

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 23rd June, 1999

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.172

RURAL ELECTRIFICATION IN
GARISSA DISTRICT

Mr. Weyrah asked the Minister for Energy:-

- (a) the amount of money that has been set aside for rural electrification in Garissa District; and,
- (b) the programmes he has for the provision of electricity in Ijara.

Mr. Deputy Speaker: Is there anybody there from the Ministry of Energy? I will come back to that Question later on. Let us move to the next Question by Mr. Badawy.

Question No.087

STRATEGIES TO CURB ILLEGAL FISHING

Mr. Badawy asked the Minister for Natural Resources:-

- (a) the number of trawlers so far licensed to fish in Kenya coastal waters and their sizes and capacities;
- (b) the conditions attached to the licensing of those trawlers; and,
- (c) the strategies he has put in place to stop illegal fishing, environmental degradation and the frequent destruction of local fishermen's fishing gears by trawlers and other motorized sea vessels.

Mr. Deputy Speaker: Is there anybody from the Ministry of Natural Resources? We will come back to that Question later on. Let us move to the next Question by Mr. Ojode.

Question No.146

EXPANSION OF HOMA BAY DISTRICT HOSPITAL

Mr. Deputy Speaker: Is Mr. Ojode here? We will come back to that Question later on. Let us move to the next Question by Mr. Wafula.

Question No.061

PAYMENT OF TERMINAL DUES TO MR. WANYONYI

Mr. Sifuna, on behalf of **Mr. Wafula**, asked the Minister for Health:-

(a) whether he is aware that Mr. Matete Mark Wanyonyi, ID/No.0126775/63, was retired in December, 1996, but has since not been paid his terminal dues; and,

(b) if the answer to "a" above is in the affirmative, when Mr. Matete will be paid his benefits.

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker, Sir, I beg to request that this Question be postponed until another time because its answer is not ready.

Mr. Deputy Speaker: I am sorry. You said what?

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker Sir, we are not satisfied with the answer we have.

Mr. Deputy Speaker: Who are "we"?

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker, Sir, I mean that the Ministry is not satisfied with the answer it has.

Mr. Deputy Speaker: Dr. Wako, you are responsible for the answer to be brought to this House. So, you cannot come here and tell us that you are not satisfied with your own answer!

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker, Sir, sometimes we get the answers, but we find that we really wish to investigate a matter further.

Mr. Deputy Speaker: Hon. Members, as I have said here before, Ministers are responsible for the answers they bring from their Ministries, and we are not interested to know who gives them the answers in their Ministries, whether it is a messenger, the Director of Medical Services or the Provincial Medical Officer. That is not our concern! You are responsible for the accuracy of the answer you give us. So, that excuse is not good enough. Do you want the Question to be postponed because you are not ready to answer it?

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker, Sir, we are investigating the matter, and so we wanted the Question to be postponed.

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

Mr. Deputy Speaker: Order! What do you want to say, Mr. Sifuna?

Mr. Sifuna: Mr. Deputy Speaker, Sir, this is a very clear Question and I know that it might have been sent to the Ministry sometime back. So, when the Assistant Minister tells us that he is still investigating the matter--- This is a very clear Question. The Ministry was supposed to find out why the man has not been paid his terminal dues, and the Assistant Minister has told us that he is trying to investigate. What investigation is he trying to carry out, when the Question is very clear? The Question is trying to find out why the man has not been paid his terminal dues.

Mr. Deputy Speaker: Mr. Sifuna, you are now asking new questions when the original one has not been answered.

Mr. Sifuna: When will he bring the answer to this House?

Mr. Deputy Speaker: Order! Mr. Sifuna, the Assistant Minister has informed you that he is not in a position to answer the Question now.

Mr. Obwocha: On a point of order, Mr. Speaker, Sir. Is the Chair satisfied that the Assistant Minister has stated the correct position? How can he not be satisfied with an answer which the hon. Questioner has not seen? The hon. Questioner has not seen the reply! I think his reason for wanting the Question to be deferred is different. This is one way of evading answering the Question.

Mr. Deputy Speaker: No, the Assistant Minister has merely said that he is not ready to answer the Question now. He has not said that he will not answer it because he has no such discretion.

The Minister of State, Office of the President (Maj. Madoka): On a point of order, Mr. Deputy Speaker, Sir. I would like to say that sometimes, when we say that we are not ready to answer certain Questions, it is because---

Mr. Deputy Speaker: Order! Maj. Madoka, I am not opening debate on this issue. Questions, once put on the Order Paper, must be answered. This Question is deferred until Tuesday next week.

(Question deferred)

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

Mr. Deputy Speaker: Order! Question by Mr. Weyrah to the Ministry of Energy.

(Dr. Ochuodho murmured something)

Dr. Ochuodho, if you have come to the House late, you had better ask other hon. Members what is going on. You should not stand on a point of order over anything!

Question No.172

RURAL ELECTRIFICATION IN GARISSA DISTRICT

Mr. Weyrah asked the Minister for Energy:-

- (a) the amount of money that has been set aside for rural electrification in Garissa District; and,
- (b) the programmes he has for the provision of electricity in Ijara.

The Assistant Minister for Energy (Mr. Manga): Mr. Deputy Speaker, Sir, before I answer the Question, I would like to apologise for coming late.

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

(a) Budgetary provision for rural electrification for 1999/2000 in Garissa District is K£780,000.

(b) The provision of electricity in Ijara will be carried out as soon as sufficient funds are available. I would like to clarify this. The possible connection of electricity to Ijara is from Lamu District, and this will cost about Kshs5 million. We are also exploring other sources of energy, such as diesel and solar energy. However, I would like to assure the hon. Member that the Ministry of Energy, through the rural electrification plan, is geared to finding a solution to this problem.

Thank you very much, Mr. Deputy Speaker, Sir.

Mr. Weyrah: Mr. Deputy Speaker, Sir, rural electrification did not start in 1999; it started almost ten years ago. Now, the Assistant Minister is telling us that he has set aside money in 1999. I do not think this is fair. I see discrimination by this Government, because if you compare other areas of the country with the area I come from, every house in the village has electricity. Why did the Ministry have to wait until the 1999/2000 Financial Year to supply electricity to Ijara?

Mr. Manga: Mr. Deputy Speaker, Sir, I sympathise with the Member, but this is the situation and I can now assure him that there are some funds provided. As I said, we are talking about the current situation. I do not want to answer about previous problems, but I want to say that as far as we are concerned, we have some provision, and we are going to explore more ways of providing electricity to this area.

Mr. Shill: Mr. Deputy Speaker, Sir, while we thank the Government for setting aside K£780,000 for rural electrification, we are very sceptical about those pledges. This is because, already, in Garissa Town itself, the engines used to supply electricity always break down. Could the Assistant Minister, therefore, be specific and tell us when this 'paper money' will be available, and when the work will start, specifically?

Mr. Manga: Mr. Deputy Speaker, Sir, the Member knows very well that the Ministry cannot be specific on when the money--- What I know is that there is a provision now. As far as Garissa is concerned, those machines are there and they are actually giving some service. But we want to boost them and do some repairs and, if possible, connect it to the national grid.

Mr. Leshore: Mr. Deputy Speaker, Sir, could the Assistant Minister confirm that the cause of the deficiency of funds to supply electricity to pastoralist areas is because the Ministry has diverted funds to "co-operation areas" in Luo Nyanza?

(Laughter)

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

Mr. Ayacko: Mr. Deputy Speaker, Sir, can the Assistant Minister confirm or deny that the policy of his Ministry regarding the provision of rural electrification is demand-driven and not market-driven? If it is demand-driven, what is the reason for that?

Mr. Manga: Mr. Deputy Speaker, Sir, it is not market-driven because if it was so, then, we would be talking about viable provision, where you are going to make money. I am talking about the need of the people, their number notwithstanding. So, it depends on the demand or the need of the people; it is not commercial. Electricity is provided to the people because the service is required.

Mr. Leshore: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister is misleading the House. Last year, there was no budgetary allocation for rural electrification in Bondo, but still, electricity was taken to Bondo. Is he not misleading the House?

Mr. Manga: Mr. Deputy Speaker, Sir, the hon. Member is now making me aware that it was not in the

plan. How does he know it was not in the plan? I think anything that the Ministry does is planned for.

Mr. Deputy Speaker: Order! That is the kind of point of order you do not have to respond to because Bondo is part of this Kenya, as much as Samburu is.

Mr. Shill: On a point of order, Mr. Deputy Speaker, Sir. The answer given by the Assistant Minister, when he was explaining about how Ijara is going to get electricity, was not adequate. He said the nearest place where Ijara can connect electricity from is Lamu. It seems the Ministry of Energy is not making use of our big sun, which is really terrorising North Eastern Province. As I speak, a small NGO has supplied to our schools electricity using solar energy. Will the Assistant Minister tell us now whether the Ministry is ready to use solar energy to give us electricity?

Mr. Manga: Mr. Deputy Speaker, Sir, I am surprised. Maybe, the hon. Member was not listening to me. I said this project will cost Kshs500 million; we are already comparing, and we have the options of using diesel energy or solar energy. I said that very specifically.

Mr. Badawy: Mr. Deputy Speaker, Sir, can the Assistant Minister tell this House what criteria his Ministry applies in distribution of funds to the various districts for rural electrification projects? Of course, Ministers are given the first priority like in many other projects. Can he tell us what criteria the Ministry applies?

Mr. Manga: Mr. Deputy Speaker, Sir, first of all, we use the applications from the DDCs. All DDCs bring their demands and we distribute services according to what we have. So, we follow the recommendations of the DDCs.

Question No.087

STRATEGIES TO CURB ILLEGAL FISHING

Mr. Deputy Speaker: Since there is nobody here from the Ministry of Natural Resources, hon. Badawy's question is deferred to tomorrow afternoon or Tuesday afternoon.

(Question deferred)

Next Question, Mr. Ojode.

Question No.146

EXPANSION OF HOMA BAY DISTRICT HOSPITAL

Dr. Ochuodho, on behalf of **Mr. Ojode**, asked the Minister for Health:-

(a) whether he is aware that Homa Bay District Hospital, which is a referral hospital for the entire district, has only two doctors;

(b) whether he is further aware that the mortuary in the hospital is too small and congested with unclaimed bodies; and,

(c) if the answers to "a" and "b" above are in the affirmative, what immediate plan the Government has to expand Homa-Bay District Hospital and upgrade Ndhiwa Centre and Got-Kojowi Dispensary to sub-district hospital status.

The Assistant Minister for Health (Dr. A.H. Wako): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Contrary to his suggestion, Homa Bay District Hospital has seven doctors and not two.

(b) I am aware that the mortuary in the hospital has a capacity of four bodies, but sometimes holds more than that number, some of them unclaimed.

(c) Plans are underway to modify Homa Bay District Hospital Mortuary to hold 12 bodies or more. Ndhiwa Health Centre is to be upgraded to a sub-district hospital and Got-Kojowi Dispensary to a health centre, once the fiscal position improves.

Mr. Kihara: Mr. Deputy Speaker, Sir, this question of congestion in mortuaries is a very widespread one and I think the Ministry needs to put some plans in place to improve mortuaries. I have in mind the Naivasha Sub-District Hospital mortuary with a capacity of 12 bodies, and which sometimes accommodates up to 60 bodies which are eaten by rats. What plans does the Ministry have to improve mortuaries throughout the country?

Dr. Wako: We are trying to improve as much as we can and in the case of Homa Bay we are trying to raise the capacity of the mortuary from 4 to 12 bodies.

Mr. Deputy Speaker: The Question was: What plans do you have for improving and expanding

mortuaries throughout the country?

Dr. A.H. Wako: We are improving mortuaries as we get funds.

Dr. Ochuodho: Mr. Deputy Speaker, Sir, the

Assistant Minister does not seem to be aware that recently, his Ministry upgraded the Homa Bay mortuary for which we want to thank the Government. But this is still far from adequate. However, I also wanted to correct the impression that this is just a referral hospital for one district. Homa Bay District Hospital is a referral hospital for five other districts: Kuria, Rachuonyo, Migori and so on and so forth. However, we have the problem because whenever provisions are being made, it gets the same provision. Could the Assistant Minister tell us why Homa Bay gets the same provision as the other five district hospitals while it takes care of all those other five district hospitals?

Dr. A.H. Wako: We know that the Homa Bay District Hospital is a referral hospital and that it does not get as much as the rest--- Actually, it is getting more. The hon. Member is talking of two doctors, but we are talking of seven doctors. Can you ascertain that claim because as far as we know, they have seven doctors in the hospital?

Mr. Omamba: Could the Assistant Minister tell us the procedures used to upgrade health centres to sub-district hospitals?

Dr. A.H. Wako: Mr. Deputy Speaker, Sir, the procedure is that first and foremost, there must be enough work in the health centre to warrant its upgrading. It then goes through the DDC and comes to the Ministry. When funds are available, the Ministry will upgrade that particular health centre.

Dr. Ochuodho: Mr. Deputy Speaker, Sir, although I do agree with the Assistant Minister that there are seven doctors in Homa Bay, for the past ten years this hospital has not had a surgeon. What is the Ministry doing to get a surgeon for Homa Bay District Hospital?

Dr. A.H. Wako: Most of the doctors are qualified as surgeons, but actually the hospital does not have a surgeon. We will look into that.

QUESTION BY PRIVATE NOTICE

ASSISTANCE TO BOMB BLAST VICTIMS

Dr. Murungaru: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Finance the following Question by Private Notice.

(a) What immediate action will the Minister take to ensure that funding which was provided by the US Government to assist businesses that were affected by the August 7th, 1998 bomb blast are disbursed to the victims without delay?

(b) What further action is the Government contemplating to take to assist the said victims?

(c) Could the Minister assure the House that the funding will be adequate to help the victims refurbish their businesses which are on the verge of collapse?

The Minister for Finance (Dr. Masakhalia): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The Government of the United States of America pledged assistance to the small-scale and medium-sized enterprises whose business sustained losses resulting from the 7th August, 1998 bomb blast. The assessment of the losses, both to businesses and buildings, is being carried out. The exercise is expected to be completed by 2nd July, 1999. Following this, the Governments of the United States of America and Kenya will agree on disbursement of part of the US\$4 million allocated for small enterprise developments to the beneficiaries.

(b) The Government is endeavouring to complete as soon as possible, assessment of the losses with an aim of ending soonest hardships arising from the losses suffered by the victims.

(c) Before completing the assessment of losses, it is not possible to determine the adequacy of the approximately US\$4 million allocated to small businesses from the United States Government bomb blast contribution in covering the refurbishment of buildings and premises affected by the blast and related losses.

Dr. Murungaru: Mr. Deputy Speaker, Sir, I have just received the written answer to the Question, but the answer is not satisfactory in a number of respects. Under part "b" I had asked what action the Government is contemplating taking to assist the said victims. We are aware that the US Government has provided this funding, but the Kenya Government had also pledged at the same time to support those businesses which were affected by the August 7th bomb blast, particularly, those businesses which were based in Ufundi Co-operative House. Has the Government got any plan to provide some funding to assist these businesses, some of which, in actual fact, are not

even salvageable at this time because members of the business community who were in Ufundi Co-operative House and other adjacent buildings are now out of livelihood and are now living helplessly with their children at home? What action is the Government taking to support these people financially, to enable them to come back on their feet?

