events. So, I do not think that it is proper for the hon. Member to base his arguments on what he read in that newspaper. So, could he withdraw that allegation?

Mr. Deputy Speaker: Order! Order, hon. Lomada! You are arguing with the hon. Member who is on the Floor.

Mr. Deputy Speaker: Order, hon. Lomada! You are arguing with the hon. Member. You wait for the opportunity to argue on what the records say, but you cannot start arguing with him on the pretext that you are on a point of order.

Mr. Odongo: Thank you, Mr. Deputy Speaker, Sir. If the Assistant Minister is feeling the pepper he has eaten, if he has not eaten, it should not burn him! A similar thing has happened in Kwale. A Canadian company has come up in Kwale to invest, and create jobs for Kenyans and even the Assistant Minister stood up to say: "You cannot invest here unless you do the following". Who is controlling investment in this country? Are these Assistant Ministers controlling investment in this country or do we have a policy?

An. hon. Member: Assistant Ministers are powerless!

Mr. Odongo: There must be a policy that must be applied in this country when it comes to investment. We do not want everybody to participate from nowhere. This is the only way we are going to create jobs. I say so because we have already killed the sugar industry, where our people had gained a lot of jobs. We have killed the textile industry which employed a lot of Kenyans. As for the motor industry; we used to have assembling lines for motor vehicles in Thika and Mombasa. Where are they? In Thika and Mombasa, what happened?

Mr. Deputy Speaker, Sir, I would like to ask the Ministers responsible for power, public works and water and their Permanent Secretaries, if they would be kind enough, to travel around the country and see what developments that there are in respect of electricity, tarmacked roads and piped water. Who decides at what stage because I am told here that, DDCs should recommend and prioritise? If we go to these records like for Butere-Mumias, we have recommended electricity to be enhanced in my Constituency, Khwisero, and nobody from the Kenya Power and Lighting Company has appeared there. If we talk of tarmacked roads, people of Khwisero have never known anything called tarmac roads. This current Budget, has it taken care of the new district called Butere-Mumias District? If it has, I went through it and I have not seen how much money has been earmarked to be spent on this project.

When we talk of piped water in the rural areas where we come from, do not sit in your offices' desks and use telephones to talk about some of these things. You come round and we will take you round our constituencies, so that you realise how serious some of these things are. There are some roads in this country that are tarmacked and some of these roads will take even a month before a vehicle passes on them and I can name them. Why should we go impoverishing people in areas where we have sugar plantations and animals to be taken to the market and we have no roads? Why can we not have roads to transport the produce---

Mr. Kamolleh: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Member to impute ill-motive that, in fact, Government money was used badly to tarmac roads which no cars use without naming them? Is he in order?

Mr. Deputy Speaker: He is in order! He is expressing an opinion.

Mr. Odongo: Mr. Deputy Speaker, Sir, this Member has every right to stand up and say what he wants to say about his constituency, but I am now talking about Khwisero Constituency. So, I am appealing to those concerned---

Mr. Kariuki: On a point of order, Mr. Deputy Speaker, Sir. The hon. Member has made very a serious allegation about certain areas that have roads that are not used for up to one month. That is a very serious allegation. Would he name those areas, so that we are aware?

Mr. Deputy Speaker: Order! Order! He is talking about roads which cannot be used for a month because they are unusable, not because there are no vehicles: That, there are roads in his area which for one month cannot be used because they are bad, not because they are good and that they go for a month with no vehicles using them.

Mr. Odongo: Thank you, Mr. Deputy Speaker, Sir. My colleague in Parliament, why do you not one day travel across from Nyeri to Western Kenya and you will see what I am saying?

Mr. Mutahi: On a point of order, Mr. Deputy Speaker, Sir. I do not know whether you have noted, but for many days now I have noted something in this House; when the Speaker is communicating whether seated or standing, the Member contributing must sit down. When you were contributing or ruling on the point of order, the Member on the Floor was still standing!

Mr. Deputy Speaker: Well, they have heard you!

Mr. Munyao: Thank you, Mr. Deputy Speaker, Sir, for giving me this time also that I may be on record to compliment my friend the Minister for Finance for the way he tried to put a square peg into round hole! The day he was reading the Budget here, I counted the number of glasses of water that he drank. He drank four glasses of water because he knew that what he was trying to read was totally impossible. So, he tried and he was drinking water.

Hon. Shariff was drawing it and a certain Assistant Minister and I think the Front- Benchers were busy trying to send some water to the Minister for Finance because he really tried to put a square peg into a round hole! He knew that what he was reading was impossible and what he proposed would not be achieved. But all the same, he had to do it as a duty.

Mr. Deputy Speaker, Sir, it is impossible in Kenya to address ourselves to a balanced Budget, if we have no proposals to reduce corruption. A balanced budget can be done mathematically because we balance credits and debits, but to actually balance the needs with the revenue, it is impossible in Kenya unless we address ourselves to the level of corruption in this country.

Mr. Deputy Speaker, Sir, as we talk now, there is an airport in Kenya financed by the Kenyan taxpayers money to the tune of Kshs3.7 billion! This airport has got aircrafts which land there everyday from the United Arabs Emirates carrying things from Dubai and all the other areas. Those products land there, no duty is paid and those items find their way into the Kenyan market. It is impossible for any trader now to trade.

Mr. Odoyo: On a point of order, Mr. Deputy Speaker, Sir. I think there are only six international airports in Kenya. Is it quite in order for the hon. Member to name that particular airport; name names?

Mr. Munyao: Mr. Deputy Speaker, Sir, let the hon. Member give me time, because I have got only ten minutes to contribute to the Motion. Please, let us try to spare some time for other hon. Members.

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

Mr. Deputy Speaker: Order, Mr. Wafula! If a Member is responding to a point of order, or he is on a point of order, you are totally out of order to stand up on another point of order!

Mr. Munyao: Mr. Deputy Speaker, Sir, as I said, try to be kind to me, because I have got only, perhaps, eight minutes. The Airport cost the Government Kshs3.7 billion, which every Kenyan knows. Perhaps, before I go too far, today in Africa, there is a respectable country called South Africa, which is getting her new President today. Our President is there today to witness the inauguration ceremony of the new President, Thabo Mbeki. Perhaps, it is very good that we send our praise to that country. It should have been done by you, because it gets more weight when it is done by the Chair. That is very good, because our President has flown there, and we hope he will come back with a wealth of experience. Perhaps, he will now know how to hand over the Government to another political party, which is very good.

(Laughter)

Mr. Deputy Speaker, Sir, this is one of the things that we want the President of Kenya to learn; that after 10 years of rule, you can hand over the Government to another regime. President Moi can sit aside, and watch the new Government. Like in Tanzania, the former President Mwalimu Julius Nyerere has seen three Presidents, who have passed through his hands. Now, outgoing President Nelson Mandela has sat aside and he is seeing President

Mbeki taking over the Government. He, then, will see the third President taking over. I hope the heavens will touch our President as he arrives at the Airport, from South Africa, so that the first thing he will say will be: "Nimeokolewa na nimeona. I will try to do the same." That is one of the things that Kenyans would like to hear.

(Applause)

Immediately he comes back, I will request the Minister for Finance to now curtail Presidential tours, because they cost this country a lot of money, especially those that are termed: "Kukagua miradi ya maendeleo." What are these development projects? Where were those development projects that we were told the President went to see recently in Mutitu? In that area, there is a lot of insecurity, there is neither water nor good roads. People have to fly to that area and, yet we go there to "inspect development projects." That is very terrible and it beats every wisdom, surely, for this kind of thing to happen. We must curtail unnecessary movements costing this country a lot of money. We know that Presidential tours are not haphazardly organised; to organise such tours takes a long process. The Provincial Administration officers first go to the place of the Presidential tour, other officials are sent there two weeks before the day of tour of the President, by hon. Sunkuli, to go and observe the area and to make sure that security is okay. All that costs money, and one Presidential tour does not cost less than Kshs10 million. Can we not have that Kshs10 million invested in something else for that area, other than using it on 50 new Mercedes Benzes, and aircraft to be used when coming back? Surely, some of those things must be curtailed immediately after this.

Mr. Deputy Speaker, Sir, I would have supported the Minister for Finance if in his Budget Speech, he had talked about what this House knows. The Inter-parties Parliamentary Group (IPPG), which comprised of all the Ministers and other hon. Members, met two years back at the County Hall and decided that political parties must be fully funded, because there is no way you can introduce democracy unless all political parties are equal. Since 1992, when Section (2A) of the Constitution was repealed, other major political parties have emerged. We must encourage many other political parties to come up.

Mr. Deputy Speaker, Sir, today, some of these political parties have succumbed to the bigger parties, because they are unable to manage their affairs. KANU, which is the only bigger party in the House, has the financial power. In Kiswahili, they say: "Unalala benki, unaamka posta." Because the KANU officials' hands and legs are dipped in banks and financial institutions, KANU is swimming in money, while the smaller parties are dying. It is very important that the Minister for Finance introduces a policy for funding political parties. It is not too late as he can still bring a Supplementary Estimate within this Motion. There is nothing else which will bring better independence to other political parties than introducing the funding of political parties. If that is done, it will reduce the handouts being given to these smaller parties. It will reduce the number of hours spent by hon. Members on calling senior Ministers to request for harambee donations. We want independence of political parties. But that is not possible when the smaller parties depend on handouts from KANU. In any case, we would like to see these smaller parties growing to bigger parties, because each party has got its own philosophy, and it must be handled individually.

