

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 22nd June, 1999

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

PAPERS LAID

The following Papers were laid on the Table:-

The Statement on Vote on Account for the Financial Year 1999/2000.

(By the Minister for Finance)

Sessional Paper No.3 of 1999 on the National Poverty Eradication - 1999 to 2015.

*(By the Minister of State, Office of the
President (Mr. Sunkuli))*

NOTICES OF MOTIONS

VOTE ON ACCOUNT

The Minister for Finance (Dr. Masakhalia): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, in accordance with Section 101 of the Constitution of Kenya, the withdrawal from the Consolidated Fund of the sum of K£3,177,062,741 made up in the manner set out in the Vote on Account laid in the House be authorised for the purposes of meeting expenditure necessary to carry on the services of the Government of Kenya during the year ending 30th June, 2000 until such time as the Appropriation Act for the year comes into operation.

*(His Excellency the President has
signified his consent to this Motion)*

ADOPTION OF SESSIONAL PAPER NO.3 OF 1999:
NATIONAL POVERTY ERADICATION

The Minister of State, Office of the President

(Mr. Sunkuli): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, this House adopts Sessional Paper No.3 of 1999 on National Poverty Eradication (1999-2015 laid on the Table of the House on 22nd June, 1999.

IMPLEMENTATION OF FEASIBILITY STUDIES

Mr. Mwakiringo: Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, in view of the fact that Kenya is experiencing continuous food shortages due to continued drought and taking into consideration that water from rivers and lakes could be used

for irrigation and other domestic use, this House urges the Government to implement the feasibility studies undertaken by AFRISCO firm of Israel and the Coast Development Authority in 1994 and 1995 in order to pump out water from Lake Chala in Taveta Sub-District for domestic, irrigation and livestock use in Taita-Taveta District and the Nyika plateaus.

VOTE OF NO-CONFIDENCE IN THE VICE-PRESIDENT

Mr. Kajwang: Mr. Speaker, Sir, I beg to give notice of the following Motion:-
THAT, this House resolves that it has no confidence in the Leader of Government Business who is also the Vice-President and Minister for Planning and National Development, hon. Prof. George Saitoti, MP.

(Applause)

ORAL ANSWERS TO QUESTIONS

Question No.055

LAND RECLAMATION IN KOLWA CENTRAL LOCATION

Mr. Sungu asked the Minister for Agriculture what plans the Ministry has of reclaiming and opening up the fertile land in Nyamthoi area of Kolwa Central Location in view of the scarcity of food within Kisumu District.

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

My Ministry is aware of the agricultural potential of Nyamthoi area, which covers 700 hectares, of which, 60 per cent lies in the wetland. Because of this potential, my Ministry satisfactorily carried out a rural appraisal survey which revealed that flooding and flood water management were the main problems of this area. Following this finding, a committee comprising of various Ministries, the Lake Basin Development Authority and Moi University was formed through the District Commissioner, Kisumu District, to investigate on the possible development options. This committee has started its work. The results of this investigation will be used to determine development interventions required for this area. Meanwhile, my Ministry has started demonstrations on crop production and flood water management for the waterlogged area through boulders whose observations and findings will spearhead the extent and direction of the reclamation of the swamp, with due consideration on the environmental impact.

Mr. Sungu: Thank you very much, Mr. Speaker, Sir. The Victoria wetland is pathetic. I do not think this Government is paying enough attention to the development of agriculture in the Victoria wetland. This area, which is now flooded, was previously occupied by my constituents from time immemorial. In the 1960s, there was flooding and the colonial Government actually opened up a pathway for the water to flow into the lake. This was subsequently blocked by siltation. But since then, the Government has not done anything about this area. You must be aware that Kisumu District is a net importer of food products in Kenya. We still import our tomatoes, potatoes and so on, from Kinangop and everywhere else. What will the Ministry do to hasten the process of opening up this area to agriculture so that we can be food sufficient, in view of the Government's stated policy of food sufficiency for all Kenyans?

Dr. Wamukoya: Mr. Speaker, Sir, my Ministry is aware that this area was inhabited until 1961, when there were floods. Since that time, some areas have been seasonally flooded while others have been permanently waterlogged. I can assure the hon. Member that my Ministry is taking appropriate action, and very soon he will be able to carry out the agricultural activities such as horticulture.

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

Mr. Speaker: Order, Mr. Sungu! You do not want your colleagues from that locality to participate? I will give this chance to Mr. Otula.

Mr. Otula: Thank you very much, Mr. Speaker, Sir. The Assistant Minister has stated very clearly that his Ministry is doing something about the area. Could he tell this House the total amount of money which the Ministry has set aside to develop this particular area?

Dr. Wamukoya: Mr. Speaker, Sir, my Ministry is using its technical know-how and extension officers to advise the self-help groups that are interested in growing cereal crops, sugar-cane and horticultural crops.

Already, there is a demonstration plot which is being used to show the farmers what they are supposed to do. Already, the farmers are growing the crops I am talking about in the upper region of Nyamthoi area.

Mr. Sungu: Mr. Speaker, Sir, I am sure there is interest in this Question. What the Assistant Minister is telling this House is not correct. This is because flooding has been caused by over-siltation of the river pathway. This can be done away with by simply opening up the area. As I am talking to you now, I have made arrangements with various donors to fund the project of opening up this pathway, but the Ministry officials and other departments in the district have not given us the report since last year, when the District Commissioner (DC) visited the locality. Could the Assistant Minister assure us that we will get this report immediately? Maybe, he can give us a date when we will get the report. This is because we have waited for the report for so long. If the Government is not able to take care of its own people, we can look for money from elsewhere.

Dr. Wamukoya: Mr. Speaker, Sir, I have two points to make. First, the hon. Member is right in saying that there is over-siltation. That is the main reason why we must be careful with the young, fragile soil segmentation. We cannot just go there and make canals and channels because all the soil that has formed the segmentation will be washed away, and the place will be of no use. Secondly, I would like to assure the hon. Member that my officers are already working on the report with several other Ministries. As soon as the report is ready, I will pass it over to the hon. Member.

Question No.205

DISMISSAL OF KPTC EMPLOYEES

Mr. Gitonga asked the Minister for Transport and Communications:-

- (a) whether he is aware that Messrs. J.M. Njenga, Personal File No.62567, and P.N. Gathe, Personal File No.85361, former employees of the Kenya Posts and Telecommunication Corporation (KPTC), were unfairly dismissed and were not paid their terminal benefits, and;
- (b) if the answer to "a" above is in the affirmative, whether he could order the KPTC management to pay these employees their terminal benefits without any further delay.

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

(a) The two employees, Mr. J.M. Njenga, Personal File No.62567, who was a postal officer, and Mr. P.N. Gathe, Personal File No.85361, who was a postal assistant, collaborated in fraudulent operation of customers' Post Bank accounts by making withdrawals from their passbooks while stationed at Uplands Post Office. The two were arrested and charged in court, but their case, No.2836 of 1993, was dismissed due to lack of sufficient evidence from the prosecution.

*(Dr. Kituyi and a number of hon. Members
consulted loudly on the KANU side)*

Mr. Speaker: Order! Order! Dr. Kituyi, you have no business addressing a public rally in this House. Mr. Jirongo, will you keep your company mum? I will make sure that none of you is here to disrupt the business of the House.

Proceed, Mr. Mahamud.

(Mr. Jirongo murmured something)

Mr. Speaker: Order, Mr. Jirongo! What are you looking at, all of you?

The Assistant Minister for Transport and Communications (Mr. Mahamud): Mr. Speaker, Sir, however, the corporation subsequently took administrative action and dismissed them in accordance with their service regulations. It is clear, therefore, that the two were not unfairly dismissed. They cannot be paid their terminal benefits according to the corporation's rules.

(b) Mr. Gathe has since taken the corporation to court for wrongful dismissal and his case, No.RMCC 7979/95, is yet to be determined. However, Mr. Njenga has not appealed against dismissal without benefits.

Mr. Gitonga: Mr. Speaker, Sir, the Assistant Minister's reply is unacceptable. If the management of the KPTC decided at the outset to take up the matter in a court of law, and not to take administrative action, how

could those people be punished again after they had been acquitted by a court of law? Any right-thinking person would have thought that if they were to be punished at all, the KPTC management should have appealed to the High Court instead of taking administrative action. Since, in the first place, they decided to take the case to a court of law for its decision, then the verdict of the court should have been taken to be final.

Mr. Mahamud: Mr. Speaker, there is nothing which is binding on us. The court has not ruled that we should reinstate the two officers to their jobs. According to the Employment Act, the employer has the right to dismiss somebody, if he has grounds for that. I would like to quote the Employment Act, Chapter 226 of the Laws of Kenya, Section 17(g), which provides for summary dismissal of an employee if he or she, on reasonable or sufficient grounds, is suspected of having committed a criminal offence, or acted to substantial detriment of his employer or his employer's property. In this case, the court has not ordered us to reinstate the two officers to their jobs. There is nothing binding to make us reinstate the two men to their jobs.

Mr. Muchiri: Thank you, Mr. Speaker, Sir. Somebody was arrested and acquitted by a court of law. He ceased to be a suspect the moment he was taken to court and acquitted by that court of law because he was innocent. Cases where people have been taken to court and have been acquitted are very many in this country. Could the Assistant Minister tell this House whether, where somebody has been acquitted by a court of law, the employer has a right to sack that person without paying him his dues?

Mr. Mahamud: Mr. Speaker, Sir, according to the court order, which is here, there is nothing which is binding on us. We were not told to reinstate the officers to their jobs.

Mr. Muchiri: On a point of order, Mr. Speaker, Sir. The Assistant Minister is misleading the House. When somebody is acquitted, he is either acquitted under section 210 where there is no evidence against the accused, or no evidence has been offered. The court does not order that somebody be reinstated. It is automatic that once somebody is acquitted, he is innocent. Can the Assistant Minister tell this House under which section of the law the corporation decided to dismiss these people, having been acquitted by a court of law?

Mr. Mahamud: Mr. Speaker, Sir, I have already quoted the Employment Act, and Section 17 (g) provides for the summary dismissal of an employee if he or she commits, or on reasonable and sufficient grounds, is suspected---

Mr. Speaker: Order! Order! I think it is just adequate for you to state the section, and as to what it means, they can look it up in the statutes books.

Mr. Gitonga: Mr. Speaker, Sir, while I have no argument with that Employment Act, my question is: why did they not, in the first place, invoke that section of the law, before taking the matter to court? If they had decided, in the first place, to take the matter to court, then they would have also understood that the court's decision was final. Therefore, I see no reason why these two individuals should not be paid their terminal benefits. Why can they not be paid their terminal benefits if the court acquitted them?

Mr. Mahamud: Mr. Speaker, Sir, as I said earlier, one of the cases is already in court and, therefore, we cannot discuss it since it is going to be *sub judice*.

Mr. Gitonga: On a point of order, Mr. Speaker, Sir. I am talking about this particular case which is not in court. If one of these former employees has taken the matter to a court of law, I have no problem with that. But this other person who has not appealed; and it was actually for the Ministry to appeal against the court decision; he should be paid his terminal benefits.

Mr. Speaker: Order! Order! Order, hon. Members! This matter has arisen in the last two weeks, where a person has been acquitted by a court of law, and that notwithstanding, and a section of Members argue that a dismissal is final and must not be taken elsewhere. May I just say this: I think to the best of my understanding, an acquittal under the Criminal Procedure Code is final, for as far as it relates to that crime. It simply does not mean that you are not liable under the civil law. You must understand that under the civil law, the burden of proof is much lower than it is under the criminal law. So, I am just advising you on this, so that you do not take a lot of time flogging the horse, that an acquittal under the criminal law is conclusive for all matters under the sun; it is not!

Mr. Gitonga: May I seek your guidance, Mr. Speaker, Sir?

Mr. Speaker: Yes, I will guide you.

Mr. Gitonga: Mr. Speaker, Sir, what I am trying to find out is, if the man was acquitted, he was innocent. Therefore, if he were to be dismissed again, then another offence must be cooked up by the Ministry so that he can be dealt with administratively, not on the same offence that he is acquitted of by the court, but a different offence altogether. That is what I am trying to say.

Mr. Speaker: I was giving you guidance before you sought it and that was guidance. But if you want to hear from the Assistant Minister, he can go ahead.

Mr. Mahamud: Mr. Speaker, Sir, I think I have said that this officer, Mr. John Njenga, has not appealed against the dismissal. So, we are waiting for his appeal.

Mr. Speaker: Order! Next Question, Mr. Muthusi Kitonga. We are not communicating. I think Members are consulting rather too loudly. I think we had better communicate because it is in our interest that we hear each other. So, Mr. Kitonga, please go ahead.

Question No.009

REPAIR OF THUA BRIDGE

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

(a) whether is he aware that Thua Bridge, which broke down in 1994 and was repaired in 1996, has broken down again; and,

(b) if the answer to "a" above is in the affirmative, and considering the fact that Thua Bridge is important for Kitui and Zombe, what action the Ministry is taking to repair the bridge.

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

(a) Yes, I am aware.

(b) The Ministry is planning to repair the bridge at a cost of approximately Kshs500,000. The works are being implemented under the on-going Mwitasyano Bridge year, Project. The fabrication of various bridge (members???) has already commenced. The on-going repair works are expected to be complete by the end of July, 1999.

Mr. Kitonga: Mr. Speaker, Sir, this Question was before the House late last year, and I was given the same answer. I registered my concern that this is being the connecting bridge between Mutitu, Kitui, Zombe and Endau, the situation had now deteriorated. The amount which was stated last year was Kshs500,000. That same amount today is not enough to repair the bridge. Despite the same answer which you gave to the House last year, todate, nothing has happened. Can the Assistant Minister tell this House whether the Ministry is serious in doing the work, and whether there are any additional funds to be provided?

Mr. Rotich: Mr. Speaker, Sir, the Ministry is serious and it is going to spend Kshs500,000 on the bridge and no more.