Dr. Masakhalia: At the risk of being accused of repetition, I should like to indicate that the assessment of these losses will be completed on 2nd July. Additional assistance needed will be an outcome of this exercise, which is being undertaken to ascertain the extent of damage and the losses suffered. I would volunteer some more information by saying that small businesses are being assisted through a number of programmes. One of them is United States based. For five years K-MAP, who are known for Micro-Private Enterprise Development, have been extending assistance to small businesses. If, indeed, this assessment shows that the US\$4 million will not be adequate to put these fellows back into business, we can go back to some of these programmes, including the Jua Kali.

Mr. Maore: Given the magnitude of the losses and the incident of the bomb blast, the Government should have immediately instituted a small crisis management group that should have gone into immediate assessment of the losses, rather than wait for 12 months later to say that it does not have a rough figure of what is required. It is now waiting for the American Government to come up with US\$4 million. How much was the immediate allocation by the Kenya Government to the victims of the bomb blast, the issue of the American Government notwithstanding?

Dr. Masakhalia: The observations made by the hon. Member open up another question because we were confining ourselves to businesses. The assessment is being carried out. We have not, to date, set aside a special allocation for small enterprises that suffered losses from this bomb blast, but I think when the assessment is through, we will determine what further assistance to extend to the victims.

Mr. Kihoro: I think it is taking too long to assess the damage that was caused to the businesses. By the time the job is done, maybe, a year after, we could all be talking about fiction. I had information that---

Mr. Deputy Speaker: Ask your question. Look at the time.

Mr. Kihoro: I have information that the American Government has already set aside a certain emergency fund. Can the Minister confirm that the US Government has not actually set aside the money that should be given to the businesses that went under after the bomb blast? After all, the local funds have already been disbursed!

Dr. Masakhalia: I have volunteered the information that the United States Government committed US\$37.85 million for the bomb blast victims, covering not only these particular items, but other areas such as social services for the disabled, mental health, reconstruction surgery and other surgeries on victims who suffered from the blast, other emergency medical services, some construction on the Co-operative building and so forth. So far, only US\$11 million has been released by the United States.

Mr. Deputy Speaker: Order! Ask a Question because you do not have the time.

Dr. Murungaru: Mr. Deputy Speaker, Sir, could the Minister assure this House that he is going to expedite disbursements of some funds from somewhere before these people completely go under? There is no point of giving a dead man medicine. If these businesses are not funded now, it will be useless to fund them in future. Can the Minister assure us that he is going to bail them out?

Mr. Masakhalia: Mr. Deputy Speaker, Sir, I give the hon. Member the assurance that we will expedite the completion of the exercise.

Mr. Deputy Speaker: Next Order!

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 22.6.99)

(Sixth Day of the Budget Debate)

Mr. Deputy Speaker: Mr. Mwakiringo, you still have five minutes to go. Proceed!

Mr. Mwakiringo: Thank you, Mr. Deputy Speaker, Sir. I was talking about infrastructure. It is only the Mtito Andei-Bachuma section of the Nairobi-Mombasa road which is currently being worked on and not the rest of the sections. Because the repairs have not yet been carried out, and there are no signs of them being carried out, we are having a lot of break-downs on the way, and we have not seen any allocation for the repair of those sections of the road. I am saying that because we should always have alternatives where we have short comings. As of now, we have an airstrip, but due to some factors, it has not been rehabilitated. Currently, the only one which is being used at Voi is stationed at KWS in Tsavo East National Park. Sometimes animals rest on it and it becomes too dangerous to land on it. We should have an alternative airstrip. Since Voi is the centre for horticultural products from Taveta and other areas of Voi and Wundanyi, the Government should allocate some funds for the rehabilitation of Voi Airstrip, which will be used for ferrying horticultural crops from these areas and other surrounding areas in the district, and at the same time, it will be used for landing to and from Mombasa on the way to Nairobi.

Mr. Deputy Speaker, Sir, what is surprising is that the Voi District Housing Programme was allocated Kshs910,000 in the 1998/99 Budget. The funds were released but the project has not been completed, and nothing has been done on the ground. The latest information I have is that, that is a delaying tactic so that those who are used to grabbing can grab that piece of land situated in Voi. We are saying that the units are very good, and they are near completion. Therefore, they should be allocated some funds in order to complete them.

Mr. Deputy Speaker, Sir, my constituency covers the greatest part of Tsavo East and and Tsavo West National Park, but the community does not derive benefits from it because, if a man is killed by an animal he is only paid Kshs30,000, which is nothing to the dependants who are left behind. What we are suggesting here is that, let us have a certain percentage of revenue left in the councils, apart from what is spent through what we call "community-based projects". Our investigations revealed that, the staff of KWS are the major beneficiaries of most of those community-based projects because the projects never take off. At the end of the day, we are told that the project was not viable, or it was rejected in Nairobi. But we are saying that whatever KWS promised to leave behind should be given through the county councils who are on the ground with the people. So, the KWS should remit some amount of money to the councils for their own projects.

Mr. Deputy Speaker, Sir, we should have a fair distribution of the national cake. As regards the privatisation of Kenya Ports Authority (KPA), people from the Coast Province, and any Kenyan who is mindful of other people's welfare, should not allow this to take place. It has not taken into consideration the number of people who will be left jobless and how far it will affect the common mwanachi on the ground. If this has to be done, there must be some intelligence report to determine the effects of privatisation. In this case, there does not seem to be any intelligence used at all. Let the people who are working in various sections of the KPA - even if it means the container terminal, berths number one to five, the sheds and the like form their own company and run that section themselves other than companies being formed here in Nairobi and outside Kenya to benefit a few people. This is why we are saying that privatisation should not take place at all. We will go out to mobilise our people, to make sure that this does not take off. Whether they like it or not, it will not take off.

Mr. Deputy Speaker, Sir, as we are trying to alleviate poverty and to be self- sufficient in food production, we are saying that the Budget did not consider the reduction of tax on agricultural inputs.

With those remarks, I beg to support.

Mr. Kapten: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion.

The Budget which was read in this House did not give any Kenyan hope. Budgets have been read in this House and we have always hoped that the Government would act on those Budgets, but they have just become mere papers which do not help anybody.

Mr. Deputy Speaker, Sir, the poor people in this country are becoming poorer, and the rich are becoming richer and richer every day. How can we correct this kind of imbalance? The blame squarely rests on the Government. The Government has not tried to help the poor people in this country. It would appear that the Kenya Government is only interested in the welfare of the rich. Poor people in this country have neither a place nor a person to turn to. The Government talks about eradication of poverty; when will this be done? Kenya has just become a talking shop. No action is being taken on anything. If the Government is not prepared to help the poor people of this country, then it has no business being in office; it should resign.

Mr. Deputy Speaker, Sir, we are tired of senior Government officers, including the Head of State, talking about corruption. We are always told that the Government is going to take action. Year in, year out, month in,

month out, we are told: "We are going to take action". When will this action be taken? I wish the Government would come and tell us: "Action has been taken; we have arrested so many corrupt people; we have arrested so many Permanent Secretaries; so many Chief Executives, and so forth". We will be able to believe that the Government is doing something. But this question of the President, Permanent Secretaries and the Ministers telling us that they are going to take action is not helping this country.

We collect a lot of money in terms of revenue; where does this money go to? When you look at the state of roads in this country, health facilities and what-have-you, they are in a deplorable condition. The Government has been in place for all these years, but it is not helping to alleviate the problems which Kenyans are facing.

Mr. Deputy Speaker, Sir, I will briefly talk about land problems in this county. Kenyans fought for Independence because of their land. But it appears that land in this country is only meant for the rich. When you look at the ADC farms, SFT farms and research land, all of it has been taken by the well-connected people. Squatters on ADC farms have been left without any land to settle on. A week ago, thousands of people who are ADC squatters came to see me complaining that they had been threatened with eviction. I am surprised that the ADC is denying that they have squatters on their land.

I come from a constituency where we have several ADC farms. The squatters are on the farms, and the land has been allocated to rich people. The allottees are threatening those helpless people with eviction, and yet the Government is not ready to help them. If we are not careful, and if this land policy continues, there will be bloodshed in this country. The poor people will not be prepared to be moved from ADC farms, land on which they have lived for decades, and be thrown on to the roads. The people of this country will not budge. The Government must settle these landless people. We vote a lot of money for parastatals, the ADC included. Where does this money go? When you go to the farms, there is no activity taking place. The land is only inhabited by snakes. Apart from a few farms which have been allocated to a few rich individuals, who even do not go to those farms to work on them--- We talk of hunger in this country and yet we have enough land. If those rich people who have been given land are not prepared to cultivate it, what business does the Government have to give them land which they are not using?

Mr. Deputy Speaker, Sir, in the recent past, we have learnt of tragedies which are facing our schools. In Nyeri, four boys died. Yesterday, there was news that some dormitories were set on fire in a school in Mbeere. What is the reason behind this? What is the Government doing to try to understand the problem which is facing our children? Why is the Government allowing fuel to be sold everywhere on Jua Kali basis? What is this Government up to? If they cannot understand the problems facing our youth, this Government has no business being a Government. I know hon. Nassir, who is listening very keenly, is going to argue otherwise, but this is a big problem and we should not laugh it off. When children are set on fire at night, the Government always promises to investigate and take action. When will this action be taken? Is it going to be taken after all our schools and children have been burnt to death? The Minister for Education and Human Resource Development must wake up and investigate, so as to get the root cause of why our youth are behaving the way they are behaving.

Mr. Deputy Speaker, Sir, we should not allow petrol to be sold anywhere, even in residential places. Why should we allow petrol, which is a highly inflammable liquid, to be sold anywhere? The Government must take action to curb this mess.

Mr. Deputy Speaker, Sir, it is being claimed that Kshs4 billion is too much money to be used on constitutional reforms. If we consider the kind of money which is stolen by chief executives of parastatals and highly-placed civil servants, we can be able to save Kshs4 billion in one or two months for the purpose of constitutional reforms. I do not think Kshs4 billion is a lot of money for us to rewrite our Constitution. I do not agree with the argument from KANU, the Government and hon. Nassir, that Kshs4 billion is a lot of money to be spent for the purpose of constitutional reforms. We need this money to reform our Constitution. We would like to know who will take over after President Moi retires. We can only do that if we have a good Constitution. The other day we were told that Kenyans do not have anybody who can take over when President Moi retires. Among the 30 million Kenyans, can we not get one or two who are qualified for that kind of job? All these hon. Members are qualified to be President of this country.

An hon. Member: Hon. Nassir!

Mr. Kapten: Mr. Deputy Speaker, Sir, for somebody to think that there is no Kenyan qualified to take over the reins of power, that argument is misplaced. I would like to request the person who made that statement to apologise to Kenyans because it was made in bad taste.

Mr. Deputy Speaker, Sir, I will also briefly talk about Income Tax. As I said, tax has been paid by Kenyans year in, year out. This money has not helped this country. The time has come when Income Tax should be used to benefit Kenyans.

The Minister for Environmental Conservation (Mr. Nyenze): Thank you, Mr. Deputy Speaker, Sir, for

giving me a chance to contribute to the Budget Speech.

I would like to say this was a very well balanced, and realistic Budget, considering the plight of farmers. I only feel that Presumptive Tax could be removed, the farmer would be encouraged because the economy is dependent on agriculture, and if we are to industrialise fast.

Mr. Deputy Speaker, Sir, I would also like to point out that there has been some allocation on the road network, because we know, for a country to industrialise, we need proper infrastructure. These include good roads and all other forms of communication network. I am happy that the Budget addressed these issues.

On the question of economic growth, we realize that the economy has not grown as fast as expected. The main reason is that if we can look back, we will remember that there were times when most of the Opposition parties were calling upon the donor community not to give aid to Kenya. Money has not been forthcoming because of these calls for aid to be suspended. So, this is to remind us that if we call for an economic embargo against our country--- If we are not patriotic, when problems come, we will all suffer, whether we are in the Opposition, or the ruling party.

Mr. Maore: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Cabinet Minister in order to mislead this House that the problem with the donors is the call by the Opposition and not the massive corruption within the Government that has caused the freezing of foreign aid?

The Minister for Environmental Conservation (Mr. Nyenze): Mr. Deputy Speaker, Sir, the hon. Member might have been asleep. I was saying that one of the factors that contributed to the slow economic growth---

Mr. Deputy Speaker: Order! Order, Mr. Nyenze! Hon. Members do not sleep here, and what you are presenting is irrelevant for today.

The Minister for Environmental Conservation (Mr. Nyenze): Thank you, Mr. Deputy Speaker, Sir. If our economy has to grow, first, we must respect one another. In fact, what we are teaching Kenyans through the political rallies that we have held is that through violence and disobedience, we can solve our problems. But contrary to that, unless we respect the others, we should not expect to be respected. For the Budget proposals to be realised for quick economic growth, we have to respect the authority and the leaders of this country. Even the Bible says: "Do to others what you would wish them to do to you". If we respect the authority or the leaders of the country, it would be very easy to implement these proposals for a faster economic growth.

I would like to appeal to hon. Members to exercise restraint on matters touching on the public with regard to violence. We do not want to have a country without a Government. We do not want to have chaos because it is our people who will suffer. It is our responsibility to preach peace at all times, and not violence. In this regard, for Kenya to develop in the economic field, I want to appeal to our brothers across the political divide to show respect and commitment to serving this country by also respecting the Head of State. Some statements have been made on the Floor of the House by some legislators which are disrespectful to the Head of State. I think we would wish to be respected when we lead this country because we do not know what would happen tomorrow. It is very hurting to see an hon. Member stand up and hurl insults at the Head of State. I would like to caution my colleagues and request them to respect the Head of State. I think that way, we will also be respected by our constituents and fellow legislators. So, the country will be governed in the most appropriate way, where there is respect, love and care because we do not want also to be abused.

Mr. Deputy Speaker, Sir, on the issue of agriculture, the areas where we have concentrated most have become too squeezed and all the other remaining fields, which were under cultivation, have all gone. I think it is high time that we looked at the marginal lands or the dry areas like Ukambani, which have the potential but lack water for irrigation. I understand that small, dry countries like Israel export agricultural produce to Europe and America and other places. I would urge this House to explore alternatives to these other highly potential areas of agriculture in the drier areas. Tana River and Athi River pass through Ukambani; the land is flat and it can very easily be irrigated by building big dams and diverting the water from those rivers. Because the density of population is so low, agricultural production on a large scale can be achieved, and this country would industrialise very fast. I would wish, in the next Budget, that consideration and more emphasis is put on agricultural production in marginal lands to alleviate the shortage of food.

Mr. Deputy Speaker, Sir, allow me to say that contrary to what many hon. Members believe, from what I have heard them talk, the Kenyan economy is stronger than all the other East African economies put together. Sometimes there is a quicker economic growth and at times there is a slow-down. Last year, the economic growth was 1.7 per cent, but that did not mean there was no growth. There was a slow growth. The percentage of growth was small. That is normal; even with developed countries, for economies at times to grow faster and stagnate. But so long as it is not growing negatively, there is some positive growth. I think that is a plus for this economy.

