

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 20th June, 2002

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

COMMUNICATION FROM THE CHAIR

CHANGE OF BUSINESS ORDER

Mr. Speaker: Order! I wish to inform the House that Question Time will take only 50 minutes because we have the Procedural Motion to deal with before we get to the Business of the House at 3.30 p.m.

ORAL ANSWERS TO QUESTIONS

Question No.181

FUNDING OF ARID ENVIRONMENTS TRUST

Mr. Imanyara, on behalf of **Mr. Obwocha**, asked the Minister of State, Office of the President, what led to the cessation of funding in the rehabilitation of Arid Environments Trust by the Royal Netherlands Embassy, in 1993/94, for its activities in Baringo and other areas; and what agreement was reached in funding the facilities left behind by the Embassy.

Mr. Speaker: Is the Minister of State, Office of the President, not here? Let us move on to Dr. Kulundu's Question.

Dr. Kulundu: Mr. Speaker, Sir, although I have not received the written answer to Question No.287, I wish all the same to ask it.

Question No.287

ACTION AGAINST LURAMBI DO

Dr. Kulundu asked the Minister of State, Office of the President:-

- (a) whether he is aware that the then Divisional Officer, Lurambi Division, Mr. Peter Oraro, assaulted Mr. Saul Waka and knocked out the victim's two teeth on 12th June, 1997;
- (b) whether he is further aware that to date, no action has been taken by police against Mr. Oraro; and,
- (c) what urgent measures he is taking to bring Mr. Oraro to justice.

Mr. Speaker: Is the Minister still not here? Next Question, Mr. Sifuna!

Question No.358

UNION DUES DEDUCTIONS FROM POLICE OFFICERS

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

- (a) whether he is aware that all police officers are being deducted Kshs50 every month as union dues;
- (b) when was the union registered; and,
- (c) how much to date has been deducted from all police officers.

Mr. Speaker: Still the Minister is not here? Next Question, Mr. Khamasi!

Question No.281

PAYMENT OF PENDING BILLS

Mr. Speaker: Is Mr. Khamasi not here? Next Question, Mr. Wamae!

Question No.338

TRANSFER OF FUNDS TO KTDA LTD.

Mr. Speaker: Is Mr. Wamae not here also?
Next Question, Ms. Karua!

Question No.375

RURAL ELECTRIFICATION PROJECTS IN GICHUGU

Ms. Karua asked the Minister for Energy:-

(a) why has power not been supplied to the members of Njuku Rural Electrification Project in Gichugu Division, in spite of having complied with the deposit requirement over 12 years ago, in 1990;

(b) which projects have been supplied with power in Gichugu Division under the Rural Electrification Project in each year from 1990 to date;

(c) how much deposit was paid by each project in part "b" above and what was the total cost of each project; and,

(d) what he is doing to ensure that members of Njuku Rural Electrification Project get fair treatment and supply of power.

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

(a) The Kenya Power and Lighting Company Limited (KPLC) has not implemented the Njuku Rural Electrification Project as only Kshs200,000 out of Kshs8.6 million required by 22nd January, 1992, has been paid.

(b) and (c) Please, find the table below showing projects which have been supplied with power in Gichugu under the Rural Electrification Programme, the deposit paid per project and the total cost per project, since 1990.

PROJECT	DEPOSIT PAID (KSHS)	COST OF PROJECT (KSHS)	YEAR
Gathambi Sec. School	300,000	765,451	1994
Walter Mathagu and others	80,000	2,004,821	1994
CPK Church Mutinu	280,900	1,108,807	1997
Karani coffee Factory	0	1,014,889	1998
Ndakutha Market & Environs	0	2,809,383	1999
Gatumbi SDA Primary School	166,300	549,939	1999
Githure	0	3,600,384	1999

Trading Centre			
Kiandubui REF	155,000	549,939	2000
Rukanga Bore- Hole	0	1,479,960	2001
TOTAL	982,200	13,883,573	

Ms. Karua: Mr. Speaker, Sir, I do not know whether the Assistant Minister is aware that an answer to this Question had been given some time last year. The then Minister promised this House that they were going to attend to this project, and confirmed that the deposit requested had been paid in full in 1990. I am now surprised to see the Assistant Minister referring to 1992. It appears that he is not taking the Question seriously. Could he, first, tell us the actual date that the deposit was paid and how much had been requested? Could he also tell us whether he has a copy of the answer that they gave last year?

Mr. Leting: Mr. Speaker, Sir, first of all, I was not aware of the information the hon. Member has now given us.

If I may give a short history of this project; in October, 1997, a budgetary estimate of 90 premises amounting to Kshs1.9 million was done and the applicants were advised to remit 10 per cent of that amount if they wanted to have the project continued. The 10 per cent was meant to facilitate preparations for a detailed design which would lead to final estimates of the project. So, here we are talking about an original estimate in 1997 of about Kshs2 million. Ten per cent of Kshs2 million was Kshs200,000, which was paid in 1997.

However, after that deposit had been paid, during the plan preparations, there were more premises added from the original figure of 90 premises to 230 premises. So, the applicants were advised to add more money because of the additional 140 premises, as the cost of the project escalated from Kshs2 million to Kshs8.6 million. The applicants were asked to improve on their 10 per cent. In other words, instead of Kshs200,000, they were required to pay an additional amount of about Kshs800,000. However, they were unable to raise that amount and instead, they requested for a refund of Kshs200,000. So, they were asked to bring the original receipts of the deposit paid so that they could be refunded their deposit, subject to a deduction of an amount which had been spent on designing the work. So, from there, both parties did not move because the KPLC was waiting for change of figures and, therefore, the project stalled.

Ms. Karua: On a point of order, Mr. Speaker, Sir. It is apparent that the answer the Assistant Minister is giving this House today totally conflicts with the answer the same Ministry gave to this House last year. Could you, perhaps, give directions in this matter; that the Assistant Minister, first, acquaints himself with the answers and as to the factual details of this Question, so that we do not get conflicting answers? I can supply him with a copy of the previous answer so that he can give an accurate answer to this House to enable us raise further issues on this very serious matter.

Mr. Leting: Mr. Speaker, Sir, I think the reply I have given is adequate. Even if we get that reply, it will not improve the situation because, at the moment, we do not have money to implement the project. Furthermore, any request of this nature will have to go through the District Development Committee (DDC). We have written to the Kirinyaga DDC and they have not replied. I think the answer I have given this House is the correct version.

Mr. Anyona: On a point of order, Mr. Speaker, Sir. Parliament may accept many propositions depending on the circumstances, but you cannot possibly accept two different answers from the same Ministry, even when it has been brought to your attention. Is it not really taking Parliament for a ride to say that--- We would like him to explain, at least, why the two answers are different.

Mr. Speaker: Mr. Leting, could you look at the two answers and come back with an appropriate answer in two weeks' time?

(Question deferred)

Question No.324

SCHEME OF SERVICE FOR GRADUATE NURSES

Mr. Speaker: Is Dr. Murungaru not here?

Question No.299

LAND ADJUDICATION IN SAMBURU EAST

Mr. Speaker: Is Mr. Leshore not here? His Question is dropped!

(Question dropped)

Let us move on to Dr. Murungaru's Question for the second time!

Question No.324

SCHEME OF SERVICE FOR GRADUATE NURSES

Mr. Speaker: Is Dr. Murungaru still not here? His Question is dropped!

(Question dropped)

Question No.338

TRANSFER OF FUNDS TO KTDA LTD.

Mr. Speaker: Is Mr. Wamae not here? His Question is dropped!

(Question dropped)

Let us move on to Mr. Khamasi's Question for the second time!

Mr. Khamasi: Mr. Speaker, Sir, I apologise for coming late.

Question No.281

PAYMENT OF PENDING BILLS

Mr. Khamasi asked the Minister for Finance:-

(a) how much money has been paid in pending bills for the Financial Years 2000/2001 and 2001/2002; and,

(b) whether he could table the list of all the payees who were paid in excess of Kshs1 million for the same period, and state the purpose for which the payment was made.

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

(a) During the 2000/2001 and 2001/2002 Financial Years, a sum of Kshs6,292,124,970 was paid. In particular, during the 2000/2001 Financial Year, a sum of Kshs3,502,476,159 was paid out, while in the 2001/2002 Financial Year, a total of Kshs2,789,648,811 was paid. Because the list of contractors and the details of the project is so long, I beg the indulgence of the Chair to table it.

(Mr. Obure laid the document on the Table)

(b) I would like to say that the list I have tabled also contains amounts less than Kshs1 million because we could not exclude them as we could not balance our books.

Mr. Khamasi: Mr. Speaker, Sir, you heard the Minister say that he has paid over Kshs6.2 billion in the two fiscal years. I would like to know from the Minister the total amount outstanding in those two fiscal years. When will he pay this amount of money? He will realise that Kirinyaga Construction Company Ltd. was paid Kshs2.7 billion out of the Kshs6.2 billion for the two years. I would like to know where the provision for payment of that money was made in the Budget.

Mr. Obure: Mr. Speaker, Sir, all the pending bills paid were duly covered by provisions in the Budget, as approved by this Parliament. I know the hon. Member has made reference to one particular construction company known as Kirinyaga. I believe that this construction company was one of those firms which were paid this amount of

money. This company was paid some money in connection with the rehabilitation of Nairobi roads and construction of sewerage in Murang'a, Nyeri, Nanyuki, Kisumu, Kitale and Thika. So, we paid that company for that work with provisions made in our Budget.

Mr. Michuki: Mr. Speaker, Sir, could the Minister explain to this House how the pending bills came about? Could he also clarify why a contract of Kshs60 million for the construction of sewerage system in Murang'a rose to the extent that Kirinyaga Construction Company claimed Kshs640 million? Is it possible to make an error of that magnitude? Could the Minister explain that?

Mr. Obure: Mr. Speaker, Sir, I will explain that aspect, and, indeed, I have explained before, that the question of pending bills is a major menace we have to deal with. There are a number of reasons why we accumulate pending bills. I would like to say that it starts from the very fact that the contract forms which form the basis of agreement between the contractors and the Government have some loopholes. Because of the loopholes in the manner in which contracts are entered, the Government suffers excessive interest and penalty charges, which are very punitive. It is because of these interests and rapidly increasing penalty charges that we have these huge pending bills. The second reason for these huge pending bills is that when there are disagreements in the manner in which implementation is being done, there is no provision for the Government to terminate those contracts. Therefore, there is no exit provision in those contracts. Therefore, a contractor will continue to stay on site, and during that period, interest and penalty will continue to accumulate. The third reason basically arises out of the fact that some of these projects are funded by the donors. Because of frequent interruptions on donor-funding, naturally, there are not adequate finances to complete those contracts. So, we are addressing those issues. We are addressing the question of variation of contract midstream. That has been a major problem because some officers simply agree with the contractors and vary the terms of the contract, awarding higher amounts in most cases. So, we are dealing with that aspect now. We have ensured that, that will not happen. We hope that by doing that, and the other measures we are taking, we will do away with these major problems.

Mr. Michuki: On a point of order, Mr. Speaker, Sir. Is the Minister in order to ignore a very important segment of the question I raised about the sewerage project in Murang'a which escalated from Kshs60 million to Kshs640 million?

Mr. Speaker: Mr. Michuki, how do you expect the Minister, on a Question originating from Mr. Khamasi from Western Kenya, to anticipate that you will ask a question on a sewerage project in Kangema? Mr. Minister, was this question reasonably anticipated by you?

Mr. Obure: Mr. Speaker, Sir, I know you are very right. But I know that Mr. Michuki knows that I can deal with that question and that is why he has raised it. As I said, this is a typical example of what happens; mid-way through the implementation of this contract, engineers and other officers decided to vary the terms of the contract. In the case of the sewerage project in Murang'a, it could well be that the terms were varied mid-way, raising the amounts payable by Government from Kshs60 million to Kshs640 million. The second point is that there could have been insufficient funds to complete the project. Therefore, because the project stalled, at some point, the Government continues to suffer interest rates and penalties. That is why the amount went so high. Those are the issues we are dealing with.

Mr. Munyasia: On a point of order, Mr. Speaker, Sir. Is the Minister in order to speculate as to what might have happened when Mr. Michuki asked specifically what happened? He is telling us, maybe, it was this and that. He is speculating!

Mr. Speaker: Mr. Munyasia, I think you are right. That was what worried the Chair initially; I thought he was going to speculate, which he proceeded to do.

Mr. Kombo: Mr. Speaker, Sir, this is a Western Question. Mr. Khamasi has not stood!

(Several hon. Members stood up in their places)

Mr. Speaker: Order! What is happening there?

An hon. Member: This Question is from Western Province!

Mr. Speaker: Order! Mr. Khamasi, are you still interested in the final question?

Mr. Khamasi: Mr. Speaker, Sir, I am still interested, except that I want to give my colleagues a chance---

Mr. Speaker: Order! You are not the Speaker, but I am!

Mr. Khamasi: Mr. Speaker, Sir, when I stood to ask my supplementary question, I did ask the Minister to tell us exactly what is the total amount in outstanding bills. He deliberately refused to answer that question. Could he answer it now? I would further like to know from him, why, out of Kshs6.2 billion, Kirinyaga Construction Company was paid over Kshs2.7 billion, taking into account that Kshs1.9 billion was paid for sewerage construction in

Murang'a, Nyeri, Nanyuki, Kisumu and Kitale. The Departmental Committee on Health, Housing, Labour and Social Welfare asked why these municipal councils do not have sewerage systems.

Mr. Mwenje: On a point of order, Mr. Speaker, Sir. Is the hon. Member in order to refer to Kirinyaga as Murang'a. These are two different districts.

Mr. Speaker: Order! Mr. Mwenje, I do not think either Murang'a or Kirinyaga is a contractor. When the hon. Member is talking about Kirinyaga Construction, he is referring to a company and not a district. In any case, it is very far from Embakasi!

Proceed, Mr. Obure!

Mr. Obure: Mr. Speaker, Sir, the first question asked by the hon. Member was how much is in the form of pending bills. It is very difficult, at any one point in time, to pinpoint the number in response to that question because of this issue of rapidly increasing penalties and interest rates. At the moment, we have approximately Kshs13 billion as pending bills, ranging over the period from the late 1980s up to now.

The second question relates to why this particular contractor was paid such a large sum of money. The Government set up a committee under the chairmanship of the former Permanent Secretary, Mr. Mule. That committee was comprised of engineers, valuers, accountants, lawyers and auditors. They entered into a programme of verifying the various bills which had been reported as outstanding. They made a recommendation that this particular contractor, together with others, be paid. That is why that contractor was paid after a very thorough scrutiny and verification exercise.

Mr. Speaker: Very well. Next Question, Mr. Sifuna.

Mr. Sifuna: Mr. Speaker, Sir, for the second round, may I ask Question No.358.