Mr. Mboko: Mr. Speaker, Sir, can the Assistant Minister be more serious this time, because answers from that Ministry are not complied with? Last year, in this same House, I asked about Kibwezi-Mutomo Road Bridge, which was swept away by the *El Nino* rains and I was assured that by September last year, the bridge would be completed, but todate, nothing has been done.

Mr. Rotich: Mr. Speaker, Sir, May I request the hon. Member to repeat the question.

Mr. Speaker: Order! Order, Members! The Minister here cannot even hear what the hon. Mboko is saying. I have requested the House not to consult in loud tones because it will make it impossible for us to transact business. Could you, please, repeat the question and please, give him a chance!

Mr. Mboko: Mr. Speaker, Sir, I asked the Assistant Minister whether the Ministry of Public Works and Housing could be more serious in its answers. This is because last year, in this same House, I asked a question about a bridge connecting Kibwezi and Mutomo, which was swept away by the *El Nino* rains, and I was assured that by September last year, the bridge would have been completed. The hon. Member for Mutito, Mr. Kitonga, was given the same assurance about the Thua Bridge, and nothing has happened. Can the Assistant Minister tell us whether this time, they will accomplish the job?

Mr. Rotich: Mr. Speaker, Sir, the Question before us is about this particular bridge, and it will be completed, and I can name the contractor who is doing it, if the hon. Member so wishes.

Mr. Kitonga: Mr. Speaker, Sir, this Ministry is notorious in misleading this House. First, I asked how much money it is going to allocate for the bridge since the situation has now deteriorated. Last year, the Ministry said it would spend Kshs500,000. Today, the bridge is impassable and the people of Mutito cannot be provided with relief food or medicine. Now, how much additional amount is the Ministry going to allocate for the repair of this bridge? Can he also tell us who the contractor is?

Mr. Rotich: Mr. Speaker, Sir, according to the estimates, there is no additional amount allocated to the bridge. The contractor is called Gonirajobe, and I am prepared to take the hon. Member to see the section being made.

Mr. Obwocha: Mr. Speaker, Sir, I would like to know if he is a Kalenjin or an Indian? Who is he?

Mr. Speaker: Order! It does not matter whether Gonirajobe is a Kamba or a Kalenjin, but he has

mentioned the name. It is only that your colleagues do not want you to hear. Would you like to repeat for his benefit?

Mr. Rotich: Mr. Speaker, Sir, I can repeat it. It is a complicated name. He is Gonirajobe!

Question No.114

PAYMENT OF SACCO SAVINGS TO MR. MOSETI

Mr. Obwocha asked the Minister for Co-operative Development when Mr. Peter M. Moseti (Membership No.00457) who was a member of Nyayo Bus Co-operative Savings and Credit Society will be paid the balance of his savings.

Mr. Speaker: Is the Minister there? Mr. Obwocha, had you agreed with the Minister to defer your question?

Mr. Obwocha: Mr. Speaker, Sir, he told me that he was going to consult you. Could I know when this Question would be asked?

Mr. Speaker: I was hoping that he would tell me how much time he needs, but with him not being present, I will defer it to Tuesday, next week.

(Question deferred)

Question No.177

NON-PAYMENT OF NSSF DUES TO MR. MBIVU

Mr. Kiunjuri asked the Minister for Labour:-

(a) if he could explain why Mr. Joseph Githinji Mbiyu, NSSF No.006281621, a former employee of Kenya Railways Corporation, has not been paid his NSSF dues since retiring in April, 1994; and,

(b) if he could ensure that these dues are paid immediately.

The Minister for Labour (Mr. Ngutu): Mr. Speaker, Sir, I beg to reply.

(a) According to the records, Mr. Joseph Githinji Kitheru, alias Joseph Githinji Mbiyu, file No.006281621, was born in 1953 and does not qualify to get withdrawal benefits. This is in compliance with the NSSF Act, Cap.258, Section 23, which stipulates that a member of the Fund shall only be entitled to receive withdrawal benefits if he has attained the age of 50 years.

(b) The claimant will be paid his withdrawal benefits in 2003 when he will be 50 years old.

Mr. Kiunjuri: Mr. Speaker, Sir, it has become a habit for institutions, companies and even the Government, to retire people any time they like. Mr. Joseph Mbiyu comes from my constituency and I know that he is suffering. He cannot take his children to school or even provide meals for his children because he was given early retirement by the said corporation. Kenyans are suffering. Early retirements are being effected everywhere and nobody is defending these people. Now, I can see that there is an Act that states clearly that if you attain the age of 55, you must retire. I wish that the Ministry would also consider retiring everybody upon attaining the age of 55. However, could the Minister consider amending this Act, Cap. 258, Section 23, to protect those people who are retired by their employers before attaining the mandatory age of 55 to make sure that they do not suffer?

Mr. Ngutu: Mr. Speaker, Sir, I said before that the labour laws are in the process of being reviewed and this particular Question will be taken into account when this is done.

Mr. Kiunjuri: Mr. Speaker, Sir, this is the Government that is always telling us that things will be done when funds are available, and when this and that will happen. This is a serious point because Kenyans are suffering. May I remind the Minister that the President does not want Kenyans to suffer. Could he---

Mr. Speaker: Will you address the Chair, Mr. Kiunjuri?

Mr. Kiunjuri: Mr. Speaker, Sir, could he consider amending this Act this year because there is no restriction that would stop him from amending it alone? When will it be done?

Mr. Ngutu: Mr. Speaker, Sir, I have said that this is in process. The whole thing is being dealt with in consultation with the ILO, and we are doing everything to ensure that all labour laws are in conformity with the Kenyan requirements.

Mr. Gatabaki: Mr. Speaker, Sir, could the Minister enlighten this House about the logic the Ministry

uses for paying the President's lawyers billions of shillings and they refuse to pay the small people hundreds of shillings?

Mr. Ngutu: Mr. Speaker, Sir, could he clarify the phrase "paying to do what?"

Mr. Gatabaki: Mr. Speaker, Sir, the Public Investments Committee Report which was laid here last week---

Mr. Speaker: Order, Mr. Gatabaki! I think by now you should know the basic rules of the House. The Public Accounts Committee Report has been tabled in this House and a notice of Motion has been given. You cannot anticipate a debate on it. Why do you not wait until it comes? You are out of order! Do you have any other question?

Mr. Gatabaki: Appreciating your concern, Sir, could the Minister enlighten Kenyans on the criterion used by the NSSF to pay billions of shillings to politically correct looters of this economy, when ordinary Kenyans, who only qualify for thousands of shillings, cannot be paid their dues?

Mr. Ngutu: Mr. Speaker, Sir, the question is too general. Could he be specific?

Mr. Speaker: What are you asking, to be specific?

Mr. Ngutu: He is asking a question about the money being stolen from NSSF.

Mr. Speaker: Order! The question is very specific. When will this fellow be paid his NSSF dues? The subsequent one by Mr. Kiunjuri is: When are you amending the law? Whether money has been misappropriated or not, in my view, does not make Mbivu to be paid at the age of 45 years other than at the age of 50 years. So, that one is irrelevant. Mr. Ngutu, ignore that; it is irrelevant.

Mr. Anyona: As I have said many times before, the law will be amended. In principle and policy, apparently, this is accepted. Despite that, Kenyans are suffering and that is why we are asking for the amendment of the law. Why can the Minister not do the amendment when there is need for it, which is now? When is he going to do it and what is he waiting for?

Mr. Ngutu: Mr. Speaker, Sir, there are quite a number of modalities in the process and when these are completed, then the laws will be amended.

Dr. Ochuodho: Mr. Speaker, Sir, you realise that the Minister is evading a very legitimate question which he has been asked a number of times. Maybe, we need to remind the Government that they only have about three years to be in Government before we take over. Could he tell us, within that time, when they are going to bring this law for amendment so that it can be enacted? Does he have a right to evade a legitimate question?

Mr. Ngutu: Mr. Speaker, Sir, as soon as everything is completed, we will bring it here.

QUESTIONS BY PRIVATE NOTICE

ASSISTANCE TO BOMB BLAST VICTIMS

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

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

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

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

Mr. Speaker: The question by Dr. Murungaru is deferred to tomorrow morning.

(Question Deferred)

ALLOCATION OF MADARAKA MARKET

Mr. Ndicho: Mr. Speaker, Sir, I beg to ask the Minister for Local Authorities the following Question by Private Notice.

(a) Is the Minister aware that on 2nd June, 1999, the Acting Town Clerk in Thika allocated Madaraka Market, the only open-air wholesale market in Thika, to 300 people, some of them outsiders?

(b) Is he further aware that this market has over 4,500 traders who serve a population of over 100,000

people of Makongeni Estate and Thika in general?

(c) In view of the above facts, could the Minister cancel those allocations and let the market remain a public facility as it has been for 20 years?

The Minister for Local Authorities (Prof. Ongeru): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that the Acting Town Clerk, Thika Municipal Council, acting under the directive of the council, has allocated stalls at Maradaka Market to those who have been identified as genuine stakeholders, which is one of the conditionalities under the IDA/World Bank Micro-Project Funding.

(b) I am not aware that the market has over 4,500 traders who serve a population of over 100,000 people of Makongeni Estate and Thika in general.

(c) The Micro-Projects are intended to advance the economic welfare of the residents of the local authorities involved. Any unwarranted interference with the project will, therefore, not be in the interest of the intended beneficiaries. However, in order to be fair to all the parties involved in the Madaraka Market Improvement Micro-Project, I have directed the Thika Municipal Council to suspend the allocations until the matter is ratified by the full council.

Mr. Ndicho: Mr. Speaker, Sir, you have heard the Minister saying in answer to part "a" of the Question that, it is the full council which ratified this. Then in part "c", he contradicts himself directly that, the matter will be reviewed when the full council ratifies the situation. It is a very sad affair because I have an allotment here where 300 out of 4,500 people in my constituency were given that market. In view of that, and the fact that the Minister has contradicted himself in his answer to parts "a" and "c", can he state categorically that, that market, the only open-air wholesale market in Thika, will not be subdivided into stalls, but it will be left for the general public who sell goods in that town?

Prof. Ongeru: Mr. Speaker, Sir, there is absolutely no contradiction. On 22nd May 1997, a resolution of the Municipal Council of Thika agreed and requested for a micro-project programme under the Kenya Local Government Reform Programme that they should have a micro-project in Thika Municipality at this site. Therefore, to that effect, they did approve a micro-project being located at this market. What has not been fully approved by the council is the manner in which they went about selecting the stakeholders to occupy one section of the stalls at the market. That is where I found fault with the Acting Town Clerk and I have instructed that, accordingly, this must be properly done and the other stakeholders taken care of, and then approved by the full council in order to have a full legal effect.

Mr. Wamae: Mr. Speaker, Sir, does the hon. Minister consider it reasonable and fair that 300 sheds be provided to these 300 stakeholders whereas the total traders who trade in this market are 4,500?

Prof. Ongeru: Mr. Speaker, Sir, I have just said that I am not aware that there are 4,500 traders, but I am aware that there were 600 applicants who were entitled to the stalls in this market. Nevertheless, it is not the whole area of the market which is being affected. It is only a section of it, and the other remaining part will be taken care of. I think, in fairness to the other people who are the stakeholders in that market, we must accept that this now must be discussed by the full council of Thika Municipality. Further to that, Thika Municipal Council is one of the very few local authorities in the Republic of Kenya who have been given Kshs32 million to spend on a micro-project intended for the poor. If hon. Member thinks that they do not need it, let him say so.

Mr. Ndicho: Mr. Speaker, Sir, you heard the hon. Minister talking of stakeholders. The stakeholders of a market are the people who grow vegetables and potatoes, bring them to that market and sell them to other people in Garissa and Ukambani. Those are the stakeholders; it is not all the people who sell in that market. This market feeds the whole of Ukambani and Garissa and it is the provider of money for people in Nyeri and Kinale where potatoes are grown. Is the Minister aware that the so-called 300 stakeholders are only Kikuyus who are friends to the councillor and Mayor of that area, while Makongeni area is inhabited by people from all tribes? How come that it is only one tribe, the Kikuyus, which got all the stalls? Why not the other tribes?

(Applause)

Prof. Ongeru: Mr. Speaker, Sir, indeed, it is because of that very nature of the skewed allotment by your own quotation, to one tribe called Kikuyus, that I have now ordered that the council must go back and reassess the allotment.

Mr. Kibicho: On a point of order, Mr. Speaker, Sir. Is it in order for hon. Ndicho to invoke tribalism in this Question?

Mr. Speaker: Order! I think, Mr. Kibicho, you were absent last week when Mr. Ndicho thought that all Permanent Secretaries are Kikuyus.

Proceed!

Prof. Ongeri: Mr. Speaker, Sir, I am, indeed, in agreement with hon. Ndicho that any public utility must take into account all the citizenry of this country. Therefore, in view of what he said, and if he cared to listen carefully, in the third part of my answer, I said that I have suspended the allocation to the 300 people so that the list can be properly scrutinized and a balance created.

Mr. Ndicho: Mr. Speaker, Sir, we do not want that market to be interfered with; we do not want any consideration for that open-air market to be converted into stalls because people there are going to have a lot of problems. The 300 so-called stakeholders want to convert that market into private use so that anybody who will bring his goods there will be charged by this group, and they are going to give the council only 10 per cent of the money they collect there in the so-called "micro-project". Could the Minister consider scrapping the whole of that micro-project scheme because that market is only getting Kshs4 million? According to the letter by the Town Clerk, he said that it was in line with Government policy to eradicate poverty. How do you remove 4,500 people from the market, give sheds to 300 people only, and then talk of eradication of poverty? So, in view of that, can the Minister consider completely scrapping that idea? We do not need it; we do not even need Kshs30 million from the World Bank because we shall still repay it. We do not want that money at all.