The Government has been providing services which it cannot sustain anymore like health, rural

electrification programmes and free education. A country with an economy like that of Kenya cannot afford to provide such services. That is why cost-sharing between the public and the Government was introduced. That is why there is an increase in the provision of drugs in our dispensaries, health centres and hospitals. As legislators, we should not always see the negative part of the economy and the country's leadership; let us also congratulate the Government where it has made some achievement.

Mr. Deputy Speaker, Sir, I want to emphasise that through the able leadership of His Excellency the President, we have realised peace. If you look at our neighbours, there is war, bloodshed and so on, but here in Kenya, and you would bear me witness, there is peace under the leadership of His Excellency the President. We should not overlook that.

With those few remarks, I beg to support.

Mr. Odoyo: Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Mr. Odoyo, you have already spoken. In fact, you spoke on 16th June, the Third Allotted Day.

Mr. Odoyo: Thank you, Mr. Deputy Speaker, Sir. So be it!

The Minister for Local Authorities (Prof. Onger): Mr. Deputy Speaker, Sir, I also want to take this opportunity to say that the Budget Speech that was presented to this Parliament was eloquent and precise. Indeed, the point that most contributors have missed is that it did not only look at the short-term and medium-term policies, but had the capacity to look at the long-term projections and be able to project the country into the future. I think it is a very fundamental point that was missed out in most of the contributions to this House.

If you look at the Budget itself, particularly in the local government sector programme, there are some decisions that have been made and have a long-term bearing and stability on the actions that will be taken in the year 1999/2000 and beyond. Mr. Deputy Speaker, Sir, I think it is important that we come to grips with these aspirations that were clearly spelt out in the Budget. I would like to say, as a start, that if you look at the section in passing, and we shall have more opportunity to discuss it when the Ministry's Vote is put on the Floor, the major ingredients that were addressed in the Budget were the major thrust on poverty alleviation and, provision of services to the people for them to be able to carry out their major activities in devolving the financial burden of local authorities. In other words, sharing of financial resources from the Central Government to local authorities.

Mr. Deputy Speaker, Sir, let me just mention a few of them. We have, for instance, now, the implementation of reforms in the Inter-governmental Fiscal Arrangements; that is the Single Business Licence Reform Programme. You will recall that in the past, most Budgets were able to levy various trade licences as a means of getting revenue for the Exchequer. In the last two Budgets, it is quite abundantly clear that they were now moving away from this multiplicity of licences in order to be able to create one business licence, one, for compliance purposes and, second, it is easy to administer and it takes care of both the horizontal and vertical interests within the reform sector itself. It has an element of equity and, therefore, providing buoyancy for revenue in local authorities. I think this is a major renovation, and I think it is something that one needs to look at and not just forget that we are moving towards a much more compliant instrument of revenue collection, which is very buoyant.

Mr. Deputy Speaker, Sir, the second aspect associated with the Single Business Licence Programme is the so-called Business Registration Information Management System. Now, as you realise, it is the intention of the Government to be able to network all the local authorities; so, when [**The Minister for Local Authorities**] they are issuing this single licence, it is very easy to issue one. I have launched two of these bodies in Mavoko and elsewhere. It takes three minutes to be able to get the licence, and not only that; it is a very basic tool for garnering the information of trade and business in various towns. I think it is the best vital method of sampling statistics, so that you can be able to equitably say that some activity is taking place in Awendo, Kisumu or in Mathira, related to this level of services. I think it is a very important thing.

Mr. Deputy Speaker, Sir, the third element which is covered in the Budget is where we were given Kshs1.6 billion, and I think it is a good gesture again, because it spans across to reach out the rich and the poor. Therefore, there is an element of equity in the question of the Road Maintenance Levy. Now, I must say, there has been a lot of unfortunate misreporting by the Fourth Estate. I think they just pick up an issue and report it the way they want to, and walk away scot-free, and in the process, leaving the public bewildered.

Mr. Deputy Speaker, Sir, take, for instance, the Museum Hill. Now, this Museum Hill is only 200 metres of cabro work which was done because of the nature of that steep road network there. Any amount of asphalt which has been poured there, shifts with the motion of heavy traffic vehicles passing through there and, therefore, forms into big mounds. I want to make it abundantly clear, through this august House, that, that section of 200 metres cost Kshs14 million. It is cabro; it is cement work. It takes 10 to 30 years to be destroyed and, therefore, it

has a long-term effect as opposed to the ordinary tarmac asphalt which is only about three to five years. I want the members of the Fourth Estate not to over-exaggerate. When you read a newspaper saying that we have spent about Kshs200 million, then this is total nonsense. It is an exaggeration of an issue which is not there, and I think, on several occasions, we have invited the Fourth Estate to come and see for themselves.

Mr. Deputy Speaker, Sir, I think it is only fair that the public should be treated fairly and given the correct information, rather than giving them the information that you would like them to read, see and hear. I think the Road Maintenance Levy Programme will be spread out to many other towns of Kenya in order to be able to address the problems of the infrastructure. Obviously, the amount in the Budget of Kshs1.6 billion would not be adequate to cover all the towns, and this being a job that is done over a period of 18 to 24 months, it is something that we can look forward to, at least, as a programme which is sustainable, equitable and which can also repeat, and I think, it is important to know that.

Mr. Deputy Speaker, Sir, the fourth element that shows the sustainability of this Budget, is the question of the contribution in lieu of rates. You know that the Government or the local authorities do receive rates accruing on property owned by the Government. At least now, we have a clear way in which these funds should be settled and it looks well for those councils that turn forward. Of course, the last one which we passed here in the last Budget is the question of LATF; that is, the Local Authority Transfer Fund. In the Budget and in the Act, it was 5 per cent, and it has been reduced to 2 per cent, understandably for economic reasons, but when these funds are available, they will be in a position to go out there and support the other infrastructural developments within the local authorities and bring them up to shape, and to the level that they can offer adequate services to the people. I cannot be able to run away---

Mr. Odoyo: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Minister for Local Authorities to support the reduction of the LATF from 5 per cent to 2 per cent when ten months ago, he argued on this Floor that 5 per cent was the least amount that could be transferred? Is it in order for the Minister to change his mind in less than ten months?

The Minister for Local Authorities (Prof. Onger): Mr. Deputy Speaker, Sir, it is not Question Time and so, I will not refer to that issue. When it is Question Time, I will refer to it, and when the Ministry's Vote comes. Of course, I am pleading with the Minister for Finance that the level--- If you read the speech very carefully, he hoped that they would come back to the level of 5 per cent, and I am urging him that we get to that level of 5 per cent, so that we can get more revenue to be able to give to the local authorities.

Mr. Deputy Speaker, Sir, I want to speak on one domestic issue which is the question of highland malaria in Gusiland. It is an issue that I would like to request the Ministry of Health to set aside enough funds to cater for this highland malaria. The index of immunity in the highland area is very low, because we are not exposed to malarial antigens continuously. Therefore, when they hatch out, the larvicides and the germicides, the current regimen of drugs available for treatment cannot be able to reach them and, therefore, it is important that the Ministry is able to avail these drugs that are able to reach them.

With those few words, I support the Budget.

Mr. Maore: Thank you, Mr. Deputy Speaker, Sir, for giving me a chance to contribute to the Motion. Like many Budgets in the recent past, this year's Budget has been done under very difficult circumstances, arising cumulatively from the misconduct of those who are in the Government. On this note, we have even heard His Excellency the President complain loudly about how he is having problems with the Civil Service.

We have reached a time when we have lost our glory, pride and nationhood, and it is going to take almost a revolution for us to restore these values. No sector in our society is functional today, not even the most strategic ones, such as security, immigration, revenue collection, tendering systems, *et cetera*. Every service-related function of the Government is wanting. In a Civil Service that is riddled with corruption and inefficiency, you can have nothing short of chaos. We are having this Budget at a time when this country's Civil Service is in that state. We do not know the services going to be rendered with all the money that will be voted for in the Budget. We do not know which Accounting Officer is going to sit down and organise the procurement of equipment that will have something to do with rendering services by his department, and not purely for kickbacks.

Mr. Deputy Speaker, Sir, insecurity has reached an alarming level in this country. First, insecurity begun quietly as something called "cattle rustling", and everybody started explaining thus: "Hiyo ni mila ya makabila yanayokaa huko mbali", meaning communities which stay along the borders with Uganda, Sudan, Ethiopia and Somalia. That explanation was given for very many years. Today, banditry has become complicated due to the easy availability of very sophisticated weapons. At first, the will to stamp out the rise and the glorification of cattle rustling culture was lacking. Now, the current security network is overwhelmed by the high level of insecurity in the country. In urban areas, mugging and burglaries have taken a very dangerous proportion, and nobody feels secure anymore.

Cumulatively, these effects have made this country's humble and law-abiding citizens lose confidence in themselves and the Government. The Government needs to wake up; it needs to rise up and start functioning and exerting its authority. The essence of authority will be felt when those executing the authority have respect for their offices. Today, this Government has Cabinet Ministers who make utterances which are enough to make them outlaws. For example, Section 9(1) of the Constitution of Kenya says:-

"The President shall hold office for a term of five years, beginning from the date on which he is sworn in as President".

Section 9(2) of the Constitution of Kenya says:-

"No person shall be elected to hold office as President for more than two terms".

Mr. Speaker, Sir before we amend Section 9(2), nobody should be allowed to go round flying a flag and screaming how he wishes an individual to have a term of office beyond what is stipulated in the Constitution. If such people are hon. Members of this House, such as hon. Ongeri, or hon. Sharif Nassir, or hon. Nyenze---

The Minister for Local Authorities (Prof. Ongeri): On point of order, Mr. Deputy Speaker, Sir.

Mr. Maore: Hon. Ongeri, do you want to deny that you have said it, or what is your point of order about?

The Minister for Local Authorities (Prof. Ongeri): Mr. Deputy Speaker, Sir, could hon. Maore come out clearly on what he is saying? The hon. Member is trying to impute improper motives on other hon. Members.

An hon. Member: That is not a point of order!

Mr. Maore: Mr. Deputy Speaker, Sir, I like the hon. Member's outrage; it shows some sense of guilt in him.

Mr. Deputy Speaker: No, no, hon. Maore!

Mr. Maore: Mr. Deputy Speaker, Sir, the substantiation is that hon. Ongeri has been screaming from the rooftop: "We will give President Moi another term of office beyond the Year 2002"!

Mr. Deputy Speaker: Order! Order! Hon. Maore, you are not allowed to quote a newspaper report as your authority for making statements in this House. But, more importantly, if you want to discuss the hon. Members you have mentioned, please, bring a substantive Motion to that end. I will allow you to say anything you want about them.

Mr. Maore: Mr. Deputy Speaker, Sir, another issue we need to address ourselves to is an incident which took place early 1994 within Government. I think I will describe the incident as the biggest peacetime "robbery" by a sitting government. During that incident, without any invoices, or any details of any payment, or request to pay anybody, the Government, through the Permanent Secretary, Treasury, and the Central Bank of Kenya, organised the transfer of money from the Consolidated Fund to private individuals. A name was given in connection with that incident, but if I give it, I may be discontinued from making my contribution.

During that incident, which occurred between April and June, payment of Kshs5.8 billion, and the deposit of US\$100 million in American Express Bank and another US\$110 million in the Indosuez Bank---

Mr. Deputy Speaker: Order! Order! Hon. Maore, what is your source of information regarding that matter? Is it the Public Accounts Committee (PAC) Report?

Mr. Maore: Mr. Deputy Speaker, Sir, I am raising an issue.

Mr. Deputy Speaker: I know you are. I am asking you because if your source of information is the PAC Report, which is not yet due for debate, you are anticipating debate in that book.

Mr. Maore: Mr. Deputy Speaker, Sir, I am absolutely sure that this matter is not coming for debate in the PAC Report.

Mr. Deputy Speaker: Hon. Maore, I will hold you responsible if it turns out that the information is from the PAC Report.

Mr. Maore: Yes, Mr. Deputy Speaker, Sir. I would like to assure you that this information is not, under any disguise, from the current PAC Report. Maybe, the information will be contained in future PAC Reports.

Now, the two sums amount to Kshs19.3 billion.

Mr. Deputy Speaker: Mr. Maore, in that case, I want you to lay the evidence on the Table.

Mr. Maore: Mr. Deputy Speaker, Sir, is the Chair participating in the debate now that I am being challenged to name that---

Mr. Deputy Speaker: No, no, no! I want you to lay your evidence to that effect on the Table, because you are making a factual statement. You have all the facts with you.

Mr. Maore: Mr. Deputy Speaker, Sir, I do not know how to explain what you are demanding from me. The issue I am raising is that in 1993 alone, the country lost Kshs19 billion. That was the time when hon. Mudavadi was the Minister for Finance.

(Mr. Mudavadi stood up in his place)

Mr. Deputy Speaker: Order, hon. Maore! Kenya cannot lose that amount of money on its own. The money must have been lost by somebody. So, I want you to lay your evidence on the Table to that effect.

Mr. Maore: Mr. Speaker, Sir, what I am saying is that the Kshs19 billion I am talking about---

Mr. Deputy Speaker: Order, hon. Maore! You have heard me!

Mr. Maore: But nobody has complained. I do not know how the Chair is participating in the debate.

Mr. Deputy Speaker: Order, hon. Maore! I am complaining that evidence of factual issues should be laid on the Table. So, go ahead and give your facts and lay your evidence on the Table.

Mr. Maore: Mr. Deputy Speaker, Sir, if this amount is related to the Goldenberg issue, will you be happy?

(Laughter)

Mr. Deputy Speaker: Order, hon. Maore! You can make all these wild allegations because it is juicy; it makes good reading, but we have our Standing Orders which we must go by. You have mentioned hon. Mudavadi by name; what does the Standing Order say? Standing Order No.73 (4) states:-

"No Member shall impute improper motive to any other Member except upon a specific substantive Motion calling in question the conduct of that Member".

So, you either lay evidence on the Table or withdraw and apologise!

Mr. Maore: Mr. Deputy Speaker, Sir, is it the name or the issue that I should withdraw?

Mr. Deputy Speaker: The name on its own is not an issue, but it is the name connected to the issue you are raising!

Mr. Maore: I withdraw the name of hon. Mudavadi, and say there was a Minister for Finance who facilitated the fraud.

Mr. Deputy Speaker: Order! In relation to what you have said, it is not a laughing matter, hon. Maoka Maore!

Mr. Maore: I do not understand, Mr. Deputy Speaker, Sir. Do you want me to withdraw the name "Mudavadi"?

Mr. Deputy Speaker: In relation to the allegation you made against him!

Mr. Maore: In the entire speech, I wish to withdraw the names "Musalia Mudavadi".

Mr. Deputy Speaker: In relation to what you said about him!

Mr. Maore: Mr. Deputy Speaker, Sir, I thought that is an official conduct, but not a personal conduct.