Question No.358

UNION DUES DEDUCTIONS FROM POLICE OFFICERS

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

- (a) whether he is aware that all police officers are being deducted Kshs50 every month as union dues;
- (b) when the union was registered; and,
- (c) how much, to date, has been deducted from all police officers.

Mr. Speaker: Where is the Minister?

An hon. Member: There he is; he is hiding at the Back Bench!

Mr. Speaker: Mr. Sunkuli, why were you hiding?

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, as you know, I really do not hide from this House. But if I may beg your indulgence, could you call the Question again because I have just arrived.

Mr. Speaker: Mr. Sunkuli, it is Question No.358.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, I seek the indulgence of the Chair to allow me answer this Question on Tuesday afternoon.

Mr. Speaker: Why?

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, I did not come with the written answer. The hon. Member wants to insinuate that I was hiding. I have just come.

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. The Chair correctly realised that Mr. Sunkuli was hiding. As if that is not enough, had the Chair not began with the last Question, this Question could have come earlier. Mr. Sunkuli was deliberately coming late, so that this Question could have been skipped.

Mr. Speaker: Why do you think so?

Dr. Ochuodho: Mr. Speaker, Sir, that is why he was hiding.

Mr. Speaker: Order!

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, you, yourself, know that Maasais do not hide! This is a very simple Question. I wish I had the written answer now.

Mr. Speaker: Mr. Sifuna, the Minister has requested for time because he does not have the written answer. I think it shows a certain measure of honesty that he has come without an answer.

Mr. Sifuna: Mr. Speaker, Sir, no, problem. He should answer the Question next week on Tuesday and he must be punctual.

Mr. Speaker: Yes, indeed, I do support the hon. Member. The Minister should come here punctually and

with the answer.

Mr. Michuki: On a point of order, Mr. Speaker, Sir. I can understand the predicament of the Minister, because if you look at this Question, how do you deduct a "police officer"? Is it the salary that is deducted or is it the police officer?

Mr. Speaker: I think you have a point! I will ask the Clerk to help Mr. Sifuna out of this quagmire. Mr. Clerk, could you help Mr. Sifuna out of this quagmire? I am sure he meant salaries.

Mr. Kombo: On a point of order, Mr. Speaker, Sir. I thought it was you who approved the Question.

Mr. Speaker: There is a difference between approving and constructing the sentence. I am sure this was a clerical error and Mr. Sifuna did not mean that.

(Question deferred)

Dr. Kulundu's Question for the second time!

Dr. Kulundu: Mr. Speaker, Sir, I do not have a written reply. I wonder if this is the way young turks are going to treat this country.

The Minister for Agriculture (Mr. Godana): On a point of order, Mr. Speaker, Sir. I think we need some guidance because I thought receipt of written answers is actually a privilege which the House has offered.

Hon. Members: No! No!

Mr. Speaker: Order! It is a stipulation of the Standing Orders. In fact, the Standing Orders state how many copies you will deliver to the Clerk. So, it is not a favour. It is a right, and I think for orderly conduct of business of the House, it is important that hon. Members do know ahead of time what answer they are receiving in order to prepare to ask supplementary questions.

Mr. Kamolleh: On a point of order, Mr. Speaker, Sir. In view of the fact that you have just given that explanation, could the Minister withdraw and apologise for what he has just stated?

Mr. Speaker: Order! I have ruled him out of order, and that is sufficient reprimand.

Question No.287

ACTION AGAINST LURAMBI DO

Dr. Kulundu asked the Minister of State, Office of the President:-

(a) if he is aware that the then Divisional Officer, Lurambi Division, Mr. Peter Oraro assaulted Mr. Saul Waka and knocked out the victim's two teeth on 12th June, 1997;

(b) whether he is further aware that to date, no action has been taken by the police against Mr. Oraro; and,

(c) what urgent measures he is taking to bring Mr. Oraro to justice.

Mr. Speaker: Where is the Minister?

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, again, I beg to ask the indulgence of the House. I was actually in Gatundu and I did not know the time it would take me to come up to here. I do not want to belittle the dignity of this House, but because of that error, could I answer this Question next week?

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. It is hardly a month ago when we heard this strange aircraft coming into the country, when the Minister who was supposed to ensure that our air space was safe was busy campaigning for Mr. Uhuru Kenyatta. This is exactly what he was doing instead of bringing answers to the House. Could the Chair give us direction, whether he is going to campaign for Mr. Uhuru Kenyatta or he is going to do his work as a Minister?

Mr. Speaker: Order! Could all the hon. Members keep the Chair out of your own politicking? I have nothing to do with who campaigns for who, but you are at liberty to join the train if you please.

Dr. Kulundu, what is your reaction?

Dr. Kulundu: Mr. Speaker, Sir, you have not given me the date when this answer will be given. However, I think the President should seriously re-think his position on the so-called young turks because they are letting down the country.

The Minister of State, Office of the President (Mr. Sunkuli): Mr. Speaker, Sir, I respect Dr. Kulundu very much. At least, he is not a political orphan like Dr. Ochuodho. But let him take this matter seriously. I will answer the Question next Tuesday if he can give me the indulgence.

Mr. Speaker: Very well! We shall put it on the Order Paper on Tuesday!

(Question deferred)

Question No.181

FUNDING OF ARID ENVIRONMENTS TRUST

Mr. Imanyara: Mr. Speaker, Sir, on behalf of Mr. Obwocha, I will give the Minister indulgence to reply on Tuesday next week.

Mr. Speaker: Mr. Sunkuli, do you accept the indulgence?

The Minister of State, Office of the President (Mr. Sunkuli): With thanks, Mr. Speaker, Sir.

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

REHABILITATION OF DYKES IN NZOIA

(Mr. Wanjala) to ask the Minister of State, Office of the President:-

(a) Is the Minister aware that Nzoia dykes have been broken, causing flooding in Budalangi Constituency thereby destroying homes, farms and crops and displacing more than 5,000 families?

(b) Could he consider sending Kenya Army personnel with technical know-how to rehabilitate the weaker parts of the dykes to avert further disaster?

Mr. Speaker: Mr. Wanjala is not in? The Question is dropped!

(Question dropped)

DESTRUCTION OF MANGA ESCARPMENT FOREST

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

(a) Is the Minister aware that the Clerk of Nyamira County Council has cut down trees and destroyed Manga Escarpment Forest in Kitutu Masaba?

(b) Who authorised the Clerk to destroy the forest and for what purpose?

(c) What legal measures will the Minister take against the Clerk and those involved in the destruction of the forest?

Mr. Speaker: Where is the Minister for Environment? I am sorry I have to defer the Question, and as I do so, I think it has been a very unfortunate afternoon because we have dropped a lot of Questions because either hon. Members were not there or they came late, or that we have deferred some because the Ministers were either not there or they were not prepared. I think this is very unhealthy. I hope that we will all be serious and give priority to the business of the House above everything else, including any other extra curricula activities. I will defer the Question to Tuesday next week.

(Question deferred)

POINT OF ORDER

NOMINATION OF MEMBERS TO VARIOUS COMMITTEES

The Minister for Transport and Communications (Mr. Mudavadi): On a point of order, Mr. Speaker, Sir. During its sitting on Tuesday, 18th June, 2002, and in accordance with Standing Order No.154(1), the Business Committee has nominated the following hon. Members to serve in the various Sessional Committees during the Sixth Session of the Eighth Parliament.

The Speaker's Committee

The hon. K.F.X. ole Kaparo, MP - Chairman

The hon. C. Obure, MP
The hon. J. Sunkuli, MP
The hon. N.K. Ngala, MP
The hon. W. Morogo, MP
The hon. J. Kalweo, MP
The hon. I.K. Ruto, MP
The hon. Dr. C. Murungaru, MP
The hon. E.G. Sungu, MP
The hon. G. Imanyara, MP
The hon. M. Muihia, MP
The hon. G. Anyona, MP
The hon. M. Keriri, MP

The Standing Orders Committee

The hon. K.F.X. ole Kaparo, MP - Chairman
The hon. J. Omino, MP
The hon. Dr. B. Godana, MP
The hon. K. Musyoka, MP
The hon. M. Mohammed, MP
The hon. O. Kiangoi, MP
The hon. J. Nyagah, MP
The hon. M. Githiomi, MP
The hon. J. Katuku, MP
The hon. Dr. N. Wekesa, MP
The hon. M. Keah, MP
The hon. A. Nderitu, MP

The Catering Committee

The hon. K.F.X. ole Kaparo, MP
The hon. P. Mugeke, MP
The hon. M. Matano, MP
The hon. M. Galgalo, MP
The hon. W.A. Ayoki, MP
The hon. J.M. Kuria, MP
The hon. H. Odongo, MP
The hon. F. Wambua, MP
The hon. M. Kamanda, MP
Mr. S. Ndindiri
Maj (Rtd) Edward Waithaka

The Privileges Committee

The hon. K.F.X. ole Kaparo, MP - Chairman
The hon. J. Omino, MP
The hon. A. Wako
The hon. M. Awori, MP
The hon. D. Mbela, MP
The hon. G. Anyona, MP
The hon. J. Mwalulu, MP
The hon. O. Otita, MP
The hon. M. Kombo, MP
The hon. Prof. Anyang'-Nyong'o
The hon. W. Kihoro, MP
The Library Committee
The hon. J. Omino, MP - Chairman

The hon. M. Affey, MP
 The hon. J. Marirroi, MP
 The hon. M. Wamwachai, MP
 The hon. A.K. Ethuro, MP
 The hon. W. Otula, MP
 The hon. P. Muya, MP
 The hon. D. Manyara, MP
 The hon. D. Khamasi, MP
 The hon. J. Sinyo, MP
 The hon. W. Osundwa, MP

Mr. Speaker, Sir, the Committee has also nominated hon. M. Kiunjuri, MP, to serve in the Public Investments Committee in place of hon. A.K. Keynan.

PROCEDURAL MOTION

EXEMPTION OF BUSINESS FROM PROVISIONS OF STANDING ORDER NO.137(1)

The Minister for Transport and Communications (Mr. Mudavadi): Mr. Speaker, Sir, I beg to move:-
 THAT, this House orders that the business appearing on today's Order Paper be exempted from the provisions of Standing Order No.137 (1), which gives precedence to the debate on the Financial Statement.

This is a procedural Motion and we have, on the occasion, followed this particular practice, so that we can allow the interruption of the debate on the Financial Statement. We allow Parliament to deliberate, in accordance with Section 101 of the Constitution, the issue of the Vote on Account, and so that we can allow Parliament to give authority to the Government to incur 50 per cent of the expenditure from the Consolidated Fund, to facilitate the provision of goods and services, while we await the passage of the Appropriation Act by Parliament.

Mr. Speaker, Sir, there is really nothing to this, other than to seek the indulgence of the House to facilitate this debate. Yet, again, in accordance with the Standing Orders, the issue on Vote on Account has to be dealt with before 26th June. We thought that today would be a good day to initiate debate on this particular Motion, so that we can be within the provisions of our Standing Orders. Thereafter, we shall revert to the debate on the Financial Statement. So, I would like to request Members that, since this is a procedural Motion, we dispense with it as soon as possible, so that we can move to the substantive matter, which is indicated on the Order Paper as the Vote on Account. It will allow more critical debate on some of the provisions that are listed therein.

With those few remarks, I beg to move.

The Minister for Agriculture (Dr. Godana) seconded.

(Question proposed)

Mr. Michuki: Thank you, Mr. Speaker, Sir, for granting me this opportunity to comment on this matter. The point that I want to take up is the point that has been made by the Minister, particularly where he continues to believe that this is just a procedural Motion. It is a procedural Motion because it has become a ritual; that is, something to be repeated every year. But there is more to this than the Minister would want this House to believe. What is underneath the whole of this Motion is that they want us to temporarily lend monies to the administration before we pass the actual law which gives them authority to spend the money throughout the year. But this is a lot of money that we are going to allow the Government to spend. What worries me is that just as this Motion is a ritual, the expenditure over the years has been done so carelessly, that we are now having--

Mr. Speaker: Order, Mr. Michuki! You are anticipating debate! We are going to Order No.8 and you will say all that. Is that all right? So, talk about the Motion to allow the House to dispense with the Financial Statement. Do you accept that or not?

Mr. Michuki: Mr. Speaker, Sir, I am raising that question, which is similar to what will come during the Committee of Ways and Means stage. Money will start being spent on the 1st of July; that is the coming month. If it will continue being spent with the carelessness that has been evident in the past, we shall not get out of problems.

Mr. Speaker: Order! Sorry, Mr. Michuki, but you are anticipating debate!
 Proceed, Mr. Anyona!

Mr. Anyona: Mr. Speaker, Sir, this Motion may well be a ritual in the sense that, over the years, and I believe in most parliamentary systems, that is the way it is done. The only thing is that we have to break the cycle of

debating the Financial Statement. I thought there would be a better way of arranging the business, so that we can do the Vote on Account and the Financial Statement without any interruption. I know that there are provisions in the Constitution and in the Standing Orders which allow that to happen.

Mr. Speaker, Sir, from my experience, when I first came to this Parliament, the Vote on Account was always the first business of the House before we went to the Financial Statement, so that we would not have to interrupt the debate on the Financial Statement. I would like to appeal that, in future, maybe, we need to look into that.

Thank you.

Mr. Muite: Mr. Speaker, Sir, when this House is being asked to give approval for Kshs18 billion of taxpayers' money, that sort of issue can hardly be described as procedural. We have been debating the Financial Statement--- Today is the fifth day. So, we have got only two more days to go in terms of Standing Order No.137(1); that is Tuesday and Wednesday. Is the Minister saying that the Government will absolutely collapse and cannot wait until Wednesday, next week?

(Question put and agreed to)

COMMITTEE OF SUPPLY

(Order for Committee read)

MOTION

VOTE ON ACCOUNT

Mr. Speaker: Where is Mr. Obure? Where is the Minister, Mr. Mkalla?

(Mr. Mkalla ran towards the door)

Mr. Mkalla: He has come!

The Minister for Finance (Mr. Obure): Mr. Speaker, Sir, I apologise for that. I had to do something very urgent.

Mr. Speaker, Sir, I beg to move:-

THAT, in accordance with Section 101 of the Constitution of Kenya, the withdrawal from the Consolidated Fund of the sum of Kshs84,281,787,265, made up in the manner set out in the Vote on Account laid in the House, be authorised for the purpose of meeting expenditure necessary to carry on the services of the Government of Kenya during the year ending 30th June, 2003, until such time as the Appropriation Act for the year comes into operation.

VOTE ON ACCOUNT SCHEDULE (RECURRENT) 2002/2003

Estimates showing the several services for which a Vote on Account is required for the year ending 30th June, 2003.