Prof. Ongeri: Mr. Speaker, Sir, at the risk of getting into yet another problem, I have already advised hon. Ndicho that this was a decision of the Municipal Council on 22nd May 1997, and it is in a full minute---

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

Mr. Speaker: Order! When it gets to the point where the Questioner does not want to hear a response, I am minded to go to the Next Order. Do you not agree with me?

Mr. Ndicho: I agree with you, Mr. Speaker, Sir, but, on a point of order. On Monday last week, we held a meeting with the District Commissioner and he called all the councillors and when the DC stopped the exercise, I recall him asking the councillors for the minutes of a full council meeting that allocated this market. Is it in order for the Minister to refer to a full council meeting which has no minutes? That is why the DC nullified the whole exercise.

Prof. Ongeri: Mr. Speaker, Sir, at the expense of repeating myself again, let me say that, on 22nd May 1997, under Minute 83/97, the full Municipal Council recommended that they required a micro-project at this market. I think I am very clear on that one. Where the full council did not meet is when it came to the actual allocation of the spaces within the micro-project to allottees. The decision was made in May, 1997, to allocate part of that market for a micro-project.

Where there is a contradiction, on which I have already given an undertaking to this House, is that they did not submit the 300 names plus to the full council for ratification and approval. I have said in this House that, in that case, and in order to be fair to everybody, I have, indeed, suspended all the allocations of 300 stalls until this matter is fully discussed by the council and sent for approval and ratification.

DEATH OF INMATE KENNEDY ONDICHO

(Mr. Anyona) to ask the Minister for Home Affairs, National Heritage, Culture and Social Services:-

- (a) Is the Minister aware that inmate, Kennedy Ondicho, died at Kibos Annex Prison on 24th April, 1999, but the relatives were not duly informed?
- (b) Is he further aware that the body of the deceased is still at the New Nyanza General Hospital in a decomposed state?
- (c) Could the Minister tell the House the cause of death and the circumstances in which he died, and lay the postmortem report on the Table of the House?
- (d) Could the Minister also pay compensation to the family of the deceased, including burial expenses?

Mr. Speaker: Mr. Anyona, I understand you have agreed with Mr. Nassir to defer this Question?

Mr. Anyona: Mr. Speaker, Sir, the Minister requested me to have the Question deferred, and he has informed me that he has already spoken to you. I think I am quite happy with that.

Mr. Speaker: The Question is deferred to Tuesday, next week.

(Question deferred)

So, that is the end of Question Time.

MINISTERIAL STATEMENT

BAN ON LIVE MUSIC, VIDEO SHOWS AND DISCOS

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Speaker, Sir, hon. Members will recall that on 8th June, 1999, hon. Ayacko requested me to make a Ministerial Statement on the ban of live music and discos in Nyanza Province. In this connection, I wish to state as follows: Nyanza Province has experienced an alarming increase in HIV/AIDS and abuse of drugs cases over the years. In order to curb the increase of this scourge, leaders of the province met in a different fora to map out strategies on how to combat the menace.

As part of this effort, on 1st June, 1999, during Madaraka Day celebrations, the Provincial Commissioner, Nyanza Province, gave instructions that live music and discos, which were encouraging immorality and prostitution, and use of drugs, be controlled. Indeed, it had been observed that underage children had been frequenting live music, discos and video show places, some of which are in residential areas. This, inevitably, exposes them to immoral activities and hence leading to high HIV/AIDS infections and high rate of drug use among youths and school-going children. It should be understood that the ban on the live music and discos was aimed at protecting wananchi, especially the vulnerable young people, from the undesirable consequences of these activities. Moreover, the live music performers often flouted the rules and regulations under which their businesses were licensed, despite frequent warnings.

It is not true that the ban has affected the livelihood of the persons concerned, since other operations in the concerned premises, such as bars were not affected.

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

Mr. Speaker: Order!

The Assistant Minister, Office of the President (Mr. Samoei): In conclusion, it is my submission that all Kenyans must work together to fight practices that encourage immorality, drug abuse and high drop-out rate of school-going children, hence leading to the spread of AIDS and other immoral activities. The action taken by the Government is purely administrative and is aimed at controlling the spread of diseases and other untoward cases in Nyanza Province.

However, on the understanding of all stakeholders, the Provincial Administration has lifted the ban, subject to strict adherence of the regulations governing these activities by all concerned.

Mr. Speaker: Before I ask Mr. Ayacko to seek clarification, because he is the one who raised it, I will ask Prof. Anyang'-Nyong'o to raise his point of order very quickly, so that if I am left with a little more time, I will give other hon. Members time to also seek clarification.

POINT OF ORDER

MINISTERIAL STATEMENT SOUGHT: STATUS OF NAIROBI-KISUMU ROAD

Prof. Anyang'-Nyong'o: Mr. Speaker, Sir, I would like to seek a Ministerial Statement on the status of the Nairobi-Kisumu Road since it is experiencing very, very bad accidents. Given the fact that sometime ago, there was a statement from the Government that a section of that road could be closed and only used by traffic when properly repaired, could the Minister for Public Works and Housing clarify to the nation what the Government is doing to safeguard lives on Kisumu-Nairobi Road?

Mr. Speaker: Very well, is Mr. Ayacko there?

(RESUMPTION OF MINISTERIAL STATEMENT: BAN ON LIVE MUSIC, VIDEO SHOWS AND DISCOS)

Mr. Ayacko: Mr. Speaker, Sir, if this Government believes in the rule of law, then the Minister is duty-bound to tell us in no uncertain terms, under which particular legislation this Provincial Commissioner was operating to ban the entertainment industry in Nyanza.

The Assistant Minister has also said that leaders of Nyanza met. Could he tell us which leaders met, when and where?

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Speaker, Sir, I did mention that

leaders in various fora - and I think it is well documented in the daily newspapers - have, indeed, complained about the high drop-out rate of school-going children, the high rate of HIV infections and the high level of drug use in Nyanza Province. As I have mentioned, the Government has a moral duty to protect its citizens, especially, as I mentioned in my statement, children whom we have identified as those who frequent these live music, disco and video show places.

Mr. Speaker, Sir, as a Government, we have a moral duty to ensure that these children go to school instead of wasting their time and getting involved in practices that end up endangering their lives. We are merely doing that because we feel that we have a moral obligation.

Mr. Ojode: Mr. Speaker, Sir, the simple question which the Assistant Minister was asked was: Under which law did the Provincial Commissioner issue the ban? It is common knowledge that somebody cannot just wake up one morning and decide to issue a ban on live discos and the rest.

The Assistant Minister, Office of the President (Mr. Samoei): Mr. Speaker, Sir, the discos and video show places have become a public nuisance. Therefore, we have a duty to ensure that Kenyans live---

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

Mr. Speaker: Order! Order! The next thing that happens is that I will declare you disorderly, and you know the consequences.

Next Order!

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. Could you then defer it?

Mr. Speaker: Order! Order! Dr. Ochuodho, please, do not try to do my job. This is not even a Question to be deferred. A Ministerial Statement shall never be a subject of debate. If you really wanted it to be a Question, you should have proceeded on that basis and brought a Question to the House. We cannot have short-cuts.

Next Order!

COMMITTEE OF WAYS AND MEANS

(Order for Committee Read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 10.6.99)

(Resumption of Debate interrupted on 17.6.99)

(Fifth Day of Budget Debate)

The Assistant Minister for Finance (Mr. Arap-Kirui): Thank you, Mr. Speaker, Sir. I had started by congratulating the Minister for Finance for an extremely well-worked out and presented Budget. Further, to give meaning to that presentation, we know that the Budget itself has defied superficial characterisation. I also did stress my concern over the turn of debate particularly in the course of last week. I am one of the Members of this House who have felt that the House has occasionally been demeaned by outbursts by people in this House who should be called "hon. Members". I believe that any contribution we make in this House should be made with proper respect and with proper regard for decency. In the course of the week, some of us had to listen through a tirade from one or two of us, who went to the extent of heaping abuse on the person of the Head of State.

Mr. Speaker, Sir, some of us occasionally feel embarrassed that we should be associated with contributions at that level. We feel embarrassed to be called Members of this House after such outbursts. The individuals concerned are not motivated by any consideration of high principle, but it is a case of individuals who might have fallen out with the system, and in a fit of sour grapes, misuse their privileges in this House. I hope that we shall not use this House as a venue for settling scores.

Mr. Speaker, Sir, on the issue of the Budget, I believe that in this country we have an economy that can be self-sustaining. We require to protect and nourish our productive capacity as it has been extensively alluded to in the Budget Speech, particularly in industries and agriculture. We have said now and again that, agriculture is the backbone of the economy of this country. Unfortunately, in practice, we do not reflect that. There have been occasions when our agricultural policies have been hijacked, as it were, to serve private interests. There is nowhere

in the world where agriculture is fully liberalised. In fact, agriculture is protected in all countries that trade with us, and those who do not trade with us. Agriculture is protected by import duties, Government subsidies and all manner of marketing incentives. So, when we allow the importation of duty-free agricultural products into this country, we are doing a great disservice to the backbone of our economy. For example, last year, we allowed importation of maize duty-free. I believe, in hindsight, we came to understand and to realise that we caused a great deal of damage to our maize producers. Many Kenyans, who had maize in their stores, were unable to sell it and those who could sell, sold their produce at a great loss. The duty-free importation of maize did not benefit the consumers either, because at the end of the day, the only beneficiaries were the middlemen. If we have to sustain our agriculture, we have to maintain policies that nurture and take care of that industry.

On industries, I think, it has been repeated often enough that our markets are being flooded with goods from other countries, particularly South Africa. The Budget has responded to this to some extent. We hope that the persons concerned with its application will ensure that imports from South Africa will not endanger production in this country. If we can protect and nourish our productive capacity, collect all revenues that are due, and avoid waste, our economy can be self-sustaining.

One avenue of waste is at the local DDCs and the cess committees. If we can put in place modalities to ensure that the DDCs are executive district organs that receive reports on finances on projects, and that Members are included in the cess committees, then we shall go a long way in ensuring that funds at the local level are not wasted.

With those few remarks, Mr. Speaker, Sir, I beg to support.

Mr. Wamalwa: Mr. Speaker, Sir, I do thank you for giving me the opportunity to make a few comments and observations on this year's Budget proposals.

Mr. Speaker, Sir, let me start with the traditional courtesy of congratulating the Minister for Finance on the able manner in which he presented his first Budget to Parliament. Having said that, let me hasten to observe that this year's Budget is no different from all the Budgets that have been presented to this House in recent times. They all are characterised by one unique feature in that they are rather long on policies and terribly short on delivery. It seems that the technocrats at the Treasury know what ails our economy. They even seem to have some ideas on what ought to be done, to achieve a balanced Budget and give stimulus to economic resuscitation. But the political will and commitment to implement the necessary steps for a vibrant economy are totally lacking.

Mr. Speaker, Sir, the theme for this year's Budget, for example, as stated by the Minister himself in his policy and objectives of strategy, is the alleviation of poverty and generation of employment in order to improve the lives of our people. This, indeed, is a very noble pursuit. But how will this be achieved given the exigencies of bad management of public funds, and the lack of the ability to collect funds and revenue rightly due to Government? I believe that in order to achieve this noble capacity, we need to build and nurture a national economic purpose for these new ambitions for our country. We need to accept that economic stability requires commitment to prudence in fiscal policy and ruthless confrontation with corruption and ineptitude in Government service.

Mr. Speaker, Sir, the Minister himself has stated, and it has been repeated by many of those who have spoken before me, that agriculture is the backbone of our economy. To alleviate poverty and generate employment, we need to strengthen our agricultural sector. Despite its neglect and mismanagement by the Government in recent years, Kenya's agriculture still plays a pivotal role in our economy, especially in terms of food and cash crop production, employment, export and raw material supplies for our industries. Agriculture, together with forestry and fishing, still accounts for 30 per cent of our Gross Domestic Product (GDP). It accounts for 70 per cent of all employment in our country, and 60 per cent of merchandise export from this country.

Mr. Speaker, Sir, the importance of this sector, therefore, cannot be overstated, and yet in recent years, this sector has been ravaged by poor policies to a point where its growth has slumped almost to zero. I cannot do better than quote the Minister's own statement to illustrate this point. In his Budget Speech, particularly on agriculture, the Minister states, and I quote:

"For a number of years now, the sector has performed below its potential, mainly because of low productivity. Over the last two years, the sector registered growth of only 1 per cent per annum compared with 5 per cent in the period 1993/97. While unfavourable weather conditions have contributed to low productivity in this sector, instability in the major agricultural marketing organisations and the poor state of roads in the agricultural areas, and unfair competition from subsidised agricultural inputs, have also had their contributions to the poor performance in this sector".

That list of ailments to the agricultural economy, regrettably, omits, perhaps, the greatest element of all; that is corruption in this sector, particularly with regard to the importation of maize and sugar duty-free. Mr.

Speaker, Sir, because of importation of cheap maize from abroad, maize farmers in this country have found it impossible to sell their crop at a profitable or gainful price. At the beginning of this year, a 90-kilo bag of maize was going for Kshs530. That compared with the cost of high inputs, has made maize production in this country unprofitable and, therefore, no longer attractive to the maize farmer.

Mr. Speaker, Sir, the main reasons why our agricultural production has fallen include the following: Lack of credit to the farmer and deliberate destruction of all institutions for agricultural research, production and marketing. At the time of Independence, the Agricultural Finance Corporation (AFC) was an institution that had been set up to give credit to the farmer. It administered this credit through a mechanism known as Guaranteed Minimum Return (GMR) and through this mechanism, farmers were able to borrow capital to farm with, and were able to pay back after they sold their produce. If the vagaries of the weather made it impossible for the farmer to harvest enough to pay back what he owed the Government, he was covered by this insurance policy under the GMR. That system was removed and substituted with something called Seasonal Credit, which was also eventually removed and today, the Kenyan farmer has no source of credit. He has to rely upon his own wits and his own funds in order to produce, and after producing the maize or wheat, he is confronted by poor prices because of cheaply imported wheat and maize. What really hurts the economy is that these cheap imports do not even attract the necessary taxes that are supposed to even out the prices to the farmer.