Mr. Deputy Speaker: Could you explain to this House where the official conduct ends and personal conduct begins? Where does it begin as official business, and where does it end? These are hon. Members of this House, and that Standing Order refers to "any other Member", but not a Minister.

Mr. Maore: Mr. Deputy Speaker, Sir, I wish you could take my point, that I have actually withdrawn the mentioning of the hon. Minister.

Mr. Deputy Speaker: I am saying you have to withdraw it in relation to the allegation you made about loss of money in his Vote. If that is the Vote you are making the allegation about, I want you to lay the document on the Table now!

Mr. Maore: Mr. Deputy Speaker, Sir, in April, 1993, there was a "ghost" sitting in the Treasury without a name, and I wish to withdraw the name of that "ghost"---

(Laughter)

Mr. Deputy Speaker: Hon. Maoka Maore, I made a ruling the other day that if you want to make an allegation about a Member, you must be prepared to substantiate that statement on the spot. I am requiring you to substantiate that allegation about hon. Mudavadi now, or withdraw it!

Mr. Maore: Mr. Deputy Speaker, Sir, the best way to substantiate is for him to stand up and deny it, then I can withdraw.

Mr. Deputy Speaker: Order! Hon. Maoka Maore, one more chance!

Mr. Maore: Mr. Deputy Speaker, Sir, I wish to take my last chance properly. Which area do I withdraw?

Mr. Deputy Speaker: I am sorry, it seems that you think this is a joke. Hon. Maore, I require you now to leave the Chamber for the rest of this Morning's Sitting!

(Mr. Maore withdrew from the Chamber)

POINT OF ORDER

PERSONAL STATEMENT ON GOLDENBERG SCAM

The Minister for Agriculture (Mr. Mudavadi): On a point of order, Mr. Deputy Speaker, Sir. The allegations that have been made are extremely serious on a matter that is of grave national concern. I believe that since my name has been mentioned on this, I request that I be allowed to make a statement on this matter this afternoon. It is not in order that very serious allegation is made against me and the Member does not withdraw it.

Mr. Deputy Speaker: After Question Time, if there will be time, I will allow you to do so.

Mr. Ayacko: Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to contribute to this very important debate on the Budget Speech. The theme of the Budget Speech was speeding the economic recovery, lessening unemployment and alleviation of poverty. That was a very good theme, but it is unfortunate that it is not possible to realise the theme of the Budget Speech, one, because we have to take into account what supports this economy. When we were in school, we were taught that Kenya was an agrarian country; that Kenya's economy depended on agriculture. Those days, we were told that there was coffee, tea and sugar, and we were told that these were the pillars of our economy. Very little was said about industry and industrialisation. Now, the economic growth in this country has been very low because the pillars of this economy that we were told about, particularly the agricultural sector, has continued to decline. It has gone down and very low. The reason for which it has gone down is that this Government has taken resources out of these agriculturally productive areas and transferred them to areas that are said to be hardship and politically-correct areas, if I may say so.

Mr. Deputy Speaker, Sir, if we take coffee, for instance, over the last two decades there has been very little expansion on coffee production. There has been very little encouragement to coffee farmers to continue growing and exporting coffee. That has made this country unable to earn foreign exchange from coffee and employ more people in the coffee-related industry. That also applies to the tea and sugar industries.

I come from Rongo Constituency and we are fortunate to have Sony Sugar Factory there. Right now, there are very many farmers who would wish to grow sugar-cane, but they are not doing so because this Government has refused to expand the crushing capacity of Sony Sugar Company. If, for instance, this Government doubled the crushing capacity of Sony Sugar Factory, the effect of that would be increased employment and increased earnings for that rural farmer who, currently, is a peasant because he is unable to farm in a manner that would give him good earnings. He is compelled to grow, maybe, vegetables for subsistence.

Mr. Deputy Speaker, Sir, again, this Budget will not save this country because of lack of implementation of the Budget proposals. The predecessor of the Minister who read this Budget made certain recommendations. The Budget last year proposed that Ministries should cut down their expenses on telephones and motor vehicles. For instance, it was said that a Minister should have a maximum of two vehicles. That was not followed because of the indiscipline on the part of the Front-Benchers. That Budget was not realised because it did not have the necessary support a Budget should have.

Again, this Budget that we are debating today is likely to fail because of indiscipline on the part of the people that are supposed to implement or enforce it. We are talking about estimates or allocations that are supposed to be taken care of by civil servants. Mr. Deputy Speaker, Sir, we are aware that corruption is rife in the Civil Service. Basically, in all the Reports of the Public Accounts Committee (PAC) and the Public Investments Committee (PIC), there is outcry over corruption, from one institution to another. It appears that this Government is not committed to fight corruption. We do allocate money to Government Ministries and departments, but this money does not go far enough to provide the services and goods required, like infrastructure.

For instance, let us consider the stewardship of this country; that is the Presidency. We know that here and there, people who are related to the President of this country have been mentioned in corrupt dealings. So far, nothing has been done to arrest and prosecute them in court. Until powers are given to this House to deal with the corrupt individuals, be they those related to the highest office in this land, the money allocated to the Government will not do any work. You will find that people who are mentioned in corrupt dealings are the same people who are rewarded by being appointed to very good places. These are the people who we are allocating money, and the Government puts them to be in charge of such money. If the trend continues, this House will continue allocating money all the time, but the services that are expected from such allocations will come to nought because the people who are charged to oversee the implementation of such allocations are unlikely to use them properly.

Mr. Deputy Speaker, Sir, you have realised that there has been the establishment of the Kenya

Anti-Corruption Authority (KACA), and it was just meant to be news for Kenyans. Even with the appointment of the current Director of the KACA, so far, nobody has been arrested and brought to court on charges of corruption. So, we are allocating money to Ministries and departments for good reasons, but the good reasons are coming to nought because we cannot fight corruption through the KACA and this House. We will continue with that trend until we amend or review our Constitution and give the right institutions the powers to deal with corruption.

Mr. Deputy Speaker, Sir, if you will allow me to come back to the issues affecting my constituency, I did say that the pillar of our economy is agriculture. This Government has done very little to encourage the expansion of the crops which we depend on. It is very sad that we are unable to be self-sufficient in sugar production. We are still importing sugar from outside Kenya. I am told that some consignment of sugar is expected to land at the Port of Mombasa, when we can grow sugar-cane and provide employment to our people and also provide more earning to this country.

Mr. Deputy Speaker, Sir, with those few remarks, I beg to oppose the Motion.

The Minister for Home Affairs, National Heritage, Culture and Social Services (Mr. Nassir): Bw. Naibu Spika, ni furaha yangu pia kwa kunipatia nafasi ili niseme machache juu ya Makadirio ya pesa. Makadario ya pesa ya mwaka huu, kutoka wakati nilipoingia katika Bunge hili, miaka 25 iliyopita, ndiyo haswa yale watu wanayotaka. Wanayataka kwa sababu wanaambiwa ya kwamba pesa zitapewa kila kata, wilaya, serikali za wilaya na hospitali. Mimi nina hakika ya kwamba Wabunge wengi wamefurahishwa na hilo jambo. Wakisoma yale ambayo yameelezwa katika Makadirio ya pesa, watajua ya kwamba hayo ni matakwa ya Wakenya. Kila mtu, popote alipo, pia ajue ya kwamba Serikali imekadiria hayo mambo katika Bajeti.

Kenya ni Kenya, iwe Nairobi, Mombasa, Thika, Nyeri, Kisumu au kwingineko. Lakini leo, Kenya iko Nairobi. Ukienda Mathare au kwingineko, huwezi kufikiria kama kule ni Kenya. Ukienda mitaa mingine, hakuna barabara. Kule kwa Mhe. Karume, na tulikuwa pamoja, ni vumbi tupu inaonekana. Leo, sidhani kama watu watakasirikia mimi nikisema: "Jamani, hizi pesa zetu, tutumie sisi wenyewe." Watu wakisikia hayo, watasema: "Oh! Bw. Nassir anataka majimbo; Oh, mabaya!" Lakini ukweli hasa, mimi kama Mbunge, nikiambiwa nitazame nyumba yangu; watu wangu walionipigia kura, sidhani kama nitakasirika. Leo Wabunge wengine wakiambiwa watazame watu wao vizuri, wanakasirika. Hawa wanataka mambo yote yafanywe hapa Nairobi. Nairobi sio Kenya yote. Mambo yote yatoka Nairobi tu, na siyo Kenya nzima. Kwa hivyo, nadhani ya kwamba, Bajeti nyingine kama hii ikija, itakuwa imeboreshwa zaidi.

Nataka kusema zaidi juu ya habari ya Katiba. Watu wengine wanasema ya kwamba lazima Kenya nzima isikizwe. Makamishna 25 ndio wanatakiwa wasikize maoni ya watu wa Kenya. Kwa nini sisi hatuambiwi, Waheshimiwa wote 222, tusikize kutoka kwa watu wote tujue maoni yao, halafu tuyaleta hapa Bungeni? Kwa Makamishna hao kufanya kazi hiyo, itakuwa kazi ya bure kwa sababu wakati wa kura, hawa wananchi ndio waliotupatia kura ili tuwatumikie. Sasa, nipatie ruhusa niende Mvita na nikaulize watu wangu wanataka sehemu gani ya Katiba ibadilishwe, halafu nilete maoni yao hapa Bungeni. Waheshimiwa Karume, Maitha, na hata Bibi Seii, pia wote wapewe nafasi wakasikize maoni ya watu wao, halafu wayaleta hapa Bungeni. Lakini kwa Makamishna 25 kutumia Kshs4.5 bilioni kwa watoto wao na sisi hatupati, hatutaki!

Mr. Deputy Speaker: Order! Bw. Nassir, nyinyi Wabunge mlipitisha sheria hapa, na wewe ulikuwa mmoja wao, baada ya kujadili. Lazima uirudie hiyo Sheria na ujadili juu yake.

The Minister for Home Affairs, National Heritage, Culture and Social Services (Bw. Nassir): Bw. Naibu Spika, nataka kuongea juu ya ndugu zetu ambao wanaandika magazeti, hasa mwaka huu. Nataka Bunge hili liangalie maneno wanayoandika. Waandishi wa habari hawaandiki maneno yangu, lakini Kenya News Agency (KNA), inaandika. Waandishi wa magazeti huandika maneno ya kuweka moto na chuki, na magazeti yao yanauzwa na wanapata faida nyingi sana. Lakini kuweka moto kwa watu ni rahisi sana, na moto ukiingia Kenya, watu wa magazeti hawawezi kuuzima, wala hawawezi kumkataza mtu yeyote awe Rais wa Kenya. Watu wa Kenya wana akili; wanasoma magazeti na wanapuuza yale mabaya. Hiyo ndiyo sababu ni lazima tujaribu njia ya kuwafanya watu hawa wa magazeti wawe na imani kwa nchi yao. Wakitaka kujua vile nchi inakaa wakati inapoharibika, nitawapa ndege wasafiri Kakuma na Dadaab, ili waone vile ulimwengu ulivyo. Wale wakimbizi walioko huko, walifanya fujo huko kwao na wakapata nafasi ya kuiishi Kenya. Lakini mimi nataka sote tuishi kwa amani. Mimi na mhe. Karume, tutapelekwa wapi tukaishi, ikiwa fujo itazuka? Huko Dar-es-alaam, Kampala na Addis Ababa hakuna nafasi. Nawaomba watu wa magazeti waandike mambo ya kweli. Wasilichore pua langu na hata wasiandike maneno yangu kabisa. Yafaa waandike maneno ya kuwaunganisha watu wa Kenya. Yafaa wajue kwamba maneno matupu, chuki na kutukanana vikizidi na hali hakuna mtu asiyekuwa na mamaake, babaake au ndugu yake, hapa Kenya tutapata fujo isiyo na maana. Hii chuki huletwa na watu wavivu. Waheshimiwa Wabunge wengine wanalima kutoka asubuhi hadi jioni na hawataki fujo. Lakini wale watu wavivu ndio wanaoleta fujo katika nchi hii. Mimi naijua tabia ya watu wa magazeti kwa sababu nimekuwa katika Bunge kwa muda wa miaka 22. Mtu akisema maneno ambayo yanaifaidi nchi hii, hawa

hawaandiki. Lakini ngoja nimitukane mhe. Maitha; hicho kitakuwa kichwa cha habari kesho! Sisi tunataka amani, na viongozi wote ni lazima wahubiri amani.

Bw. Naibu Spika, watu wamezungumzia mambo ya ufisadi hapa na mimi nasema kwamba Serikali hii si ya KANU! Serikali hii ni ya Wakenya. Wale walioko katika Upinzani ni wengi zaidi katika Serikali ya KANU kuliko watu wa KANU wenyewe. Wale walioko katika Upinzani na ambao hawakupiga kura kwa KANU ndio walioko katika Serikali hii zaidi! Ufisadi hauendelezwi na Serikali ya KANU! Unafanywa na watu wa Kenya. Tuliitaka mfumo wa vyama vingi lakini hatuiongozi Serikali hii kwenye msingi wa vyama vingi; tunaiongoza kama watu wa Kenya. Kama mtu alinipigia kura au la, hilo si jambo; kila mtu anaitumikia Serikali kwa sababu yeye ni Mkenya. Kwa hivyo, wale wanaoiba pesa katika nchi hii si watu wa KANU; ni ndugu zetu Wakenya.

Mr. Maitha: Jambo la nidhamu, Bw. Naibu Spika. Huyu ni Waziri wa Serikali na anakosa kufahamu ya kwamba Serikali aliyomo ndani yake ni ya KANU na ndiyo inafanya wizi huo wote. Sasa anakataaje kwamba si ya KANU?

The Minister for Home Affairs, National Heritage, Culture and Social Services (Mr. Nassir): Bw. Naibu Spika, mimi pamoja na mhe. Maitha tunatoka sehemu ya Mombasa, na anajua Kiswahili na anaelewa ninasema nini. Hata kama yuko upande ule mwingine, roho yake iko huku kwetu!

Bw. Naibu Spika, kuna mambo ya Bandari ya Kilindini. Mimi ninaiomba Serikali kwamba ikitaka kukifanya kitu chochote katika Bandari ya Mombasa, ishauriane na watu wa Pwani; kama vile Serikali inavyoshauri wakulima wa kahawa na wale wa miwa. Sisi tunakaa kimya kwa sababu hatupendi fujo wala matusi. Tukishauriana, litakuwa ni jambo la busara. Mimi nimefanya kazi katika Bandari ya Mombasa kwa muda wa miaka 28 kabla sijiangia katika siasa.

Kwa haya machache, naunga mkono.