Vote No.	Service	Total Net Estimates	Vote on Account
R01	Office of the President	Kshs 18,748,537,760	Kshs 9,374,268,880
R02	State House	563,936,000	281,968,000
R03	Directorate of Personnel Management	2,137,725,000	1,068,862,500
R04	Ministry of Foreign Affairs and International Co-operation	3,120,345,000	1,560,172,500

R05	Office of the Vice-President and Ministry of Home Affairs, Heritage and Sports	4,421,424,930	2,210,712,465
R07	Ministry of Finance and Planning	5,584,938,750	2,792,469,375
R08	Department of Defence	14,293,309,000	7,146,654,500
R10	Ministry of Agriculture and Rural Development	6,631,514,970	3,315,757,485
R11	Ministry of Health	13,607,292,000	6,803,646,000
R12	Ministry of Local Government	436,581,000	218,290,500
R13	Ministry of Roads and Public Works	2,112,980,900	1,056,490,450
R14	Ministry of Transport and Communications	1,669,501,050	834,750,525
R15	Ministry of Labour and Human Resource Development	1,329,888,000	664,944,000
R16	Ministry of Trade and Industry	1,762,358,280	881,179,140
R21	Ministry of Environment and Natural Resources	3,169,075,110	1,584,537,555
R25	Office of the Attorney-General	375,947,580	187,973,790
R26	Judicial Department	865,900,800	432,950,400
R27	Public Service Commission	116,968,830	58,484,415
R28	Controller and Auditor-General	277,777,290	138,888,645
R29	National Assembly	3,356,970,710	1,678,485,355
R30	Ministry of Energy	71,047,220	35,523,610
R31	Ministry of Education, Science and Technology	54,538,210,000	27,269,105,000
R33	Electoral Commission	4,659,309,000	2,329,654,500
R36	Ministry of Lands and Settlement	1,161,534,840	580,767,420
R45	National Security Intelligence Service	3,000,000,000	1,500,000,000
R46	Ministry of Tourism and Information	747,376,740	373,688,370
	TOTAL Kshs	148,760,450,760	74,380,225,380

VOTE ON ACCOUNT SCHEDULE (DEVELOPMENT) 2002/2003

Estimates showing the several services for which a Vote on Account is required for the year ending 30th June, 2003.

Vote No.	Service	Total Net	Vote on
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		Estimates	Account
D01	Office of the President	Kshs 3,775,088,530	Kshs 1,887,544,265
D02	State House	122,787,230	61,393,615
D03	Directorate of Personnel Management	251,978,740	125,989,370
D04	Ministry of Foreign Affairs and International Co-operation	72,843,430	36,421,715
D05	Office of the Vice-President and Ministry of Home Affairs, Heritage and Sports	296,734,230	148,367,115
D07	Ministry of Finance and Planning	3,877,375,240	1,938,687,620
D10	Ministry of Agriculture and Rural Development	1,515,027,790	757,513,895
D11	Ministry of Health	1,576,906,750	788,453,375
D12	Ministry of Local Government	962,788,800	481,394,400
D13	Ministry of Roads and Public Works	1,592,781,470	796,390,735
D14	Ministry of Transport and Communications	119,698,730	59,849,365
D15	Ministry of Labour and Human Resource Development	344,256,320	172,128,160
D16	Ministry of Trade and Industry	183,825,520	91,912,760
D21	Ministry of Environment and Natural Resources	1,641,039,130	820,519,565
D25	Office of the Attorney-General	23,656,990	11,828,495
D26	Judicial Department	84,948,050	42,474,025
D30	Ministry of Energy	1,085,678,640	542,839,320
D31	Ministry of Education, Science and Technology	1,695,993,640	847,996,820
D36	Ministry of Lands and Settlement	524,609,840	262,304,920
D46	Ministry of Tourism and Information	55,104,700	27,552,350
	TOTAL Kshs	19,803,123,770	9,901,561,885
	GRAND TOTAL Kshs	168,563,574,530	84,281,787,265

Mr. Speaker, Sir, I would like to indicate that His Excellency the President has actually given his consent to this Motion. Hon. Members have already received and gone through their copies on the Vote on Account for the Financial Year 2002/2003 which have been circulated. In accordance with the provisions of Section 101 of our Constitution, Parliament is being asked to authorise the withdrawal from the Consolidated Fund of money not

exceeding in total of one half of the total net sums included in the estimates of recurrent and development expenditure for the year 2002/2003 in order to carry on the services of the Government of Kenya until such time as the Appropriation Act for the year comes into operation.

Mr. Speaker, Sir, it is common practice that estimates of recurrent and development expenditure will be discussed and scrutinised in detail in this House during the proceedings of the Committee of Supply. I do not, therefore, wish to go into great detail at this stage. The net estimates of the recurrent expenditure amount to a total of Kshs148,760,450,760, for which, I am at the moment, seeking an approval of Kshs74,380,225,380, while those for development expenditure amount to Kshs19,803,123,770, for which I am seeking an approval of Kshs9,801,561,885 to be able to continue providing Government services uninterrupted until such a time as the Appropriation Act for the year is enacted by Parliament and becomes operational.

Mr. Speaker, Sir, the funds being sought will be used for payment of salaries and to meet operational and maintenance expenses under the Recurrent Votes while those sought under the Development Votes are to be used to implement development projects and programmes around the country. This is a normal Motion and I believe that hon. Members should be able to consider giving approval to it because it is surely procedural. I, therefore, call upon the hon. Members to pass it to enable me release funds to the various Ministries and departments of Government to finance their operations beginning 1st July this year.

Mr. Speaker, Sir, with these few remarks, I beg to move.

The Minister for Transport and Communications (Mr. Mudavadi): Mr. Speaker, Sir, I once again stand to second the Minister on the Motion as indicated on the Order Paper. I would like to emphasise that this now provides an opportunity for the hon. Members who wanted to discuss the specific issues regarding the money being sought for release to do so since this is the time for the Vote on Account.

Mr. Speaker, Sir, at the same time, I would like to state that it is quite clear that matters of finance will dominate the business of the House, particularly at this stage and, indeed, as the Minister for Finance has indicated, when the individual Ministries will be discussed and also when the Appropriation Act will come up for debate, and subsequently also, when one will be looking at the Finance Bill itself. So, I would like to now encourage the hon. Members of Parliament to participate fully in deliberating on this so that the Government will be in a position to continue with the provision of its services uninterrupted as this is absolutely essential so that we do not let down several Kenyans out there who expect certain services to continue as normal.

With these few remarks, I second.

(Question proposed)

Mr. Kibaki: Thank you, Mr. Speaker, Sir. I rise to support the Motion. However, I have to raise some matters which are very important, indeed, for this Parliament. The expenditure of public money should be authorised by Parliament and it should not be done without Parliament's knowledge. I would like the Minister to note that as a Parliament, we are demanding in this new financial year that the monies to be spent by the Government which have not been authorised by this Parliament are being spent illegally. This illegality should stop.

Mr. Speaker, Sir, I start off with reference to roads. We passed a law in this Parliament setting up the Kenya Roads Board and establishing the Petroleum Levy. That money was to be collected specifically for the improvement of roads and yet for the first five months of the financial year now ending, the Kenya Roads Board was not operational, but money was being collected. That money was not spent through the machinery we had established of having a national Kenya Roads Board and District Roads Committees. These institutions were not operational, but money was spent. There will come a time when the Minister will have to tell the truth on how the money was spent, under whose authorization, and what it was spent on.

Mr. Speaker, Sir, this is because we had established these boards so that money spent on roads could be controlled and supervised by boards constituted by people who represent various sectors of the economy of Kenya, and that, therefore, the money could go specifically to roads. Now, with regard to this money that has been spent, there will be a moment for the Minister, while replying to this debate or to the debate on roads, to explain who authorised those expenditures; which institution was used and where was the law that allowed something which had been set aside by Parliament to be misused because it was misused. All of us know since we are members of the District Road Committees that we have not met to do any authorization. We know no money has been sent to us as roads committees in every district and that money has been spent now and the year is ending. There was no legality in what has been done. The Government cannot go on doing illegal things when we have passed laws in Parliament.

Mr. Speaker, Sir, to refer to another example, you know that in the existing estimates, there is some re-organisation or re-arrangement which is to be done regarding parastatals like Kenya Railways Corporation and others, and then commissioning them to some private people to run these kind of services. Now, when that kind of change does happen, traditionally, we used to get an explanation from the Ministry to us as a Parliament, so that we know what

the money is going to be spent on. However, now we are being asked to authorise a combined sum for a Ministry and then some of that money will be spent on huge restructuring of those parastatals, but we have not been told how it will be done, when was it advertised, who is being given the contract, for how much money, *et cetera*.

Mr. Speaker, Sir, to give a typical third example of an illegal thing which is actually an abuse of Parliament, during the financial year just about to end, and the year before, the Ministry of Finance and the Government decided to take money from the public kitty and give it to a bank called National Bank of Kenya. It is not little money; we are talking about billions of shillings. I do not know whether it is Kshs3 billion or Kshs4 billion now which has been given to the National Bank of Kenya. That money was hijacked straight from the Central Bank of Kenya to be paid to the National Bank of Kenya. The matter was not brought here. There was no Sessional Paper. It was not included in the previous Budget. This is an illegal thing which was done by the Government. This *kienyeji* is ridiculous! *Hii kienyeji ya aina gani?* We do not want this *kienyeji*. Kshs4 billion is a lot of money. How can you take taxpayers' Kshs4 billion to salvage a bank without seeking approval from Parliament, where the representatives of the people are? This is totally illegal. We want this kind of action to be brought to Parliament because when the Controller and Auditor-General of this Government has to write his report, what will he write; that Kshs4 billion was taken from taxpayers' money and paid to the National Bank of Kenya without authorization by Parliament?

This money could have been withdrawn and given to one or two Ministers. It is the same thing because it just needed a decision from the Executive. I am pleading that this kind of action must stop because we should be informed how the money we have voted is used. This is not normal and it should not be allowed to happen. A Government must have respect and, above all, respect the authority of Parliament.

Fourth, Mr. Speaker, Sir, looking at these figures, it is a terrible reflection of the policies of the Government. If you look at the amount of money that we are to spend on education, it is totally inadequate. We needed only a few billion shillings to be added to the Ministry of Education, Science and Technology and then primary education could be made free. This promise has been there and the same is being pledged even now. The Minister, in reading his Budget Speech, said that it is going to happen. He should have been ashamed to make those statements because they were made by his predecessor last year and the previous year. He should be ashamed of making the same statement for the third time. Looking at the way the money has been allocated, it would not be feasible to even do a little towards achieving this objective, and yet, it should be the primary objective particularly within this year of the child. We should give children the education they deserve, right from Standard One to Eight, so that you do not have poor children. I have said many times that it is ridiculous for the Ministry to be allowed to keep talking about poor children. We know that a child cannot be poor. How can a child be poor? The child has not attempted to work or earn any income. At what stage did the child become poor? A child belongs to the nation and he is helpless at that stage and, therefore, we should take over the responsibility as the national Government and give all children free primary education without distinction of the parents. Currently, the distinction has to do with parents so that a child from a poor family is declared to be poor and, therefore, cannot have education. This is not right.

In any case, recently, all of us in this Parliament passed the Children Bill. I think the Government has forgotten the commitment in that Bill, that we shall give free primary education and proper primary health care. We promised that to the children. In this first Budget, after we passed the Bill, there is no indication that either of those two is going to be achieved. That is terrible! I hope that we do not neglect children. In fact, it should be our first commitment in the Budget.

Mr. Speaker, Sir, there is a provision for agriculture in the Budget. When you look at the provision for agriculture, it is minimal compared to others. It is like we are here to finance the Office of the President through the money being voted here; nearly Kshs20 billion. If you look at the pittance that is being given to agriculture, it is really a shame. In an economy like ours, without any allocation by the Government, it shows neglect. It shows that the Government is not planning for the economy of Kenya. It is planning for some other imaginary country. If they were planning for Kenya, agriculture should feature much better. It is the only way we are going to revive the economy. In the Budget Speech, the Minister himself said that we are going to have a revival of the economy. I do not see how it can happen if he does not improve agriculture.

The Assistant Minister for Education, Science and Technology (Mr. Karauri): Thank you very much, Mr. Speaker, Sir, for giving me a chance to support this Motion. First, I wish to talk in defence of education; that, this country must think seriously about giving education to everybody. An educated nation makes a lot of difference both to individuals and to the nation. Educated people can make very intelligent choices, both for the nation and for themselves. Without education, a nation cannot even eradicate poverty. When people are educated, they know what is good and bad. They can get in touch with information from far away and within. We must know that if a country does not emphasize on education, that country cannot grow. Education means a lot of things, for instance, peace, eradication of poverty and making intelligent choices for personal or national benefit. We must devote more money to education. The Kshs54 billion that is given to education may look like a lot of money, but it is very little money. We must start considering reducing money meant for defence so that some of it can go towards education. I know we need

to safeguard our borders and be prepared so that we are not attacked by hostile neighbours, but we must give priority to education. If we, as a country, and our neighbours, gave priority to education and reduced the budget that is for defence, we can ultimately reduce hostility and create peace in the region. We must start now and not tomorrow, reducing the budget on defence and giving that money to education so that we can educate everybody.

Mr. Speaker, Sir, it is interesting that the security situation in urban areas appears to have improved a lot and we commend the intelligence services and the police for this. But what is ironical is that, at the same time that security is improving in urban areas, it is deteriorating in the rural areas. In my own constituency, a week will not pass before you hear that a certain individual's premises was invaded at night by robbers. The victim might be left for dead and his property taken away. The security forces must also intensify their surveillance in the rural areas. It appears they concentrate in towns while robbers and criminals who have been expelled from towns end up in the rural areas. They must be chased from those rural areas so that Kenyans can be at peace.

I wish that the Ministry of Roads and Public Works, when constructing roads, would give priority to productive areas that give this economy returns. During the rainy season people in my constituency are marooned. They cannot travel outside the constituency because the roads are impassable and bridges have collapsed. We grow a lot of tea and coffee in our area, among other crops, but the roads are impassable. I would like the Ministry of Roads and Public Works to borrow money and tarmack all roads passing through tea and coffee growing areas. The cess we pay for coffee and tea can contribute towards paying that money when those roads are tarmacked. I am sure that the crop that goes to waste due to impassable roads can contribute a lot towards repaying any loan if those roads were tarmacked, but there has been no initiative.

We keep saying that Kenya is an agricultural country, but this is mere talk. What are we doing to improve agriculture? The first way to improve agriculture is by constructing good roads for agricultural areas. We keep giving lip service to agriculture and yet it is the backbone of this country. After we have said all that, we do nothing. I would like to commend the Minister for lowering the prices of agricultural inputs. That will improve the sector a lot. I would also like the Minister to consider improving roads in high potential agricultural areas. People cannot invest in agriculture because during the rainy period, high potential agricultural areas are inaccessible because of bad roads.