Mr. Deputy Speaker, Sir, I am sad because of the health situation in this country. Kenyans are sick, and it is so bitter when you go around to see people who are sick and who cannot get treatment. At one time, in our own area, we never knew what a chemist is. Kenyans never knew what a chemist is. Chemists came to be known when hospitals lacked drugs. At one time, ten to 15 years ago, dispensaries and public hospitals had better medicine. Kenyatta, Machakos and Embu hospitals had medicine. I believe that there is a big Government hospital at Narok. All those hospitals had medicine. At that time, no chemist was known. Chemists started mushrooming when public health centres lacked medicine. For that reason, I would request the Minister for Finance to support a scheme of health insurance. In other countries, workers are supported by the Government. At least, you know that, because you contribute money to an insurance firm; you can go to a hospital and get drugs. In this place, when you fall sick and go to a hospital, you have to sell your piece of land in order to pay the bill. But by the time you finish paying that bill, your child also falls sick and you have to go through the same process all over again.

Mr. Deputy Speaker, Sir, it is upon the Minister for Finance, in his own wisdom, to try and encourage the development of industries. In this country, for the last 10 to 15 years, we did develop big industries, which can employ our own children.

Mr. Deputy Speaker, Sir, it is very difficult for me to support this Motion but---

Mr. Deputy Speaker: Order, Mr. Munyao! Yes, Dr. Ali.

Dr. Ali: Mr. Deputy Speaker, Sir, what surprises me here is that, everybody is talking about corruption. Why is action not taken against the corrupt people? When the Minister for Finance read the Budget, he talked about corruption; he stated that he will take action against the perpetrators. What is the Kenya Anti-Corruption

Authority (KACA) doing? There is a new Director of the Authority. Why is he not taking action by arresting corrupt people? If people have stolen anywhere in this country and there is supporting evidence, then action should be taken against those people and they should be taken to court. But if the issue of corruption continues year in, year out, and nothing happens, I am 100 per cent sure that even now, nothing will happen. If that is the issue, then, the best that we should do is that we should be allowed to talk about those people, bring their names here. And from there, possibly, because we have many lawyers here, we should institute private prosecutions, so that these people can be arrested and put in jail for good. This is because if the police officers and the KACA do not do their work, then, really, nobody will do anything. So, the issue of corruption should be left alone; otherwise we should forget about it completely.

An Hon. Member: Kabisa!

Dr. Ali: Yes, kabisa. Yesterday, we were told that there are several Permanent Secretaries and parastatal heads and other senior civil servants whose names were not mentioned, and who are over 70 years old and still in office. As far as I am concerned, that is corruption by itself.

Mr. Sambu: Yes, it is true!

Dr. Ali: Mr. Deputy Speaker, Sir, this is because these people should go home. Who is keeping them in office? Possibly, somebody has a project which has been going on for the last ten years, and until that project is completed, then these gentlemen will not go. So, they will keep on renewing their contracts year in, year out. Until the godfathers, possibly go, these gentlemen will not go. Instead of keeping people who are 75 years old in office, why do you not increase the salaries of civil servants and police officers? Police officers are suffering in the cold. We say that police officers are stealing, when they are getting a salary of Kshs3,000. What can Kshs3,000 do for anybody in this country, with the economic crisis that we have? There is a place like Yaya Centre where a kilo of sugar goes for Kshs100. Now, how can anybody afford to live in this country on that meagre salary? So, the best thing should be that if the Government intends to uplift the living standards of the people of Kenya, then it should start first with the civil servants, so that they can do a very good job by increasing their salaries instead of some few people looting everything. I am of the opinion that these senior civil servants who are being retained are stealing from the coffers of the Government.

Mr. Deputy Speaker, Sir, the Government of Kenya is very good at writing Papers like the Budget and policy Papers which are never implemented. So, since they are not going to be implemented, we write and take them to seminars or to world bodies so that we get money because such Papers will entice the donors that something is being done. What is happening in this country? Last year, the Budget was over Kshs100 billion and this year, it is over Kshs200 billion. We are being told that this is because the value of the dollar has gone up. Why should it go up in the first place? It is because of our problems here! Unless we identify our problems and do something about them, then we will be wasting our time by talking and nothing is going to happen in this country.

Mr. Deputy Speaker, Sir, on the issue of constitutional review, people should be given the option to decide. As Parliamentarians, we might have the right to talk on behalf of our people, but instead of people being beaten up here for no reason, we should allow the citizens of this country to talk. We are talking about people here, who are not policemen but they participated in beating up people during that protest on Budget day. What was the policeman doing when a civilian was beating somebody in front of him? Why did the policeman not arrest him? This is what has surprised me! So, instead of looking for somebody who went to Bumula or Kakamega, the policemen who were standing next to those people should be arrested. The Commissioner of Police should order the arrest of those people immediately and sack them! This is not the way we should be conducting our affairs.

(Applause)

We have got our neighbouring countries who have been in chaos for the last 30 to 40 years, for example, Uganda. We are told that the economic growth of Uganda is about 7 per cent while ours is going to the negative; and we are priding ourselves as being a peaceful nation for the last 40 years. What have we gained? Others are coming up the ladder very fast. We might even be overtaken by Sudan in the next six months, if this is the way we are going to live. I think in this country, we should do better than we are doing and the Government should do better than it is doing now.

Mr. Deputy Speaker, Sir, I would like to make suggestions about things which I feel should have been done in North Eastern Province, a place where the Government has forgotten completely. This morning, a Minister told us that 279 people were given identity cards in the last three years. Does it mean that only 279 people qualified to get identification cards in the whole Province; and that only 279 people attained the age of 18 years and above? We need to open up North Eastern Province. There is a lot of money which is being used for

security purposes.

Mr. Deputy Speaker, Sir, we have been told that money for development has been diverted to security. I do not know what the security personnel do. For the last two months, there were land mines in parts of North Eastern Province. When we talked about it, the whole army went there. Today, under every tree in North Eastern Province, there is an anti-personnel carrier and an army lorry. There is a lot of money being wasted there! If only we were given Kenya Police Reservists (KPR), then that thing would not have happened. The KPR will cost very little money to maintain. If only we were given 1,000 KPR in the whole province, we would be okay. How much will 62 battalions of the military require for one month? They require billions of shillings and yet, they are not doing anything. They are just seated there doing nothing! The management of this country--- I will not say more than that.

An hon. Member: Toboa! Toboa!

Dr. Ali: I would like the Government to help the people of North Eastern Province by doing only two things: Tarmac the road from Mandera to Garissa in order to open up half of Ethiopia and Somalia. By so doing, we will have taken care of our manufacturing industries. If we open up those areas, then we will have gotten a lot of money in this country. The Moyale-Isiolo route has always been a campaign tool. Every election time, we are told that the money for tarmacking the road is available, but upto now, nothing has been done. Why? We have 40 million Ethiopians on the lower parts of their country and they could have provided markets for our goods if this road was tarmacked. If this was done, we would get a lot of money because the Port of Mombasa would handle much more than it handles now. Why has the Government not made correct use of the resources it has? Why does the Government want to close a province just because it feels that the people in that province should not benefit? If we benefit, then other Kenyans will benefit!

Mr. Deputy Speaker, Sir, the other issue which I would like to talk about is the Wajir Sewerage. For the last 35 years, the people of Wajir have been using bucket latrines. In fact, it is from 1950 when the colonialists provided that because the water level is very high and pit latrines were found to be unsuitable in the area. This is because the contents of human waste were going to drain into the water and that was going to be very dangerous for the people. When UNICEF visited that area in 1992, it recommended that the water in Wajir was not fit for human consumption. Even now when we are using bucket latrines, it contains a lot of amoeba and a lot of other parasites like bacteria. That is why we have a lot of diseases including typhoid which is a common thing there. So, when will the Government provide sewage to Wajir Town. Every time the Budget is read, there is nothing about it. Every time we raise this issue, we are told that it will be considered. When will it be considered? Will it be after 50 years, 100 years or at the end of the world? The people of Wajir need sewage facilities and I think it is their right and they should be assisted.

Mr. Odoyo: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to join my colleagues in commenting on the Budget Speech. It is quite clear that the Budget has moved away from the normal prices of beer and cigarettes to a real policy document. This is encouraging because the Budget is supposed to show us the intensive review and the collective action that the Government plans to take. I beg to comment on these two issues in regard to the Budget Speech of our Minister for Finance.

Mr. Deputy Speaker, Sir, the theme of the Budget, which on this occasion was, Economic Recovery for Sustainable Economic and Social Development, is in line with our aims to recover the economy. It has also alluded to poverty alleviation through the wording: "Sustained Economic and Social Development". The incentive and the collective actions taken by the Minister have done very little and, indeed, very negligible as to poverty alleviation in this country. The Government Financial Statement, once again, is showing a minimal deficit. But, in actual fact, as the year progresses the borrowing and the excess votes always mean that the deficit shown on the Budget Day is exceeded in the course of the year. The Minister has not told us what steps he has put in place to guarantee that his Budget will be balanced as he claims.