Mr. Karume: Ahsante sana, Bw. Naibu Spika, kwa kunipa nafasi hii ili nami niseme machache kuhusu Bajeti hili. Tukiangalia vile hii Bajeti ilivyosomwa, na yale mambo ambayo yameandikwa pale ndani, inaonekana kama ni Bajeti ya maana. Lakini swali ni hili: Yale yaliyoandikwa na kusemwa na Waziri wa Fedha kweli yatatimizwa kwa wananchi? Watu wanajiuliza swali hili kwa sababu mwaka jana na hata mwaka uliotangulia, tulipitisha Bajeti na hakuna kitu ambacho tumeona. Kila mwaka, mwezi Juni, sisi huja hapa katika Bunge kusikiliza Hotuba ya Bajeti ikisomwa na kufahamishwa jinsi pesa zitakavyotengwa kwa kila Wizara. Lakini kama barabara zetu zilikuwa mbaya mwaka jana kule Kiambaa na sehemu nyingine katika nchi hii, hakuna kitu ambacho kimefanywa baada ya Bajeti kupitishwa na hali pesa zimetolewa kwa kila Wizara inayohusika kwa minajili ya kuwasaidia wananchi. Lakini watu wanajiuliza, hizi pesa zinaenda wapi? Hii ni kwa sababu hakuna kitu chochote kinachofanyika katika Kenya siku hizi.

Bw. Naibu Spika, tukiangalia katika Jiji la Nairobi, barabara ni mbaya sana. Hata kuna sehemu nyingine ambako magari yanaweza kukwama na hali haikuwa kama ilivyo sasa hapo mbeleni. Kwa hivyo, wananchi waliotuchagua wanatuuliza: "Mnafanya kazi gani?" Mimi naona kama kuna wafanyakazi wa Serikali wanaokaa katika maofisi na kusema waheshimiwa Wabunge wanapiga domo katika Bunge na hakuna kitu kitakachofanyika. Hii ni kwa sababu hakuna kitu kinachofanyika! Tunapitisha pesa hapa lakini mambo tunayoyasoma kwenye magazeti ni kwamba mabilioni ya pesa yamepotea. Mambo haya yanatia uchungu sana!

Bw. Naibu Spika, pesa za National Social Security Fund (NSSF) ni pesa za wananchi. Wanakatwa kila mwezi na watu wanavumilia kukatwa kwa sababu wanajua ya kwamba wakati watakapozeeka na kuacha kazi, hawatakuwa na nguvu za kufanya chochote, na hizo pesa zitawasaidia kujimudu kimaisha. Katika sehemu ya Kiambaa ninayowakilisha Bungeni, kuna watu wengi ambao wamestaafu na wanaenda kwenye ofisi za NSSF kila siku kungojea pesa zao. Wengine wamekuwa wakienda huko hata kwa miaka kumi lakini hawapati pesa. Wengine hata wanakufa bila kupata hizo pesa, na watoto wao hawatafaidika kwa sababu hizo pesa hazipatikani! Inasikitisha kuona watu wachache wakiuzia NSSF ploti ambazo haziko na wanalipwa hadi Kshs4 bilioni. Haya mambo yanashangaza sana.

Bw. Naibu Spika, ufisadi unaweza kumalizwa na kamati ya Bunge kwa sababu njia nyingine zote zimejaribiwa lakini zimeshindwa. Hata Rais mwenyewe amesema anataka kusaidiwa na kila mtu ili tumalize ufisadi. Yafaa tuunde kamati ya Bunge ya kuyachunguza haya mambo ya ufisadi kwa sababu zimeundwa lakini hatuoni matokeo yake, na pesa za wananchi wa Kenya zinaenda kwenye mifuko ya watu wachache. Inaonekana kwamba mambo tunayozungumza hapa ni ya bure. Hata ile mishahara tunayolipwa kama Wabunge ili tuwateteo wananchi ni kama inapotea kwa sababu tunazungumza lakini hakuna kitu ambacho kinafanyika. Tunaiomba Serikali leo ijaribu kusema na kutenda kwa sababu kusema ni jambo moja, lakini kutenda ni lingine. Kila wakati inasemekana kwamba ufisadi utamalizwa, lakini hakuna kitu kinafanyika. Wale watu wote wanaojihusisha na mambo ya ufisadi wanajulikana. Wale wanaofuja pesa za umma ni wabaya hata kushinda wale wanaokwenda kuvunja benki kwa sababu wale wanaovunja benki wanachukua pesa kidogo. Lakini pesa za Serikali ni pesa za wananchi, na zikichukuliwa, wananchi wanapata taabu sana.

Bw. Naibu Spika, wakulima wamesahaulika katika nchi hii. Hatungekuwa tukinunua sukari kutoka nchi za nje. Nchi za nje zingekuwa zikinunua sukari kutoka Kenya. Tuko na viwanda vingi vya sukari katika Mikoa ya Nyanza na Magharibi, ambavyo vinaweza kutengeneza sukari ya kutosha nchi hii na nyingine ya kuuza katika nchi za kigeni na kupata pesa za kigeni. Lakini Serikali haijafuatilia kikamilifu jambo hili. Sijui Serikali inataka watu wengine walete sukari bila kulipa ushuru ama nini! Ni kwa nini Serikali haiwezi kupiga marufuku uagizaji wa sukari kutoka nchi za nje na kuwasaidia wakulima wa miwa hapa nchini? Tutakuwa na sukari ya kutosha katika nchi hii. Tunataka wakulima wa kahawa, majani chai na wafugaji ng'ombe wasaidiwe. Watoto wa wafugaji wa ng'ombe wamefukuzwa shuleni kwa sababu shirika la Kenya Co-operative Creameries (KCC) halijawalipa pesa zao.

Nikiingilia Wizara ya Elimu, watoto wetu katika shule za upili wanauana usiku! Wanafanya hivi kwa sababu ya kuvuta bangi na madawa mengine ya kulevya. Ni nani anayeleta madawa ya kulevya katika nchi yetu? Hatukuzi madawa hayo hapa nchini! Madawa ya kulevya yanaletwa na maharamia wanaotaka kumaliza nchi ya Kenya. Ni maadui wa nchi hii. Hatujasikia mtu yeyote ambaye amekamatwa kwa kuleta madawa ya kulevya! Wizara ya Elimu, Ofisi ya Rais, pamoja na polisi, wanatakiwa kufanya kazi yao. Lazima wajue madawa ya kulevya yanatoka wapi. Mambo ya wanafunzi kuchomana usiku yanaudhi wananchi wote.

Bw. Naibu Spika, kwa upande wa usalama, watu wanaishi kwa hofu. Mtu akitembea usiku au mchana, hajui hali yake itakuwa namna gani. Hata ukiwa Waziri au nani, hakuna usalama. Wakati tunapojadili matatizo yanayokabili nchi yetu, tuache kujitenga kama Upinzani au Serikali. Hii ni kwa sababu mambo yakiharibika, hutasema ulikuwa upande huu ama ule. Kwa hivyo, tuungane pamoja na kuisadia Serikali kufikiria mambo ya usalama wa nchi yetu.

Bw. Naibu Spika, hakuna kitu cha chungu kama watu kuitishwa tenda ya kufanya kazi fulani, na kuona mmoja anaomba tenda hiyo kwa Kshs10 na mwingine anaomba tenda hiyo kwa Kshs20, lakini yule wa Kshs10 anayimwa na kupewa yule wa Kshs20. Kufanya hivyo ni kama kutupa pesa tukiona.

Biashara ya matatu imesaidia sana katika nchi hii. Watu wakikosa matatu, hawawezi kwenda kazini kwa sababu sio wengi wana magari yao ya kwenda kazini. Kwa hivyo, Serikali lazima iondoe mambo ya Transport Licencing Board (TLB). Hatuoni haja ya TLB. Si Serikali ilishindwa na Nyayo Bus Corporation ambayo ilipewa mabas bure? Hatukutoa hata ndururu! Lakini sasa, hata gurudumu moja hakuna! Yote yamekwisha! Yameliwa na wale waliokuwa wakiyasimamia. Halafu, Serikali inaingilia watu wa matatu! Mtu ambaye amefanya kazi yake ya kupanda vitunguu na kazi nyingine ndogo ndogo, akanunua gari kuu kuu hapaswi kusumbuliwa. Lazima tujue vile mambo yanavyoendelea katika nchi hii. Kwa vile tumewasukuma wananchi mpaka kwa ukuta, siku itafika ambapo tutajaribu kuwapoeshwa tushindwe kabisa. Wananchi wote wa Kenya hawana furaha kwa yale yote yanaofanyika katika nchi hii. Wamekuwa maskini na hawasaidiwi.

Bw. Naibu Spika, kama mhe. Nassir alivyosema, walikuja Kiambaa kuhudhuria Harambee ya Rais. Tulitembea sehemu hiyo na barabara zote ni vumbi tupu! Zile barabara zilizokuwa na lami sasa ni za mchanga. Hata tunafanya Harambee ya kuweka mawe.

Kwa hayo machache, naunga mkono.

Mr. Musila: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to the Motion on the proposals contained in the Budget Speech. I would like to congratulate the Minister for Finance for his presentation. I believe that under the prevailing economic conditions in this country, the Minister did very well.

Having said that, I would like to agree with hon. Members who voiced their concern over the non-implementation of Budget proposals presented before this House in the past. If we are to take the Minister for Finance seriously, he should agree to a proposal that within six months, he should come back to this House and report on what progress he has made on the implementation of his Budget proposals. For example, in his Budget proposals, he talked to us about sectoral reforms that he intends to carry out. He talked about agriculture, infrastructure, privatisation of telecommunications, reforms in the central and local Government and reforms in economic governance. If we have to take the Minister seriously, when he comes to reply, he should confirm to us that within six months, he will report to the House on what progress he has made in the implementation of the proposals.

Mr. Deputy Speaker, Sir, the strategy and objective of the Budget this year was given as: "Alleviation of Poverty and Employment Creation". If I am not mistaken, this is not the first time we have heard of that strategy and objective. I think we have not done much in the direction of alleviating poverty and creation of employment.

Talking about unemployment, it remains one of the most serious problems facing this country. Every day, we hear of hundreds of workers being retrenched from public and private sectors of our economy. Thousands of school leavers are leaving schools every year, only to find that there are no jobs in the market. University graduates have also joined the queue of the unemployed. The situation is so bad that I believe, in this

country now, particularly in the rural areas, over 80 per cent of our population has no access to income. Therefore, this population is living in absolute poverty. We must address this problem very seriously. We must create employment through investment.

Talking about investment, I believe the Minister is aware of the problem that is prevailing in our economy, particularly in the dumping of goods. Many hon. Members have voiced their concern about the problem of dumping cheap and uncustomed goods in this country. Even His Excellency the President has voiced his concern about the dumping of many agricultural products like sugar and maize. We know that there is a lot of dumping of textile goods, thus ruining our textile industry. Last week, I read that the remaining part of the factory in Eldoret was closing down. There are too many cheap shoes being imported into this country. As a consequence, Bata Shoe Company, Limuru, which is one of the oldest industries in this country, is faced with collapse. The list of the number of goods being dumped in this country is endless.

Mr. Deputy Speaker, Sir, it is not enough for the Minister to say Kenyans must consume more Kenyan goods in order to retain jobs in Kenya. Let me quote him: "If we want to retain jobs in Kenya, we must consume more Kenyan goods." The Minister is very right, and I think we all know that. The Minister has power to see to it that Kenyans consume more Kenyan goods. The best way he can do that is to ensure that he imposes heavy duties on imported goods so as to make them less attractive. I believe the Minister has the duty to stamp out dumping of goods and, therefore, create more employment opportunities in this country.

Mr. Deputy Speaker, Sir, briefly, I would like to talk about education. In his Budget Speech, the Minister proposes to allocate about K£974 million for education, particularly in school equipment, school feeding programme and bursaries for poor children. During the last few years, there has been a marked increase in the drop-out rate of students in secondary schools. I know this is true, particularly in Mwingi District where I come from. Students are dropping out of secondary schools owing to their parents' inability to afford the high cost of education. Also, in universities, students are dropping out in large numbers. While I wish to commend the Higher Education Loans Board (HELB) for giving loans to university students, they are not able to give enough because they do not have enough funds. I would like to appeal to the Minister to think of allocating more money to education so that we can assist children from poor families to continue with their education. At the moment, most of them are not going to school because they cannot afford to do so. There is one area that is of much concern to me; this is pension for retired civil servants. Most of the hon. Members will agree with me that we spend a lot of time chasing retirement benefits for civil servants. Civil servants take up to three years after they retire, chasing their benefits. Their papers cannot even be processed until they bribe some officials to do so. I would like to mention here that the most notorious Ministries in this respect are Health and Agriculture. Why should someone serve for 20 or 30 years and spend two to three years chasing his retirement benefits? I think the Minister should address himself to this problem because, pension falls under his Ministry. There is no reason why a civil servant should leave service before he receives his retirement benefits. I would like to urge the Minister, perhaps, together with the Directorate of Personnel Management (DPM), to streamline the [Mr. Musila] payment of retirement benefits to civil servants. I think the Government should set an example to other employers, so that these officers are paid their dues on retirement, and they do not have to continue chasing their money.

Mr. Deputy Speaker, Sir, it is sad that even the death gratuity of most civil servants is not paid by the Government. I know of cases where people died 10 or 20 years ago and the Government has not up to now paid their death gratuity. Therefore, the Minister could assist by ensuring that this is done.

Mr. Deputy Speaker, Sir, briefly, I would like to talk about the health services. We all know that the health sector is in very serious problems. For example, equipment in hospitals is obsolete and in some cases, it does not exist. We also know that we do not have drugs in most hospitals, at most times. I think this is one area that is of importance. Our people cannot even afford the cost-sharing that is being imposed in the hospitals. So, people are suffering at home. They cannot go to the hospitals and when they go, the hospitals are crowded. For example, in Mwingi District Hospital, it is not uncommon to find three patients sharing one bed. I think after 36 years of Independence, we could do better than have three patients sharing one bed in our hospitals. I am sure if we do it, we will be doing a lot to improve our services to the rural people.

Finally, Mr. Deputy Speaker, Sir, I would like to talk about the tourism industry in this country. It is very sad to see how tourism is going down. I think we need to allocate more funds to this sector. But most important of all, we must maintain security because it is the most important ingredient, if tourism is to be improved.

With these remarks, Mr. Deputy Speaker, Sir, I beg to support.

Mrs. Seii: Thank you, Mr. Deputy Speaker, Sir, for giving me the opportunity to contribute. I have one major issue which I would like to raise; that is with regard to security. I know so many hon. Members have spoken about insecurity in this country. There is nothing so frustrating in this Parliament as just to talk and, once

we have talked, nothing happens. The same things are repeated over and over again in this House while the wananchi continue to suffer. Today, as I speak, I have one particular area where people have really suffered. I have always spoken about the closed zones. These closed zones, specifically, KANU zones, suffer so much because what apparently they trusted as "mama na baba" does not seem to help them.

At this point in time, I want to draw your attention to the insecurity in Marakwet District. Now, it has ceased to be cattle rustling. There are marauding bands of people who have access to sophisticated arms and move around killing people indiscriminately without any provocation whatsoever. These poor people have deserted their homes and moved to the hills where they are now living with animals, without permanent homes. These are Kenyans. It is a very sad story.

[Mr. Deputy Speaker left the Chair]

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

Last Sunday, the 20th of June, 1999, at 10.00 a.m. in Kabiego, a lady by the name of Kimoi Chebet was tilling her shamba when she was shot dead by one of those bandits. Of course, she will not appear in the headlines of our newspapers because she is a non-entity. Nobody knows about her, but she is somebody's mother.