Mr. Speaker, Sir, another farmers' institution that has collapsed and, therefore, the farmer has no recourse to it, is the Kenya Farmers Association (KFA). In the old days, the KFA was the importing organ for all inputs for the farmer. A farmer could walk to his KFA branch and obtain a machete, a jembe and all the way up to fertilizer and gunny bags, to enable him farm and market easily. The removal of KFA and its substitution by KGGCU, for no apparent reason at all, has killed the most viable marketing organisation for the farmer in this country. Another farmer's organisation that has gone with the wind is the Kenya Co-operative Creameries (KCC). One wonders why a corporation that was doing so well from the colonial days up to early Independence days, all of a sudden collapses, and the answer is poor management. It is incumbent upon the Government, I would like to submit, to make sure that those in charge of public corporations do discharge their duties and, therefore, render services to the farmer and to the country at large. The belated efforts to revive the KCC, one hopes, will succeed and enable the milk farmer to have a ready market for his milk.

Mr. Speaker, Sir, the National Cereals and Produce Board (NCPB) used to buy the farmer's maize. It still does to a limited extent, but it is not doing enough, and we do need the NCPB to be given enough money to pay for the farmer's produce, so that the farmer can produce again the year after. But, perhaps, the worst hit in the agricultural sector, has been the policies of Kenya Agricultural Research Institute (KARI). Kenya is an agricultural country and research in agriculture is the only way that we can reassure Kenyans that they will have a lifeline, and they will be able to be fed year after year. When KARI land on which agricultural research was being done was given out to people, and, I dare say, not necessarily landless people, but to fairly rich people, this was shooting ourselves in the leg as a nation because unless we come up with new varieties of crops year after year, then our agriculture is going to collapse, and the backbone of our economy will collapse along with it.

Mr. Speaker, Sir, with those few words, I beg to support.

Mr. Achuka: Mr. Speaker, Sir, thank you for giving me the opportunity to contribute to the Motion. I understand that all the proposals included in the Budget, if complied with and implemented properly, will help to improve this country's economy.

Mr. Murathe: On a point of order, Mr. Speaker, Sir. Is the hon. Member on the Floor in order to start reading the Budget speech?

Mr. Speaker: He is not in order. Mr. Achuka, we do not read speeches in this House.

Mr. Achuka: Mr. Speaker, Sir, further to that, I am very much concerned about the activities of the Pokots against the people of Turkana South. The community is now in a very a dangerous situation. Something must be done about the threatening remarks by the Pokots, namely, that people from Turkana South will have to be finished. The Pokots of Uganda and the Pokots of Kenya are collaborating to launch a massive raid against the people of Turkana South. More than 200 people from Turkana South have lost their lives, and 15,000 livestock stolen. This is a very serious case. If the Government does not intervene to stop this menace, the Turkanas will have to retaliate.

In May, 1999, a nominated councillor called Mary Nasid, and her son were murdered in Baringo East, within Pokotland. During that attack, the late Nasid also had her 60 goats stolen. The killers of that lady and her son are known to the leaders of Baringo East and the Government. However, they have not been arrested. Now, how are we going to solve those problems? The activities going on in that area are dangerous to the Turkna people. I would like to appeal to Pokot leaders to stop killing Turkanas. Their people should not continue killing Turkanas. Turkanas are very peaceful; they abhor the practice of killing other people for no reason. However, the

Pokots can kill somebody without any reason. They have done this for many years now.

Mr. Speaker, Sir, we have reported these things to the Government, but the Government has been reluctant to take action. So, I have brought this matter to this House to seek an opinion on what we should do to safeguard the lives of the people of Turkana South. The people of Turkana South do not possess sophisticated arms; they do not border a country where firearms can be acquired easily. However, the Pokots from Kenya border the Uganda Pokots, who have many sophisticated weapons. So, the Pokots of Kenya acquire weapons from their Uganda brothers. They use those weapons to raid the Turkana people. The Pokots do so because they know that the Turkana people are helpless, and that they cannot counter-attack them. So, what should the Turkanas do? We always ask the Government to help the people of Turkana South, but it has not done that, yet the Government is there to protect wananchi's lives and property. I take this matter very seriously. It appears as if there is a political motive in the whole issue.

Mr. Speaker, Sir, the matter is related to business.

An hon. Member: What do you mean?

Mr. Achuka: It is a business issue which is supported by some of our security officers. That is why---

Mr. Speaker: Order! Order, Mr. Achuka! Well, what you are saying is very good. However, I would like to say that---

Mr. Achuka: Yes, and something should be done about it!

(There was laughter from the Galleries and the Chamber)

Mr. Speaker: Order! Order! I would like to say that hon. Members have a right to listen to the hon. Member on the Floor and applaud. However, strangers have no business to applaud. So, any stranger who actively involves himself or herself in the proceedings of this House shall be escorted out.

Proceed, Mr. Achuka!

Mr. Achuka: Thank you, Mr. Speaker, Sir. I would like to repeat that the Government is reluctant to protect the lives of the Turkana people and solve their problems. So, I consider the activities going on there to be either politically instigated, or business-related, with the support of highly-placed security officers. Alternatively, the incidents could be related to a border dispute. I say so because some of the leaders from the Pokot, like hon. Joseph Lotodo---

Mr. Speaker: Order! Order! Mr. Achuka, have you ever read Standing Order No.73? Under this Standing Order, you cannot mention any hon. Member's name adversely, unless you have moved a substantive Motion to discuss him.

Mr. Achuka: Mr. Speaker, Sir, Mr. Lotodo incites the Pokots to slay the Turkanas!

Mr. Speaker: Order! Order! Mr. Achuka, what I have told you is that, as an hon. Member, you can say whatever you want, but you should not mention the name of any other hon. Member adversely unless you have moved a substantive Motion to that effect. Do you understand? So, will you keep off completely from mentioning any hon. Member? You can say anything about the Turkana or Pokot peoples, but do not mention anybody, at least not an hon. Member.

Mr. Achuka: Mr. Speaker, Sir, but the Member of Parliament for Baringo East---

Mr. Speaker: Order! Mr. Achuka, I have been very sympathetic to you, but you are exhausting my sympathy. Will you now take my direction?

Mr. Achuka: I will comply, Mr. Speaker, Sir. He is inciting his Pokots to---

(Laughter)

Mr. Speaker: Mr. Achuka, will you take my guidance?

Mr. Achuka: He is saying---

Mr. Speaker: Order! Order! Mr. Achuka, now on a serious note, if you continue defying the Chair, I will discontinue you. I am the one who gives you that microphone and whoever gives can take it away. If you defy my order, you will not say anything more. I would like you to say so much about the problems of Turkana, but keep the names of Members out! Will you proceed!

Mr. Achuka: Thank you, Mr. Speaker, Sir. Something must be done to---

Mr. Speaker: Time up!

Mr. Achuka: With those few remarks, I beg to support the Motion.

Mr. Keriri: Thank you, Mr. Speaker, Sir, for giving me an opportunity to say something about the Minister of Finance's Budget Speech. The Minister appeared to be leading us on the right direction. The Budget was directed on the right side and it appears that the Minister and the Treasury staff are not short of ideas which can lead to saving this economy from collapsing. What appears to be true is that they are either incapacitated or unable, or there is some unwillingness to implement the very good ideas presented by the Minister in this House, and the ones presented by his predecessor in the last year's Budget or in the current year's Budget.

In last year's Budget, we were told a lot of good things; we were told how many things were going to be implemented, which were properly planned by the Treasury and presented very ably by the Minister for Finance. But come to this month, June, which is the end of the financial year, very many of them have not been touched. We then wonder what is wrong. Is the Treasury able to deliver, and if it is, is it that there is something outside the powers of the Treasury that makes the Treasury incapable of delivering?

Mr. Speaker, Sir, I might give a few examples to show what I am talking about. In hon. Masakhalia's predecessor's Budget speech, we were told that a local authorities Transfer Fund would be created and 12 months since, nothing has been done; not even to set out the modalities under which it would be created. We were told that it would be 5

per cent of Government tax to go to Local Authorities. Now, the Minister for Finance has come; he thinks it is a good idea, and I support him, but then he tells us they have not worked on it yet. In fact, instead, he is reducing the percentage to 2 per cent. It is very annoying to see things that had been promised and not happening.

[Mr. Speaker left the Chair]

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

The Executive Road Board is supposed to be established during this financial year. We were told about that last year and none of that has happened, in which case, roads stay unmaintained and construction is going on very slowly, if at all. We have money provided by the World Bank, the European Union and by the Minister himself from the revenue that he collects. That money is not being spent according to plan. The Minister may have ideas which are very welcome, but then, if they are not implemented, I think we are not trying to revive the economy which is his concern.

Mr. Temporary Deputy Speaker, Sir, we were told again that Treasury, or the Government, would reactivate the Joint Industrial Consultative Council, and the Minister knows about this. As an economist, I am sure he was very much interested in this type of thing, but nothing has happened. This is why I am asking whether the Minister has been incapacitated somewhere, or is he incapacitating himself. I believe the former is true because I believe the Minister is able to do most of the things he has promised, but something is going wrong somewhere.

With regard to the reduction of domestic debt, the Minister promised he will do it again and try to reduce it further, but even though, according to the Central Bank monthly Economic Review, last March, the cumulative domestic debt was Kshs152 billion. It was Kshs146 billion in June last year. This is an increase and so, the promise has fallen through, and it becomes worse. Something must be done.

One of the problems, I suspect, is that we have some very able Ministers in this Government, who are not given the room to make their ability useful. If, for example, we have 58 departments in the Office of the President, that means that the Ministers have been reduced to shells. The Government must do something to reverse this trend. One, there is already too many Ministries; then, even with those too many Ministries; we create another 58 departments which are duplications of the services given by the Ministries, then we make Ministers incapable, useless and even some of the ablest cannot do their jobs and, therefore, the economy, instead of recovering, is being made worse.

Mr. Temporary Deputy Speaker, Sir, although I said the Budget was welcome, the Minister wanted to help the tourism industry recover and he went a long way trying to help it. But at one point something went wrong, either in the Minister's trend of thought, or in the Treasury's trend of thought and, therefore, some clause was inserted, which meant instead of reducing VAT on tourism, the Minister increased it from 12 per cent to 13 per cent. Can I appeal to the Minister to correct, at least, that simple mistake? We need to help the tourism industry to recover. It is so useful to us, and if we do not help it, we will be reducing it to something that cannot recover. Please, go back, Mr. Minister, through the Speaker, and reverse that decision; decrease VAT on tourism and make it zero-rating. We will get the money we lose there from somewhere else. We can always use our ingenuity to get some money from somewhere else and help tourism.

Mr. Temporary Deputy Speaker, Sir, some people have termed the Budget as a poor man's Budget. Eh, it

is a rich man's Budget! For example, the Minister increased the price of kerosene. Firewood is not available today, as we are trying to protect forests and so, the poor people use kerosene as a source of fuel. When the Government levies an extra tax on kerosene, it is punishing the poor man or woman whom we are trying to help. Even when the Government increases taxes on petrol and diesel, people may think that it is taxing the rich people, but that is not the case. The matatu fares and other things would go up if we increase prices of petroleum products. So, levying an extra tax on petroleum products is not proper.

I would like the Minister to rethink about that because it is not helping the poor people. The poor people would get assistance if we had a good road network that would help them to take their bananas, beans or maize to the market. But roads are not being maintained, although we are always being promised that they are. Roads have not been constructed or maintained. There are very many roads which have been abandoned. We would like the Minister to think about completing those roads that have been abandoned. Let the Government rehabilitate roads like the terrible Taveta-Mwatate Road. There is no road there, yet, it is an international highway. If you travel from Tanzania to Kenya, you get ashamed to meet the terrible state of the Kenyan roads. Then, we have the Meru Road, going through Githongo and other areas. That road was promised, along time ago, that it would be rehabilitated, industry but it has not been rehabilitated.

Mr. Temporary Deputy Speaker, Sir, I would have wished to tell the Minister for Finance more, but my time is finished.

The Minister for Industrial Development (Mr. Kiptoon): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this year's Budget Speech. First of all, may I take this opportunity to thank His Excellency the President, my tribesman, for having led this country for such a number of years in a wise and peaceful way. Also, may I congratulate you for the way you have led us through all the Motions that we have had in this House. Through you also, may I commend the hon. Members for the way in which they have handled issues in the House. It is in this House that our country has hope for the future.

Let me take this opportunity to congratulate the Minister for Finance, for giving us a Budget that will help this country to come out of the problems which we are in at the moment. Let me now touch on a number of issues that were raised in that Budget Speech. One of the issues is about the pending bills. I have been privileged to be in the construction industry, and I have an idea of what pending bills are all about. They are those bills which are carried over from one year to another. They are made of two major parts; one, being the actual payments that were due, but were not paid during the year. The other one is made up of claims that arise during the construction of any project. Each of that tends to accumulate and becomes unreasonable, so that when we talk of Kshs22 billion or Kshs14 billion, they are not really genuine figures. The real figures would have been far much less, if they were adjudicated properly by those concerned. Therefore, when the Government says that it has pending bills amounting to Kshs14 billion it is not right for others to exaggerate and say that it is supposed to be Kshs22 billion. The difference between Kshs22 billion and Kshs14 billion, is actually the area of dispute that requires to be adjudicated further.