Mr. Deputy Speaker, Sir, on the revenue of the Government, I note that the aviation revenue is going to be nil, when in previous years, we used to earn as much as Kshs500 million! What has happened to the Kshs500 million? Equally, on the Government revenue, the Central Bank Investment Revenue or dividends has fallen from Kshs19 billion to an unexpected Kshs1.2 billion! What has happened to the Kshs18 billion that the Central Bank used to give to the Kenya Government? Is it going into the right pockets? Such a figure requires an explanation. Equally, is it correct for the Minister to reduce the amount of money to be given to the local authorities, which was 5 per cent of the Income Tax, to 2 per cent? He is proposing to bring a Bill to Parliament whereas he has not yet implemented what was passed by Parliament in the previous financial year. I believe that we are taking a collective action on top of another collective action which has not yet been implemented.

Furthermore, on the incentives, I note that the Minister has reduced the VAT by 1 per cent. The economy is so bad that 1 per cent will not have an impact. I think 2 to 3 per cent could have had an impact. I

believe, and I can confirm, that within the next six months, no price will go down as a result of the VAT. This will confirm that the reduction in VAT has little impact at 1 per cent. It should be at a bare minimum of 2 per cent. The Minister has also increased the price of petrol, which will go on to increase inflation in this country.

[Mr. Deputy Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, on the Income Tax, while he has reduced the Corporate Tax to 30 per cent which is good for business, he has increased the individual minimum taxable level to Kshs8,000. This is still far below the required level. We should say that anybody earning less than Kshs14,000 should not be taxed. In the current economy, anybody living in Nairobi earning Kshs8,000, which is not taxed, will feel very little impact.

Mr. Temporary Deputy Speaker, Sir, again, I will do a short review of some sectoral analysis. With regard to agriculture, it has not been addressed adequately. In fact, one can only say that in agriculture, the Minister has looked on the demand side, both on agriculture and agro-processing. He has not thought about the supply and the farmers. Very little incentives have been given to farmers in the Budget. In fact, if anything, this man will simply be receiving memoranda from various manufacturing groups. But very little attention is being paid to the farmers in this country. For that reason, on importation, which is killing our industries and farmers, he has raised the level of customs duties on agro-processing inputs from 15 to 25 per cent. That level is far too little. The real problem is not on customs duties. The people who have been importing sugar in this country will continue importing sugar. However, it is the regime for collection of statutory taxes that needs to have been emphasised by the Minister. The regime for collection of taxes in this country is not working, especially in Mombasa! I beg to go back to what my fellow colleague mentioned; that there is a company called CTK, which is importing products like tobacco from India. It is based in Nairobi. It imports tobacco from India claiming that the tobacco is on transit, but the same tobacco has markings which say the Kenya Government says that tobacco is bad for you. The tobacco is imported for transit, but the markings on the tobacco reveal that it will be dumped in the local market. Some of the tobacco has been kept in the warehouses for the past 24 months.

Mr. Temporary Deputy Speaker, Sir, I am pleased the Minister said anything above six months will be either dumped or thrown into the ocean. But certainly, it will not come into this country. Later on, at an opportune time, I will beg my fellow Member of Parliament to re-table those documents, which prove that the tobacco marked for transit is really going to be dumped into this country. There is nothing wrong as long as we are aware that those people have paid the duty. If they are not paying duty, then it is incorrect.

Mr. Temporary Deputy Speaker, Sir, turning very quickly to finance and insurance, I also beg to add my voice to the Kshs500 million minimum cut-off for banks. It is a further re-confirmation that the Central Bank and the Ministry of Finance are not taking into consideration the fact that the financial and insurance sector is continually being monopolised by foreign companies. The Kshs500 million is a sure way to keep wananchi from establishing any bank and insurance! If we do not control banking and insurance, we are dead! This is what happened to the Asian economies. The problem is that the inspection regime is not working. The Minister's Speech did not assure us to adequate levels that corrective actions will be taken.

Mr. Temporary Deputy Speaker, Sir, on the infrastructure, Kshs7.7 billion will be spent on Kenyan roads. That adds to about 4 per cent of what we call ordinary revenue of Kshs170 billion. We have set aside 4 per cent when during the *El Nino* every Member of Parliament, as well as agricultural and industrial sectors were complaining about roads! We are going to spend only 4 per cent of our ordinary revenue on roads. Where does the priority of this Government lie, when each and every Member of Parliament is complaining about roads? Why can the Government not have the facility to come to Parliament and listen to what the wananchi are saying through their Members of Parliament? The wananchi are saying: "Give us roads." They require access roads for agriculture, murrum roads in the rural areas and tarmacked roads to enable them to focus our exports. It is a question of roads everywhere! The Minister has not reflected---

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Temporary Deputy Speaker, Sir, one of the emphasis on this Budget has been the eradication of poverty. As the House knows, the Government has launched a Poverty Alleviation Plan. Sometime next week, I will be tabling before this House, a Sessional Paper on the Eradication of Poverty in order to give hon. Members a chance to discuss and to recommend to the Government, the best ways of tackling poverty in different areas of this country. The Government has made a provision for the alleviation of poverty in the present Budget. There exists a single line item in the present

Budget, which will go some way in the initial implementation of the poverty alleviation plan. There is a Commission in place, but this House will have the initial chance to discuss the Poverty Alleviation Plan. Soon thereafter, we expect the Government to move quickly because we do not want this plan to look like an academic plan. We want to implement it for the good and the benefit of the people of this country.

Mr. Temporary Deputy Speaker, Sir, a lot of reference has been made to the fact that for the economy of this country to grow, it is important that the people do participate. I know that hon. Members have several times debated about the efficiency and the effectiveness of District Development Committees (DDCs). Since the DDCs fall in my portfolio, I would like to assure hon. Members that I am in the process of amending the rules that relate to the composition and operation of DDCs. I do recognise that the DDCs are composed mainly of officers, most of whom do not come from the particular district. The people, therefore, of the particular district may not have had a say exactly in what has been happening in their district. A new blue book will be published soon which will give the people of the district themselves more representation within the DDCs. If a number of officers sit down together and recommend certain things, it is difficult to know whether those things are actually a priority for the people of that district. Therefore, the Government will soon publish a new blue book on the question of the DDCs, so that we can know the composition is actually democratic. Of course, the Government will still ensure that the chairmanship of the DDC is fair and above the local politics, so that development can remain the main agenda in DDCs.

Mr. Temporary Deputy Speaker, Sir, hon. Members must be aware that we have already issued new regulations with regard to the District Tender Boards (DTB). As we stand now, DTBs must have hon. Members of Parliament as members. In addition, the new regulations issued to the district commissioners state that, for the quorum of a DTB to be reached, there must be at least one hon. Member of Parliament and five other members. So, there shall be no DTB without an hon. Member of Parliament. This will ensure that the hon. Members of Parliament do have a say, and so, the Government should not continue to carry the blame that so-and-so was favoured in the awarding of the tender. We hope that in this era of transparency, hon. Members will, in fact, realise that development will be their responsibility. If they decide to give or award tenders to people who will not perform, they will have to answer that themselves before their own people eventually. I just wanted to say that so that hon. Members can take note of it.

Mr. Temporary Deputy Speaker, Sir, a lot of things have been said about the infrastructure. Unfortunately, the *El Nino* programme over which the Government entered into an agreement with the World Bank delayed in starting. But eventually, it has started. It has started in Mombasa and it is just about to start here in Nairobi. If hon. Members look at *The Kenya Times* and other daily newspapers, they will see that there are very many tenders which we are advertising under the *El Nino* projects. These will be roads which were badly affected by the *El Nino* rains within the 36 districts which were selected. We will increase the number of districts if we get more funds. But for the time being, those 36 districts will be the beneficiaries.

Mr. Temporary Deputy Speaker, Sir, I know that a lot has been said about the political atmosphere. I just want to say that for our economy to be able to improve, let us all nurture democracy. Democracy is not something that is given to the Opposition. It is something that is given to everybody, so that we too here in the Government, when it comes to addressing issues about the future of our country, we must also be allowed to exercise our rights of conscience and speech. I was in a meeting where the President was raising funds in Kiambu and three people spoke about the Constitution of Kenya. One of them was the hon. Member for Lari who asked the President to intervene on this matter of constitutional change. The other person was the hon. Member for Juja Constituency who said that he wanted the President to direct that this matter goes to Parliament. But the President just said that he wanted to give his opinion and he gave his opinion. And today, everybody wants to demonstrate against the opinion of the President. Nobody wants to demonstrate against the opinion of the hon. Member for Lari or Juja or other hon. Members who have spoken about the Constitution. This idea that the President or other people must be quiet is not understandable at all, when we are all fighting for democracy. Nobody made a directive. We are in a country where public debate is being favoured. So, if you want public debate, then why do you bring the threats of demonstrations, throwing stones and looting to prevent other people from airing what they fully believe?

Mr. Kariuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Minister to talk about peace and tranquillity and demonstrations when he himself talked ill of Rev. Njoya and encouraged that he should have been beaten for having participated in the demonstration while he was peaceful? Is it in order for him to encourage us as hon. Members of the Opposition to support the very Government that is hostile and killing its own people while they are peaceful?

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Temporary Deputy Speaker, Sir, the hon. Member is a very honourable man. I do not want to answer badly about it. But just to remind him, I have

already said that statement was not made by me. What I did say was that Rev. Njoya ought to be in the church and not in the streets. I do also sympathise with the fact that he was beaten. But when the hon. Member meets him next time, let him know that he has sworn to be in the church and not to go to the streets to demonstrate. I think that is the matter---

Mr. Odoyo: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to take the Minister back to the President's prerogative to state his views. Is it in order for the Minister to tell us that the President's views are equal to those of every other Kenyan? He is the President of this country; and his views, if anything, should be a referee's views which ought to come right at the end.