I noted that money is being allocated to the Electoral Commission. The Electoral Commission must be fair because they are charged with the responsibility of conducting elections and I do not see the reason why they insist that election co-ordinators must work in their home districts. If they are not well paid, they should be paid well. They should not be employed in their home districts because they have vested interests. If an election co-ordinator or a presiding officer in my district does not like me, when there is an opportunity to employ a clerk to register voters during election time, he will not employ anybody he thinks might like me. He will look for people who will be on his side. The Electoral Commission must take this necessary step to make elections fair and free. They should have non-partisan people on the ground and let the election co-ordinators be posted in districts which are not their home areas.

This country sometimes likes spending money which is not there. We can see the shortfall in the Budget and we still insist on spending more and more money. The Electoral Commission will ask for colossal sums of money, some of which is meant for the production of voters' cards. If we want to cut the cost of producing the electors' cards, we can do so very easily. The identity card has all the details which will go into the elector's card; that is, a person's sub-location, location, division, constituency, name, photograph. It has not occurred to anybody that we can use the identity card alone for voting instead of spending another Kshs2 billion purchasing voter's cards. We must think of cost-cutting measures. We appear to be anxious to spend money that we do not have. If you are anxious to spend what you do not have, you will end up borrowing until you die. You will leave your children with debts that will make them poorer than they were when you began borrowing.

With those few remarks, I beg to support.

Mr. Anyona: Thank you, Mr. Speaker, Sir. Since I have not made my contribution to the Motion under the Committee of Ways and Means, and since there will be supply Votes, I will not go into the individual accounts of the Vote on Account. The Minister may be an old hand in many things, but he is new in the Ministry of Finance. I think the Ministry of Finance and Planning is a very intricate place. We would like him not to get caught up in some of those intricacies. I would like to give him a few tips.

Earlier on, this Motion was described as a ritual. The word "ritual" has two meanings. One meaning is something that is neither important nor serious. The other meaning can be something important, serious and which is done regularly because of that. My definition is the latter. The Constitution insists that the Vote on Account is presented before the 26th of June. The idea is to stop paralysis of Government services by the beginning of the new financial year. So, there are very good reasons for it. I would like the Minister for Finance to listen to what I have to say, rather than listening to everybody because I am giving him very important tips. This Parliament can vote against this Motion, but the Constitution compels us to give you this money under the Vote on Account before the 26th. There are good reasons for this.

A few years ago there was a problem in the American system and government services were paralysed. This

led to a lot of chaos. Imagine if that were to happen here. Thank God, it has not happened and it must not happen. Mr. Minister, please, take the Vote on Account as a very serious instrument of policy implementation and management. Secondly, arising from the provisions of the Constitution, the Minister is also given authority under the Provision of Collection of Taxes and Duties Act, Cap.405, to collect taxes from the moment he makes his Budget before we even debate on it. You should be busy collecting taxes for the same reason. What reason will there be for a Government not to deliver services on a continuous basis? I would like to presume that the services of a Government are supposed to be continuous. But, they have not been.

Mr. Speaker, Sir, I think we would like this Minister to make a difference. He has made a difference in the manner in which he has prepared his Budget and presented it. People may agree with it; they may not agree with it. But, at least, it is a new way of doing and looking at things. So, this syndrome of looking up to Washington, London, Berlin and Paris in order for them to salvage us, when they are the ones who, in the first place, put us in this mess, should stop. I think it is high time it was long overdue; this is something that we should have done from the beginning - we changed our ways. What happens when you have a critical situation is that--- I remember that in 1965, when Zimbabwe declared UDI, and there were some sanctions, they did put the economy on a war-footing. They did certain things - in accordance with their laws - which sometimes, maybe, they would not do. This economy should have been put on a war-footing from the very beginning, but we were being gentlemen.

We have been members of this club for a long time. At one time, we were very good boys during the days of the cold war, because then they needed us. Now, they do not need us. So, I think this position must be consolidated. To the Minister for Finance and the Government: Please, stop these trips to Washington and other places, unless they are absolutely necessary. That should be stopped, after the conference that we had in Mombasa with the IMF and the World Bank; when the whole of this Parliament went there, including our own Speaker who sat there to the full length of the conference. We tried to submit ourselves to the IMF, the World Bank and the donor community in general. Then, we had nothing to hide; we told them that we have problems. We were as frank as it can be. Quite frankly, we thought that, at least, the attitude would change. They may not have given us manna the next day, but even the attitude seems to have hardened. I noticed that when they were asked to comment on the Budget, they said that they would not comment on a Budget that they had not seen. I do not know what to say about that.

In any case, in the past, they have been involved in formulating the Budget in the Treasury. So, for once, they were not involved. Let us keep it up. We are members of the IMF and the World Bank, and we have some rights. But beyond those rights, I do not think that we should be in a hurry to go on soliciting for this support. So, we would like this Minister and the Government to develop this new chapter, where this country can depend on its resources.

(A mobile phone rang)

Mr. Speaker: Order! Who has that gadget? Own up!

Mr. Sambu: Send him out for three days!

Mr. Speaker: Who is it? I warn every hon. Member to put off their mobile phones. I will give every hon. Member now one minute, including strangers, to put their mobile phones off. After that, if it "cries" here again, I am sorry, it will be contempt of the House, and you know what I mean. Worse of all, if it should ever emanate from the galleries! It is becoming a bother to this House, something that I will not stomach any more. This must now stop.

Proceed.

Mr. Anyona: Thank you, Mr. Speaker, Sir. One thing that worries me is that we are trying to find our own ways of managing our affairs. These are very critical matters. They are not KANU matters; they are not Opposition or anybody's matters. Yet, we are not able to speak with one voice. I would like to hear ideas which are better than what they have produced. But instead, we go out there in the tent and talk to the Press. We just complain to the gallery, the Press and the world. The world does not care!

We want this Minister to make sure that as from 1st July, funds are disbursed. I believe that the Government has some money in the Consolidated Fund. Again, you collect taxes. Let the money flow from the 1st July. The Minister should give them a time frame within which the implementation takes place. Let the projects be implemented. I would like to beg you - having been as good as to include Kisii-Chemosit Road in the estimates - on reaching 1st July, to release the money so that construction of the road can start. But I am not talking only about Kisii-Chemosit Road; I am talking about projects in this Republic. This is because after the euphoria of the Budget and the cameras, people go to sleep. Money is not released. When it is released, it is not used. People start scheming of how they can--- We are telling this Minister that he should make sure that the money is ready by 1st July, this year. From there on, all projects should be implemented.

Then, finally, I would like to remind the Minister that this is his Parliament. The Speaker has been encouraging you, Ministers, to use Parliament. Stop discussing Government policies in the tents out there and in your parliamentary groups. You can discuss your party matters there, but use Parliament to discuss national matters. We

would like you to have a--- I believe you have all these paraphernalia, implementation monitoring unit and other sections. Let us have regular implementation reports because that is where the weakness in our Budget lies; that the money is released or is held up because nobody is following up. When it is released, it is not spent. This is particularly so in the district, where there is no authority of the Government. The authority of the Government there is the DC. All that the DC knows is that he or she is the DC of the area. He or she goes to inspect development projects which he or she has not had anything to do with and which do not exist. They go to the field and tell farmers: "So, you have two bananas." That is development and its implementation. There is a weak link out there.

So, we should establish a system in the districts where implementation of projects can be carried out and you get regular reports which you can bring to this House so that where you need our support, we will give it to you. There is no point at the end of it all, for you to come here and cry to us; or to tell us, like we have been told before, that: "We went there and the Treasury was empty." What happened to the Treasury? Why did you not raise alarm? Where did the money go to? If you had found out that the Treasury was empty, tell us now. If you had found out that there was some little money, tell us how much it was and how you spent it. We will give you our full support.

I beg to support.

Dr. Anangwe: Thank you, Mr. Speaker, Sir, for giving me the opportunity to make my contribution. Let me say from the outset that I support the Motion because it is necessary to the Government to secure the funds it requires in order to continue delivering its services.

Mr. Speaker, Sir, looking at the figures that the Minister has presented to this House, you will see the stark realities in terms of structural problems in our Budget. When you compute between the allocation for Recurrent Budget and the Development Budget, it becomes obvious that over 88.25 per cent of the resources that are budgeted for go to Recurrent Vote. Only 11.75 per cent goes to the Development Vote. That means that we are increasingly allocating more money to those things related to maintaining what we already have; such as paying salaries and maintaining the facilities that we already have, and the delivery of services at the level that is current. We are not making additional quantities and quality in terms of those services.

Mr. Speaker, Sir, that is a catch; that, we have to be very careful about. When we allocate only 11.75 per cent of public resources to development, that means that we are not earmarking adequate resources, for example, for tarmacking of roads, adding more hospitals and building more secondary schools and other facilities. We know that the population in this country is growing. When population grows, it exacts additional demands on services because people have needs, and it is the obligation of the Government to do what it is required to do within the resources available. We, therefore, request the Minister to look into these imbalances very critically and come up with a solution. This situation where he allocates 88.25 per cent of the resources to Recurrent Expenditure may not be sustainable. If we continue with this trend, we will reach a point where things will go haywire. The requirement for the Minister to carry out this particular adjustment is born out of the fact that donors are no longer giving us money.

Mr. Speaker, Sir, even the development priorities the Minister has set to finance with the 11.75 per cent of the resources, the expectation is that 90 per cent of it will come from the donors, particularly from the commitments that have already been made by donors. If the trend continues in the way it has begun to shape up, where the donors are no longer willing to undertake additional commitments, what will happen to the future, particularly when we cannot restructure our Budgets so that more resources can go to Development Expenditure? So, I request the Minister to see to it that in the near future, the Development Vote gets close to 50 per cent of the resources.

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

Looking at the allocation for Recurrent Expenditure, we also see another anomaly. Between 60 per cent and 70 per cent of the resources are going to personal emoluments. That is paying salaries and allowances to civil servants to deliver services. Only a small percentage of this expenditure will be spent on operations and maintenance, which is about 30 per cent or less. In other words, here we are with civil servants in offices, but we are not equipping them to enable them run plant and equipment, and drive around to deliver services to the people.

Mr. Temporary Deputy Speaker, Sir, so, what are we saying in other words? We are saying that we are just paying these people to remain on their jobs. We are not paying them to deliver services. The intention may be there, but we are not able to actualise it. This is another anomaly that the Minister ought to look at, so that we can redress the imbalance between personal emoluments and operations and maintenance. We would like civil servants to deliver. There is demand for their services in the rural areas. We must provide them with resources to enable them serve the people. Unless we are able to equip them, what we are simply saying is that we will pay them salaries, so that they can stay in offices and do nothing.

Mr. Temporary Deputy Speaker, Sir, indeed, in many of Government offices, civil servants do not have work

to do. If you walk into a typical Government office, you will see people idling around, gossiping and doing very little work. You find them either taking tea or moving about. The little work that there is, is being hoarded by the bosses. At the district level, work is mainly done by the heads of departments, while at the Ministry level, Permanent Secretaries and Deputy Secretaries do most of the job. They look busy because they reserve for themselves all the work available. If the same work is distributed amongst other staff, it will not be enough.

That calls for a serious re-examination of distribution of work within Government offices. May I call upon the Minister to engender a management audit within Government offices, to determine whether some offices should continue to remain open, and whether some civil servants should continue to be on the payroll. If it is warrantable, close down all the idle offices and send home the unnecessary employees; they will find alternative means of eking a living. Survival is innate in human beings. In the course of time, one will find a way of surviving, with or without employment.

Mr. Temporary Deputy Speaker, Sir, probably, as an exit avenue to some of the civil servants, so that they may find it more attractive to leave, I think we need to re-orient our thinking in the budgetary process. Instead of saying that we will have permanent and pensionable staff, why do we not have another category of programme staff? You can start, say, a soil conservation programme, and restrict the tenure of staff work on the life of that particular programme, so that once you allocate the money, the programme begins. You recruit staff for the programme, and once it is over, the staff are laid off to await another programme at a later stage. These are some of the innovative ideas the Minister may wish to integrate in public sector management.

Such programmes already exist in many developed countries. The idea of officers being permanent and pensionable may be attractive in terms of retaining quality staff, but at the end of the day, it may be a cost to taxpayers. If it is warrantable that some officers should be laid off, there is no more justification for them to remain in offices. If there is no more work for them, you find that they are idle and bored. Idle staff should be let to go home and look for new challenges, so that they can continue to contribute to national building in other ways.

Mr. Temporary Deputy Speaker, Sir, looking at the allocation of the Budget to the various sectors, I am not very sure that these allocations are in harmony with the priorities the Minister ably articulated when he presented the Budget before the House. For instance, I am not very sure how this particular allocation reconciles with the priorities set in the Poverty Reduction Strategy Paper, and the formula developed through the resource envelop. It is quite possible that the Minister may be saying one thing but on the other hand, in the process of allocating these resources, civil servants may be doing their own things.

I think, in order to give expression and meaning to what the Minister has said in this House, we need to see a stronger link between what the Minister says during the presentation of his Budget, and the resource allocation amongst the various sectors. Of course, a casual look at the allocations does not show any discrepancies, but it is important for the Minister to be sure that when civil servants work out these figures, they harmonise them very well with the priorities he has set. Sometimes these aggregate figures hide a lot of information. I know that the Minister has already stated the criteria on which these resources will be allocated. However, from experience we know that these aggregate figures may hide where these resources may be going to. It is, therefore, important for the Minister to be very explicit on the criteria used to allocate these resources, so that there can be equity in their distribution. Money that is taxed from *wananchi* should be allocated and distributed to where *wananchi* are. Knowing how the Government budgeting process goes on, much of the donkey work and calculations is left to civil servants, particularly finance officers and deputy secretaries in charge of development and administration. The criteria they may employ is, of course, questionable.

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

The Assistant Minister for Transport and Communications (Mr. Keah): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this Motion.

I support the Motion so that come 1st July, 2002, the Government can continue to provide services to Kenyans. My appeal to Ministries and departments is for them to recognise the fact that we are now on our own; there is no more World Bank or International Monetary Fund (IMF) aid factored into this year's Budget. We are depending on our own sweat. So, they should ensure that they spend funds allocated to them for the purposes they have been provided.

Mr. Temporary Deputy Speaker, Sir, I want to join my colleague, hon. Anangwe, in saying that we should spend time in this House to suggest new ways and means of assisting the Ministry of Finance and Planning and, indeed, all the other Ministries to be self-sufficient. I would like to use the minutes that are available to me to make some suggestions, and I hope that the Minister and his officers will listen.

First of all, the public sector has always been blamed for inefficiencies compared to the private sector. It is time that the public sector operated like the private sector. In other words, productivity should be the name of the game. In the private sector, we talk about profit and loss accounts, and a company that does not make a profit goes out

of circulation. We must inculcate these principles into the public sector so that Ministries and Government Departments become accountable. This accountability comes with reporting, at various stages, the performance of each Ministry. I see no reason why we cannot have monthly management reports in Ministries, comparing the Budget allocation against the actual expenditure. This would indicate the variances early enough and enable us to take corrective measures. This has not been happening.