Let me now turn to our economy. Currently, our economy is agriculture-based. When you move from agriculture, you actually add value to industrialisation. That is the level that we are struggling to get to. We are still in the primary stages of the agriculture-based economy, which is the lowest possible level of any economy. The second is the industrial stage, and the third one is the knowledge-based economy, which are all still far from us. Our agriculture-based economy means that our Budget should normally stress on those areas that would make the economy more vibrant; that is, attaching more importance to agricultural production and processes, and giving our agricultural farmers credit and the right inputs, so that we may be able to feed our people. That is the basic function of a Government to the people. So, since we are in the agricultural stage of our economy, we need to ensure that our farmers are trained on how to improve on food production and other agricultural methods.

The next stage of the economy is the industrial stage. It is about the processing of those basic agricultural products. In our industrial sector, in the recent past, I am sorry to state, we have opened our gates to cheap and subsidized imports to flood our country. These imports have tended to kill our young industries. This is a serious situation. We did open our gates after embracing the liberalisation policy without necessarily carrying out the necessary studies to establish what effects it had. We need to put in place incentives that will allow our people to invest in the industrial sector, and also allow foreigners to come and invest with us. But more importantly, we need to protect our industries at this stage.

In that connection, I am happy to note that the Minister for Finance alluded to the formation of an anti-dumping commission that will make sure that our local industries are protected from the subsidized cheap imports. Similarly, we need to take steps to ensure that the importation of second-hand goods is curbed, be they the *mitumba* clothes, which have killed our textile industry, or shoes, which are now threatening to kill our Bata Shoe Company, or even vehicles. Most of you might have seen the mushrooming of second-hand vehicles from the

Middle East countries, which are almost killing our vehicle assembly plants which we have already nurtured to some degree. This is the other issue that we, in the Ministry of Industrial Development, are trying to address ourselves to at the moment.

Mr. Temporary Deputy Speaker, Sir, turning to the area of poverty alleviation, in an attempt to alleviate it, the first step should be provision of the infrastructure. My constituents spend quite a lot of their time while hunting for water for domestic use. They spend most of their time looking for materials to use in the construction of their schools. Most of you may have heard, or may have the notion that people in Baringo District are self-sufficient in terms of school equipment and other facilities in their schools. I can assure you that my constituency is still very backward in terms of provision of school equipment. Most schools there do not have blackboards, permanent buildings and proper teachers, so that when we all cry for such facilities, all should know that we are all together in this problem. None of us is self-sufficient.

Therefore, I would urge those in charge of poverty alleviation to put more effort on the provision of clean water to save my people from spending more time looking for domestic water. Similarly, I would like to urge them to put more of our resources into the development of our human resources. In development, we need to develop the human being because without the man being developed, even if we have a lot of good facilities, we will not be able to put them into proper use. They should also address the issue of education for our people.

Also, for us to alleviate poverty in this country, I think we should revert back to the policy of one man, one job. At the moment, we find that Members of Parliament are also shopkeepers, matatu owners and also telephone farmers. We need to revert to the policy of one man, one job in this country, if we have to satisfy all our people.

Mr. Sungu: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Minister is actually talking about things which they discussed in the Cabinet.

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

Mr. Sungu: Is he in order to---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Sungu! You talked about what they discussed in the Cabinet. Have you been in the Cabinet?

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, the issues he is raising here should be raised in the Cabinet and he should give us the answer!

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Sungu. You are out of order!

The Minister for Industrial Development (Mr. Kiptoon): Thank you very much, Mr. Temporary Deputy Speaker, Sir. I do not think we have discussed any of those issues in the Cabinet, unless he has his own Cabinet which I am not aware of.

Mr. Temporary Deputy Speaker, Sir, there is one other area to which, I think, hon. Members need to actually pay attention. We talk of corruption as if it is something which has not been around. It has always been with us. I want to highlight one area which hon. Members need to address themselves to, when they are talking about corruption. This is the area where the Chief Conservator of Forests allocates forest plantations to individuals who in turn, sell the same plantations to Panpaper, which will, in turn, pay individuals royalties which should have gone to the Government. This, in itself, is corruption. The Chief Conservator of Forests should be allocating forest plantations directly to the users of the forests and not to individuals who will, in turn, sell them and collect royalties instead of the Government. This is a practice which needs to be stopped, and the Chief Conservator of Forests should be allocating forest plantations to the users and not to third parties who will then sell the forests.

Mr. Temporary Deputy Speaker, Sir, there has been talk about the supremacy of Parliament. This is very important and I would like to urge every hon. Member to be proud of himself or herself for being in Parliament. There is no way we can say Parliament should be given this or that. Who is going to give you? It is for you, hon. Members, to wake up and reclaim the supremacy of Parliament. Let the people listen, hear and be proud of Parliament!

With those few remarks, I beg to support.

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

First of all, I would like to congratulate the Minister for a well-presented Budget. It was presented ably,--- But, while on that point, there are a few fundamental things which I must ask the Minister. Does he have a free hand to articulate what he presented as his proposals to run this country till the next millennium? The previous Minister for Finance presented to this House a balanced Budget last year, whose aims were not achieved. We were told that financial controls were going to be introduced in the Civil Service for the purposes of controlling

Government expenditure but, to date, these have not been implemented. We have seen Government expenditure going over-board, until this Parliament is again requested to pass a Supplementary Budget. It is my concern and that of the entire nation that whatever is presented to this House must be implemented by whoever is concerned. This can only be done when the Minister for Finance has been given a free hand in doing his job.

The Minister, when presenting his Budget, touched on the banking sector. Banks, as we know, are the pillars of the economy of this country. But for a long time, banks have been in the hands of foreigners who have misused and ran them down. When the Minister proposes that we raise the core capital to Kshs500 million, is he serious? Who is he targeting as the person who should operate a bank in this country? Is he targeting the indigenous Kenyan, a foreigner or the Kenyan Asian? What we want in this country is for the economy to be in the hands of mwananchi and not in the hands of a "paper citizen" of this country. I am concerned about the Minister's argument, that most of the banks are collapsing because of the small capital base. I do differ with him there. The collapse of the banks in this country has been due to the poor management of the banks, and more so, by the lack of publicity by the Central Bank of Kenya. If the Central Bank of Kenya did a proper inspection of the banks, there would be no collapse of the banks in this country. The banks are collapsing because some officers in the Central Bank of Kenya, led by the Governor, are letting Kenyans down. A bank cannot collapse overnight and yet, the Central Bank of Kenya has a way of knowing the liquidity situation of each bank on a day-to-day basis. But even if the capital deposit is raised to Kshs500 million and there is no prudent management, those banks would still go under.

We have had cases where the National Bank of Kenya had to force its depositors, like the NSSF, to convert its deposits of Kshs5 billion into equity. That was a huge amount of money, but it was shared out among politically-correct loanees in this country. The financial position was so bad that the Treasury had to save it by injecting Kshs2 billion. Had that not been done, the National Bank of Kenya would not be in existence today. Should we say that other banks which are in the market with a capital of Kshs100 million or so are falling because their capital is not within the specified limits by the Minister? The answer is "No!" I would like to ask the Minister for Finance to be the watch dog of the financial sector.

Mr. Temporary Deputy Speaker, Sir, what we need in this country are people with diligent performance, and people who can be trusted, the way we are trusting the Minister for Finance here. He is somebody with experience because he worked in that Ministry as a civil servant. He knows what he is doing, and all he requires is to be given a free hand to do what he has proposed. But when the political wave hits him, he will lose balance.

Mr. Temporary Deputy Speaker, Sir, the poor infrastructure in this country is precipitating poverty. If you go to the rural areas of this country, where food is grown, food is going to waste because of the poor infrastructure. We need to address this issue adequately, and we need to give the farmers in this country subsidies. We are only saying that the importation of tractors is duty-free and that the farm implements are duty-free! Yes, they are duty-free, but what about farm inputs such as fertilizers and the spare parts of the tractors, which are more expensive?

We should subsidise all the inputs used in agriculture. I appeal to the Minister for Finance to waive duty on them. We have talked about support of micro-economic stability. This will be achieved when the banks relax some rules for small-scale traders. Unless you have collateral, getting a loan in the rural areas is impossible. When you target kiosk owners, charcoal dealers and milk vendors, and ask them to produce collateral, we demand too much from them. The time has come to have sectoral banks in this country. These are banks which address the problems of small-timers for long-term loans. Sectoral banks, for example, milk banks or maize banks should be formed to address issues at micro-economic level.

Mr. Temporary Deputy Speaker, Sir, touching on the business community in this country, Africans form the majority shareholding, but the people in charge are very few multinational and unscrupulous Asian businessmen. The Asian businessmen in this country are killing our economy. They are manufacturing various commodities in the Industrial Area, distributing them at the same place, wholesaling them on Biashara Street and other places, and retailing them in shops all over the country. This situation must be stopped. Whether we like it or not, the laws of this country must protect the indigenous African businessmen. We have lost our way by giving protection to Asians and multinational companies, at the expense of the African businessmen. The time has come to address the issues surrounding us. We should also know the issues affecting other countries.

Mr. Temporary Deputy Speaker, Sir, some foreigners come to this country and apply for work permits to operate kiosks and ice cream parlours in Malindi as investors with capital bases of about Kshs2 million. We must put up a scale showing who is going to be an investor in this country. Are we going to invest in ice cream parlours? Are we going to allow foreigners to come and do things which our people can do? The answer is no! We must protect our people.

Mr. Temporary Deputy Speaker, Sir, I find the proposed taxation measures not working. There was a

reduction of VAT by 1 per cent, and an increase the in Income Tax bracket. But all this was finished by the increase of duty on fuel. This makes the end product more expensive and, therefore, the reduction of VAT and the increase of Income Tax bracket cannot match what was increased on the fuel component.

In this country, the number of teachers is being reduced. The parents are crying. In my constituency, we have over a million---

With those few remarks, I support the Motion.

The Assistant Minister for Trade (Mr. Hashim): Ahsante sana, Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii nichangie Mswaada huu. Kwanza kabisa, ningependa kumpongeza Bw. Spika kwa kutekeleza wajibu wake kikamilifu siku ya Bajeti. Kwa hakika, ni ujuzi na busara zake zilizomwezesha kufanikiwa hadi Bajeti ikasomwa bila vurugu yoyote.

Pili, ningependa kumpongeza Waziri wa Fedha kwa kusoma makadirio ya pesa yenye lengo la kuiendeleza nchi hii. Ni muhimu siku kama hiyo itiliwe maanani. Siku hiyo ni muhimu kwa sababu Wabunge hujadili makadirio na mfumo wa mipango ya Serikali. Kwa hivyo, siku kama hiyo ni muhimu kuheshimiwa. Ni lazima viongozi wa pande zote mbili wafahamu umuhimu wa siku hiyo, na waipe cheo kikubwa. Lakini yasikitisha kwamba, viongozi wengine hawakuitilia maanani siku hiyo na wakaonyesha kutokuwa na nidhamu. Wabunge ni muhimu sana katika nchi hii. Walichaguliwa kuangalia maslahi ya Wakenya wote. Kwa hivyo, ni lazima waonyeshe heshima na adabu wakiwemo ndani ya Bunge hili. Lakini, kumekuwa na mtindo siku hizi kwa Wabunge kuonyesha ujasiri na kutojali. Pengine, jambo hili hutokana na kupata sifa fulani kutoka kwa wananchi. Jambo kama hili laweza kuvuruga nchi hii na kuleta maafa makubwa sana.

Hivi sasa, kuropoka kwa Wabunge kumesababisha michafuko mingi. Kumefanya uchumi wetu uwe katika hali mbaya. Watalii waliokuwa wakija na kuleta pato kubwa kwa Wakenya hawaji tena! Ni kwa sababu ya kutokuwa na nidhamu na kutofikiria maslahi ya Wakenya!

Mr. Kihara: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Hashim in order to attribute the collapse of tourism to this House, when he knows very well that it is the Government which brought tribal clashes in Mombasa and tourism collapsed? He is misleading this House by attributing that problem to this House!

The Assistant Minister for Trade (Mr. Hashim): Mr. Temporary Deputy Speaker, Sir, I think I am very much in order because what I said is that the utterances by leaders led to some clashes---

The Temporary Deputy Speaker (Mr. Musila): Mr. Hashim, did you attribute the collapse of tourism to this House or politicians? Can you clarify?

The Assistant Minister for Trade (Mr. Hashim): To some Members of Parliament who have been speaking---

Mr. Kiunjuri: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is an Assistant Minister, but he does not understand the Standing Orders of this House. He started speaking in Kiswahili and now, he has spoken in English! Could he obey the Standing Orders of this House?

The Temporary Deputy Speaker (Mr. Musila): Hon. Hashim, I think you are treading on dangerous grounds!

The Assistant Minister for Trade (Mr. Hashim): Bw. Naibu Spika wa Muda, ningependa kukufahamisha kwamba michafuko ambayo imepatikana sasa katika nchi hii; ili otangulia na tunayoitarajia, imesababishwa na viongozi kuzungumza lugha zinazotenganisha Wakenya. Hayo yamezungumzwa na viongozi kutoka pande zote mbili za Bunge hili---

Mr. Ojode: On a point of order, Mr. Temporary Deputy Speaker, Sir. This is an allegation being made by an Assistant Minister. Could he be made to substantiate and name the people from this House who uttered inflammatory statements?

The Temporary Deputy Speaker (Mr. Musila): Mr. Hashim, if you are talking about leaders, I will agree with you. But when you say: "from this House", you have to substantiate or withdraw. Otherwise, I will not allow that! You have to withdraw and apologise to this House, and then continue.

The Assistant Minister for Trade (Mr. Hashim): Lakini, Bw. Naibu Spika wa Muda, bado nataka kuthibitisha niliyoyasema!

The Temporary Deputy Speaker (Mr. Musila): You would like to substantiate? Could you now substantiate?

The Assistant Minister for Trade (Mr. Hashim): Bw. Naibu Spika wa Muda, mipango ya kutaka watu wafanye migomo na mipango ya kuwaambia wananchi wakaidi Serikali ni dalili ambazo hufanya watalii wawe na hofu ya kuja hapa nchini.

The Temporary Deputy Speaker (Mr. Musila): Order! That could be correct, but is that from this

House?