The Temporary Deputy Speaker (Mr. Poghisio): Actually, that is not what he said. Proceed, Mr. Sunkuli!

I want to presume that it is a known fact that all men are created equal. Therefore, I want to say---

Mr. Maundu: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister has made a very important assertion here that the President expressed a very strong opinion. We would like him to elaborate a little bit as to whether he will call all the parties involved in the constitutional review process.

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

(Mr. Maundu stood up in his place)

The Temporary Deputy Speaker (Mr. Poghisio): Order! Mr. Maundu, I have already ruled that, that is not a point of order.

Mr. Michuki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important Motion. The Procedural Motion which was introduced in this House yesterday by the Vice-President and Minister for Planning and National Development indicated the issues which will come before us in the next few days. We will give our comments and views on the Financial Statement, our views on the policies outlined in the Budget and our views on the actual taxation measures when we come to the Committee of Ways and Means.

Mr. Temporary Deputy Speaker, Sir, first of all, I would like to touch on the Financial Statement which clearly shows that the Minister did not balance his Budget. By balancing his Budget, the Minister should have cut down the cost of running this country to fit the revenue which is collected. Let him not mislead anybody that by throwing in Treasury Bills and short-term loans and bonds, he has a balanced Budget. That is not true. From the Financial Statement, we also find that we will have a colossal deficit of almost K£400 million at the end of the day; that will be on 30th June, 2000. Given this kind of deficit, and the local short-term loans composed of figures that are highly threatening, I am left to wonder whether this Budget is meant to take us out of recession, or whether it is meant to increase problems in all fronts.

Mr. Temporary Deputy Speaker, Sir, if you look at page 28 of the Minister's Speech, you will find that there is one sentence which is very important and, indeed, the key to the whole approach to this Budget. This is so because the Minister says that the economy will grow by 2.6 to 3 per cent during the year. This growth is based on what has remained to be very uncertain figures of growth. Sometimes we are told of 1.6 and sometimes we are told of 1.8. That is done by the Central Bank of Kenya and the Ministry of Planning and National Development together. Our statistics in the last 15 years have been falsified and, therefore, they are not correct. The Minister is treading on a very dangerous ground. This is because the deficit of K£400 million will be much more; perhaps it will be three times more than the projected deficit. This is so because he will not achieve the growth rate he anticipates. Even if he does that, assuming that he will, what means will he apply to arrive at that growth rate? Referring to the Financial Statement, I find that we will spend over K£8 billion on consumption: salaries, cars, petrol, rent and all that. We will only spend K£2.7 billion for development. Assuming that there will be no further investments in the private sector because of other conditions that persist within the economy, how will K£2.7 billion lead to a growth rate of 2.6 to 3 per cent?

Mr. Temporary Deputy Speaker, Sir, our total expenditure will roughly be Kshs240 billion, both Recurrent and Development. Out of this, Kshs206 billion will be for Recurrent Expenditure. This is a lot of money compared with K£60 million or Kshs1.2 billion, for both Recurrent and Development Expenditures at Independence, and yet, we await to see how our hospitals, roads and water development will be financed. This is because we have not focused ahead, even in this financial year when the revenue which was collected was Kshs180 billion. We will continue to demand that we be told where this money goes to. Where does this money go to? There is no evidence of where it goes to!

Mr. Temporary Deputy Speaker, Sir, we have just been given some propaganda here about poverty

alleviation. This is also mentioned in the Budget Speech, and yet, the Budget has no programme to take care of the areas that might alleviate poverty. What about the farmer? About 80 per cent of our people are engaged in agricultural activities. What does this Budget Speech provide for the farmer? Indeed, we should have given subventions to the farming community by way of provision of fertilizer, insecticides, re-organisation of the Kenya Co-operative Creameries (KCC), because milk is going to waste and by making sure that farmers are paid what is rightfully theirs. The Minister for Agriculture is here and he knows that he can alleviate poverty of two million people if he directs the Kenya Tea Development Authority (KTDA) to pay the tea farmer correctly. He knows that, and yet, that is not done. So, what do we mean when we talk about poverty alleviation, if we do not talk about the farmer, if we have no programme for the industries and employment? So, this Budget remains empty rhetoric.

Mr. Temporary Deputy Speaker, Sir, we have heard a lot of things in this House, but no action is taken to alleviate poverty. When will this Government wake up, and at least honour its own words?

Mr. Temporary Deputy Speaker, Sir, on the issue of kerosene, I want to join those hon. Members who said that this was a very dangerous move and the Minister should be required to bring an amendment here to remove the increase in the price of kerosene from his Budget. This is because he is now directing people to go and destroy forests. How will they live without using charcoal and it comes from forests, which have already been devastated? Therefore, I propose that he brings an amendment to remove that additional taxation.

(Applause)

Mr. Temporary Deputy Speaker, Sir, finally, I want to say that the commercial banks are in trouble. The Minister has even gone as far as breaching the Constitution by moving money from the Consolidated Fund to the National Bank of Kenya without the authority of this House.

An hon. Member: It is criminal!

Mr. Michuki: Mr. Temporary Deputy Speaker, Sir, we would like him now to come up with proposals on how much money is going to be recovered from the thieves who have taken poor people's deposits for their own use in buying tea farms and also stacking it in Europe.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, I will not support the Minister, unfortunately, on this Budget of his, for this Financial Year. This Budget does nothing to improve the management of our economy. There is nothing in this Budget, in all the documents given, that shows that the Government is serious about managing the economy for growth. It is not enough to just include one line which says that the GDP growth this year will be 2.6 per cent. That is not enough. There have to be steps taken and seen to be taken, so that the economy can improve.

Mr. Temporary Deputy Speaker, Sir, one of the first steps I expected--- We say we are liberalised. But no country can allow itself the liberty of liberalisation, which is detrimental to its economy. At the moment, the Shilling is in a free fall. Its value is falling drastically. A few weeks ago, the Shilling was Kshs62.00 to the US Dollar. Today, less than a month later, it is trading at Kshs75.00 to the US Dollar and it is going down.

Mr. Temporary Deputy Speaker, Sir, we say we have primary industries. But unfortunately, all these industries located in the Industrial Area, Thika, Eldoret, Mombasa *et cetera*, rely on imported raw materials. Whether they manufacture plastics, medicine; in all areas of the industry, we rely on imported raw materials. We use the US Dollar to buy these raw materials and here we are, a Government keeping its eyes closed so that the Shilling goes into a free fall. We know there are people selling US Dollars quietly and that is why they want the shilling to drop. When they want the Dollars, they will direct the Central Bank of Kenya to intervene. They should do that now, because our industries are suffering. Mr. Temporary Deputy Speaker, Sir, the Government says this Budget is for social good. What social good is it for when the price of medicine is going up because all the pharmaceutical firms in this country use imported raw materials to manufacture medicine? There is no medicine manufactured in this country where the inputs are made here. All the inputs are imported.

Mr. Temporary Deputy Speaker, Sir, if we have to eradicate poverty, the economy has to improve, so that it generates jobs. There are no jobs being created. In fact, what is happening is the direct opposite. We are closing industries! We closed tourist hotels, factories--- In my own home town of Eldoret, this year alone, two or three industries have been closed and over 3,000 people in a small town like that have lost their jobs. So, what is this poverty eradication we are talking about? In any country, the first step to eradicate poverty is to get people meaningful and well-paying employment. It is not only the Jua Kali Sector that will eradicate poverty. We have to create investment in other sectors, employment in tourism and agriculture. But we cannot do this because there is no capital. We cannot borrow. How can we borrow when the banks are lending at interest rates of between 25 per cent to 30 per cent? We cannot save either, because when you make a saving, you get an interest of only nine per

cent. This economy will not grow because there is no investment. There are a few people who grabbed factories and then closed them. What happened to Kilifi Cashewnuts? What happened to Bixa? What happened to Rivatex? They want to grab it and so, they kill it first.

(Applause)

Mr. Temporary Deputy Speaker, Sir, if our economy has to grow, the Central Bank must be made to intervene in the fiscal sector. There is no way we shall invest if we continue borrowing at 25 per cent interest rate and yet, we cannot support our people who want to borrow from abroad at lower rates which are affordable for investment.

Mr. Temporary Deputy Speaker, Sir, Parliament creates ways and means for the Government to get funding. The Constitution also gives ways and means of checking the use of those funds. The Controller and Auditor-General and the Auditor-General (Corporations) have powers. They audit the Ministries, departments, corporations and parastatals. The audit reports are debated by those two committees and their recommendations are brought here. Many times, those two committees have recommended that action must be taken against certain individuals who have openly misappropriated public funds. What happens? The reports are just thrown away. If we have to give hope to Kenyans on this poverty eradication the Government is talking of, then the PIC and PAC reports must be implemented, however bitter they may be to some individuals. What happened to the Kenya Anti-Corruption Authority? The Government removed Mr. Harun Mwau and replaced him with another man, who has not even taken one step! Nothing!

Mr. Temporary Deputy Speaker, Sir, this Budget went ahead to increase the fuel levy. Why are we taxing our people more when the roads are collapsing? I know the reason. It is to enrich those few Asian contractors, not more than six of them.

They will walk home with over Kshs6 billion of that Kshs7 billion from the fuel levy. It is a fact.