I sit in my area District Development Committee (DDC) and I have been fighting for the last 15 years for the departmental heads in the district to bring to the DDC, reports of the funds that have been allocated to them and how they have spent them. When I suggest this to them, they look at me like a stone wall. This must stop, especially during this time when we have limited resources. It is absolutely imperative that we should now manage our resources effectively by having management reports. We should also have monitoring committees in various Ministries. There is a monitoring committee in Treasury, but I wonder what exactly the Government does with the reports that come out of the Treasury. In the private sector, if somebody is not performing properly, he is demoted or sacked. I would like this to be effected in the public sector. If an officer is not productive in his particular department, he should be sacked, demoted or retrenched. Such an officer should not waste Kenyans' time and resources. He has no business being in office. We should now operate like the private sector; let us borrow a leaf from the private sector.

I want to make a very concrete suggestion. If you look at the Budget, you will find that only 14 per cent of it has been dedicated to the Development Expenditure. This is not a development-oriented Budget. We are spending far too much money on the Recurrent Expenditure, compared to what we spend on the Development Expenditure. I know we shall be cash-constrained this year, but may I suggest to the Minister to develop a policy of build, operate and transfer (BOT). We should look at what will happen to our children in 25 years' time. We should have an asset constructed now and let the contractor charge a fee for its use. This is the BOT basis. We have not woken up to this particular aspect here in Kenya, and I urge the Minister that during this time, when we do not have funds from the World Bank and the International Monetary Fund (IMF), this is the only way through which we can develop faster.

In Mombasa, we have been waiting for the Mzima Water Project II to be implemented for the last eight years. The project has not been implemented simply because the IMF and the World Bank have withheld funds from Kenya. We have also been waiting for some roads to be tarmacked, for example, the Mariakani/Kaloleni/Kilifi Road. These roads cannot be tarmacked simply because the World Bank has put an embargo on funds to Kenya. Even the African Development Bank (ADB), our own bank, has also put an embargo on aid to Kenya. If we adopt the policy of build, operate and transfer, we will attract investors who will come and construct capital projects for us. We will give them authority to charge for those capital projects for a period of 15 to 20 years, and in 20 years' time, when you and I shall not be there, our children will have an asset to utilise.

Mr. Temporary Deputy Speaker, Sir, I am very seriously recommending that we should adopt the BOT policy. This is the only way out of the financial constraint that we are in now. We must devise ways and means of managing our local resources. We can make adjustments here and there, but we have to come up with original ideas that will not make us stagnate in development. This is a sure way of enhancing our economic growth.

Before I am flagged out, I would like to suggest that we should have proportionality in the distribution of funds to the districts. I am a regular attender of the DDC meetings, but I would like to see that cash from the national kitty is equitably distributed to the districts on a timely basis. I recognise that revenue allocated to various districts takes time before it is collected. But the moment that revenue is received, then it should be equitably distributed to the districts.

In fact, I would like to see changes in the Office of the President, which controls the DDCs, so that elected hon. Members of Parliament will have a say in their respective DDCs. It is imperative that the authority to incur expenditure (AIE) holders go to the DDCs with reports in advance for the DDCs to look at, criticise and see how the little amount of money that will be voted by Parliament will be utilised in the districts. Without these devices, we will be a laughing stock to our development partners. I want the Minister to be very strict to all the AIE holders in the districts. We must get the implementation reports. We must also monitor the progress of our projects and even evaluate our development process. We do not have to wait for the World Bank and the IMF to evaluate what we are doing. We should do so. I would urge my colleagues in this august House to join hands, rather than criticise issues for the sake of criticising. We should join hands together for the benefit of our country.

Mr. Temporary Deputy Speaker, Sir, I want to touch on the issue of accountability. Accountability must be taken into consideration. This goes along with governance. Governance structures must be revamped, so that we can have responsible and accountable people for the few resources that we have. This country is rich. It is endowed with resources, which, if effectively utilised, will ensure that we do not go and lick the boots of the IMF and the World Bank.

With those few remarks, I beg to support the Minister and I congratulate him for a job well done.

Mr. Khamasi: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to

contribute to this Motion.

I would like to state generally that this Motion, which is requesting for authority from the House to allow expenditure of money, is very important and must be taken by the Government very seriously. Any monies that are being taken out of the Consolidated Fund must be authorised by this House. I hope that the Minister for Finance will not make a mistake by getting money out of the Consolidated Fund without the approval of this House. In the past, we have seen money being withdrawn from the Consolidated Fund to rescue the National Bank of Kenya and Kenya Co-operative Creameries without the approval of this House. I hope the Minister for Finance will not repeat that mistake. I would like to associate myself with the sentiments expressed by Mr. Keah that, since we do not have any donor funding included in our budgetary process, we shall not allow Government officers to meddle around with our resources any more. We would like to hear Ministers condemning any misuse of public funds by Government officers.

Mr. Temporary Deputy Speaker, Sir, I am saying that with a lot of bitterness because of what is happening to the monies drawn from the Kenya Roads Board. The 16 per cent which goes to the District Roads Committees is well spent. But the manner in which that money is expended practically is questionable. We still have District Roads Engineers and District Works Officers playing around with those monies! They are not accountable! They cite red tape as their main problem. They cannot even employ mere casuals to clear blocked drainage systems on the roads, because the Permanent Secretary in the headquarters has got to give that authority. By the end of the day, this money is distributed in small bits, and it all goes. So, as much as we are saying that the District Roads Committees are working, the Minister in charge of roads must understand that, that money is still being stolen by Government officers, and it is a shame!

Mr. Temporary Deputy Speaker, Sir, I would like to comment on a few Ministries here which should be given money, and that money must be put into good use. I am a great sportsman. I am a soccer player, hockey player and a basketball player. I have played all those games up to a very high level in this country. In fact, Mr. Keah knows that I am a deadly striker. Matters of sports in this country must be taken seriously, particularly, with regard to football. We have had problems in that game for God-knows-how-long and the Ministry in charge of sports is not taking the matter seriously. I can see the Assistant Minister over there shaking his head. He should not shake his head because I brought a Question here with regard to what is happening to football in this country. The Minister has taken it very lightly and left the Kenya Football Federation in the hands of a pack of thieves, who steal right, left and centre, and nothing happens. It is as if they have been given a licence to steal. I think we will bring here a Motion to discuss why the Minister cannot take a decision on reports that have been produced, showing that there are people who are literally stealing money. It is a shame because this is a national game and we are not taking it seriously.

Mr. Temporary Deputy Speaker, Sir, we need to give money to the Ministry of Tourism and Information. This Ministry has got a problem with itself. Since we have been talking about it for a very long time, they do not seem to take us seriously. We are about to go to the General Elections and yet the airwaves are held hostage by this Ministry. My plea to the Ministry of Tourism and Information is that we want the airwaves freed, so that ordinary Kenyans can have a choice on what to listen to, view and make a judgement. What the Kenya Broadcasting Corporation is doing is a shame. It is basically a propaganda tool for the ruling party KANU. It does not give the views of other political parties. That is why it is necessary that the airwaves are freed. The Government should give the Nation Media Group and all the other broadcasting houses the necessary licences to broadcast to the entire country. By so doing, the ordinary Kenyan can have a choice on what to listen to, what to watch and make an informed judgement. If we do that, then we shall become more democratic because denying the citizens of this country information is tantamount to denying them natural justice.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Environment and Natural resources is not carrying out afforestation. The reason has always been the lack of funds. What we have seen is the degazettement of forests. We have been told that those forests are occupied. But if you visit those areas, they are dense forests! We want to see more afforestation in our country as opposed to degazettement. There is a memorandum of understanding between the Department of Forests and Kenya Wildlife Service (KWS). I think that memorandum of understanding must be looked into very carefully and sorted out because the KWS management has got no feelings for human beings. They are more trained to deal with animals than human beings. When you bring them out to deal with human beings, they are as brutal as you can ever think of. I have seen that happen in my own constituency. The officers from KWS come out and all they do is to beat human beings, irrespective of what they are doing, particularly in areas where there is *shamba* system. We would like that memorandum of understanding between the two departments to look into how those people are doing their work.

Mr. Temporary Deputy Speaker, Sir, I would like to comment on the issue of the National Security Intelligence Service (NSIS). It has been allocated a lot more money than even some of the most important Ministries. What do those people do? The ones I have seen in my district are wasting a lot of time and resources running around to find out what I am doing, both day and night. One wonders whether that is the duty of the NSIS. The NSIS is wasting

too much resources trying to look for mistakes where they do not exist. It is pointless to have such an amount more money allocated to a sector like that one.

The Ministry of Energy promised us here that, now that our dams are full, they are going to provide cheap electricity. It is important that they provide cheap electricity for our manufacturing sector to compete effectively in the COMESA market.

With those remarks, I beg to support.

Mr. Mkalla: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Motion on the Budget Speech.

Mr. Temporary Deputy Speaker, Sir, from the onset, I would wish to support this Motion because we need to give funds to the Government in order for it to provide services to Kenyans. I would also like to request the Minister for Finance and the other Ministers to take serious concerns on the way monies are being spent in this country.

Mr. Temporary Deputy Speaker, Sir, if you take the District Roads Board, for example, you will find that a lot of money is being mismanaged. This is because you find that the roads which are being earmarked for construction are either done haphazardly, or maybe, one kilometre is done well and they jump to 20 kilometres and then construct another one kilometre. You wonder why they have to construct many roads in a haphazard manner! Why can they not construct one particular road at a time so that people can see the effectiveness of the funds which have been put into use? It would, therefore, be necessary for the road engineers in all districts in this country to be more patriotic and more sensible in whatever they do, so that Kenyans can get value for the money which is being utilized.

Mr. Temporary Deputy Speaker, Sir, I would also request the Minister for Finance to consider the issue which we have been discussing many times in the Departmental Committee on Finance, Planning and Trade, that there is need for quarterly reports to be produced timely so that there is better control of expenditures and the way revenues are raised. If these quarterly reports are coming late, and yet we did authorize the appointment of managers to all Ministries and other places, then it means wasteful expenditures will go unnoticed and when they are discovered, it will be too late for any action to be taken. I would, therefore, request that these quarterly reports be submitted on time so that all relevant Departmental Committees are able to go through their respective Ministries and take corrective action on time.

Mr. Temporary Deputy Speaker, Sir, there are situations when you find that some of the officers on the ground in the districts, like water and road engineers, misuse Government vehicles. For example, you find some Government officer coming from Kwale District and going to Mombasa everyday; the work ticket is signed Mombasa-Kwale, Kwale-Mombasa! What business is there in Mombasa that the officer goes there on a daily basis? It means, therefore, that the officer is not doing his daily job in the district where he is supposed to be working! This is happening, and no action is being taken! Is there no supervision of Government officers? I would, therefore, say that, from now onwards, there must be some more supervision on our Government officers in all departments, so that there is no wasteful expenditure of the monies which we allocate.

Mr. Temporary Deputy Speaker, Sir, I am now coming to the way we prepare the Budget. I think we need to change the time when we should submit our Budget in Parliament. We did submit the Budget very recently, about a week ago, and now we have suspended the discussions on the Financial Estimates because we want to look at the Vote on Account today, so that we do not get late before 1st July comes. Why do we not start the preparation of the Budget, for example, in January of every year? This Budget ought to have been discussed in January, 2002, so that come July, 2002, we have no problem and we do not have to hurry in approving the Budget. We would not even bother coming to ask for extension of time to discuss this Vote on Account at such a time. This is because if we do not do it now, we will be very late and the Government will not be able to spend. I am, therefore, requesting the Ministry of Finance to make sure that we change the time of bringing the Budget to the House so that there is adequate time given; and by February or March, the Budget has already been approved so that there is no question of us saying, "the year 2002 is coming and we have no funds to use."

Mr. Temporary Deputy Speaker, Sir, I am also requesting the Minister for Finance to make sure that, in accordance with the Medium Term Expenditure Framework (MTEF), which was formulated about two years ago, we use the Departmental Committees. We had agreed that every Departmental Committee produce some Members who should sit with the Minister for Finance when preparing or discussing about the Budget. This has not happened! I am glad we have been discussing the matter as the Departmental Committee on Finance, Planning and Trade, but that is not good enough! We want the other Departmental Committees to come in and participate as well, be they Departmental Committees on Energy, Communications and Public Works; Health, Housing, Labour and Social Welfare, *et cetera*. If this is done, the Members would be involved in Budget discussions and, at least, we will take into account the relevant expenditures which we want utilized for those particular departments.

Mr. Temporary Deputy Speaker, Sir, I would like also to talk about the approach we have taken so far in preparing the Budget. I think we need to change the approach. We have been spreading our little resources to all

Ministries for all the 39 years since we got Independence. That approach will take us nowhere! We now need to re-examine where we really need to improve on. We can take on a few Ministries, be they the Ministries of Roads and Public Works, Agriculture and Rural Development, Health *et cetera*. Let us spend a lot of money in those few Ministries for, maybe, two to three years. This is a very painful decision to take, but I can assure you, Kenyans will see the result. This is because if we say we are allocating money only for roads and water this year, you would find that all the roads in this country would be tarmacked and be made motorable and, at least, we would improve the transport system in the country and fares would go down; everybody would be able to move without any difficulties.

Mr. Temporary Deputy Speaker, Sir, if you look at the current Budget, you will find that in the core Ministries, for example, Agriculture and Rural Development, the Recurrent Expenditure is Kshs6.6 billion, whereas the Development Expenditure is Kshs1.5 billion! What are we doing? We are putting no money in development projects and, therefore, there can be no economic growth because we are spending all the money that is coming in and there is nothing which is being kept for tomorrow! How are we going to survive? This is terrible spending and bad planning and, therefore, we must change! If you take the Ministry of Roads and Public Works, the Recurrent Expenditure is Kshs2.1 billion, and Development Expenditure Kshs1.5 billion!

(Applause)

On the Ministry of Health, Kshs13.6 billion has been allocated for Recurrent Expenditure, with Kshs1.5 billion on Development Expenditure. We need dispensaries, health centres, improved hospitals and ambulances all over the country! How are we going to buy these ambulances if we are having Kshs1.5 billion against Kshs13.6 billion for Recurrent Expenditure? We need to re-examine the whole system. We need to cut down on some of the staff, maybe, send some of these members of staff on five years leave, on half pay, so that we can have only those who are actually providing services to Kenyans. There are some who go to their offices, leave their jackets on tables and take off! There are some who are doing clinical work at various institutions, but they are never there! When patients go there for treatment, they are not there to serve them; they could be in their private clinics! We have to improve on our supervision so that we spend more money on Development Expenditure and, maybe, have a quarter of the money put on Recurrent Expenditure.