The Assistant Minister for Trade (Mr. Hashim): Ni viongozi wa hapa!

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Hashim! I now order you to respect this House and withdraw that remark. Could you obey what the Chair is ordering you to do?

The Assistant Minister for Trade (Mr. Hashim): Bw. Naibu Spika wa Muda, ningependa kuyaondoa madai hayo!

The Temporary Deputy Speaker (Mr. Musila): Endelea, Bw. Hashim!

The Assistant Minister for Trade (Mr. Hashim): Bw. Naibu Spika wa Muda, ni lazima waheshimiwa Wabunge, ambao ndio viongozi na matarajio ya Wakenya, waangalie mambo ambayo yanaweza kufanya nchi hii kuangamia. Hivi sasa kuna Hoja mbele ya Bunge hili, ambapo tutazungumza juu ya tabia ya Makamu wa Rais. Makamu wa Rais wa nchi hii amechaguliwa na Rais Moi.

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Mr. Hashim, you are now anticipating debate. If a notice of Motion has been given, you cannot refer to it. So, could you refrain from infringing the Standing Orders of this House?

The Assistant Minister for Trade (Mr. Hashim): Ni sawa, Bw. Naibu Spika wa Muda.

Matatizo ambayo yanakumba nchi hii ni mengi sana na ni lazima tuyajadili kikamilifu. Kuna sehemu fulani katika nchi hii ambazo zina matatizo mengi sana, kwa mfano, sehemu ambayo ninaiwakilisha katika Bunge hili ya Lamu. Ikiwa waheshimiwa Wabunge watazungumza juu ya matatizo, basi kule Lamu kuna matatizo mengi sana kuliko sehemu nyingine zote hapa nchini. Hali ya umaskini katika Lamu ni mbaya sana; hatuna maji, umeme, barabara na huduma za afya. Kwa hivyo, ikiwa Serikali hii itaangalia swala la umaskini, basi ni lazima sehemu ambazo ni maskini zaidi kuliko zingine zipewe kipeo-mbele. Hii ni kwa sababu Wakenya wote si sawa. Kumekuwa na tabia katika nchi hii kuwa Kenya ni Nairobi na sehemu zilizo karibu yake. Si kweli! Kenya ni nchi kubwa na ina wilaya nyingi. Kuna wilaya ambazo zina matatizo mengi kuliko nyingine. Kwa hivyo, nchi hii si Nairobi peke yake. Wananchi wasifikirie au wawe na mawazo kuwa suluhisho la wananchi wa Nairobi ni la Wakenya wote. Si ukweli. Matatizo yetu ni tofauti. Kwa mfano, sisi tuna njaa, hatuwezi kuwasomesha watoto wetu, hatuna maji na barabara. Kwa hivyo, ni lazima sehemu zote ziwe sawa kimaendeleo, ili tuweze kuzungumza juu ya mambo haya. Iwapo tutazungumza bila usawa wa maendeleo katika nchi hii, basi mambo hayataenda vizuri.

Bw. Naibu Spika wa Muda, uvuvi ni sekta muhimu sana katika nchi hii kwa sababu inaweza kuimarisha uchumi wa nchi hii. Lakini inasikitisha kuona hatua zifaazo za kuimarisha sekta hii hazijachukuliwa kikamilifu. Mpaka hivi sasa, uvuvi katika Lamu unafanywa kama vile ulivyokuwa ukifanywa na babu zetu.

Bw. Naibu Spika wa Muda, matatizo ya Lamu ni mengi sana. Kuna shida ambazo zimewakumba wananchi wa Lamu au jamii ya Kibajuni kwa jumla. Ikiwa Mbajuni anataka kitambulisho cha kitaifa ni lazima athibitisha "uenyaji" wake na ilhali sisi ni Wakenya kamili. Pengine sisi ni Wakenya bora zaidi kuliko Wakenya wengine kulingana na historia ya nchi hii. Wabajuni ni miongoni mwa makabila 42 ya nchi hii, lakini yasikitisha kuona kwamba hata hivi sasa, Mbajuni hawezi kutambuliwa katika nchi yake. Iwapo Mbajuni anataka kitambulisho cha kitaifa, ni lazima aeleze juu ya asili ya babu yake. Mambo haya yote yanasababishwa na maofisa wa Serikali wanaosimamia idara tofauti. Kuna maofisa katika Serikali hii ambao huwaletea wananchi matatizo, ili Serikali ilaumiwe. Kwa hiyo, matatizo kama hayo ni lazima yaangaliwe sawa sawa na hatua zifaazo zichukuliwe, ili wananchi wasione kama kuna mapendeleo ya aina yoyote tunapotekeleza miradi ya maendeleo.

Bw. Naibu Spika wa Muda, kama nilivyotangulia kusema, Bunge hili ni pahali muhimu sana na ni lazima paheshimiwe na Wakenya wote.

Kwa hayo machache, Bw. Naibu Spika wa Muda, ninaunga mkono Hoja hii.

Mr. Kiunjuri: Thank you, Mr. Temporary Deputy Speaker, Sir. I was not in the House when the Budget was read, but I had the opportunity to read through it. In the process of reading through it, I was once again interrupted by my conscience because, to say the truth, this Budget did not take into consideration the plight of the common mwananchi who is the tax payer, and who keeps this Government in motion. The Budget was oppressive to the extent that it is not worth being discussed in this honourable House.

Mr. Temporary Deputy Speaker, Sir, this Government is just irresponsible to itself and the nation as a whole. This is a Government that cannot cater for anything in this country. Yesterday, the matatu owners were on strike. Why were they on strike? Because this Government wants to milk every single cent that comes from wananchi. These people have been able to run their business well. They are domestic investors, but this Government cannot allow them to do their business without interference because it is full of thieves who want to get everything that matatu owners get from this business. They do not even mind whether those touts will be employed or not. They are telling us that the local authorities should control bus stages or terminuses, when we know very well that these local authorities cannot even manage themselves. How many of them are rendering

services to citizens today? Look at Nairobi City Council. It collects millions of shillings every day through car parks, but it does not provide any services to its people. They do not even have shame to tow away a Mercedes Benz. I warn you not to park your Mercedes Benz anywhere in this City because they will trace it and tow it away. It is a pity that this Government feels that local authorities should control the matatu business in this country.

Mr. Temporary Deputy Speaker, Sir, look at what is happening at the Kenya Co-operative Creameries (KCC). The other day, the President himself called for an illegal meeting. I respect him because he is a milk farmer, but he did not even give a notice of that meeting. Therefore, his meeting was illegal. I wonder where the policemen were, because they are always very ready to break up meetings by us. On that day, they were nowhere to be seen. I am not opposed to what the President did---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Kiunjuri. I would like to draw your attention to Standing Order No.73(1). Could you, please, refrain from making reference to his Excellency the President in complete contravention of that Standing Order? You may proceed.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I will use the word "Government."---

Mr. Kapten: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am not trying to challenge your ruling on that, but, surely, if the President, in his capacity as a farmer, called for a meeting, are we not entitled to talk about it? This is something that affects the lives of the people of this country. I am not sure about that.

The Temporary Deputy Speaker (Mr. Musila): Mr. Kiunjuri referred to the President as a Head of State, not as a farmer. We are not talking about farmers. In any case, you still could bring a substantive Motion if you want to discuss the President. Therefore, he is out of order. And he had agreed that he was out of order and he proceeded and avoided to do that. Could you go on, Mr. Kiunjuri?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I had addressed him as a milk farmer. At the same time, I would address the Government---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Kiunjuri! Would you take what I have said seriously?

Mr. Kiunjuri: Yes, Mr. Temporary Deputy Speaker, Sir. Look at the directive issued at that meeting, which was attended only by 2,000 out of 30,000 milk farmers. A probe committee is supposed to be set up. We are not opposed to it, but let us start from where things went wrong in the KCC. We have the annual reports on accounts of 1995/96, which I will table in this House. By that time, the former directors had incurred a loss of Kshs1.5 billion.

Other creditors were awarded Kshs3.7 billion by the company, compared to today, when the Kenya Creameries Co-operative (KCC) farmers only owes Kshs1.4 billion, and yet, the President has not intervened. He intervened at that time and gave Kshs800 million which was directly paid to the farmers. That alone shows us that there is a sinister motive by the Government towards dairy farmers.

Mr. Temporary Deputy Speaker, Sir, 1993, 1994 and 1995 recorded the highest amount of money siphoned out of the company, using inflated invoices, even though nothing was delivered to the KCC by five companies which are known to be well connected with President Moi's son, Mr. Raymond Moi. Those companies supplied non-existent materials. I can name these companies here. They are Kentasai Marketing Limited, which was given Kshs49 million---

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Kiunjuri, you are treading on a dangerous ground. You cannot name people here who are not able to defend themselves.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, the companies are connected to Mr. Raymond Moi. I will table the document containing the names of the five companies in this House. I will substantiate.

The Temporary Deputy Speaker (Mr. Musila): Mr. Kiunjuri, go ahead and name the companies.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker Sir, Sundown Owner Supplies was given Kshs15 million, while Sattellite Kenya Limited was given Kshs21 million. The others were Intermark Agencies, which received Kshs2 million, and Enternow Services, which got Kshs277 million. All those companies were paid money through inflated invoices. For example, a bale of toilet paper was supplied to the KCC at Kshs445, when its actual cost was only Kshs150. The price was only used in order to loot the KCC. There was no annual report which was given during that time. In fact, no meeting was ever held from 1989 to 1996. This company was being run as if it belonged to the Government. They were not accounting for anything; no general meeting was held during that time.

Mr. Temporary Deputy Speaker, Sir, it is very discouraging to note that at that time, the Government did not take action on the five companies, which enjoyed their time there. By 30th June, 1995, Sattellite Kenya

Limited owed the KCC Kshs11 million, while Kentasai Marketing Limited had Kshs9 million. The son of the "sacred cow" was not touched at that time. So, we would like to urge the Government to, first of all, probe the former directors of the KCC before they probe the current directors. This is because, comparing the two groups is like comparing Satan and Jesus. The former directors were devils; we know that the current directors are better.

Mr. Temporary Deputy Speaker, Sir, I thank our President because when he came from South Africa, he clearly knew that he did not have a suitable person in this Government. These Ministers were not ashamed when they were told by the President that they were useless when he was addressing them.

(Applause)

The Assistant Minister, the 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 abuse his colleagues who are in this House? Is it really in order for him to do that?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I can substantiate. I will bring you that video cassette where the President said: "All these people cannot lead this nation." Can you resign now? Shame on you! The President knows very well that they cannot deliver.

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Deputy Speaker, Sir. Can the hon. Member really substantiate by showing us where the President said that all the Ministers in his Cabinet were not qualified to lead this country? Let him substantiate that because the President did not say that.

The Temporary Deputy Speaker (Musila): Personally, I do not think that what Mr. Kiunjuri has said was a verbatim quotation of what was said by the President. Therefore, Mr. Kiunjuri, again, I want to draw your attention to Standing Order No.73.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I withdraw that remark.

Mr. Wanjala: Why do you withdraw the statement?

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, the President said in Kiswahili: "Hawa wote---"

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Kiunjuri, you have withdrawn and started revisiting the issue. Withdraw the statement and proceed on to something else. You have already withdrawn that statement. Proceed.

Mr. Kiunjuri: Mr. Temporary Deputy Speaker, Sir, I cannot withdraw the statement. However, I want to table the document containing the names of the companies which are connected to Mr. Raymond Moi.

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

Mr. Kiunjuri: Mr. Temporary Deputy speaker, Sir, I am almost finishing. Mr. Haji, is wasting my time.

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member has said that he will substantiate. Why can he not substantiate? Let him table the documents or he withdraws.

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Haji! His time is up and the next hon. Member who will speak is Mr. Ojode.

(Mr. Kiunjuri laid the documents on the Table)

Mr. Ojode: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on the Budget. On the onset, I would like to ask the Minister for Finance to, while replying, tell this House why there was an increase in the price of kerosene. The reason why the Minister increased the price of kerosene by Kshs1 per litre was not adequate. I understand, from rumours, that he was saying that there were some unscrupulous traders who were selling the commodity. But that alone would not have made a whole Cabinet Minister increase the price of kerosene by Kshs1 per litre. The ordinary mwananchi is really suffering. This is because when you increase the price of kerosene, you know very well that the increase goes down to the ordinary mwananchi. I would like the Minister, who is in this House, to tell us why he felt it was necessary to also increase the price of kerosene.

On the Budget, I am also wondering why the Minister did not talk on any policy in regard to enhancing or increasing employment opportunities. The Minister knows very well that there are no employment opportunities in Kenya, and that is why I even brought a Question to this House asking the Government of the day to retire those civil servants who have attained the age of 55 years. To me, those who are still working under contract after attaining the age of 55 years are doing so illegally. They should not even be recognised by the other employees, or

those whom they head. There is a Code of Regulations which states very clearly that once one has attained the age of 55 years, he or she should mandatorily go. Therefore, those who are still in office are there illegally. The Minister should also tell us what he will do to the young people who have graduated from various universities, both local and abroad. He should tell us where he will employ them. What is the Government's policy on the graduates who have obtained their degrees? Where will they be employed? The Minister should address this issue.

Mr. Temporary Deputy Speaker, Sir, I always talk about corruption in this country. Ruma Game Reserve in Ndhiwa Constituency has not been fenced up to today. Farmers within Ruma, where I come from, have a problem of wild animals going to their farms and destroying their crops. This is as a result of non-fencing of the game reserve. The other day, they were talking of Marked Card Project. In simple terms, this is a project for debt collection. I wondered why the Director of the Kenya Wildlife Service (KWS) gave a three-month contract to his son-in-law and paid him \$1,000 per day, which translates to Kshs75,000 per day.