Mr. Kariuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not know whether I heard the hon. Member right. Did he talk about six Asian contractors? Could he name them?

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, it is a fact. Look at the PAC and PIC Reports. If you have not seen them, then look at the previous ones since the ones for this year have not been tabled. It is a fact and that is why the roads in Kiharu are in a total mess. I know that the roads in Kiharu used to be maintained by the coffee cess. They are no longer maintained because even the coffee cess has been interfered with, but the funds from the fuel levy will go to those few Asians. If we want to eradicate poverty we should not use these big machines and these big Asians. Employ the unemployed local young people. Let them build the small roads, open up side drains and lay the murrum on the roads. Pay them at least Kshs100 so that they can be able to afford some soap instead of begging from their mothers. That is why we see a lot of domestic violence. It is because our people cannot afford even Kshs50 a day. There are families which go without seeing a note of Kshs100 a month.

The Government must be serious and invest in development and not in huge consumption as my colleagues said earlier on. We are using the bulk of our money in consumption of luxurious cars and ceremonies. What are we celebrating when the majority of our people are wallowing in poverty? In my constituency of Mosop I am sorry to tell this House that there are no roads at all. One Asian contractor was paid Kshs53 million. That money was used to build a road leading to an individual's house and yet we are paying the fuel levy. What are the plans on poverty alleviation which they talk about? Are they talking about Kshs20 million? What will that amount do? We need more concrete plans to assist the milk farmer, re-open KMC and to do some thing about KCC. We should be assisted so that we can plant coffee where we want. Give us tea seedlings so that we can plant tea.

Mr. Wafula: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Budget Speech. As I rise to contribute now, I understand that the President of the Republic of Kenya, hon. Daniel Toroitich arap Moi, is in South Africa witnessing the hand-over by President Nelson Mandela. President Mandela has only been in power for the last five years. Our President have been in power for over 20 years. Do you not find it shameful for our President to go to witness a statesman handing over having been in charge for five years when he has been in charge for over 20 years and does not want to hand over?

Mr. Kariuki: On a point of order, Mr. Temporary, Deputy Speaker, Sir. I am a bit lost. Is he talking about the Budget Speech or something else?

The Temporary Deputy Speaker (Mr. Poghisio): How do you justify it?

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, I am contributing to the Budget Speech. Even the President and his delegation has incurred some expenditure to go to South Africa. Who is meeting that expenditure? That is all I am talking about in my preamble. In his Address, the Minister for Finance addressed

various issues including poverty eradication, unemployment, economic recovery among others. How do you eradicate poverty when institutions are being killed by Government officers? How do you eradicate poverty when projects in this country have stalled? The infrastructure is dead. How do you eradicate poverty when the tea, sugar-cane and coffee industries are being destroyed? How do you eradicate poverty when hon. Sajjad continues to import cheap and duty-free sugar into the local market?

Mr. Maundu: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is the tradition of this House, under our Standing Orders, that you cannot mention the name of a Member in unfavourable light. Is the hon. Member in order to mention hon. Sajjad in unfavourable light in this House?

The Temporary Deputy Speaker (Mr. Poghisio): Certainly not. You cannot do that and you know that Mr. Sajjad is not here to defend himself. You cannot mention his name.

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, I have not discussed hon. Sajjad. I have only mentioned that he is importing cheap and duty-free sugar. Even as I am talking now - this is very serious - he should not say anything. Sugar-cane farmers have not been paid. There is no money at Mumias Sugar Company and yet he is talking about mentioning somebody. I have only mentioned him; I have not discussed him.

The Temporary Deputy Speaker (Mr. Poghisio): Order! You are turning this into a debate between the two of you. Mr. Wafula, you cannot use whatever has angered you to mention a Member's name, who is not even here, without bringing a substantive Motion to discuss him. You are going to be made to actually substantiate those points you are making and so, be careful.

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, with due respect and because I want to contribute to this Motion, I do not mind saying what I have said. I also want to talk about retrenchment. Is this a way of punishing some employees from various communities or is it a policy of the Government? Is this retrenchment warranted by lack of money or the excessive personnel in Government? What has the selection of those to be retrenched been based on? As we are talking now, when you go to some departments you will find that there are only people from one tribe with names like, arap Chemarweng, arap Too, Kimkung and so on, while some of our people from the other areas are being retrenched. As we talk about this others whose skills cannot be explained have their contracts renewed because they are well-connected and they come from some areas that are favoured. These are issues that, if we want to improve management of the affairs of our country, must be addressed seriously.

Mr. Temporary Deputy Speaker, Sir, on the issue of the Teachers Training Colleges (TTCs), recently President Moi pronounced in a public baraza somewhere that the Government will review the position of TTCs. Why can the Minister concerned not come to the Floor and say: "This is the position"? It is in this House that it was announced that recruitment into teacher training colleges would be suspended for some time. Why should the Minister not come to the House and say: "Due to this and that we are going to resume the training of teachers" Why have the teachers who have been trained not been employed? Why did the President in that baraza, not talk about that if he wanted to address the issue of TTCs and teachers? These are issues that should be addressed properly in a decent manner. I remember during the opening Session the Chair pointed out that the Ministers should use this Floor. Even the Minister for Education and Human Resource Development goes out to say that he is entering into negotiations over the teachers salaries. Why can he not come and say it on the Floor of the House so that we can ask him questions about it?

Mr. Temporary Deputy Speaker, Sir, the teachers salaries have not been paid from the time the agreement was signed between the Government and the teachers union. This is one of the issues on which we are calling on the Government to address to make sure that the teachers get their entitlement. They are doing a good job for this country, but they are not properly compensated.

Mr. Temporary Deputy Speaker, Sir, while still on the Budget Speech, I want to talk about the disposal of Government assets. The Minister for Agriculture is here. We have the National Cereals and Produce Board (NCPB). The Tamlega Grain Growers Stores project in Malakisi was constructed and completed in 1993 but to date, it has not been utilised at all. It is allegedly leased to one Mr. Barua Chele, a Permanent Secretary in the Government. He does not pay for it and he is just using it. These are some of the properties that end up being grabbed! The same Permanent Secretary is involved---

The Temporary Deputy Speaker (Mr. Poghisio): Order! You are naming people who cannot defend themselves here.

Mr. Wafula: Thank you Mr. Temporary Deputy Speaker, Sir. I am emphasizing on the disposal of Government assets like buildings and so on. Civil servants, and even some Ministers, are the ones who are grabbing Government assets. The Government is losing assets---

The Minister of State, Office of the President (Dr. Anangwe): On a point of order, Mr. Temporary Deputy Speaker, Sir. I do not want to interrupt the hon. Member but you have heard him say that Government Ministers and civil servants are grabbing Government assets. Could he substantiate his claims?

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, I cannot substantiate the obvious and if this Minister insists, I am going to name him! I will talk about him! Now, the other issue that I want to talk about---

The Temporary Deputy Speaker (Mr. Poghiso): Order! Mr. Wafula, do not take this House for granted. You cannot use that kind of a threat on a Member of Parliament. If you want to substantiate, why do you not go ahead and do so?

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, given time I will substantiate. I can do that next week. Some people attempted to annex some section of Bungoma---

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

The Temporary Deputy Speaker (Mr. Poghiso): Order, Mr. Wafula! There is a point of order.

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, my time is almost over. Let me just finish my contribution.

The Temporary Deputy Speaker (Mr. Poghiso): Order, Wafula!

Mr. Ndilinge: Mr. Temporary Deputy Speaker, Sir, this is a very serious allegation. The hon. Member has said that some of our Ministers, and even some senior civil servants, are involved in grabbing of properties. Hon. Wafula has already said that and he can even go ahead and name them. Could he name them?

Mr. Wafula: Mr. Temporary Deputy Speaker, Sir, this is the reason why he was sacked as an Assistant Minister; because he was involved in grabbing.

I want to commend the Commissioner of Police for transferring the OCPD from Bungoma---

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

The Temporary Deputy Speaker (Mr. Poghiso): Order! Order, all of you. Mr. Badawy?

Mr. Badawy: Asante sana, Bw. Naibu Spika wa Muda. Nilisikiliza kwa makini Hotuba ya Waziri juu ya Bajeti ya mwaka huu na ilinidhihirishia kwamba yeye, na bila shaka Serikali, wanaelewa matatizo yaliyoko kwa sababu wasingelea mapendekezo kuhusu mambo mawili ambayo yanaotuumiza sana. La kwanza ni kuondosha umaskini na la pili ni kuweka mipango ya kazi.

Bw. Naibu Spika wa Muda, lugha katika Hotuba ya Bajeti ilikuwa tamu na mipangilio ni mizuri kabisa. Ninasema kwamba Bajeti aliyoisoma Waziri haina tofauti sana na zile Hotuba za miaka ya nyuma. Mwongozo wetu ungekuwa ni kuangalia yale tuliyoyazungumzia katika miaka iliyopita; tumepata mafanikio gani, na kujaribu kukamilisha yale ambayo hatukuyakamilisha na tuingie katika hatua nyingine ya miradi ya kuondosha umaskini ambao bila shaka, kama nilivyosema, Waziri anakubali kuna ukosefu wa kazi.