On 21st June, 1999, at 2.00 p.m., another woman called Kabilo Natulia, who was also in her shamba, was shot dead by those bandits.

Mr. Temporary Deputy Speaker, Sir, those are not individual people who are moving around with guns, but they are bandits. There are large groups of people moving around with sophisticated guns and they shoot people on sight. The poor Marakwet people are sitting there, having voted so overwhelmingly for KANU, believing it was "mama na baba", and now they are stranded in the hills. These bandits cannot even be contained by our forces because our police officers are not as heavily armed as the bandits.

That is not all, Mr. Temporary Deputy Speaker, Sir; on the same day of 21st, the same bandits, in large groups, moved to three schools in that same area. These are Sambalat Primary school in Kaben Location, Kapkobil Primary school in Mokoro Location, and Lukuket Primary School. You can imagine that there is no child in that area that is in school because people are living in fear due to insecurity. Our Government is so impotent that it cannot do anything. I think we have reached a point in our country when a few people must rise up and take action. We can no longer live in this kind of insecurity.

Mr. Temporary Deputy Speaker, Sir, on 9th June this year, it was reported that a Form III student in Kerio Valley Secondary School, Charles Kipkeino, was also shot dead. This country is ailing and we can no longer sit like this. Coming to Parliament and talking about these issues does not help anymore. We have people in these closed areas who have been appointed as Ministers and Assistant Ministers, so that they can research and answer the Questions which are asked from the Opposition side, because they cannot ask Questions. They are Cabinet Ministers and, therefore, they cannot accuse themselves. Something must be done about insecurity in our country. We have talked about reducing poverty in this country, but we are increasing it by the inability of this Government to look after its own citizens.

An hon. Member: Let it resign!

Mrs. Seii: Mr. Temporary Deputy Speaker, Sir, I want to say, rightfully, and even the hon. Member who is sitting behind me earlier on said it, that this Government deserves to resign.

(Applause)

It should resign, so that we can think afresh, and address issues which are very vital in this country. It is surprising to note that even the President's bedroom is not secure! If thugs can go as far as the bedroom of the President, then there is something which is extremely wrong with this Government. Up to today, nobody has been arrested in connection with the incident.

The Vice-President and Minister for Planning and National Development (Prof. Saitoti): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it really in order for the gracious Lady to talk about the bedroom of the President? I am sure that the hon. Member knows very well that, leave alone the President's bedroom, she cannot talk about any other person's bedroom.

(Laughter)

Mrs. Seii: Mr. Temporary Deputy Speaker, Sir, I thought he was talking about the Goldenberg scandal!

The Temporary Deputy Speaker (Mr. Musila): Order! The gracious Lady must respect the Chair. Mrs. Seii, I am sure you agree with me that you are completely out of order to talk about the bedroom of the President. So, please, refrain from doing so. You are completely out of order!

Mrs. Seii: Mr. Temporary Deputy Speaker, Sir, I accept your advice, but this is common news in the country because it was reported in the newspapers. I will not talk about that, but let me continue.

Insecurity in this country has taken root and there must be a solution to it. The people should be allowed to be armed in their respective villages to protect themselves because the Government has failed to protect them. They can no longer be made to believe that they are in a secure nation, where we have a Constitution which protects them. I would like to propose that, if the people who live in Marakwet District and the Kerio Valley cannot find a solution to insecurity, they should be allowed to secure arms with which to protect themselves. This is because they are poor people. They are not in the class that will hit the headlines when something wrong happens to them. Therefore, let them be given a chance to protect themselves. We have moved to the time of tribal wars; the time before colonialism, in this country. This is a country where anybody rises up and shoots his friends, and the story is always: "Nobody has been arrested." Let me warn those people who are holding high positions in the Government that they will not be spared if this country plunges into chaos. Therefore, they should not sit there, protect their positions and themselves and think that they will be spared if chaos erupts in this country.

Mr. Temporary Deputy Speaker, Sir, my heart goes for the people who have nobody to assist them. I would like to suggest that our Armed Forces should be taken to border areas, whether it is in North Eastern Province, Tana River District or the border between the Pokot and the Marakwets to protect those people. This is because we have seen that the regular policemen and administration policemen (APs) are not armed, or organised well enough to protect those people.

There is no point for us to talk about alleviating poverty in this country when there is no security in the country. There is no point for us to sit here and discuss this Budget. I know that a good amount of money will go to the Office of the President. We need to find a solution to insecurity in this country. The fact that the well-placed people are living in their stone-walled houses, which are so secure from the outside attacks which other people are exposed to, is no solution to insecurity in this country. I hope that we will address this issue during this Session, instead of just talking about it, sitting here and assuring Kenyans that no stone will be left unturned.

Finally, I would like to talk about corruption in this country. Everybody talks about corruption in this country, but the vice cannot be done away with as long as the people who are involved in it are seated in this House. There is no way we will overcome corruption in this country, if the culprits are in this House. We must clean our house first, let alone ruining parastatals and coming to protect yourselves here.

The Temporary Deputy Speaker (Mr. Musila): Mrs. Seii, your time is up.

Mrs. Seii: Thank you, Mr. Temporary Deputy Speaker, Sir.

The Minister for Energy (Mr. Okemo): Thank you very much, Mr. Temporary Deputy Speaker, Sir. First, I would like to take this chance to make a few observations. From the many debates that I have listened to since the beginning, 90 per cent of the content is politics and 10 per cent is economics. Surely, that is not doing very much service to the Budget. This is because, essentially, the Budget is an economic tool which is used for planning purposes on an annual basis.

People have come here and said that the Budget is useless; is long on promises and short on action, and they have given it all kinds of descriptions. But I do think that if we really focus backwards and look at the beginning of last year, before the Mbagathi Economic Forum--- At the forum, I think we came out very clearly to define the problems that were afflicting this country. Out of that forum, we came up with a very solid document that was explicit on the economic and political problems that face Kenya. Arising from that conference, we had the Budget, which was highly acclaimed by both the Opposition and the Government side.

However, as time went by, we began to realise that, maybe, some of the objectives that had been stated in that Budget were over-stretched. But that does not mean that the Budget was a failure. When you look at some of the items that were to be implemented, particularly the macro-economic stability--- When I talk about macro-economic stability, I am talking about inflation rates, exchange rates and Budget deficits. We were talking about a balanced Budget, and when you talk about a balanced Budget, it does not necessarily mean that you must have zero per cent of Gross Domestic Product (GDP). In fact, we ended up achieving something like 1.5 per cent of GDP. I think this is a commendable effort, considering that we had moved from a situation where we had a horrendous deficit in the Budget.

Arising out of that, there were definite efforts made by the Government to streamline domestic and external debts, with the consequence that we had falling interest rates of the Treasury Bills. Obviously, this has

been a positive move and action arising from the Budget. Obviously, we may not be able to achieve the objectives from the Budget alone. For example, the major objective of reducing Treasury Bills rates was to bring down lending rates by commercial banks. But what we forget is that inherent in the banking sector were inefficiencies and rigidities which, therefore, led to the interest rates only falling to 15 per cent as the base lending rate. The banks have a duty to perform their functions as banks efficiently. It is not the duty of the Government to go and tell them to run banks efficiently, because they are commercial outfits. They survive purely out of commercial operations, which must be carried out efficiently.

The lowest base lending rates at the moment for Barclays Bank and Standard Chartered Bank is 15 per cent. The reason why they cannot go below that is because, if you look at their portfolios, they are mostly affected by non-performing loans; people to whom they have lent money, and they are not able to pay. So, somebody pays for that. The better customers who are able to pay their loans have to shoulder that burden. That is not purely a function of the Central Bank of Kenya or the Government. That is a function of the banks themselves, to have prudent lending policies. So, I wish to say that on the Government side, I think the effort to bring down the Budget deficits to the level where it did, and an effort to try and reduce domestic debt, is a commendable policy.

Mr. Temporary Deputy Speaker, Sir, we have talked a lot about the successes of the Asian Tigers. But then, we have also noticed what happened to them. For three decades, we saw a lot of successful economic performance, and a lot of inflow of foreign capital into the Asian Tigers; that is Korea, Indonesia, Thailand and Malaysia. But what happened? It was very surprising. In 1997, there was a crash. This was because the fundamentals were not right. It was assumed that these economies were performing so well. All the foreigners were pouring money into these Asian economies, only to realise later that the banking sector was not sound; and the foreign reserves were not there, although they thought they were there. They were then, forced to do something about it. So, what happened? Foreign capital began to fly out. I am saying this because I would like us, as Kenya, to learn a lesson from it.

On the other hand of the spectrum, we have the Latin American countries which were in a reverse situation; facing one problem after the other. They had huge budget deficits; huge spending; public debt; an ever-increasing supply of money, and structural rigidities; they did not open up their economies. But if you compare both spectrums, the major thing is that the fundamentals are not right. That is why, I think if you look at the Minister's Budget, it tried to redress the economic fundamentals, and creating macro-economic stability. By that, I mean checking inflation at a single-digit level of 6.6 per cent, which has been so for the last three consecutive years, and also trying to free the exchange rates. This is because once you create rigidities, a situation like what happened in the Asian Tiger countries will arise. The exchange rate must be let to fluctuate according to demand and supply. I think for those of us who understand economics, we know that once you have fixed exchange rates and you do not have a sufficient reserve to be able to keep intervening, so as to keep these fluctuations in place, you are going to end up with disaster. So, the best thing to do is to let the exchange rates fluctuate in line with demand and supply. This is what we are doing, and I think it is a useful, prudent and sensible economic measure. I think this has been very well included in the Budget.

Mr. Temporary Deputy Speaker, Sir, an exchange rate which leads to a depreciation of the shilling is not necessarily bad. This is because there are positive and negative sides to a depreciation of the domestic currency. The export sector is going to be stimulated, because the exports will be cheaper and, therefore, they will generate more revenue. The imports are going to be discouraged, particularly with this flooding of luxury goods from South Africa and other countries, whereby, they are actually affecting the domestic industry. The depreciation of the shilling is a good thing because it makes imports expensive and, therefore, they will not find their way into the country. The tourism sector, for example, will be stimulated because, now, it will be cheaper for a tourist to come to Kenya. But of course, that is not to say that it will be an alternative to other factors that must go with stimulating tourism vis-a-vis, the infrastructure, the security situation which Members have talked about, and so on.

Mr. Temporary Deputy Speaker, Sir, I, therefore, think that the Budget has touched on the fundamentals, and I really think that if the implementation can be done according to what is in the Financial Statement, then I should see that we are putting up a base which is good for long-term growth. We should just be looking at it in terms of what is going to happen between now and next year. We should be looking at what is going to happen to Kenya in the next five years. The Budget alone is not a tool for bringing about long-term growth. It is a very short-term statement of revenue and expenditure. But successive Budgets, well implemented, form a good base for long term growth.

With those remarks, I beg to support the Motion.

Thank you.

Mr. Nyauchi: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me time to

contribute to the Budget Speech. First and foremost, I want to say that this is one of the most uninspiring Budgets I have ever listened to.

Having said that, I would like to make one or two comments on the Budget. First, it is my considered view that a useful budget should be broad-based. It should target a bigger group, thereby having more people participating in taxation and, hence, the economy of a country. But as it is, the tendency has been to over-tax a few Kenyans, and this has made many people to be by-standers in the economy of their country. In so doing, we are not doing much justice to the economy, and also to the population of this country.

The second point I want to make on the Budget is that last year, in my Budget Speech contribution, I suggested that VAT should be abolished altogether. I have seen that there is a small reduction of 1 per cent on VAT. My contention still remains that VAT should be abolished altogether. There are very many countries in Africa, and in the world, which do not levy VAT, and they do very well. When we do away with VAT, we shall make very many goods affordable to the common mwananchi. To my voter in Gwasi Constituency, instead of paying Kshs5 to buy a matchbox, probably, they will pay Kshs4.50. That 50 cents means a lot to the ordinary Kenyan as it is now.

Mr. Temporary Deputy Speaker, Sir, I want to veer off the Budget and talk about one or two contentious issues which are going on at the moment. One of it is the constitutional reforms process, which has momentarily stalled. My considered view is that if any Member of Parliament had a view to express on the Law Reform Act, they should have done so before this Parliament. They should not have done so after Members have contributed and debated the Law Reform Act for three months and the Act became law. When that happens, we reach a situation which is called *fait accompli*. It is finished. We really cannot go back and reverse the trend. It really does not work. I view people giving views contrary to what the supreme law-making body has passed, as being extremely irrelevant. We all know that the reason why the constitutional review process has stalled is the question of apportioning the number of Commissioners. Some of our parties of goodwill, like our party NDP, decided to forego one of the Commissioners. If we are thinking of Kenyans and not partisan interests, why has it become so impossible for KANU to drop only one Commissioner?

The Minister of State, Office of the President (Mr. Sunkuli): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is my hon. learned friend not misleading this House by saying that it is only NDP that has dropped one seat when, in fact, it is clear that KANU had wanted seven seats and had volunteered to drop one seat? The hon. Member should blame the Democratic Party.

The Temporary Deputy Speaker (Mr. Musila): What is your point of order?

The Minister of State, Office of the President (Mr. Sunkuli): I am saying that he is misleading the House.

Mr. Nyauchi: Thank you very much, my learned friend. It appears that you have not been around. Maybe, you have been out of the country but, for your information, the whole saga started with KANU insisting on seven seats. This has led everybody to go round in circles. Anyhow, what I am saying is this: Let us not play roulette with Kenyans. Let us not come here, discuss issues for three months, only for Members of this august House to turn round and say "no". Those are very dangerous opinions. We, as well as other Kenyans, do not take them very kindly.

I want to go to the office of the Director of Fiscal and Monetary Affairs. This is a very high standing office, but my considered view is that this is an office which should be scrapped. What is he really directing? I can tell you now that if you have a student in a place as cheap as India, you will be paying through your nose. Woe unto those who will have students who have to pay fees in a place like the United Kingdom and America, or if you were to import anything from one of those countries. What I am trying to say is that our monetary affairs have gone out of hand. They have gone askew. I do not know what the Director of Fiscal and Monetary Affairs is doing, or what he is directing. He is not able to put a proper path for our economic affairs, so that the Kenya shilling stops doing a "Kwasa Kwasa" dance. Today, I am told its value is about Kshs120 per one Sterling Pound. Surely, what is the so-called Director of Fiscal and Monetary Affairs doing; mismanaging and sleeping? He is certainly not doing his work.

One of the biggest problems which is there, and which, unfortunately, the Budget did not address, is the contentious issue of liberalisation. A young country like Kenya cannot afford wholesale liberalisation of goods. We have spoken about this, time and again, but it appears that the Government does not want to take heed of this. Surely, what is the use of having eggs from South Africa in our supermarkets? What is the use of having milk from South Africa in our supermarkets, when milk from Belgut cannot be sold? What are all these for? I want to talk very briefly about something which came up in this House last week. My learned friend, "Mr. Sankuli, gave us a list here---

The Assistant Minister for Transport and Communications (Mr. Sankori): He is called Mr. "Sunkuli".