Are we really going to eradicate poverty? How can we eradicate poverty yet corruption is now spreading even to Wazungu? I think US\$1,000 is a lot of money. To make it worse, there was no tender. Why could he not place a tender and let it be given to the lowest bidder? The same person, the son-in-law of the Director, is also entitled to a business-class travel by plane to wherever he wants to go.

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, the Director, Mr. Richard Leakey, is a great friend of mine and I would not like to have his name dragged into these circumstances without any evidence. Could the Minister substantiate the allegations he is making?

Hon. Members: He is not a Minister.

Mr. Murungi: Hon. Ojode is a Minister in the Government of co-operation between KANU and NDP.

(Laughter)

So, could the hon. Member substantiate the serious allegations that he is making against him?

The Temporary Deputy Speaker (Mr. Musila): Do you still refer to him as "Minister" or was it a slip of the tongue?

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, he is not even a Shadow Minister. He is a Minister in the NDP Government. But if you heard---

The Temporary Deputy Speaker (Mr. Musila): Hon. Murungi, you are raising a very serious point of order. Could you also be a little bit serious?

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, the point of order I am making is this: could the hon. Member substantiate the very serious allegations that he is making against the Director of KWS, Dr. Richard Leakey?

The Temporary Deputy Speaker (Mr. Musila): Mr. Ojode, you have already mentioned Dr. Leakey's involvement in that contract. Could you, please, substantiate or withdraw?

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, normally, when I contribute, I do not just make mere allegations. It is very true that the contract had already been given to the son-in-law of the Director, and he is being paid Kshs75,000 per day.

The Temporary Deputy Speaker (Mr. Musila): Order! Order, hon. Ojode. You are telling us. That is not substantiation. If you want to substantiate, you bring documentary evidence and if you do not have the evidence, you say so and withdraw.

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, I have evidence and I will lay it on the Table. However---

Temporary Deputy Speaker (Mr. Musila): Order, hon. Ojode. Whenever you make an allegation, it is your responsibility to have substantiation. So, if you do not have a substantiation now, I am prepared to give you until tomorrow.

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, I hereby substantiate by laying this document on the Table.

*(Mr. Otula laid the document on the Table
on behalf of Mr. Ojode)*

Mr. Temporary Deputy Speaker, Sir, there is this department called Adult Education Department. This department---

The Temporary Deputy Speaker (Mr. Musila): Order! Order, hon. Ojode. You are the one to substantiate; you do not send a messenger to come and lay the document here. Could you come and lay this paper

on the Table, yourself? That is the procedure.

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, I am losing so much of my time.

The Temporary Deputy Speaker (Mr. Musila): Order! Just lay the paper on the Table and we will look at it while you are contributing.

(Mr. Ojode laid the paper on Table)

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, the teachers of the Adult Education Department in my Ndhiwa Constituency have not been paid since December last year.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Ojode is not qualified to speak from the Front Bench. Could he go to the Back Bench?

The Temporary Deputy Speaker (Mr. Musila): You are right, Mr. Munyasia.

(Mr. Ojode moved to the Back Bench)

(Laughter)

Mr. Ojode: Mr. Temporary Deputy Speaker, Sir, these hon. Members are wasting my time. I would want to ask the Minister for Finance to avail some funds, so that the Adult Education Department teachers in Ndhiwa Constituency are paid. I understand from reliable sources that it is not only in Ndhiwa that they have not been paid, but it is a country-wide phenomenon. Even in the Minister's constituency, the Adult Education Department teachers have not been paid.

Mr. Temporary Deputy Speaker, the Catering Levy Trustees has over 400 employees. It is common knowledge, and the Minister knows it that the Kenya National Assurance Company was put under receivership and eventually liquidated. It went down with the pensions money of the Catering Levy Trustees. Where will these people, who are being retrenched, get their pensions money? The Minister says he now wants to transfer the functions of Catering Levy Trustees to a department within the Kenya Revenue Authority. But how about the plight of the employees?

Mr. Temporary Deputy Speaker, Sir, this Government, especially, Mr. Mugalla, is not taking the plight of workers seriously. Mr. Mugalla should resign.

The Temporary Deputy Speaker (Mr. Musila): Order! Order, hon. Ojode. You know the rules. You have just mentioned Mr. Mugalla who is an hon. Member of this House. You cannot do that unless you bring a substantive Motion.

Mr. Ojode: Mr. Temporary Deputy Speaker, on the issue of roads, you are aware that Rodi-Kopany Road---

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

The Assistant Minister for Energy (Col. Kiluta): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to air my views on the Budget Speech. But before I do that, I stand here a very disappointed man because when the Minister for Finance presented the Budget here, he did not give us a clause for wastage. I thought he talked of how he intends to raise the money and spend it usefully.

Mr. Temporary Deputy Speaker, Sir, last Sunday, we witnessed a case of wanton wastage of resources by this Government where I am supposed to be an Assistant Minister. Live bullets were fired in the air to harass innocent people. What provision is there in this Budget for that wastage? What provision is there for using 100 policemen with live bullets to harass innocent Kenyans who had just gone to listen to their Members of Parliament?

(Applause)

What clause did the OCPD, the DC and Mulu Mutisya invoke to disperse that meeting? It was a meeting well organised, legally convened in line with the IPPG legal and administrative reforms, and it was properly announced. What clause did they use?

Mr. Wanjala: On a point of order, Mr. Temporary Deputy Speaker, Sir. Some of us cannot believe our ears. Is hon. Kiluta---

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

Mr. Wanjala: It is the one I am raising. Is hon. Kiluta not an Assistant Minister in the Government he is challenging?

The Assistant Minister for Energy (Col. Kiluta): Mr. Temporary Deputy Speaker, Sir, the issue here is that I have seen hon. Kamotho and hon. Ndicho hold a public meeting. I have seen hon. Mark Too and hon. Raila hold a public meeting.

Mr. Ndilinge: Tell them.

The Assistant Minister for Energy (Col. Kiluta): What is wrong in Kamba KANU and SDP Members of Parliament meeting?

Mr. Kihoro: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is incredible that when the Assistant Minister takes on the Front Bench on the party opposite, the lights go out even in this House. How come that is so? Will you order that lights remain on while hon. Members contribute?

The Temporary Deputy Speaker (Mr. Musila): Order! Hon. Kihoro---

The Assistant Minister for Energy (Col. Kiluta): Mr. Temporary Deputy Speaker, Sir, can you protect me?

The Temporary Deputy Speaker (Mr. Musila): I am protecting you. You can proceed.

The Assistant Minister for Energy (Col. Kiluta): Mr. Temporary Deputy Speaker, Sir, if we have to be serious in this Government, incidents like the one I saw on Sunday should be avoided. Let us have some respect. People should be respected. Let us give everybody his own rights. I really did not see anything wrong with that meeting. If the Government says it did not authorise the OCPD to do that, then the right action should be taken. Let it be known here that we are going there again on 4th July, this time armed. It is not special within the Kamba community for the Opposition to meet with KANU people.

The second point is that the Kamba community has been taken for granted here. We are talking about the defections. Why is it only the Kamba people who are defecting?

Mr. Wanjala: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is using threatening language, that he will go there armed. Does he have a private army that will go to fight the policemen who will also be armed?

The Assistant Minister for Energy (Col. Kiluta): Mr. Temporary Deputy Speaker, Sir, for his information, I have got 27 years of experience in the military. I paid for his school fees and I will use that. That is the experience that I will use on that day. When the Minister presented the Budget Speech, it did not have a provision for money to be spent on defectors. The last time we spent over Kshs37 million on defection. Was it worth it? Instead of defecting, why can you not co-operate? The NDP is co-operating with KANU. Why can the SDP not accept to co-operate? Is there a limit of who should co-operate with who? I see no reason why the Government should waste money on defections. In any case, why should it be the Kamba people who are defecting?

The Minister of State, Office of the President (Dr. Anangwe): On a point of order, Mr. Temporary Deputy Speaker, Sir. You heard him saying that the Government spent Kshs37 million on defections. Can he substantiate?

The Assistant Minister for Energy (Col. Kiluta): Even if we spent Kshs2, was it covered in the Budget? The Minister did not tell us that there was a provision for defections. Where did the money to fund the defections come from? The people who supervised the election must have been paid, but from which account? Can the Minister tell us where he got the money to fund the defection? Why should we waste money on defections, and why should it be the Kamba people?

The Temporary Deputy Speaker (Mr. Musila): Col. Kiluta, I think you are referring to

[The Temporary Deputy Speaker]

elections and not defections. There are two different issues there. The money was spent on elections.

The Assistant Minister for Energy (Col. Kiluta): It was spent on election after defection.

The Temporary Deputy Speaker (Mr. Musila): Proceed. I was just helping you.

The Assistant Minister for Energy (Col. Kiluta): This trend must be stopped. Those who are really out for defection must know that they are giving their voters double work. I urge the voters not to vote for them next time. If you defect in Ukambani, I will go and campaign against you. Let it be known here. I will go there and campaign against you, and not for you. Do not count on my support when you defect.

My other concern is about services which were regionalised to suit certain sections. I come from Eastern Province and yet I have to go and pay my telephone bill in Nyeri. If I have problems with the post office, I have got to go to Nyeri. If I want to sort out matters related to VAT, I either go to Kiambu or Thika. For Income Tax

and Power, I have to go to Thika. I live near my provincial headquarters which is in Embu. Why can the Minister concerned not look into these issues again so that people can benefit from the tax they pay? This regionalization seems to have been set up to suit some areas, so that they can benefit at the expense of other areas. It was like that during that time, but I am sure it has outlived its usefulness. If we have got to treat everybody fairly, then let us have everybody paying their own taxes in their own areas, so that if there is any money to spare, it goes to those areas. I am glad that the Minister is here.

I talked of telephone services and said that I do not see why the people of Machakos should go to pay their bills in Thika or Nyeri. On VAT, why should we come all the way here? What is difficult in opening an office in those areas? The same applies to Income Tax. Why should I go to pay for power in Thika? Why not Matuu where there is the Kenya Commercial Bank? If I want money from the KCB to meet my demands, I am referred to Thika. Why not to Machakos, which is my district? These are some of the things we should look into to avoid inconveniencing our people.

Coming back to the money that we voted for various Ministries, we are over 200 Members of Parliament. It is very unfair for a Minister to sit here and expect me to support him when, for the last two years, he has not initiated any project in my constituency. You can rest assured that my vote is gone. I have never seen a tractor for the last two years. I was promised water which is never there. I was also promised an agricultural project, but nothing has happened so far. How do you expect me to stand here and support you? You must work for my vote! The only way you can get my vote is to initiate a project in my constituency. If you know you have not done that, then, for sure, you have lost my vote because I was given that vote by my people so that I can come and give it to you, provided you develop my area. If, out of this money that we voted, there is nothing for my area, surely, I will say: "I am not going to give you my vote", and I will go with it.

Finally, on security, could the Commissioner of Police look into all the areas equally, so that he establishes police posts in all the constituencies?

With those few remarks, I beg to support.

Mrs. Mugo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the debate on the Floor. First of all, I would like to say that this Budget did not critically address issues which concern Kenyans most at the moment, and which are very vital. These issues have made Kenyans' lives very difficult. The Budget did not show how it will revitalise the public health and education sectors; infrastructure, improve and alleviate insecurity, and so forth. I think Kenyans have nothing to celebrate about this Budget because, short of calling it a rich man's Budget, I do not think it is really anybody's Budget. What the Minister has given with the right hand on the reduction of VAT and other taxes, he has taken away with the left hand by increasing fuel levy and the price of kerosene. The Budget does not at all reflect the poverty eradication policy, which I think is the issue of the day. As usual, it is contradictory on what it promises the people and what it really delivers. The Budget has remained too traditional instead of addressing the problems of Kenyans today, which are different from yesterday and the day before; thanks to the very corrupt Government that we have at the moment.

Mr. Temporary Deputy Speaker, Sir, life has become too expensive artificially because of what has been siphoned out from the public sector. Instead of putting money into public use, it goes to very few individuals. It is in the public sector where most of the money is being used without delivery of services. The Government takes 30 per cent of income from taxation, but very little services are offered to the people. Until the President reduces the number of Ministries and stops duplicating the functions of different Ministries, we will never deliver services to the people. The proposal to introduce a three-year medium expenditure framework is a welcome move because the Budget will be formulated with long-term perspectives as opposed to short-term ones, which have been mainly for political gain and not for anybody's good. I have in mind things like voting and how we implement the Budget policies, which are never carried out after that.

Just before the last General Elections, some Kshs200 million were voted for women projects. I feel very sad that this programme was never continued after that because the aim was to deceive the women to give their the votes to the ruling party for no services delivered, and nothing happened to them after all. I would have liked to see a Budget which takes into consideration micro-policies, instead of too much macro-policies which will not alleviate poverty in this country. It is the small trader or farmer who really suffers most. He experiences poverty and yet nothing has been done to give him services.

Mr. Temporary Deputy Speaker, Sir, I would have liked to see some money allocated to give credit to small traders in the informal sector. The farmer should be given credit in the form of fertilizers and Guaranteed Minimum Return (GMR), which used to be there and which seems to have been scrapped for good. With that kind of support, the farmer would be able to do farming, feed his family and educate his children. The policies which are in place seem to benefit only the big farmers. A survey carried out in 1996/97 showed that the fastest growing

sector of the economy was the informal one, and it seems to get no support.

Mr. Temporary Deputy Speaker, Sir, I would like to say something about the economic growth which should generate wealth in order to eradicate poverty. The Minister said that it is because of the capital flight that we are facing some of these problems. However, I really see that these problems are as a result of the policies themselves and not capital flight. The shilling has gone down drastically and, in fact, I wonder what we are using for importation, or whether there are some unscrupulous business people who are dumping commodities in this country, including the sugar which was lying at the Port of Mombasa the other day. Money laundering is done through dumping of goods in this country. If we developed good business practices, at least, we would attract genuine investors, who would generate wealth in this country to support our economic ventures.