Kitu cha kufurahisha ni kwamba, Bw. Waziri amekuwa mkweli kabisa katika kukubali matatizo tofauti tofauti yanayomkabili mwananchi wa taifa hili. Kwa mfano, kuna matatizo ya kushuka kwa mapato na mazao katika kilimo na sekta ya viwanda. Ni kweli kwamba umaskini umesababishwa na kupungua kwa mazao na mapato. Amapendekeza kuwe na marekebisha katika Utumishi wa Umma; Civil Service Reform. Ameleta mapendekezo mengine mazuri sana kuhusu jinsi ya kutekeleza huduma kupitia kwa baraza na marekebisha katika upande wa utalii.

Bw. Naibu Spika wa Muda, kimazungumzo na kihotuba, haya ni maneno matamu sana. Lakini pia ninawaunga mkono wenzangu kwamba ningezungumza kwa lugha ya kiungwana zaidi kwa kumsihi Waziri asichelewe kama vile alivyosema mhe. Sunkuli leo hapa. Pia Mawaziri wengine yafaa watupatie hakikisho kwamba wataleta mapendekezo tofauti tofauti kulingana na yale mapendekezo ambayo yaliletwa na Waziri wa Fedha katika Bajeti ya mwaka huu.

Bw. Naibu Spika wa Muda, katika kupunguza umaskini, haya ni mambo ambayo hatutaki kuyasikia kimsemo tu. Hata wale wenzangu labda hawajaamini ni kitu gani kitatendeka; lakini ningewaomba sote tushirikiane kuona kwamba mradi huu wa kuondosha shida za umaskini na shida za ukosefu wa kazi umetekelezwa kwa haraka sana; kwa kumwomba Waziri asichelewe kuleta mapendekezo hapa, kama vile Waziri Sunkuli ametuambia. Wapeleke mapendekezo yafike kata ndogo. Kwa sababu mara nyingi tunapozungumza hapa, tutapewa nafasi kujadili vile Waziri Sunkuli ametuambia. Lakini kitu muhimu zaidi ni kuona kwamba watumishi wa umma wanatekeleza yale mambo ambayo yamepitishwa; yawe ni sheria zinazoptishwa hapa, Circulars za Mawaziri au marekebisha ya aina yote; kuona kwamba mtumishi wa umma aliyeko hata katika lokesheni ndogo--- Naibu wa chifu na wale maofisa wa kuhudumia wakulima katika kata ndogo wanapaswa kuelewa ni kitu gani kimepitishwa kwa maslahi ya mwananchi; kwa sababu isipokuwa hivyo, naye yatukuwa mazungumzo ya kawaida tu.

Bw. Naibu Spika wa Muda, katika marekebisha ya Utumishi wa Umma, haitoshelezi vile ambavyo

amependekeza Waziri; kuwoko ukamilifu wa kazi na uzalishaji kwa upande wa utumishi wa umma. Ukweli ni kwamba watumishi wa umma katika wilaya ndogo na kata sasa wanajishughulisha na mambo ya kawaida. Kama kuna kitu chochote kinachowashughulisha zaidi, labda ni ziara za Mawaziri wao katika wilaya. Hii ndiyo sababu wanaanza kutaharuki kidogo. Katika maonyesho ya kilimo, unaweza kuona kwamba kuna shughuli katika wilaya, wilaya ndogo, kata na kadhalika. Lakini katika utekelezaji wa huduma, ikiwa mtindo na hali ya watumishi wa umma katika wilaya ni hivi tunavyoona hivi sasa, basi mipangilio yoyote ambayo imezungumziwa hapa na kurekebisha itarekebisha zaidi, haitaweza kutekelezwa kwa sababu ufasidi umekuwa mwingi zaidi, na uvivu ni wa hali ya juu kabisa. Watu wanangojea pesa za ziada, wanangojea kutumia magari na kadhalika na wakipata mishara wanaenda zao nyumbani.

Bw. Naibu Spika wa Muda, ningependa kuzungumzia kuhusu uzalishaji katika upande wa kilimo. Katika Mkoa wa Pwani, kutokana na maonyesho ya kilimo ambayo tunafanya katika wilaya zote, utaona kwamba tunapata thibitisho na dhihirisho kwamba Mkoa wa Pwani unaweza kujitegemea katika kilimo cha chakula cha matumizi na hata kutoa mazao ya kuuza. Lakini hakuna hata wilaya moja katika Mkoa wa Pwani ambayo inatoa mazao yakuweza kutosheleza zaidi kiwango kile cha kilimo cha mazao ya matumizi. Utafiti unafanywa na tuko na vituo vya utafiti kule Mtwapa na Msabaha Malindi, lakini mbona ujuzi, matokeo na mafanikio yanayopatikana kutokana na utaalamu na uchunguzi wa vituo vya utafiti haumfikii mkulima wa kawaida? Leo tunamwona mkulima akilima jinsi vile babu zetu walikuwa wakilima. Tunaona bado analima kiasi kile kile; hajui kutumia mbolea wala utaalamu wa aina yoyote kana kwamba hakuna wataalamu wa kilimo. Hatujui ni kazi gani wataalamu na maofisa wa kilimo wanayoifanya.

Bw. Naibu Spika wa Muda, nimesema mara nyingi kwamba, extension officers katika sehemu za mashambani ni kama "endangered species" kwa sababu hawa ni watu ambao hawapatikani kabisa. Kwa hivyo, ule utaalamu na utafiti ambao Waziri ametuhakikishia utafanywa katika kukuza mapato ya kilimo, ni lazima tuone kwamba, unatafsiriwa kwa vitendo na hao maofisa hata katika kata.

Bw. Naibu Spika wa Muda, vile tulisema katika Mswada mwingine hapa Bungeni, uvuvi uko katika kiwango cha subsistence. Uuzaji wa bidhaa hautiliwi mkazo kabisa. Kuna maembe kule Malindi, ambayo katika mwaka wa 1957 yalikuwa yakisafirishwa hadi London. Lakini hivi leo, maembe haya hayawezi kusafirishwa hata katika lile soko la Uarabuni, kwa sababu, karibu miaka tisa sasa, kuna mango weevil katika koko la embe na tunashangaa kuona kwamba, utafiti unaofanywa mpaka sasa haujatambua utaalamu wa kuweza kumsaidia mkulima wa maembe ili zao la maembe ya Malindi liweze kushindana na zao la maembe la India. Kwa hivyo, maembe yakienda kule, yanapasuliwa, na moja likionekana likiwa na mango weevil maembe yote yanatupwa. Kwa hivyo, huu umasikini tutaondosha namna gani?

Bw. Naibu Spika wa Muda, tukizungumzia juu ya kuongeza nafasi za kazi, nimesema mara nyingi sana, kwamba, kazi ambazo tunatumainia katika Mkoa wa Pwani ni Utalii. Hata tunamshukuru Waziri kwamba ameweza kuondosha viza kwa wageni wanaozuru Kenya kwa siku chache. Lakini, labda hii itakuwa ni nafasi ya wao kuja ili wakae na watunyime na kutunyang'anya zile small-scale industries ambazo Waziri anatumuhakikishia katika Hotuba yake, kwamba, zitatiliwa nguvu. Tunatumaini kwamba, kazi hizi hazitapeanwa kwa Waitaliano na Wajerumani vile inavyofanyika hivi sasa. Kwa sababu, Immigration Department inawapa vibali vya kufanya kazi, hata za unyowaji. Waitaliano kule Malindi, wananyoa watu nywele, wanasonga nywele, wanakodisha baiskeli na kufanya kazi zote; zile ambazo sisi wenyewe tungezifanya. Hao ndio hata caretaker wa majumba yale ambayo wenzao Waitaliano wanajenga. Tutaunondosha huu umaskini namna gani?

Bw. Naibu Spika wa Muda, kwa hivyo, ningemuomba Waziri na Mawaziri wengine wote--- Ninamtaja Waziri Sunkuli kwa sababu ametamka maneno ya kututia moyo; ya kwamba, DDCs zitapewa mfumo mpya. Hilo ndilo jambo ambalo tumekuwa tukilingojea. Ninatumaini kwamba, katika kamati nyingi za wilaya, Wabunge watapewa nafasi ya kuhudhuria. Kwa sababu, sisi ndio tunapitisha mambo mengi na tungependa kuona yale tunayoyapitisha yakitekelezwa. Kwa mfano, kamati ya ardhi. Tumesema mara kwa mara kwamba, sisi ndio tunatetea watu hapa Bungeni. Tunaonana na Mawaziri na maofisa wa ardhi, lakini, ikifika kwenye ugawaji, mpaka leo ni Mwenyekiti wa KANU ndiye anayekaa katika kamati hiyo badala ya Mbunge, ama sisi viongozi wa kitaifa. Nimefurahi kuona kwamba, Bw. Waziri ana mapendekezo mazuri sana ya kupeana uwezo wa kifedha kwa mabaraza ya wilaya. Lakini, mfano aliolea wa kuzorota kwa huduma katika Baraza la jiji la Nairobi, ningependa kuongezea kwamba, vile anavyoona Baraza la Nairobi, ndivyo lililo baraza la Malindi na mabaraza yote nchini Kenya. Mabaraza yote yameoza na haitoshi kutilia mkazo kuyatengea pesa peke yake. Vile ninavyoliona baraza la Malindi, kuna madiwani mafisadi ambao hawajui kuendesha mambo ya kawaida. Hawaheshimu wakubwa wa serikali za wilaya na maofisa wa Serikali kama DC na wengine. Ninashangaa wakipewa pesa nyingi na Bw. Waziri. Pesa hizo zitamnufaisha mwananchi namna gani? Sijui mabaraza yatatengenezwa namna gani? Kwa hivyo, haitoshi kuwapatia pesa, lakini usimamizi na hasa elimu inafaa wapewe. Sitaki kuwadharau madiwani, kwa sababu, hao pia ni viongozi, lakini tukiangalia ujuzi na maarifa yao, na hasa tamaa yao ya unyakuzi na

unyang'anyi, tunashangaa kama kweli wataweza kutumia vizuri pesa za miradi ambazo zimetengwa na watu wa kulaumiwa zaidi ni maofisa wa serikali za wilaya. Hawa wanashirikiana na chief officers na kumficha Waziri, ule uchafu na ufisadi unaoendelea katika mabaraza. Na ikiwa huu ndio mpango, tunataswishi na vile watatekeleza miradi hii.