Mr. Nyauchi: They are both Maasai names. The difference is very little.

The Temporary Deputy Speaker (Mr. Musila): I think you have been corrected on the name. Just correct yourself and proceed.

Mr. Nyauchi: It is Sunkuli. Thank you, Hon. Sankori, for correcting me. My learned friend gave us a list of people whose ages have reached the mandatory retirement age. It is my considered view that the list was not exhaustive. Secondly, we would like to have a situation where everyone in this Parliament must have a mandatory retirement age. I am suggesting that at the age of 65, politicians should have no business sitting in this House. They should pack up and go. Kenya is a young nation with very many young people, and we want the youth to have more input. Soon, I will table a Motion giving a mandatory retirement age of 65 years. For some of my friends who are aspiring to be Presidents, when they reach the age of 65 and they have not achieved their ambitions, I am sorry to tell them that they will have to retire honourably. Some of the people who should have retired and who are not giving any service to this country are people like Permanent Secretary, Mr. Mbova---

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Nyauchi. Your time is over. I told you earlier and you continued. You are a learned friend. Why are you behaving like this?

The Assistant Minister, Office of the President (Mr. Choge): Thank you, Mr. Temporary Deputy, Speaker, Sir, for giving me this opportunity to air my views.

Immediately after my son has spoken, I now wish to remind him that we are more knowledgeable than the young men. We have a lot of experience. There is nobody worthy of his position who will say that his father should die so that he can survive.

I would like to touch on a few things, especially on education matters in my Aldai Constituency. Children in Aldai, and the entire population of school children, suffer a lot, as compared to those in districts like Bungoma. A child in Aldai gets one-tenth of what a child in Bungoma gets in terms of money. This affects the results of the children at the end of the year, when they sit for Standard VIII and Form IV examinations. Their chances of going to secondary school and university are affected because of the way they were treated in the primary and secondary schools. This should be rectified by the Ministry responsible for education.

I would also like to touch on the teacher training colleges. In the old days, we did not have enough people qualified to go to teacher training colleges in Nandi, Baringo, Maasailand or Turkana, for that matter. Their quota used to be filled by those that had gone to school early and knew what they were doing. So, our communities lagged behind, and we found ourselves not having enough teachers. I would like to urge the Minister for Finance that when he finds money, he should train more people from these areas which have lagged behind.

Mr. Temporary Deputy Speaker, Sir, I would also like to specifically touch on the side of roads in Aldai Constituency. Aldai Constituency is a landlocked place and it is surrounded by escarpments and forests. There are no roads, not even murrum ones, in my constituency. As a result of this, somebody travelling from Nairobi will reach Kapsabet earlier than somebody travelling from Kobucho, if he wakes up at about 7.00 a.m. This is because driving from Kobucho to Kapsabet will take several hours, as it will force one to push the vehicle on the murrum road. The murrum roads are poorly constructed, potholed and muddy. Consequently, this area has lagged behind in progress since the colonial days.

Mugoya Construction Company had been given a contract to construct the Meswo-Serem Road. However, they have not been able to construct the road because of lack of money. I hope the Minister will find some money now to have the road completed, so that the people of Aldai Constituency can also enjoy driving on a tarmac road. We are actually lagging behind, and when you have no roads, it means that your goods cannot be taken to market places, and there can be no progress in the area. People do not go outside because matatu vehicles cannot travel on the roads in Aldai. Even access roads are not available. So, if somebody wants to go to Kisumu, he will first of all have to go round to Chavakali, if he is lucky to get out, or through Nandi Hills. There are some other roads which could be constructed, passing through Miwani, and can enable somebody to reach Kisumu fast. We need a lot of attention paid to this particular constituency because there is low progress due to lack of good roads.

Mr. Temporary Deputy Speaker, Sir, because this is the last Budget in this millennium, allow me to say a few things which affect the people of Nandi District. The American President and the British Prime Minister are talking of Third World debts. The question is: What about the First World debts? You find that the British are now compensating the Aborigines in Australia for the land and properties lost when the British went to Australia. The people who actually felt the worst pinch of the British are the Nandi people. They lost land and were not compensated. During World War I and World War II, the British, in fact, came and took some more land which was returned on the eve of Independence. That is Sarura and part of Kaimosi land, but Nandi Hills and Kaimosi

Tea Farms were not given back to the Nandi people.

Mr. Temporary Deputy Speaker, Sir, the British burnt over 2,000 houses in the Nandi Hills and took over 50,000 herd of cattle and goats. People were driven away and taken somewhere around Kipsigat and Kaptumo and confined there. They were not allowed to move out because they claimed that the Nandi people were opposing the British Government. In fact, it should go on record that the Nandi controlled the Government at that time, for 11 years. They really suffered. Before the Nandi can go back for a tit-for-tat, the British should try and compensate them as they are doing now in Australia, compensating the Aborigines. I would like the Minister for Finance to tell us if they were financed, and the Nandi did not know.

Mr. Temporary Deputy Speaker, Sir, we would also like to have Samoei's head, his ornaments and whatever they took from our fore-fathers, like Koitalel, returned from Britain back to Nandi, so that they can be kept in a museum in this country. We have felt the pinch. There is more land they took from the Nandi than anywhere else in Kenya, alongside human losses. We lost over 10,000 morans. Even the Mau Mau never lost that number of people. We lost so many people, and we would like the British to think twice. If they want our friendship with them to continue, they should compensate the Nandi, and the sooner, the better. Otherwise, the land around Nandi Hills and Kaimosi will be taken back by the Nandi the way the British took it. They took it by force, and we are asking them to hand over the land, property and ornaments from Samoei, back to Nandi County Council, so that the children of Nandi can use that money to educate their sons and their grandchildren. We suffered a lot.

Mr. Kihoro: On a point of order, Mr. Temporary Deputy Speaker, Sir. I do have a lot of admiration for the resistance history of the Nandi. Unfortunately, the hon. Member is speaking as if he is not part of Government. Why can he not take up the matter officially and do what is necessary?

The Assistant Minister, Office of the President (Mr. Choge): Mr. Temporary Deputy Speaker, Sir, that is a matter affecting my constituency. I do not think the hon. Member is in a position to speak for my constituency. And he is not competent.

Mr. Nderitu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that hon. Kihoro is not competent?

The Assistant Minister, Office of the President (Mr. Choge): Mr. Temporary Deputy Speaker, Sir, he cannot talk on matters affecting Aldai Constituency.

The Temporary Deputy Speaker (Mr. Musila): Order! Order! First of all, your time is up, anyway. But when you were contributing, you made a statement to the effect that if the land is not returned, you will use, or Nandis will use force. You are completely out of order to advocate violence in this House.

The Assistant Minister, Office of the President (Mr. Choge): Mr. Temporary Deputy Speaker, Sir, could I put my record right?

The Temporary Deputy Speaker (Mr. Musila): Could you do that, possibly by withdrawing the issue of using force?

The Assistant Minister, Office of the President (Mr. Choge): Yes, Mr. Temporary Deputy Speaker, Sir. I said: "If the British do not want to return our land, we will take it in the same way they took it".

The Temporary Deputy Speaker (Mr. Musila): You said that they used force and you will use force. I was listening very carefully.

The Assistant Minister, Office of the President (Mr. Choge): Mr. Temporary Deputy Speaker, Sir, if they bought it, then we shall also buy it. But if they took it by force, what is wrong in us getting it by force?

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Choge, you are a respectable old man and an Assistant Minister. You have threatened the use of force and it is against the rules of this House for a Member to advocate the use of violence or force. Can you withdraw that?

The Assistant Minister, Office of the President (Mr. Choge): Mr. Temporary Deputy Speaker, Sir, I take your ruling and withdraw the word "force".

The Temporary Deputy Speaker (Mr. Musila): Very well.

Mr. Katuku: Thank you, Mr. Temporary Deputy Speaker, Sir, for according me the chance to contribute to this Budget debate. I would start by saying that this Budget has nothing for Mwala Constituency. It is unfortunate that the Minister brought us a Budget in this House without giving the people of Mwala a chance to share the national cake. For example, there are several water projects in my constituency which have stalled, like Kibaoni Water Project, Muthetheni Water Project, Wamunyu Water Project and Mwala Location Water Project. Those projects stalled many years ago. I have raised this issue in this House and the Minister has promised to spend billions of shillings on those projects, but nothing is coming out.

Mr. Temporary Deputy Speaker, Sir, in the last Budget, the Minister for Water Resources had allocations,

and I asked a Question in this House regarding Kibaoni Water Project. He promised to rehabilitate it and hand it over to the community, but he has not done so. That project has cost this Government billions of shillings and nobody in that area can get a drop of water; yet, the Minister is going round starting new projects. What is the use of starting new projects when the already existing projects are not operating? It is a shame!

Mr. Temporary Deputy Speaker, Sir, in Ukambani, where I come from as well as the Temporary Deputy Speaker on the Chair - and so many other people have said it in this House - what we need is water. That is why I am saying this Budget should allocate more funds for Ukambani for water development projects. We need water and other projects in Ukambani to sustain the community there. We are tired of getting relief food. I have made such remarks here before, and even several Members from Ukambani and North Eastern Province have echoed the same sentiments, that we are tired of getting relief food, 36 years down the line since Independence. We should be talking about self-sustenance by irrigating arid regions and allocating them sufficient funds for development, instead of developing airports and other projects which cannot benefit the taxpayers at all. It is a shame that this Government, or the Budget, does not seem to take serious issues like these ones.

As far as our food policy is concerned, we expect our Government, if there is any serious Government in power, to address the issue of food seriously. As I talk here, the price of maize in my constituency is Kshs25 per kilo. If we have businessmen and farmers here, I would ask them to sell their maize there at Kshs25 per kilo; but when we were harvesting, we were only selling a kilo of maize at Kshs4. I am inviting serious businessmen and farmers to take food to Ukambani to cater for the shortfall in supply.

Mr. Temporary Deputy Speaker, Sir, when the demand is high and the supply is low, obviously, the prices will soar. Right now, in Ukambani, we have poverty, lack of adequate food, crop failures and many other problems. We expect serious businessmen to take that opportunity and, of course, as a result of the supply, you will get the prices of maize dropping. The Government should also come in and make sure that the NCPB is providing food at a cheaper price in Ukambani.

Mr. Temporary Deputy Speaker, Sir, I would also want to touch briefly, on an issue which was touched by hon. Choge about the training of teachers. I am very happy that the Government has decided to re-open, again, teacher training colleges. This is because like in my constituency, in most of the schools, the parents have to employ primary teachers. At least, in every primary school, two teachers are employed by parents. This is burdening the parents. We have a lot of problems and yet, we have to subsidise the Government. It is high time the Government posted the teachers now, especially primary teachers to these schools.

Mr. Temporary Deputy Speaker, Sir, turning to the Constitution issue, during the Budget Day, you may remember very well that so many people were hurt in this town while demonstrating over the issue of the Constitution. I was also a casualty here in the House. I was sent out because of the same factor. Kenyans are already focused on how to give their views towards the change of the Constitution, and we cannot be told by anybody; whoever he is, that the Constitution should be brought here and changed by Members of Parliament when, already, you have prepared the minds of Kenyans about giving their views. I was very happy when the Head of State came from South Africa, since he came with a change of heart. I do not know whether it was because of the way that he was received there. I was told that he was welcomed by the chairlady of Maendeleo ya Wanawake in Soweto Street No.22, and not even by a Minister. I am told that there were so many demonstrations by people who told him: "You are the only dictator remaining in Africa". It is a shame, and that is why, maybe, he came back with a change of heart, and it is welcome. The "Change the Constitution" matter is not a simple matter. It does not matter how much it is going to cost this country; it is our document and Kenyans must be given a chance to give their views on it. This is not a simple matter to be treated lightly, or to be talked about in the streets, barazas and all other places.

Mr. Temporary Deputy Speaker, Sir, the other point that I want to mention here is that we have Ministries here and soon, we will have Ministers coming here to present their own budgets. I will be surprised if I will be able to support the Office of the President on their Vote, if they are getting money to pay askaris, DCs, PCs and also to pay the security team to beat Members of Parliament. Mr. Temporary Deputy Speaker, Sir, you were once a PC and you know this. I was a casualty last Sunday, at Machakos. I was beaten and clobbered by policemen. This is a shame! It is a big shame to have---

The Assistant Minister for Research and Technology (Mr. Kiangoi): On a point of order, Mr. Temporary Deputy Speaker, Sir. The Member who has just sat has imputed that you were also one of the provincial administrators (DC). Does it mean that you were also participating in such kind of violence?

Mr. Katuku: Mr. Temporary Deputy Speaker, Sir, he is wasting my time. I just said that you were once a PC and you know of this. There is nothing wrong with that. It is a fact, just like you, Mr. Kiangoi, were once a lawyer, and even now, you are. What I am saying is that we should be serious. It was a well-constituted rally but it was dispersed because we had a previous rally in the same venue the previous weekend, which had been called by

the Ministers from Ukambani, and it only attracted 100 people. Our meeting, which we called as Members from the Opposition and KANU, attracted thousands and thousands of people, and that is the time that they cancelled the rally at 1.30 p.m., when they realised that it was a big challenge for those Ministers who have no following in Ukambani, and even the defectors.

Mr. Temporary Deputy Speaker, Sir, it is a shame to have a rally cancelled because you cannot get a following. More interesting was that when the following day I went to seek a clarification from the DC, as to why the rally was cancelled, I was told that he was attending a District Security Committee (DSC) meeting. I was also told that the Officer Commanding Police Division (OCPD) and the District Security Intelligence Officer (DSIO) were in that security meeting. Even more interesting was that the area KANU chairman was also in that meeting. I do not know whether the Provincial Administration has changed its rules regarding DSC meetings, to accommodate KANU chairmen in their business. In any case, I was the most qualified person to attend that DSC meeting, because I received the heaviest beating. Furthermore, I am an elected Member of Parliament, and even that KANU chairman is my voter.

It is a shame to have a KANU chairman attending a DSC meeting and giving orders. He gave orders to the OCPD and the DC to ensure that ten Members of Parliament were dispersed from their rally. I wonder when I will have anything to do with the Office of the President in this country. That was a big shame; we must be serious sometimes. The time when Members of Parliament used to be harassed is long gone. We can meet at any time. The law requires us to notify the police of a proposed meeting, and we did it. This is a Government which is not serious. I do not see why we should even give it money. It is time we told those in power to go home and rest. I agree with the hon. Member who has said that the time has come for the old guard, like the one who is in power, to go home and give a chance to young men like the hon. Members here. Now, there is no room for dictatorship.

With those few remarks, I oppose the Motion on the Budget Speech seriously.

The Assistant Minister for Industrial Development (Dr. Galgalo): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support the Motion on the Budget Speech. But before I do so, I would like to, first of all, congratulate the Speaker of the National Assembly for the able manner in which he handled the proceedings of this House on the Budget Day, when some hon. Members tried to disrupt the Budget Speech. I would like to congratulate him for a job well done.