(Applause)

Mr. Temporary Deputy Speaker, Sir, on Energy, we have Kshs0.07 billion on Recurrent Expenditure and Kshs1.08 billion on Development Expenditure; a little bit of an improvement, but you find that there is no power all over this country. Power is only found in Nairobi, Mombasa, Kisumu and Nakuru, but there is no power in Kinango! Do you not want the people of Kinango, the Durumas, also to participate in the development of this country? If the people of Kinango could have power, they could do good improvements.

The Minister for Education (Mr. Kosgey): Hata kwangu hakuna!

Mr. Mkalla: I am told even in Tinderet there is nothing! So, all I am saying is that, on the question of Education, we have Kshs54.5 billion on Recurrent Expenditure, with Kshs1.69 billion on Development Expenditure. How are we going to improve our schools with this type of budgeting? We want a university at the Coast Province, but we cannot have it because there are no funds in Development Expenditure! We need to change what has been happening so that we can provide funds for Development Expenditure and, therefore, improve on our economic growth.

Mr. Temporary Deputy Speaker, Sir, I would also like to talk about performances of Government officers. Government officers misuse both Government and civil society money. A good example is what is happening in Kwale District. There are some women groups which gave their money to a DO in a place called Kinango two years ago. Women groups from Kinango who do not have money, gave Kshs56,000 to the DO! This DO decided to "eat" that money; he was transferred and no action was taken against him. This is the case, and yet this money cannot be recovered from this DO. Why can the Government not sack this DO? Another DO collected Kshs40,000 from poor Duruma Women Groups, who have no source of income. This DO, by the name "Marwa", disappeared and this money was not recovered. I would like to point out that even some assistant chiefs collect money from people and misuse it. They collect Kshs100 for every national identity issued to an applicant. Why do we not supervise these officers properly, so that these incidents do not recur? Some of these public officers, who are rotten, give the Government a bad name. I would like to point out that not all civil servants are rotten. In fact, some officers are very good. Why do we not do away with those officers who do not provide services, so that they do not give the Government a bad image?

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

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. First of all, I would like, once again, to thank the Minister for Finance for not having factored into the Budget donor funds this time round. Every time we factor donor funds in the Budget, we end up being messed up because the funds are not released. This time round, we know that we are talking about something which is in our hand. We are talking about a bird in hand and not the one in the bush. So, I would like to thank the Minister for doing this.

We know that the country is short of funds, and as a result of this, we should manage the little funds we have properly. If we manage what we have properly, however little it is, it will go an extra mile. In managing things properly, we have got to start with the little things which people may think do not matter.

Let me start with Government vehicles. The whole country is littered with unrepaired Government vehicles. The Government has got very good vehicles lying in its yards just because, initially, a small part was missing. Because the part is missing and nobody thinks about buying it, the vehicle is grounded. Once the vehicle is grounded, the next thing which happens is that it is vandalised until it becomes a shell. A vehicle which was relatively new becomes a shell, which makes the Government buy another vehicle.

When that vehicle is grounded, its driver does not have work to do, and yet he is still on the Government payroll. So, we do not save any money because here is a driver who does not work, and yet he is on the Government payroll. When that vehicle is grounded, it means that the field officers who should go out using it do not go out. So, they sit in their offices earning money for doing nothing, instead of going out and doing productive work. That is wasteful. Because of lack of the same vehicle, which could have been repaired at a very low cost, you end up with multiple problems. For example, in a police station, when a case is reported, instead of the police officers going out, they will, first of all, ask the person who has gone to report to provide them with transport. They will tell that person that they are willing to help him provided he or she provides transport. If the person does not provide transport, it means that the work which those police officers could have done is not done. If this person provides transport, chances are that the police officers will ask for more than just transport. I would like to point out that this promotes corruption, apart from increasing insecurity.

So, by not repairing Government vehicles, the Government loses a lot of money, which could have been used for better purposes, if those vehicles were repaired when very minor faults were discovered. Instead of later on buying new vehicles, which we do not manufacture in this country, we can make do by extending the life of the vehicles that we already have.

While still on these vehicles, it has been the practice in Government Ministries to send vehicles to the agents with an LPO saying "check and repair". Once these agents see that form of LPO, they put anything because they have a chance to make money. I think those officers who are responsible for Government vehicles should, first of all, get proper quotations and quickly, repair them. They should also ensure that the costs are fixed and agreed upon before these vehicles are repaired.

Mr. Temporary Deputy Speaker, Sir, I would like to touch on the unpaid bills. Now that the Minister is providing money, I think it is important that if there are some bills to be paid, they should be paid. Unpaid bills attract interest, particularly, the ones which relate to construction. Where there are court cases, these bills not only attract interest, but also lawyers' fees. So, we do not save anything by not paying these bills. In fact, we just fool ourselves. Because of the tendency not to pay bills, when a new officer takes over the office and finds certain bills have been incurred, he thinks that the one who was there, maybe, got something. Therefore, he or she uses the money which he or she has been allocated to buy something else instead of paying those bills. This has made Government tendering very expensive. This is because business people have to incorporate interest which will accrue from the bank loans as they wait for the bills to be settled by the Government. So, when these people are tendering, they do this knowing that payment will take long and the cost of that item has to be higher than it should be. This is an area which should be looked into. It is not good when business people demand to be given money for any item they sell to the Government. This is because when you start paying in cash for all the goods and services, you promote corruption. This is because the officer will go there and say that this is what is happening, and he or she should be given something out of that money. Sometimes, these officers end up producing fake receipts, which is counter-productive.

Mr. Temporary Deputy Speaker, Sir, foreign construction companies do good work in this country. They finish their work on time, but they are not paid. This is giving our country a bad name. Why should we contract and not pay? Even if we are poor, we should try to be respectable by paying our debts. We should not pretend to be so poor that we cannot pay our debts.

Mr. Temporary Deputy Speaker, Sir, most roads in this country are graded using tractors. I have found, through experience, that it is much cheaper and easier for wananchi to work on a road than a tractor. In my district, to grade a loose surface road using a grader costs Kshs18,000 per kilometre. However, wananchi can do the same road by hand, using jembes, at a cost of Kshs10,000 per kilometre. We pay them Kshs10 for every ten metres. So, it will

cost Kshs1,000 for 100 metres. So, by simple arithmetic, we will use less money to do our roads if we involve wananchi. Moreover, we know that it is not the whole road that gets damaged, but some portions. Therefore, it is better to involve wananchi because they will spend the money in the area instead of paying contractors who do shoddy work.

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

Mr. Mboko: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to contribute to the Vote on Account.

From the onset, I support this Motion. As a matter of fact, we cannot stop the Government from rendering services to wananchi. This has been a tradition in this country and we cannot fool ourselves that it is possible to deny the Government the money. We know very well that after the Minister presents the Budget in this House, we must allow the Government to spend 50 per of the total amount of money proposed in the Budget.

Mr. Temporary Deputy Speaker, Sir, we should also be very careful when we implement taxation measures before the entire Budget is approved. In the current financial year, some taxation measures were implemented and, later on, rejected by this House after the business community had paid a lot of money to this Government. It also gave the Government anxiety because some of the revenue it had collected from wananchi had to be refunded back to them. However, during Budget Day, the Minister was a bit careful because no taxation measures took effect from midnight, 13th June, 2002, which was Budget Day. I believe officers in the Treasury and the Kenya Revenue Authority (KRA) should consult before any taxation measures are put in place.

Mr. Temporary Deputy Speaker, Sir, in the Recurrent Expenditure of the Office of the President there is an amount of Kshs9 billion. This amount of money is very important to them if they can prioritise their needs. Today, the most pressing matter in this country is insecurity. We would like to see insecurity in this country combated. Unless we put in place a very good climate to boost the investors' confidence, they will not come to invest in our country. It is foolish of us, as a nation, to woo investors to come to our country through the internet because they read about our security situation in our daily newspapers. Therefore, I would ask the Minister concerned with internal security to make sure that insecurity in this country is combated. If wananchi cannot enjoy their freedom of movement, or even an hon. Member cannot walk freely in this City, or we cannot drive safely on our highways, then what are we saying?

It is very expensive to do business in Kenya. You can imagine a situation whereby you have to transport your goods from Mombasa Port to other destinations when there is no security. It will take you four or five days to transport your goods from one point to another because of insecurity. So, we must guarantee security on our highways, cities and rural areas.

Mr. Temporary Deputy Speaker, Sir, the Provincial Administration in this country has been neglected. It is only the PCs and DCs who are taken care of by this Government. You will find that DOs in most divisions in this nation do not have means of transport. A case in point is my constituency where there are three DOs and none of them has a vehicle. The situation has been like this since the creation of that constituency in 1988. We expect these DOs to be the chairmen of the security committees of their divisions, and yet they do not have means of transport. To facilitate their movement, they depend on the local business community to transport them from their stations to attend security meetings. If a DO depends on the services provided to him by the local people, this will encourage corruption because these people will seek favours from a DO. Therefore, this money allocated to the Office of the President must be spent properly. Police officers must be encouraged to work hard. We must buy them modern communication equipment.

Mr. Temporary Deputy Speaker, Sir, in Nairobi, the Government rents houses for DCs and DOs. But in the rural areas, wananchi construct the DO's house, office and police stations, and yet they do not get services from this Government. Time has come for the Government to compensate the local communities because it has failed to initiate development in those areas.

Mr. Temporary Deputy Speaker, Sir, we have put up health centres in the rural areas through Harambee basis. We have even bought furniture for those health centres, but this Government has not been able to provide us with doctors, nurses and drugs. When our people prioritise their needs in a situation like that, the Government makes them lag behind. What is the Government's business? What will the Government do with those facilities? All that we want is doctors, nurses and medicines. However, none of these is forthcoming. The Minister of Health must ensure that such facilities are operational.

Mr. Temporary Deputy Speaker, Sir, the tourism industry is one of the biggest foreign exchange earners in this country, but the Government has not done much to promote it. If you go to a country like Japan or South Korea, you will be shocked to learn that they do not know whether we are near Mt. Kilimanjaro or not. They think you can only approach it from the Tanzanian side. We have better infrastructure for tourism, but we have not done any tourism promotion in the Far East. Tourists from the Far East yearn to come to Kenya, but nobody tells them about Kenya. The money allocated to the Ministry of Information and Tourism is not adequate to promote our tourism industry. In order to attract tourists in Kenya, we must market ourselves.

Even Kenya Airways does not do any promotions at JKIA, because the first billboard as you head to the airport is a lioness with an oryx advertising the Arab Emirates Airways departing from Kenya. That is a big tourism attraction. But that does not apply to Kenya Airways. This is how we should promote tourism in the country. If we promote tourism abroad and allow landing rights to other foreign national airlines, we shall be doing business which can earn us a lot of money. Kenya will be a big tourist destination. At the moment, tourists are travelling all the way from Japan to South Africa. They do not know that Nairobi is nearer to them than Johannesburg. From Egypt, they overfly Kenya and go to South Africa. Kenya is one of the best tourist destinations. The Minister in charge of tourism must address this issue and ask for more money from the Ministry of Finance and Planning.

Mr. Temporary Deputy Speaker, Sir, it is high time we tapped earnings of Kenyans living abroad. We should encourage them to invest in Kenya. Countries like the Philippines thrive on the homily of their nationals. In this country there is a problem when people who bring back their money. I do not know what problem there is for people do their savings in foreign currency. If the people living abroad send their money here regularly, we shall not need donors. We shall have enough money. The Minister should encourage people to remit their savings into our country in foreign currency.

Mr. Temporary Deputy Speaker, Sir, the agricultural sector has been hampered by poor marketing procedures. The National Cereals and Produce Board was set up to stabilise prices of farm produce, but now the farmer has been left at the mercy of God. Where they get market is up to them and their God. The Government must do something to stabilise these prices.

With those few remarks, I beg to support.

The Minister for Mineral Exploration (Mr. Kalweo): Mr. Temporary Deputy Speaker, Sir, I support this Vote on Account. I will start contributing with regard to the Ministry of Education, Science and Technology.

QUORUM

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, there is no quorum in the House.

The Temporary Deputy Speaker (Mr. Imanyara): Indeed, there is no quorum. Ring the Division Bell.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Imanyara): Order, hon. Members! There is now a quorum, and you can proceed Mr. Kalweo.

The Minister for Mineral Exploration (Mr. Kalweo): Mr. Temporary Deputy Speaker, Sir, I was talking about matters related to the Ministry of Education, Science and Technology. In Meru North Constituency, we are lacking about 722 teachers. So, I would like to request that Ministry, in case they recruit a few more teachers, that our district should be considered.

The Government is not supposed to be trading. For example, the National Cereals and Produce Board was established as a strategic reserve, but as the world becomes competitive, it is controlled by supermarkets, TQM, the internet and business people with money. Therefore, the Government should regulate issues that pertain to either coffee or other businesses so that the country becomes more competitive. We have to ride our own horse. Time is gone when we used to ride other people's horses, for example, by depending on donors like the European Union who are only interested in their own countries. African Governments should re-think their priorities.

Mr. Temporary Deputy Speaker, Sir, the first priority should be accessible roads and educating our communities. We should also have quality control measures. For example, somebody who transports bananas from Kitui to sell them in Nairobi should take care of those bananas so that they can have value added. The jua kali community who make, for example, cushion chairs, should be encouraged to varnish them so that they are competitive. The same people who trade in cushion chairs in our towns and cities are the same people who are employed by Asians in their industries. We want to manufacture quality goods that will improve our economy. To improve the economy means that each one of us must be hard working. Even in Christianity, there is a covenant where God told human beings that whatever they will enjoy would be out of their sweat. People have forgotten their natural heritage. Each one of us must wake up and do what he is supposed to.

Mr. Temporary Deputy Speaker, Sir, I come from a place which is very mountainous. I come from Meru area which is East of Mt. Kenya. We have a variety of crops like coffee, cotton, tea and livestock. What we require there are access roads. For example, there is a road from Chogoria, Githongo and Mikinduri, through to Maua. The Minister has given about Kshs10 million for research. Research should be speeded up so that by next year's Budget, we could allocate money to tarmac that road. It passes through a very potential area. It passes through Southern Igembe, Kanuni, Nduguto, Ugoti, Maua, Athiru-Gaiti, Kiengu, Muringene and Kangeta. Those are very high potential

areas, with very high productivity. Also, the road from Isiolo, Kangeta, Maua to Mwingi would open up that area.

Mr. Temporary Deputy Speaker, Sir, the other thing that I would like to talk about is related to my Ministry. If I am given money for mining, I would do very many things. At the moment, we are looking into our laws. We have the Commonwealth Secretariat(?) here trying to update the Mining Act, so that we can have one Act for that Ministry. That is because it is inter-twined with other departments of the Government.

Mr. Temporary Deputy Speaker, Sir, with regard to our interesting mineral at the Coast Province, that is titanium and the company that is involved with mining it by the name of Tiomin, people in Kenya have talked much about it. The National Environment Management Authority (NEMA) has also tried to re-look into that matter, and it will soon conclude---

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Temporary Deputy Speaker, Sir. I beg to move that the Mover be now called upon to reply.