Kama nilivyosema, lengo ni zuri na lazima tuwe na matumaini na tuunge mkono haya mapendekezo mazuri. Lakini, inafaa tuwe na tathmini ya yale mambo yatakayotekelezwa na Wizara tofauti tofauti. Pia ninaona utalii umetengewa pesa nzuri na ninampongeza Waziri. Lakini, ningependa kusema kwamba, marketing ni muhimu.

Kwa vile wakati umekwisha, ninaunga mkono.

Mr. Ayoki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute on the Budget Speech. Since Independence; about 36 years ago, there have been 36 budgets read in this House. Each Budget should be tailor-made to improve or to correct any problems within the economy. But my observation has been, that Kenya is getting worse and worse, yet a budget is supposed to be a prescription to cure most of our ills. That is just the contrast.

Mr. Temporary Deputy Speaker, Sir, as I stand here, I would like to recommend and propose that since we have tried 36 times and the situation in the country is getting worse, the Budget, maybe from next year onwards, should be considered to be done at the district level and then be forwarded over for compilation---. This is because, it is at the district level where the people know what is wrong. But if it is done centrally here, most of the people in Nairobi are not aware of the problems the people in the countryside are facing.

Mr. Temporary Deputy Speaker, similarly, I would like to commend hon. Sunkuli for suggesting that, in future, the composition of the DDC should contain quite a number of local people, because the officers who come from other areas may not even care whether the roads are done or not.

Mr. Temporary Deputy Speaker, Sir, as I am talking now, the situation in the countryside, and for that matter, Kisumu District and Kisumu Rural, in particular, the roads are impassable. Even during the last financial year, the money which was budgeted for that purpose, I think, was just used to pay pending bills and officers who are doing no job. That has been the practice year-after-year and no progress or improvement is done on the roads. That has been a problem. If you look at the economic situation in the rural areas as a whole, and more so in my constituency, Kisumu Rural, the common man is really suffering. They do not know even when or where the next meal will come from. Yet, we have abundant fish which is a cheap source of protein which people can depend on. But getting access to this fish in the lake is a problem, because of the hyacinth weed and also the roads which are impassable. So, the fishermen are finding it very difficult to market their fish to those people who are a little bit inland.

Mr. Temporary Deputy Speaker, Sir, if you look at all aspects of development in this country, they have been neglected for sometime, and even if you look at schools, they are in a poor state of affairs. Nobody is talking about what is happening in our schools. Even recently, you heard about what happened in the schools in Kirinyaga and Nyeri. They just mentioned that there could be a drug problem or devil worshipping, but nobody goes deeper into the situation to find out what exactly happened. Even this morning we were discussing about bhang growing in Mt. Kenya, and this bhang is sneaked into our schools. If it is known that bhang is the source of the problems in our schools and we know that it is grown around Mt. Kenya and in certain other parts of the country, what is the Government doing to eradicate that menace because it is grown locally?

Mr. Temporary Deputy Speaker, Sir, let me turn to the problem of water. Most of the people in Kenya today still depend on river water. They draw their water from the rivers which is creating a lot of problems in controlling some water-borne diseases, whereas we were told that by the year 2000 everybody was supposed to get piped water into their kitchen. The year 2000 is only a few months away and we are very far away from achieving that goal. The problem we are facing in implementing these development projects is simply, and it has been mentioned here, because of corruption. Corruption is so endemic in this country that unless we people in Kenya, especially those in authority and policy-making level, are "born again christians", I do not see the hope of eradicating it. As long as that is not done, there is no hope. We should not deceive wananchi by paying them lip-service as we have been doing over the years by bringing a Sessional Paper into this House about the eradication of poverty. There is no way that is going to be done unless the money which is budgeted is put to the intended use. But that is not going to happen because the practice in the past has been that, the grabbers know exactly which Ministries are properly funded and it is apparent that there is budgeting and funding of certain strategic Ministries where the "big sharks" can get access to siphon those funds away. Those are the Ministries which are heavily funded but at the end of the day or at the end of the financial year, nothing has been done. That is very true with the Ministry of Public Works and Housing and others.

Mr. Temporary Deputy Speaker, Sir, on the question of agriculture which is the backbone of our

economy, research has it that Nyanza Province can produce the best robusta coffee in the world, particularly in Kisumu Rural. That information has not been made public by the Ministry of Agriculture. Although now they are trying to introduce and encourage the people within my area to grow robusta coffee, but just on a very small scale. They have not made public that research finding, which we would like to request the Minister for Agriculture to make public so that the people of Nyanza, particularly Kisumu District, will also have a cash crop which they can rely on.

Mr. Temporary Deputy Speaker, Sir, also, we would like to urge the Minister for Agriculture to revive cotton growing in the area so that we can have a cash crop to depend on apart from encouraging a few food crops which can also be grown in that area. We also need extension services to help us grow those crops successfully according to the required standards.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I find it very difficult to support the Budget, but I will do so reluctantly.

The Assistant Minister for Information and Broadcasting (Mr. Ekirapa): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to associate myself with those earlier speakers in congratulating the Minister for Finance for his first Budget. We all know it is a very difficult job, but he has tried his best to balance the Budget. This is a very difficult time to expect anyone to budget very accurately. But I do hope that circumstances do not change drastically to throw that Budget off balance.

Mr. Temporary Deputy Speaker, Sir, I am aware that the Minister has provided substantial funds for rural development this time because that is where the majority of our people, about 80 per cent, live. I would like to request the Minister, if he can this time, to find some ways of ensuring that, that money, however, little it is, reaches the people on the ground because the current funding of projects in the rural areas has not been successful. Most of the money does not actually reach the ground. There are too many loopholes along the route. I suggest that the Minister may consider establishing right at the district level some systems which will ensure that the people who are the beneficiaries of the funds being voted for by this House take responsibility for the use of that money, so that however little it is, it can reach the people.

Mr. Temporary Deputy Speaker, Sir, our people out there are dying of famine. That state of poverty is undescrivable. I would like to ask the Minister to consider, depending on the funds that he is recommending for rural development, that certain key areas are targeted very precisely for growth, for example, the cotton industry. In the area where I

come from, the crop that used to be the economic backbone of the people was cotton. Cotton has long been ignored; it has been killed because of the liberal policies of allowing the importation of second-hand clothes otherwise known as *mitumba*.

Mr. Temporary Deputy Speaker, Sir, I am aware that the Minister has introduced certain measures to discourage the importation of second-hand clothes. Frankly, I do not feel that those measures be sufficient because those clothes will still be cheaper and they will still affect the growth of our textile industry. Textile industries are dying. I would like to propose to the Minister that certain deliberate measures are taken to encourage the farmers to grow cotton. Probably one suggestion would be that the farmers out there should be provided with money to buy seeds, pesticides and fertilizers to encourage them to grow cotton. The ginneries that used to be owned by co-operative societies have failed, as a result of which we now have a dying textile industry which should be privatised. The local people should be encouraged to buy them, of course, retaining minority ownerships, maybe 30 per cent, to the co-operators themselves so that the farmers can feel part of the ownership.

Mr. Temporary Deputy Speaker, Sir, the major problem that affects the industry today, is lack of money to pay the farmers on the spot. In my area, farmers will deliver their cotton and they will get some treaties in which the buyer says that, they will be paid but I know that hundreds of them have died before they have actually been paid. We want to have a system in which farmers can be paid on the spot, when they deliver their cotton. We can also encourage the growth of rice and other crops like pineapples, horticultural crops and, more important, the food crops. We must ensure that food is grown by every family for because of poverty, a lot of our people are not able to grow sufficient food which can ensure food security in our country. As a result, like now, we have a very bad weather and I do hope that next year, we will not have it. We have had the money which we have voted for development in the rural areas used for the imports of food. I think that, this nation will encourage the farmer to be able to provide food to our people out there and money into their pockets which is very important in the revival of the economy out there. I think that would then have a local effect on the national economy.

Mr. Temporary Deputy Speaker, Sir, it is important that we introduce some deliberate measures of developing small towns out in the rural areas, so that people do not flock into Nairobi, Mombasa, Kisumu, Eldoret and Nakuru towns. Those are the only towns that we have. Let us develop small towns out there, where we can provide employment and where our young people can be occupied so that, they do not all come to Nairobi to look

for non-existent jobs and if this is done, I think that our people will see that our Budget has some meaning for them.