I would also like to congratulate the Minister for Finance for having presented to this House a Budget which, in my opinion, was frank in the sense that he admitted the fact that we are going through a hard financial period. He mentioned the bottlenecks of the implementation of Government policies. At the same time, he made a move which will help us to overcome some of those problems. It was a Budget that was friendly to the common man in the sense that certain taxes which have been strangling the common man have either been reduced, or done away with altogether. The Budget was also fair to local investors, particularly, our industrialists.

Mr. Temporary Deputy Speaker, Sir, what we have witnessed in this country over the last few years is the strangulation of local industries through unfair competition by foreign investors, or infiltration of our markets by cheap commodities, which have made it impossible for local industrial products to compete with them favourably. I would only call upon the Minister to consider further taxation on foreign goods, so that our industries can be encouraged to perform better.

Mr. Temporary Deputy Speaker, Sir, the Minister has also talked about corruption. In the fight against corruption, we should stand firmly by the Minister. Corruption in this country should be fought at all levels. Certain hon. Members have also been named in corrupt deals. There is the saying that you should remove the speck in your eye first before you talk about the speck in your neighbour's eye. I am talking about hon. Muite.

Mr. Temporary Deputy Speaker, Sir, hon. Muite is on record as having received Kshs20 million---

The Temporary Deputy Speaker (Mr. Musila): Order, Dr. Galgalo! Hon. Members are once again reminded of the contents of the Standing Order No.73: You do not mention the name of an hon. Member adversely unless it is through a substantive Motion. You know that! So, why drag or mention the name of hon. Muite adversely when you know that? Please, refrain from doing that!

The Assistant Minister for Industrial Development (Dr. Galgalo): Mr. Temporary Deputy Speaker, Sir, I respect your ruling, but I was just saying this because we are talking about corruption, and that is part of corruption. Anyway, I will forget about that---

The Temporary Deputy Speaker (Mr. Musila): Order! The name of hon. Muite is not synonymous with corruption. So, you cannot say that because we are talking about corruption, you must talk about hon. Muite.

Please, proceed!

The Assistant Minister for Industrial Development (Dr. Galgalo): Mr. Temporary Deputy Speaker, Sir, then, without mentioning names, those of us who receives bribes, whether Members of Parliament or not-- If

one receive money on behalf of an organisation, then that is corruption. We should stand firm in the fight against corruption. This affects all of us, Members of this House, from both sides of the House.

On the constitutional reform, I am glad that His Excellency the President has directed us in the right direction, once again. A Constitutional Review Commission of 25 Commissioners representing more than 30 million people would be an unfair composition. Most communities would have been left out in that kind of a scenario and moreover, it is a very expensive exercise; Kshs4.5 billion to be spent on restructuring a Constitution that has served us well. Over the last 36 years, we have survived as a stable nation politically, and that Constitution has done a good job for us. It is unfair for us to throw it overboard all of a sudden at an exorbitant cost of Kshs4.5 billion.

We were in a situation whereby, Members of Parliament were relegated to the backseat in the constitutional review process. When we were at Safari Park Hotel, we were not allowed to talk. People who came up with all kinds of organisations and ill-designed -we do not know what they stood for and who they represent - were given a chance to talk and Members of Parliament were denied a chance to talk. Why should Parliament act as a rubberstamp for other people? We were elected to handle the Constitution. Section 47 of our Constitution, Sub-Section (i) reads; "It is Parliament that may alter the Constitution of this country". How can we relegate that to the backseat, if the Constitution gives us the front seat? It is unfair! It should be an all-inclusive process, but the role of these organisations should be to give us views. We can collect their views and we debate the Constitution here and change what needs to be changed here. We do not need to be directed, or moved around by people who have no moral authority over the Constitution of this country. The constitutional review process belongs to us here in Parliament, and it must come back here for us to debate and make the necessary changes.

I will talk briefly also, on security. Moyale Constituency has become like a "no-man's land". There are all kinds of armed forces marauding in Moyale Constituency. Ethiopian Government forces from time to time keep invading our area. They have planted landmines in Moyale Constituency and blownup motor vehicles and killed people. Some of our neighbours from neighbouring districts also have arms, and they keep on coming to Moyale from time to time to kill people.

Yesterday there was a report which was released by the so-called Bagalla Massacre Committee. It was a bogus report in the sense that, it was one-sided. Communities in Northern Kenya and in Kenya in general, have been fighting. I have a record here of over 28 wars that have been fought over the last 100 years in Northern Kenya, pilling one tribe against another from time to time. What happened last year was not an isolated incident. It was part of a process that has been going on, and it is unfair to point an accusing finger at individual tribes, or individual leaders for that matter. There is no way we can have security unless everybody is willing to co-operate and people respect each other. Unless communities respect each others' rights, then we will not have peace. We should come together, particularly leaders, and make sure that people do not fight. It is not anybody's responsibility, as an individual, to ensure that peace is maintained. The Government has a role to play in ensuring that there is peace, but we cannot contend that it is solely the work of the Government. All of us must participate to ensure peace is maintained, and no individual should be pointed out as being the cause of conflicts in Northern Kenya, because the whole country is experiencing insecurity problems. Even in Nairobi city, there are cases of insecurity.

I would urge the Minister for Finance to allocate more money to the security forces to enable them to move quickly into area of insecurity, particularly in Northern Kenya. We must also address the root causes of those problems. People fight over rights of water, pasture and political positions. Those are the issues that should be addressed, instead of pointing out an accusing finger at a particular group, or individual. There is talk that the Oromo Liberalisation Army (OLF) is the cause of conflict in Northern Kenya, but that army has just been around for a few years, and we have been fighting each other in Northern Kenya for over 100 years. So, you cannot accuse OLF of causing conflicts in the region. The OLF is here today, but tomorrow it will go. If it goes away, that will not ensure security for anybody. So, it is unfair to blame OLF. I think members of the Bagalla Massacre Probe Committee, who came up with the report, erred. I even do not know where Bagalla is on the map of Kenya. It does not exist, as far as I am concerned. The massacre took place in Moyale District, in a place called Bothotha. Although the Committee got the facts on the location of the massacre right, they were compromised in the sense that they gave a biased report. They should apologise to our community, if what we are reading in the newspapers is true, for pointing an accusing finger at us unnecessarily; for wasting Government resources, and coming up with a contemptible document.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I wish to support the Motion.

Mr. Wanjala: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute to this important Motion. I will take this opportunity to thank His Excellency the President, for the second time, for appointing an economist to run the Ministry of Finance. The current Minister for Finance is qualified and able;

has worked in that Ministry as a chief economist, and knows a lot. The only worry from us is that the system might not give him a chance to exercise his capability. The system is rotten and it will really spoil the career of our brother. Otherwise, if there is any Minister for Finance who is capable, it is the current Minister. He worked with hon. Kibaki when he was the Minister for Finance, and the economy was good. Indeed, I believe that the economy will be well if the Government supports the Minister.

The Government has always done window-dressing to most of the decisions that we make. Last year, we, hon. Members, did go to Mombasa, and from there, we went to Mbagathi. We made many decisions in the two economic fora. We did agree in all the fora, including the Mbagathi Economic Forum, which was presided by His Excellency the President, that we should reduce the number of Ministers and Assistant Ministers. To our surprise, it was after that, that the Government increased the number of Assistant Ministers, who do not have offices and responsibilities. Now, we wonder where we are driving to? Where are we going?

Mr. Temporary Deputy Speaker, Sir, agricultural products that are being imported into this country have really affected the few factories we have in this country. I would suggest that even if we have a deficit of sugar and we feel that we should import sugar, let us give the companies that manufacture sugar licence to import sugar. Let us know how many tonnes we require, and how many factories we have. By so doing, we can apportion every sugar company in this country a particular number of tonnes of sugar to import sugar instead of individuals. The same should apply to flour mills. If we leave the importation of these commodities to individuals, then we will have gone wrong. Since those who import sugar and wheat are well-connected politically, all duties on the imported goods are waived. So, we should give the companies the mandate to import sugar whenever we have a deficit.

Mr. Temporary Deputy Speaker, Sir, we do not have roads in this country. We cannot be told that we are going to progress without roads in this country. I really feel embarrassed when an Assistant Minister in the Government stands up here - and his National Chairman has been criss-crossing the country saying that once you are in KANU, then all development will be experienced in one's constituency - and says there are no roads in his constituency. He should resign and join the Opposition, where we are told that once you are on this side, then there is no development in your constituency.

Our economy cannot be revived without roads. Roads, like the Kisii-Chemosit Road that has now made Kisii revolt against the Government, should be looked into. In areas like Budalangi Constituency, we do not have roads. There are no roads in that place. Instead, we have very big gullies on the road and vehicles cannot pass; yet we have a Government in place which has even gone ahead to increase the petroleum levy. In Budalangi alone, we have more than five petrol stations. Where do they take our petroleum levy? Why can they not tell us the amount of money they collected in Budalangi through the petroleum levy, and the amount that has been retained for development in Budalangi Constituency?

We also produce fish, and I am happy to hear that last year alone, the fish industry generated revenue of over Kshs6 billion for this Government. What was our share? Why should this Government punish the people who contribute very highly to the well-being of the nation? It is really embarrassing! The Government should address the issue of unemployment in this country. I was quite embarrassed to hear the Minister of State, Office of the President, saying that he had given contracts to people over 55 years old, yet, the Chairman of his party has been criss-crossing this country, telling Kenyans to create more jobs. If he wants Kenyans to create more jobs, why is he giving more contracts to people over 55 years old? Is he really creating jobs? This Government is really embarrassing Kenyans. Why should those people be given more years to work, yet they have deputies who can take over? When will the deputies take over those positions to create employment in the lower ranks? We gave the Government a chance, but come the year 2002, it should have no hope of forming the Government. It is completely finished; politically and economically bankrupt, and we will form the Government in the year 2002.

Mr. Temporary Deputy Speaker, Sir, corruption has become too much in this country. Even the Vice-President and Minister for Planning and National Development, who we thought may take over from His Excellency when he retires in the year 2002, is associated with all sorts of corruption!

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Hon. Wanjala, I think I talked to hon. Members about mentioning names of other hon. Members adversely. May I remind you of the provisions of Standing Order No.73. In any case, I remember that yesterday, a notice of a Motion was given. If you wish to debate on that Motion, you should wait. You are now anticipating debate. Proceed!

Mr. Wanjala: Thank you, Mr. Temporary Deputy Speaker, Sir. That was just by the way; it was with a light touch!

With regard to the security situation in this country, Indians in Kisumu are packing and leaving the country because of insecurity. The chairman of the security committee in the province is just busy closing down hotels. He has left the Indians to be battered and robbed during daytime in their shops. Now, the Indians are

closing their shops and leaving the country. Some are even going to Uganda where there is better security. Since the Indians are citizens of this country, they should also be protected.

Mr. Temporary Deputy Speaker, Sir, the Government has never considered the fishing industry in the Budget. The Government should consider waiving duty on fishing materials. The fishermen have always been frustrated. The Kenya Fishnet Industry in Kisumu is soon closing down because of the VAT that was imposed on fishing materials.

With those few remarks, I support the Motion.

Mr. Kihoro: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech by the Minister for Finance. First, I would like to deal with the macro-economic part of the Budget. Later on, I will be speaking about the police. On that day, though, I was not able to attend the Budget Speech because I was very busy out there consulting the police. There was too much teargas and too many rubber bullets. Today, I have here with me some "speaking aid" which I want to use in the afternoon.

(Mr. Kihoro displayed a used teargas canister and a rubber bullet)

It is not a live bullet, so do not start to run away.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Kihoro, would you put your gadgets back into your pocket. What is it?

Mr. Kihoro: Mr. Temporary Deputy Speaker, Sir, this is a "speaking aid". It is not live. **An hon. Member:** It is a live bullet!

Mr. Kihoro: It has got a rubber bullet inside it. It is not live. It is just a used teargas canister. I will speak about it in the afternoon. Let me speak about the macro-economic part of this Budget---

The Temporary Deputy Speaker (Mr. Musila): Mr. Kihoro, what gadget is that?

Mr. Kihoro: Mr. Temporary Deputy Speaker, Sir, this is a used teargas canister. This is a used rubber bullet. So, nobody should run away. I just want to demonstrate the question of wastage---

The Temporary Deputy Speaker (Mr. Musila): Order! Could you hand them over to the Sergeant-at-Arms?

Mr. Kihoro: Mr. Temporary Deputy Speaker, Sir, I am prepared to do so. Can I hand them over to the Sergeant-At-Arms?

The Temporary Deputy Speaker (Mr. Musila): Order! I do not think we should continue with that. We will have a look at that gadget so that we know what it is.

Mr. Kihoro: Mr. Temporary Deputy Speaker, Sir, that is a "speaking aid". I have [Mr. Kihoro]

brought it today. I cannot speak without it.

The Temporary Deputy Speaker (Mr. Musila): Mr. Kihoro, you got your time to contribute, but you are now wasting it.

Mr. Kihoro: Can I continue, Mr. Temporary Deputy Speaker, Sir?

Mr. Ndicho: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is good that the Sergeant-At-Arms has taken that gadget away from this House because it is against the Standing Orders to come here with weapons. Many times we have complained here.

The Temporary Deputy Speaker (Mr. Musila): What is your point of order?

Mr. Ndicho: Mr. Temporary Deputy Speaker, Sir, my point of order is: Is it in order for hon. Kihoro to come here with that gadget, which we do not want to see, when we know that even Ministers come here with guns, and we have complained about it and nobody has taken any action against them?

The Temporary Deputy Speaker (Mr. Musila): Mr. Ndicho, I think I took action. I have already confiscated whatever it is. I will not call it a weapon until I have a look at it. I have confiscated it.

Continue, Mr. Kihoro.

Mr. Kihoro: Mr. Temporary Deputy Speaker, Sir, let me speak about the macro-economic part of the Budget that was presented by the Minister. The Government is proposing to spend Kshs244 billion during the next Budget year. Out of that money, it is proposing to raise Kshs30 billion from the Kenyan taxpayer. Unfortunately, part of that money will be raised through the issuance of Treasury Bills. Issuance of Treasury Bills, as we are very much aware, has led to a situation where the domestic borrowing in this country has increased to a level where we are spending up to Kshs27 billion in one year. That was actually what was spent by

the Government. In 1998/99 Financial Year, the Government spent Kshs27 billion as interest on the domestic debt. The year before that; 1997/98, the Government again spent Kshs36 billion. In 1996/97 Financial Year, the Government spent Kshs26 billion. What the Minister for Finance proposes to do will be bad for the economy because it will lead to the issuing of more Treasury Bills. If that happens, it will raise the interest rates on the Treasury Bills. It means more of taxpayers' money will be used to pay the domestic debt that continues to go up. So, the Budget is not good for me because, Kshs30 billion will have to be raised by the Government from the Kenyan taxpayer, and that will mean that the Kenyan taxpayer will be more burdened.

It is clear that the Government is no better in terms of spending funds than an ordinary person. A man of prudence is better in spending money in his pocket than paying that money as tax, or putting it in the hands of the Government that will most likely misappropriate it, or spend it on the wrong items. The common man---

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members! Mr. Kihoro, you will continue with your contribution this afternoon. Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.