Hon. Members: No! No!

The Temporary Deputy Speaker (Mr. Imanyara): Continue, Mr. Kalweo!

The Minister for Mineral Exploration (Mr. Kalweo): I will soon brief the Inter-Ministerial Committee of this House on the progress made and the trip which we undertook out of this country, where mining of that type of mineral is taking place.

With those few remarks, I beg to support.

Mr. Sambu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to mislead the House about going overseas and the matters on titanium---

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Sambu! He has completed his time! You can now talk! I will give you time---

Mr. Sambu: I am not talking! I am the Chairman of the Committee that he is referring to!

The Temporary Deputy Speaker (Mr. Imanyara): He has already run out of his time. So, why are you raising a point of order after he has sat down?

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, my point of order is this: Is the Minister in order to mislead the House, when he knows that the Departmental Committee has requested for the Report about the titanium mining to be tabled and he has not tabled it? Is he in order to come and mislead Kenyans here?

The Temporary Deputy Speaker (Mr. Imanyara): Proceed, Mr. Mwenje!

Mr. Mwenje: Thank you, Mr. Temporary Deputy Speaker, Sir. Before I talk about the Vote on Account, or the money that the Minister is asking from us---

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to speak for a second time?

The Temporary Deputy Speaker (Mr. Imanyara): Had he spoken before?

The Assistant Minister, Office of the President (Mr. Haji): He did so yesterday.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, it appears that the Assistant Minister does not know the procedures of this House. After four years in this House, he does not know the difference between the Budget Speech and the Vote on Account. It is very unfortunate that we have people who do not appear to understand their work in this House!

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to speak in a derogatory manner to another Member of this House? I am even taller than him! I can jump and throw him out!

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am aware that the former Provincial Commissioner is a pastoralist and we cannot blame him. He has not been in this House, but I am sure he will learn the procedures of this House very soon.

Before I was interrupted, I wanted to say--- I hope you will rewind the clock because I need to utilise my time properly. I would like to tell the Minister for Finance that today, in the morning, people did not take breakfast because the price of bread went up.

(Mr. Obure and Mr. Gumo consulted)

If only Mr. Gumo would stop talking to the Minister for Finance because I would like him to hear what I am saying--- I am asking Mr. Gumo to let the Minister hear what we are saying! I am saying that the price of bread went up this morning and people could not afford to buy it. Could the Minister consider removing the tax that he added because our people cannot afford to buy bread from tomorrow? The price per a loaf of bread has gone up by Kshs5. Our people are used to budgeting their money like he does in the Ministry. May I request the Minister to re-consider

the increment of tax that is affecting the price of bread, so that our people could take bread tomorrow morning.

Mr. Temporary Deputy Speaker, Sir, with regard to the Motion on Vote on Account---

Mr. Mkalla: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for my height-mate to speak from the Front Bench and he is not a shadow Minister?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am a shadow Minister and if he is not aware, I will let him know the Ministry. Fortunately, our Ministries do not reciprocate theirs. So, he might not know which one.

So, the most important thing that I am saying is that half of the money--- The risk that we are running is that we are approving this money before we even debate on it, and half of this money is likely to be stolen or misappropriated by some Ministries. I want to appeal to the Minister for Finance to be very careful. Now that we have allowed this to happen, he should not allow any Ministry to misappropriate the money. Let us not come here again next year and be told so much was misappropriated and misused. The money should strictly go to the purposes that we are passing it for.

[The Temporary Deputy Speaker

(Mr. Imanyara) left the Chair]

[The Temporary Deputy Speaker

(Mr. Muturi) took the Chair]

Mr. Temporary Deputy Speaker, Sir, let me start with the Office of the President. The Office of the President is asking for Kshs9 billion for now. I know that most of it will go to the payment of salaries. But, at the same time, there are so many stalled projects. If you go along Thika Road, immediately opposite the Utalii Hotel, you will find those houses which have been lying idle there and nothing is happening. The houses have never been completed. They are now being vandalised. The last time some work was done there was when the late Mr. Oyugi was supervising the project. Today, nothing is happening except vandalism. I thought that this year, some of the money from the Office of the President would be used to complete those houses, so that they can, at least, be occupied. It is a shame, and those who pass along Thika Road see those houses and nothing is happening. Something should be done about these houses using money from this Vote because it is the same Ministry which constructed them. At the same place, we used to have the Nyayo Bus Corporation and up to now, we have not been told where the money raised from the sale of spare parts went. Was the money put in the normal Consolidated Fund or was it taken by some people in the Office of the President? What happened to the amount which was derived from the sale of spare parts of Nyayo buses? I would urge the Minister to tell us what happened to this money? Did it ever go to the Treasury or what happened to it?

Mr. Temporary Deputy Speaker, Sir, when you look at some of these departments, I cannot understand why the Department of Defence (DOD) requires Kshs14 billion. Are we at war with anybody to warrant the DOD getting Kshs7,146,654,500 in this Vote on Account? What is it that we are buying? Is this money meant just for salaries for the *askaris*? What is it that we have to spent Kshs14,293,309,000 on? This money should be used in development rather than simply being used to pay salaries of *askaris*. We are not at war with anybody. We do not need to buy those machineries. Why does the DOD need such big figures? I think the Minister should dig down and find out why DOD needs so much money. It is not necessary! We have some Ministries which are more deserving than just giving this money to the DOD. We are not at war with anybody.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Health is one of the Ministries that I agree should get that kind of figure if not more. However, what happens to this money when we give it to them? Why are our people made to buy medicine now and then? Why is it that you cannot be admitted to Kenyatta National Hospital(KNH) unless you pay first? I think it is time the Minister for Finance found out. If we must pay KNH in advance, give them the money. It is better to give KNH money than to give it to DOD. Our people cannot be treated at KNH until they pay in advance. There is no medicine there. The other day we read in the newspapers about stale medicine at KNH and nobody has ever told us what happened to that medicine. Nobody was charged in a court of law over that issue. We need to know the correct position. It is important that our hospitals be provided with medicine so that our people can be treated.

Mr. Wamunyinyi: Ongea kwa sauti ndogo. Unapiga kelele sana!

(Laughter)

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I am here to tell the people the truth. Fortunately, I know hon. Wamunyinyi, and let me spare him.

Mr. Temporary Deputy Speaker, Sir, why does the Electoral Commission of Kenya (ECK) require Ksh 4

billion? Are we going to hold elections this year? We are not going to allow KANU to postpone the elections to next year. Does the ECK really need Kshs4 billion? The ECK has already registered a lot of voters. Since we do not expect to have another by-election, why does the ECK need Kshs4 billion? I think we should look into this matter to know why it needs so much money. It is still selling registers and gets its allocation from this Parliament. Why do we have to allocate it so much money? Up to now, nobody can convince me as to why it needs Kshs4 billion, apart from the Kshs2 billion it is getting. Why does it want money in advance? The money it needs is simply for the elections. Why does it need Kshs2 billion in advance? To do what with it? I do not think it is necessary.

Mr. Temporary Deputy Speaker, Sir, I think the Ministry of Finance is being taken for a ride here. People just come with figures and then the Minister comes here with the same figures asking us to approve the same. I hope you have gone deep to find out why it needs so much money. I noticed that last year, when it was registering voters, it did not have adequate equipment. It is not because it did not have the money, but it was not releasing enough of those registration cards. In fact, a lot of our people could not be registered because ECK did not have the right equipment. We need to find whether it spends this money properly. Is this money supposed to buy the equipment that they are supposed to buy? It is not just a question of giving money, but at the end of the day, we do not see the job being done.

Mr. Temporary Deputy Speaker, Sir, out of all this money, I do not know how much is going to Development Expenditure because most of it should go to Development rather than Recurrent Expenditure. The Minister should have separated the two expenditures so that we can know how much is going to be used for Development Expenditure and how much is going to be used on Recurrent Expenditure. Although we are only allowing half of it to be used, we should also know how much is going for Recurrent Expenditure and how much is going to be used on Development Expenditure. This is because like hon. Kibaki said here, our roads are not being done. We are told money has been released and the roads are not being done.

Mr. Ngure: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to say that he has not looked at pages 206 and 207? Page 206 contains Recurrent Expenditure, while Page 207 contains Development Expenditure.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, if you look at either Recurrent Expenditure or Development Expenditure, it does not specify how the money is going to be used. It has been put in such a general manner that you cannot know the difference. It should be put in such a way that we can know how much is going to be spent on Development Expenditure and how much on Recurrent Expenditure.

Mr. Temporary Deputy Speaker, Sir, I was talking about Outering Road. We want to know how much the Ministry of Roads and Public Works is going to spend on it from the money we are voting here.

With those remarks, I support.

Mr. Sambu: Thank you, Mr. Temporary Deputy Speaker, Sir, after a long time. This Vote on Account gives the Ministries the right, from 1st July, to start spending the money, because it is a constitutional requirement that we should not disable the Government. We should allow it to continue being in power, come 1st July, but the Government has immobilised the people. We give it money and I would have liked the Ministers to be present since most of them are not. We are releasing half of the total Vote without exhausting the debate on the Committee of Ways and Means.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Health, for example, is getting Kshs6.8 billion, come 1st July, and Authority to Incur Expenditures (AIEs) are going to be sent to the officers in the districts. The Government officers have not been supplying medicines to the hospitals. There has been no medicine in the dispensaries, health centres, district hospitals and even in referral hospitals like Moi Referral Hospital. As soon as they get the money, let that organisation which is supposed to supply medicine, that is Central Medical Stores, supply the medical kits to the health centres, dispensaries and district hospitals. It is sad for the Government to watch the people it is taxing suffer paying before they get any treatment, or buying medicine from Government hospitals, and yet it is taxing them for the same purpose. There is no medicine as of now. Could the Minister kindly see that come 1st July, medicines are made available?

Mr. Temporary Deputy Speaker, Sir, most of the hospitals are short of trained personnel, that is nurses and medical officers. Interviews were done but these people have not been employed, or if they were employed, maybe, some *vichoro vichoro* ways were used. It was not public. We do not know how many nurses and clinical officers have been employed to date. Moi Referral Hospital, which is supposed to be a referral hospital is run mainly by clinical officers. When you go there and you have been referred from Bungoma, Kapsabet or wherever, the first person you see is a clinical officer and he is not a consultant doctor. I am requesting the Ministry to take money to Moi Referral Hospital and district hospitals.

Mr. Temporary Deputy Speaker, Sir, I know a big chunk of the Ministry of Health money will go to KNH. Why are we taking money to KNH when it is currently suing a bank for the loss of Kshs400 million? Why are we allowing people to go and sink money into a deep hole? You cannot be treated at KNH. People are referred to KNH for dialysis when they have kidney problems, and then they have to pay in advance. How does a patient with a kidney

problem pay in advance? Heart patients have to pay Kshs300,000. This situation has to be corrected. The Government cannot continue immobilising our people like this.

Mr. Temporary Deputy Speaker, Sir, we want transparency in the disbursement of bursary funds. We want bursary funds to be allocated directly to the districts in proportion to the number of secondary school children in those particular districts.

Mr. Wamunyinyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is contributing to a very important matter regarding bursaries, which have never been accounted for, and the Minister for Finance is busy engaged in conversation down there. Is he in order? He should listen to what the Member is saying.

Mr. Sambu: Mr. Temporary Deputy Speaker, Sir, protect me so that the Minister can listen. Bursary funds are disbursed from Jogoo House and this is swindling Kenyans. If bursary funds are meant to serve Kenyans because all Kenyans are taxed equally; 18 per cent on what they eat, wear and in petrol, then let them be disbursed to the districts in proportion to the number of secondary school children in the districts. Let the District Education Board (DEB) distribute the bursaries or determine the cases of each individual child. How can we allow teachers to determine who is to get the bursaries? It is unfair because they will favour children of their family friends.

Mr. Temporary Deputy Speaker, Sir, because my time has run out, I want to talk about agriculture. The Ministry of Agriculture is getting Kshs3.3 billion in advance and the Government should disburse the Kshs300 million that is required to open up the Kenya Meat Commission (KMC). Year in, year out, we have been told that the KMC will be opened. It is only less than 10 per cent of what they are getting from 1st July and they should disburse the money to the KMC so that it is opened, and so that people who rear livestock do not suffer. At the moment, farmers are exploited at the Dagoretti Slaughterhouse, and yet it is only Kshs300 million required to see the KMC opened. The Mitsubishi Corporation of Japan has done the required repairs. Why does the Government want the KMC to be vandalised after the Japanese and Kenyans have injected their money? It is a shame! The Government of Botswana sent their people here to learn from our Kenya Meat Commission and now, the Botswana Meat Commission is doing wonders by exporting meat to Europe, when our own KMC holding grounds are being allocated to individuals. This is so sad.

Let me ask the Minister, if he cares to listen, that when he gets the Kshs3 billion, he should release the Kshs1 billion to the maize farmers for the strategic maize reserves. It is almost a year since the Government bought maize from us, but they have not paid us. Schools are closing and farmers are suffering because their children are out of school. This year, we did not plan properly because we were not paid money for the maize delivered. I would request the Minister to pay maize farmers the Kshs2 billion or so, remaining. I would like to request him to release Kshs1 billion to the farmers from what the Ministry will receive from the Vote on Account. Mr. Temporary Deputy Speaker, Sir, although this is not the Committee of Ways and Means, will the Minister care to note that he cannot import 200,000 tonnes of sugar he intends to import? That is *ultra vires* the Sugar Act. Our Ministers do not care, but when we come to voting, we will show them. Section 27 of the Sugar Act specifies clearly that when there are such imports, they shall be controlled by the Sugar Board. Why is the Minister hoodwinking Kenyans that he will allow the importation of 200,000 tonnes? What is the criteria? That is *ultra vires* the Sugar Act. The Sugar Board will determine how much sugar will be imported and what will be the duty. It is not the duty of the Minister for Finance to decide on that matter. The Sugar Act is a law and is not subject to the Minister for Finance.