Mr. Temporary Deputy Speaker, Sir, coming to the issue of imports which has actually also killed our industries, and I have already mentioned about *mitumba*, the Minister needs to introduce some stiff measures. Let us not pretend to be very nice to other people and encourage their industries, so that they can flood our markets with their cheap imports and yet, our own industries are dying. This means that, our own people are losing jobs and are getting poor and poorer. I think that serious measures ought to be taken which will ensure that people who import goods and avoid to pay duty--- Really, there must be a much stiffer sentence on these people than what is provided for today. We have killed the textile industry because of importations and the horticultural industry is also being competed with very seriously by the South African imports. The motor vehicle assembly industry is dying because of the importation of cheap Japanese vehicles. We even are reading that, the Bata Shoe Company is dying in Limuru because of cheap imports from other countries. No country can afford just to be nice to other people, import its goods and let its own people go hungry or let its own industries die. So, we need to take a much more drastic measure to control these importations.

Mr. Temporary Deputy Speaker, Sir, on the question of privatisation, I know that everybody is saying that privatisation is a good thing to do. Yes, indeed, but I would like to suggest that we look seriously into ensuring that, the people who buy the Government parastatals are Kenyans because I believe that Kenyans can afford to buy these companies. If we do not have the expertise, then let us import the expertise but let us not sell our industries to other countries because eventually, we are just going to be a country of traders since we will be trading in commodities that we are not able to produce. I do not think that is a good thing for any country to be proud of.

Mr. Temporary Deputy Speaker, Sir, I think that the taxation measures taken may not be adequate enough to encourage people to invest their money in this country. We need to look at measures that will reduce taxation and encourage investments. If necessary, let us even not have any taxation at all but let us ensure that investors employ our people. The people who are employed can then be taxed. Then, VAT can be charged on people on the basis of their ability to pay, because if you have a large appetite, then you must have enough money to pay for your consumption provided you ensure that VAT is actually collected.

Mr. Temporary Deputy Speaker, Sir, the issue of people invading our country is really going to kill our economy. Therefore, I would like to ask the Minister to think of very drastic measures, so that our country can survive economically. Many of our unemployed people are roaming the streets. So, I would like to suggest that we encourage our graduates to go out of the country and look for jobs.

Mr. Temporary Deputy Speaker, Sir, I beg to support.

Mr. Wambua: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech.

I should, first of all, thank the Minister for Finance for the Budget he presented to this House. But my question is whether this Budget will be taken seriously. It has been a habit for this House to have very good Budget Speeches and plans. However, when you go to the field you find that nothing has taken place. I am surprised that we are talking about poverty eradication. We should not be talking about poverty in this country. This is because, in one way, the Government is responsible for the poverty of our people. For instance, we have witnessed some of the properties of low income people being destroyed by some of the arms of the Government, such as local authorities' *askaris*, who are sent to destroy kiosks. The local authorities are the ones who, in the first place, license the operation of kiosks. So, it is very shameful to see that some arms of the Government are trying to make the people poorer, by destroying their properties. For instance, it is not a crime to let an innocent Kenyan, who cannot afford to build a big shop, to own a kiosk. If kiosks are not allowed in the City, the owners should not have been allowed to put them up in the first place. Because local authorities would want to, first of all, collect revenue from the people, they license them and show them where to put up the kiosks. Later on, the local authorities destroy not only the kiosks, but also burn the property. It is shameful for a country like Kenya to allow that kind of thing.

Mr. Temporary Deputy Speaker, Sir, I am happy because the Minister for Local Authorities is here. Of course we know that he is a very intelligent man. He can do a lot for this country if he is serious. However, he sometimes does things which make us wonder. For instance, he recently did a very good job. We have named him "Minister for Roundabouts". He made some very good roundabouts along Uhuru Highway during the Common Market for the Eastern and Southern Africa Region (COMESA) Exhibition; that was commendable. However, why should he do that to only please a few visitors who happened to be coming for that exhibition and ignore our people who operate along Kijabe Road, where most of the country's income is generated from?

The Minister for Local Authorities (Prof. Onger): On a point of information, Mr. Temporary Deputy Speaker, Sir.

Mr. Wambua: Mr. Temporary Deputy Speaker, Sir, really, I do not think I need any information.

The Minister for Local Authorities (Prof. Ogeri): Mr. Temporary Deputy Speaker, Sir, I only want to inform the hon. Member that contracts for the repair of Kijabe Road and the Industrial Area roads are in place.

Mr. Wambua: Thank you for that information.

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member for Yatta in order to call the Minister for Local Authorities "a Minister for Roundabouts"?

Mr. Wambua: Mr. Temporary Deputy Speaker, Sir, what is wrong with that, if, of course, he has done good in just making roundabouts? That is in order! We know our Minister for Finance for quite some time has been acting in this post, but we are surprised by some of the things which, of course, are happening. For instance, we do not have medicines in our hospitals. Why do we have to spend over Kshs4 billion as the Minister for Local Authorities said, to renovate Kenyatta International Conference Centre while we do not have medicines for our people in hospitals? We ought to see how we can give priorities to most of the things. For instance, Machakos District Hospital is very pathetic. If you go there, people are sleeping in twos or threes on one bed and imagine these are sick people. Priority should be given to the hospitals because we should first of all mind about our taxpayers.

Mr. Temporary Deputy Speaker, Sir, the other thing is about water. We have seen that the colonial Government used the prisoners to make canals like Yatta Furrow whereby, of course, now it has made Yatta an area where people can live. But why should we keep our prisoners dying in the prisons or just hammering stones which are of no value? We can utilise them to make things like roads or some things like increasing other canals from which, of course, our people will get water in return. For instance, as we talk now, it is very surprising that in Yatta Canal we do not have water and it is not because there is no water, but the water which is flowing in Yatta Canal is being used by individuals to irrigate their farms and neglect other people who are downstream like Ikombe and Kyasioni areas, who need only a drop of water to drink. I hope the Minister is going to direct other Ministries so that the funds that they get they utilise them in a better way.

Mr. Temporary Deputy Speaker, Sir, I was very pleased, and I congratulate the Minister for talking about Mombasa Road. Mombasa Road is the most important in the whole world because tourists who come to our country, the only way to travel to the Coast area. But a bus which used to travel for four hours from Nairobi to Mombasa, is now taking more than 12 hours. I saw when the Minister was being interviewed saying that Mombasa Road is a priority; so, let it be done within the given time. Do not allow the contractors to misuse this money because we are going to take you to task. One, of course, he is in office for a short time because in the year 2002 after the election, we are going to form the other Government - well, I think I will be in that Government and will be the Minister for Finance by then. I hope hon. Masakhalia is going to do his best to make sure that all the money from the taxpayers is utilised in a better way.

Mr. Temporary Deputy Speaker, Sir, we are having a problem because we should plan for the future of our young people. When we talk of lack of employment, it is true that, of course, the population is growing more than the income, but we should plan how we can at least reduce unemployment. One of the ways of doing that is by encouraging the Jua Kali Sector to grow. If you go down to Gikomba, you see how busy the Jua Kali artisans are. They are making the wheelbarrows which are being sold in big shops in this City. Most of the goods that they make are more durable than the ones which are made by machines. So, we should find a way to encourage them. Most of the people we see in the Public Gallery come here because they are jobless, not because they want to come and listen to whatever we are talking about. But because they have nothing to do, they come here to see whether Members of Parliament have something for them.

The Minister for Co-operative Development (Mr. Obure): On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Wambua in order to suggest that the people who come here to listen to debates do so, in fact, because they are jobless?

Mr. Wambua: Mr. Temporary Deputy Speaker, Sir, I am in order, because the majority of them are jobless. So, we should find a way of securing jobs for them. Mr. Obure, if they were your voters, you would be in problems.

(Laughter)

Mr. Temporary Deputy Speaker, Sir, I would like to talk a little about the chief officers in our local authorities. I am sure that our Minister for Finance is very keen on his job. But other Ministers, like the Minister for Local Authorities, Prof. Sam Ogeri, may not be. I would request him not to defend some of the chief officers who misappropriate tax payers' money in the local authorities. He should sack them, and let other people replace

them!

With those few remarks, Mr. Temporary Deputy Speaker, Sir, I do support the Motion.

Mr. Mutahi: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this chance to contribute to the Motion. When you go to River Road, and some other roads in Nairobi, and see their current condition, you will be ashamed. It is as if this Government does not have a vision, mission and priorities. Today, if you go to the supermarkets, you will be surprised to find tomatoes from South Africa and other countries while there are many tomatoes rotting in Central, Nyanza and other provinces.

Mr. Temporary Deputy Speaker, Sir, during the Common Market for Eastern and Southern Africa Trade Exhibition (COMESATEX), South Africa was blamed by Ministers and even the President, because of the importation of commodities from there. If the President and Ministers blame the importation of commodities from South Africa, then you just wonder what kind of a Government we have. The Minister for Finance only needs to increase duties on the imported tomatoes, vegetables and other fruits to this country, and that will be enough. That is the only way we can ensure the survival of our horticultural, sugar and tea farmers.

Mr. Temporary Deputy Speaker, Sir, there was mention from that other side about the controllers of the economy of this country. Now, the exchange rate of the Dollar has gone up to about Kshs.75.

Mr. Temporary Deputy Speaker, Sir, I want to inform this House that the few economic controllers of this country must have, maybe, bought all the Dollars in the country, just to create shortage, and very soon---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Poghisio): Order! Hon. Members, it is time to interrupt our business. The House stands adjourned until tomorrow, Thursday, 17th June, at 2.30 p.m.

The House rose at 6.30 p.m.