Mr. Temporary Deputy Speaker, Sir, on the Kenya Roads Board (KRB) funds, funds for the KRB are disbursed to the districts; 15 per cent to the constituencies. When we passed the law here, we made it very clear that the District Roads Board (DRB) funds will go into a separate account, distinct from the District Treasury Account. But in districts, including Nandi, the DC, the District Roads Engineer and the District Works Officer purport to control these funds. When we pass whatever we pass in the District Roads Committee, the Government does its own things. Nandi District does not have even a single serviceable grader. Some people say that KANU zones have benefitted, but how have we benefitted? When we employ casuals, they are sacked by the DC and the engineers. These civil servants, who think they are above the law, should know that their time is running out. We shall throw them out. The District Roads Committee is an agency of the Kenya Roads Act. There are three agencies, namely the Public Works, the Kenya Wildlife Service and the District Roads Committee. The DRC is an independent agency and the law does not say that it will be controlled by the DC. Therefore, the Minister for Finance should ask the Minister for Roads and Public Works to inform his officers on the ground, and the DC as well, that they do not control these funds.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Muithia: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Vote on Account. The National Security Intelligence Service (NSIS) requires Kshs1.5 billion upfront so that they can do their job. Insecurity in this country has become a major issue and unless this money which we are voting to the NSIS is put into good use, we will not be able to help ourselves. It is only last Sunday, as I came from my constituency, that I managed to slip away from carjackers at Ruiru. Even today, as we were travelling to Gatundu for

the Harambee with the President, I was fearing that we might be hijacked or carjacked. It is very important that insecurity is addressed everywhere in this country because no one is safe. The poor man is not safe and the rich man is not safe. I do not know what they are doing with this money.

Mr. Temporary Deputy Speaker, Sir, security services are going to affect the revival of tourism because every time tourists are attacked or adverse comments are made abroad against Kenya because of insecurity---

QUORUM

Mr. Githiomi: On a point of order, Mr. Temporary Deputy Speaker, Sir. We are discussing a very serious issue here and it is not right to discuss it without a quorum. We have no quorum in the House. We are discussing the Vote on Account where we are going to give authority for money to be spent.

The Temporary Deputy Speaker (Mr. Muturi): Ring the Division Bell!

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Muturi): Order, hon. Members! We now have quorum.

Proceed, Mr. Muihia.

Mr. Muihia: Mr. Temporary Deputy Speaker, Sir, I was talking about insecurity in this country. I touched on---

(Loud consultations)

Mr. Temporary Deputy Speaker, Sir, could you protect me from the loud discussions?

The Temporary Deputy Speaker (Mr. Muihia): Order!

Mr. Muihia: Mr. Temporary Deputy Speaker, Sir, I said that if we do not take the problem of insecurity seriously, the tourism industry which is supposed to help us increase the level of development here will be in jeopardy. So many people have died in my constituency and none of the murders has ever been solved. I, therefore, wish to ask the Intelligence Service to make sure that security is provided everywhere. I would like to see the amount of money that we are voting for the Ministry of Home Affairs Heritage and Sports being put into good use. This money should be used to help people on the streets. We now have street families everywhere in our country. The street children are a product of the people of Kenya and this problem is becoming very serious. It is becoming a shame for this country to see that a lot of our children are going into the streets to waste away while we need that manpower to help this country turn around.

Even in the Budget Speech, the Minister did not say what he will do about the problem of street people, and yet this is an area where we should have increased expenditure so that we take care of street children. We should take them off the streets and give them a decent life and homes by improving housing and other infrastructure. The Ministry of Roads and Public Works is asking for Kshs796 million, but I think this amount is not enough for improving our road infrastructure, because there has been a collapse of the small rural access roads and even international highways. In the previous year, Kshs228 million was voted for the construction of Road E497 in my constituency, which runs from Ruiru-Kiganjo-Mundoro, but the contractor only did 24 out of 79 kilometres. We are witnessing further deterioration of this road. May I request the Minister for Roads and Public Works--- I hope he is hearing me, but I can see that he is just laughing because, maybe, he is not serious with his Ministry. The Minister for Roads and Public Works should put some money into this road so that we save it from further deterioration.

As I was travelling one day from Nairobi to Mombasa, I happened to branch over to Sultan Hamud towards Loitoktok. This is a very important road which opens the hinterland where a lot of agriculture is going on. Could the Minister, once we have voted this money, look into this road from Sultan Hamud to Loitoktok so that the pastoralists out there can transport their dairy products? We have been at war for a long time with the World Bank and the IMF. I think this is not the year to keep on fighting with our donors and other international financial organisations with whom we relate. I would like to request that Ministers take charge of their Ministries to make sure that the money we vote in this House is not embezzled. This will ensure that by the next Budget the Minister is able to factor in money which can come in through the donors. If we do not care and allow this money to be spent corruptly by the Ministries then we shall keep on talking about reviving and turning round the economy without any success.

Mr. Temporary Deputy Speaker, Sir, the Office of the President has been allocated Kshs9.3 billion for Recurrent Expenditure, and Kshs1.8 billion for Development Expenditure. I do not know what the Office of the President wants to do with this money. I would like to suggest to the Minister in the Office of the President that some of this money in the Development Vote should go towards improving and rehabilitating State House, Mombasa, which

is a very old building. There are other new offices of Parliament across the road. I do not see any vote on development, but I am sure that Members of Parliament would like to occupy those offices so that they can be useful and have time and space. I have realised that some Members of Parliament travel from their constituencies to Nairobi looking dusty. We would like to see them having offices here because we have put up facilities for Members of Parliament. We have a health club where they can go and shower, change, go to their offices and finally come to this House and be productive. I hope that some of the money which has been voted for the National Assembly will go towards the completion of the building so that hon. Members can occupy their offices.

There is also the issue of procurement procedures. A lot of money is lost by this Government through underhand dealings in procurement. I am opposed to heads of institutions being chairmen while their deputies are vice-chairmen of the procurement committees. If you made me the chairman of one board and I decide to give some work in that board to my friend, how will my junior go against my wishes? I think the Minister should come back here and give us better ways of controlling public funds through better controls in the procurement procedures.

With those few words, I want to support the Vote on Account and hope that we will have a good year.

The Assistant Minister for Tourism and Information (Mr. Sankori): Thank you, Mr. Temporary Deputy Speaker, Sir. I want also to be in the queue of those who would like to congratulate the Minister for Finance for a well-done job at such critical times.

It is always easy to criticize, but it is not easy even for those who are critical to achieve the desired goals. For example, nowadays, we are all crazy about the World Cup. When spectators watch players playing football at the World Cup, they would ask: "Why can he not kick the ball like this?" But if they are asked to go to that field, they will find that they cannot even lift their legs. So, the Minister has tried his best, despite the fact that some people are saying that he should have done "A, B, C and D."

May I start off by saying that what the Minister said about the Ministry of Agriculture and Rural Development needs to be put in place. I can see that in the Development Vote of that Ministry, he is asking for Kshs1.9 billion. I am glad that he has promised that the KMC is going to be re-opened. I am also glad that he has promised that livestock improvement is going to be looked into. We know that this country depends on agriculture, but, unfortunately, the livestock industry has been ignored. I would kindly request the Minister to improve livestock farming in Kenya. The coffee, tea and sugar industries have got experts running them. It is high time the Ministry of Agriculture and Rural Development focused its attention to the livestock farmers - the pastoralists - of both dairy and beef animals. Unfortunately, the Maasais, Turkana, Somalis and other livestock keepers are suffering because there is no market for the livestock.

I have been saying several times that after the functions of the former Ministry of Livestock Development were absorbed by the Ministry of Agriculture and Rural Development, the livestock sector died. If you look at the attention that is given to the livestock industry, you will find that it is negligible. I would like the Minister this time to open the KMC as soon as possible so that the Maasais and the entire pastoralist community get market for their animals.

For us to do all this, infrastructure must be put in place - roads, telephones and electricity. I am saying that we have passed in Parliament that each constituency gets Kshs5 million but, unfortunately - I am sorry to say - we should have allocated that money to cover some kilometres instead of allocating it to a whole constituency. Why I am saying that? There are some people who do not need even a penny in their constituencies because their roads are up-to-date. They do not need more money to construct or repair their roads. Also, you will find that there is a constituency which has got only 90 kilometres of road, and it is given the same amount of money with Turkana district which has got 600 kilometres. Surely, where is the fairness? We should be giving this money according to kilometres, but not according to a constituency. It should be purely based on kilometres; by ratio.

A lot of good things have been said about the Budget, and I must congratulate the Minister for trying to uplift the industrial sector. I know it is a bit painful to start off, but I know that in the final analysis, it will pay dividends. His suggestion for the revival of the cotton industry will give this country a big boost, both in employment and investors. We have got the AGOA market, and we cannot satisfy it. If all the ginneries in this country are operational, I am sure we will have the whole cotton industry reviving the economy of this country.

Regarding the question of *mitumba* - I am talking about *mitumba* clothes and vehicles - why should we be a dustbin of the developed countries? We should not be a dustbin. Regarding the *mitumba* clothes that we are selling to our people, we do not know whether the owners died of terrible diseases or not. We cannot know what we are wearing. So, why can we not protect our people from this? I would rather go naked but healthy than to be clothed in *mitumbas* which could have incurable diseases. I must congratulate the Minister in trying to discourage the *mitumbas* in totality, both for vehicles and clothes. I am sure if the Association of Vehicle Assembly in Mombasa is revived, more Kenyans will get employment. The Cooper Motor corporation will employ more people if what was put in the Budget is implemented properly.

Regarding environment - the Ministry of Environment and Natural Resources - the Maasais are not compensated adequately for their natural resources. I am sorry to say that. The national parks, limestones, gypsum and all kinds of minerals are being exploited by the rich Asians plus a few African individuals. I would like the Ministry of Environment and Natural Resources to bring a legislation to this Parliament so that the people will be benefitting directly from whatever natural resources are found in their areas.

The Ministry of Lands and Settlement is causing suffering to many Kenyans. Why should Kenyans live as squatters in their own country? It is high time the Ministry of Lands and Settlement came up with a pilot project to make sure that all undemarcated land in this country is demarcated, either as group or individual ranches.

Kenyans are talking about the Constitution. Who will know what the Constitution will say about tomorrow? So many land commissions have been set up, and I am sure a lot of people are targeting those areas that have got empty land. There are some people who are struggling to get 0.11 of an acre of land in areas like Coast, Rift Valley and North Eastern Province (NEP) so that they move into those areas. It is high time the Ministry of Lands and Settlement came up with a policy that will safeguard the ancestral land and tribal lands of these people.

Let me also say something about the energy sector. It is just recently that some areas started "seeing light" or got electricity. I am glad to say that, of late, I have also benefitted, and I must congratulate the Ministry of Energy. But that is not to say that I have had enough. The Kshs200 million that was to be collected from the tax on paraffin should be given to these areas. For example, why should a constituency in Nairobi be provided with more electricity? They have been having electricity ever since the British started colonising us. So, we had better move to these rural areas in NEP, North Rift, South Rift and Eastern regions. These are people who have not "seen light." I do not know whether they are allergic to light or not.

Let me also touch on the Ministry of Tourism and Information, where I am the Assistant Minister. This Ministry is the second foreign exchange earner of the country and, unfortunately, if you want money, you must spend money. I have not seen any substantial money in the Budget so that we could carry out more publicity in the tourism sector. If it is well managed, the tourism industry is the best foreign exchange earner and the cheapest. I am not saying that it is not well managed now, but I am saying that if we get more money in that Ministry, we will sell Kenya. There is a big competition in the tourism sector from our neighbours, both in East and Southern Africa. I would kindly request the Minister to provide more money to the Ministry of Tourism and Information so that we can compete effectively with any country in Africa as far as tourism is concerned.

Mr. Temporary Deputy Speaker, Sir, Kajiado District is very dry. We have a lot of water draining into the Indian Ocean. May I kindly request the Minister concerned to construct for us water dams and provide us with rigs to drill more boreholes, so that we have more water for our livestock farmers and the few agricultural farmers?

With those remarks, I beg to support.

The Minister for Finance (Mr. Obure): Mr. Temporary Deputy Speaker, Sir, I would like to take this opportunity to, first of all, thank all hon. Members who have spoken in support of this request. I want to particularly thank them for the constructive views they have expressed. Hon. Members have expressed their desire to see more monitoring and control of public resources. They would like to see that the authority of Parliament is obtained before any money is withdrawn from the Consolidated Fund. I want to assure hon. Members that every effort will be made to ensure that, that is complied with.

We have heard many ideas, among which is that on the "build, operate and transfer (BOT). This is something we are going to consider and, hopefully, include in our plans. I am encouraged by the views expressed here by hon. Members, particularly the support they have given to the various measures we are trying to put in place, to shift resources from recurrent expenditure to development expenditure. Hon. Members have also called for the provision of more funds for operations and maintenance to enable public servants to have the tools and the means with which to implement projects, and provide services to the people.

Mr. Temporary Deputy Speaker Sir, that is, indeed, a very important thing to do. However, it cannot be done overnight. We will change the policies step by step in trying to shift resources from recurrent expenditure to development expenditure. That is the only way we can guarantee ourselves of sustainable development in the long run. We cannot spend the bulk of our resources on recurrent expenditure. Therefore, every effort will be made to ensure that resources are shifted gradually to areas which matter most, namely, development, operations and maintenance, so that service delivery can be improved.

Mr. Temporary Deputy Speaker, Sir, I am encouraged that hon. Members of this august House appreciate that, for the first time, we have prepared a Budget based on our resources. I thought that it was prudent and more realistic to budget for what we have rather than prepare a Budget which makes assumptions about support which we are not even sure when it will be forthcoming. However, preparing a Budget which does not take into account support from donors and development partners requires that we must improve our efficiency in the manner we use the available resources.

This calls for greater discipline on the part of those charged with the responsibility of implementing decisions of this House, and in the Government. There should be a change of attitude by all of us in this House, those in the public and private sectors, and by Kenyans generally. All of us must have a common purpose. As patriotic Kenyans, all of us from both sides of the House must speak in one voice for a common destiny.

Hon. Members have spoken about the poor rate of project implementation. This is a very huge problem. So, every effort will be made to ensure that in future, we improve the rate at which we implement development projects. We allocate so much resources to Ministries and Departments for development, but they end up being returned to the Treasury at the end of the financial year; they are not utilised. We will, therefore, put mechanisms in place to ensure that the implementation rate of projects is improved. The new theme, therefore, will be to improve productivity and efficiency all round. In future, that will be the focus, so as to ensure that the resources available locally are utilised to create the maximum impact possible. That is what we are going to try and do in order to tackle the huge challenge facing our nation.

Mr. Temporary Deputy Speaker, Sir, there has been talk about the need to revive the Kenya Meat Commission (KMC), to serve people in pastoral areas. We have done everything we could towards that end, and the ball is now in the court of this House. There is a Sessional Paper for debate and passage, to give approval to Government plans to revive the KMC. Therefore, I request that priority be given in this respect, so that this important facility can be utilised effectively as a marketing avenue for pastoral communities, which contribute significantly to the welfare of this country. Therefore, I call upon every hon. Member to support the Sessional Paper when it is ultimately brought here.

I want to, once again, thank hon. Members for their contributions, and pledge that every effort will be made to adhere to the laid-down principles. Every effort will be made to take into account the views expressed by hon. Members to ensure that this Budget realises the best results possible.

With those few remarks, I beg to move.

(Question put and agreed to)

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Muturi): Hon. Members, there being no further business, the House stands adjourned until Tuesday, 25th June, 2002, at 2.30 p.m.

The House rose at 6.10 p.m.