Mr. Temporary Deputy Speaker, Sir, concerning tourism, sometimes I fail to understand why this Government blames the international Press. The actions of this Government do not encourage anyone to come to this country. Local demonstrations are ways of expressing opinion for all democratic civilized societies. That is how the ordinary persons show how they feel, and it is acceptable anywhere. But this Government is allergic to any demonstrations, even peaceful religious demonstrations. The Government has to use force against innocent Kenyans to the point where they almost kill a clergyman through beating by thugs-cum-policemen or both, in the presence of the international media. Why do they bother to say bad publicity is brought by enemies of the Government when it is agents of the same Government who really make this country unpalatable to would-be investors? I believe the hon. Minister, who seems to be very conversant with that Ministry, will talk some sense to this Government and make it understand that the way things are going, nobody will put his shilling or dollar in this country. We will continue to be poor, and Kenyans will continue being unable to meet their needs.

Again, I am ashamed when I see the President complaining about Permanent Secretaries, Provincial Commissioners, *et cetera*, but he appointed these people! The first thing would be to remove them from office. Every day we hear of corruption in high offices and complaints about our policemen being corrupt. I keep on saying that, all those people who were reported by the *East African Standard* and the *Daily Nation* as having been mentioned in the PAC and PIC Reports for being corrupt should be removed from office, and taken to court. Who then will save Kenya if the Government of the day starts complaining, right from KANU Members of Parliament, including the Head of State? Then the best thing to do would be to resign. This shows that they have been defeated and they cannot lead this country.

Mr. Temporary Deputy Speaker, Sir, I hope that the hon. Minister will make sure that this year's Budget is implemented, where possible, because the biggest problem is implementation of policies stated in the Budget.

With those few remarks, I beg to support.

The Assistant Minister for Environmental Conservation (Mr. Abdi): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. As you all know, I come from a province which has been looking so much forward to this Budget, but we have been disappointed by the Minister's Budget. We have always said that, we should take a collective responsibility in this country to alleviate poverty. Poverty is an apparent problem in the North Eastern Province, and I believe that if we concentrate our efforts, it is a problem that we can solve.

Mr. Temporary Deputy Speaker, Sir, North Eastern Province is a very fertile and rich region. All we require is for the Minister to come here and say that, in this Budget, you will have Kshs3 or Kshs4 billion for a particular project. This has not been forthcoming, and for the full potential of any particular area to be realised, first and foremost, that region must be opened up.

We are completely closed, since we do not have a single tarmac road in the area. I can assure hon. Members, including the Minister, that if we got a road system in North Eastern Province, from Nairobi to Mandera, which is about 1,000 kilometres, we would be able to contribute a great deal to the economy of this nation, and, by extension, the Government could offset debts that have been accumulated over the years.

Mr. Temporary Deputy Speaker, Sir, that region has relied on relief food since Independence. We do not require relief food if we can be able to develop the potential that we have. We have enormous land, water and minerals. Virtually every economic activity can be undertaken in North Eastern. All we are lacking is commitment in terms of availability of funds. People from North Eastern Province also pay taxes. In future, we would like to request the Minister to undertake at least one specific project every financial year. To begin with, we would like that region to be opened up. I would like to request the Minister to urgently look for funds for the tarmacking of that particular road. It is very vital to us and our economic activities.

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

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

Mr. Temporary Deputy Speaker, Sir, Wajir South, the constituency that I represent in Parliament, and specifically the Habaswein area, is a very fertile region and is a potential area for food production. I got an opportunity to visit Israel, and I can confess that in terms of climatic conditions, North Eastern Province is much better. But because there is no commitment in terms of allocation of funds to the area, we have many problems and, therefore, have to rely on relief food. The land in North Eastern Province is flat and we do not require a lot of money to make it arable. We have plenty of water just about 110 metres away from the area, and we can even be able to supply food to the country for the next 300 years. This is according to reliable information that we have. There is water and fertile land in the area. What we only require are funds in order to realize our potential. If the funds are availed, I can assure the House that we can be able to feed this nation. The Government would not need to import any food stuff.

Mr. Temporary Deputy Speaker, Sir, the Minister has spoken about efforts to alleviate poverty. I am speaking on behalf of the people of Wajir District where we have the third largest military facility after Nairobi and Mombasa. We can be able to export the cattle and sheep that we have, directly from that facility to the Middle East. But because we are not allowed to do that, and we have not undertaken to put in place the necessary infrastructure that is associated with an air transport facility, we have a problem; we cannot be able to utilise a facility that is lying idle. Therefore, we are under-utilising our own resources. If we are serious about the alleviation of poverty, I would like to appeal to the Minister to open up that air transport facility for commercial purposes. At the moment, it is only there for military purposes and yet we are not at war with any country. It is such a beautiful, huge facility that we can use to export our livestock, so that the incomes of the people in North Eastern Province can improve.

Mr. Temporary Deputy Speaker, Sir, even though there is a very beautiful statement in the Budget Speech about provision of water, this has been a big problem in my constituency. In my own home town of Habaswein, which happens to be the sub-district of my own constituency, there has not been a borehole. Our borehole collapsed about a year ago, and, to date, the Ministry of Water Resources is still struggling to install a new one, but they have not managed, the reason being that they have no funds. The Minister for Water Resources and the Minister for Finance are here. I would like to inform them from the Floor of this House that we are suffering, and we require funds urgently to be able to complete that particular project. On the same note, the lifespan of boreholes that were put up in that constituency in 1972 has elapsed; those boreholes are almost collapsing. We have got over 14 centres from Habaswein up to a centre near the border, called Sarif. All these boreholes are almost collapsing; anytime, there will be a catastrophe because, if they collapse, there is no other option available for people to get water. So, I would like to request the Minister to make funds available and replace these boreholes in all the centres in my constituency. If that is done, the Minister would have done a great service to the people of Wajir South Constituency, and this will improve their living standards.

Mr. Temporary Deputy Speaker, Sir, the Minister also dwelt on the aspect of security, which is also very important. But, today, as I talk here--- I came from my constituency, which happens to be right across the border with Somalia, last week. In Somalia there is no government; everybody is a government unto himself. What is happening is that Somalia has been taken over by another Government; Ethiopia. So, today, if there is a problem between our nation and Ethiopia, they do not have to attack us from Moyale; they can do it from Kismayu in Somalia because they have taken it over. Unfortunately, we do not have a proper foreign policy. The foreign policy in our country has been, in my own view, really wanting. This is because we decided not to get involved in the internal affairs of Somalia. But in the process, we are now experiencing the spill-over effect of refugees and arms. I think it is high time, as a country, we got involved in the internal affairs of neighbouring countries which have been destroyed, just to secure our own survival.

Mr. Temporary Deputy Speaker, Sir, in Wajir South, Lagdera and Mandera, the security situation is very bad. Unless we put a plan in place to see how best we can solve the situation--- We can even have relations with people in the southern part of Somalia only. We do not need to seek relations with people in Mogadishu where there is no government. The best thing for us to do is to see if we can establish a small office, which would deal with only those people who have a common border with us. These are the people who live in southern Somalia. Our immediate problem today should not be Mogadishu. And we do not want to hear some people saying that Kenya does not want to interfere with the internal affairs of Somalia. We have got to intervene, because our security is at stake. There is an over-flow of refugees who are coming into the country with sophisticated arms, and the Ethiopian Government has taken over that country. We should not just watch as that happens.

Mr. Temporary Deputy Speaker, Sir, every time we request for military deployment along the borders, we

are told that funds are not available. We should not gamble with the lives of our people; we must redeploy the military along the borders. We had the military personnel in Liboi a few years ago, but we have withdrawn them. I would like to request the Minister to consult very closely with colleagues and see how best we can be able to take back that military facility. If we have that along our borders, from Liboi to Difu, then I am sure the might of our Government will be felt, and nobody will joke around. But if we do not do that, the militia who are still in our area will continue looting our animals and seizing our trucks. It is very difficult to pursue them into a country that has no government. So, if we considered redeploying the military along the border, I am sure we would ease this security problem.

Mr. Temporary Deputy Speaker, Sir, I would also like to talk about the Constitutional Review Process. We have talked about the Constitutional Review Process, and I am sure we have taken too long as a country to start the process. We know that the Constitutional Review Process has stalled. This Parliament is responsible for the stalling of that process; we are all responsible for having made the Constitutional Review Process stall. We must be seen to take the lead. We passed an Act which cannot work. What is the sensible thing to do? We should bring the Act back to Parliament, look at it afresh and correct any anomalies. If we do not do that, we are calling for bloodshed, and we are going to be responsible for it. Everybody in this House who assented and debated that Act is going to be responsible. History is going to judge us harshly. The best thing to do is to get the Act back to Parliament and correct the anomaly.

Thank you.

Mr. Murungi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Budget Debate.

Mr. Temporary Deputy Speaker, Sir, I stand here, a bitter, disappointed and disillusioned Kenyan. This is because this Budget is irrelevant and meaningless to the poor people of South Imenti who I represent in this Parliament.

Mr. Temporary Deputy Speaker, Sir, the farmers of this country have nothing to celebrate in this Budget. The Budget is an instrument of exploitation and oppression of our small-scale farmers. Two years ago, this Parliament abolished the Presumptive Tax. It is very unfortunate that my old friend, the Minister for Finance, has decided to "resurrect this terrible ghost" which does not give farmers of this country an opportunity to sleep. So, I would appeal to the Minister to reconsider removing or suspending the Presumptive Tax because there is nothing else we are being asked about.

Mr. Temporary Deputy Speaker, Sir, I have looked at the Development Estimates and it is a very great shame that there is no single project in my own constituency, South Imenti, which will benefit out of all the billions of shillings that we are voting for development from this Government. The most disappointing of all is our famous Meru-Githongo-Chogoria Road for which there was a Motion unanimously approved by Parliament in 1995. The President himself has been to Meru three times and he promised the people of Meru that, that road was going to be done. In February, 1998, immediately after the elections, we went to Meru with hon. Kones who is here, and who was then the Minister for Public Works and Housing, and the head of the delegation of the European Union (EU). The Meru leaders asked them whether that road was going to be built or not, now that they did not have a KANU Member of Parliament in Meru Central District. The Minister told them that the Government does not look at political parties; it looks at the economic viability of the roads. He assured them that, that road was going to be made. We put the same question to the head of the European delegation, Mr. Saltzman(?). He also said that the EU was willing to support that road because it connects five tea factories, two of which are being planned. When there was no movement, I wrote a letter to the then Minister for Finance, hon. Nyachae, and he wrote back to me a three-page letter, explaining that he could not forward the project to the EC for funding because the Ministry of Public Works and Housing had not given it core priority. So, I wrote back to the Ministry for Public Works and Housing and, in fact, I went to see hon. Kones in his office. He told me that it was an oversight and assured me that the road would be given core priority.

Mr. Temporary Deputy Speaker, Sir, the most disappointing thing in this Budget is that, whereas we have maintained the road and given it K£20 or K£100 in the previous Budgets, in this Budget, the road has disappeared altogether despite assurances by the Minister and a donor who is willing to fund the road. Despite assurances by the President, this Government has turned its back on the people of Meru. This is the last time I want to talk about that road in this Parliament. I started talking about it when I was elected in 1992 and I think six years talking about the same road is long enough. So, if the Government is unable to do the road, I would only ask our people to vote wisely and vote for a Democratic Party Government, which is going to do that road. We have only been fed with lies and empty promises by this lying Government. They are not ashamed of telling lies to the people.

Mr. Temporary Deputy Speaker, Sir, Kenyans are wondering--- The other day, we read in the Press that a golden "jogoo" in the President's bedroom at Kabarak was stolen. If the Government cannot protect a golden

"jogoo" in the President's bedroom, how can they protect the people of Kenya? That alone is a vote of no confidence in the KANU Government. A "jogoo" worth Kshs2.5 billion was stolen, and it has not been found! Sometimes I think we are wasting our time asking this Government to do this and that. If it cannot protect the property of the President, which other property are they going to protect?

An hon. Member: Uwongo!

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, the Minister is saying that I am lying. Does he not read the Press to learn that, that "jogoo" was stolen and it has not been recovered? It is a very great shame! In 1963, we set out--- Have you found the "jogoo"?

(Laughter)

The Minister for Environmental Conservation (Mr. Nyenze): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to quote the Press and allege that the "jogoo" was stolen?

Mr. Murungi: Mr. Temporary Deputy Speaker, Sir, this question just reveals the calibre of Ministers who are in the Government!

(Applause)

The Assistant Minister for Information and Broadcasting (Mr. Ekirapa): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the speaker to insult a senior Government Minister by alleging that he is of low calibre? I think he should withdraw that word and apologise.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Ekirapa, are you speaking on behalf of the Minister? Continue, Mr. Murungi.

Mr. Murungi: We have had very many Budgets in this country---

This Assistant Minister does not seem to know what a point of order is!

The Assistant Minister for Information and Broadcasting (Mr. Ekirapa): On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to seek your ruling on whether the language used by the hon. Member is parliamentary?

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

Mr. Murungi: Thank you, Mr. Temporary Deputy Speaker, Sir.

The Assistant Minister for Education and Human Resource Development (Mr. Ruto): On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member on the Floor has clearly insinuated that the hon. Minister is of low calibre.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Ruto, the Minister has been sitting here, hearing Mr. Murungi, but I have not heard him raise a single point of order. Continue, Mr. Murungi.

The Minister for Environmental Conservation (Mr. Nyenze): On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to seek guidance from the Chair with regard to the point that was raised that, "this is the calibre of Ministers that we have". Is it in order for him to use that kind of language?

Mr. Murungi: Thank you, Mr. Temporary Deputy Speaker, Sir. I was saying that we have had many Budgets in this country, and despite---

The Assistant Minister for Education and Human Resource Development (Mr. Ruto): On a point of order, Mr. Temporary Deputy Speaker, Sir. He needs to apologise to the hon. Minister for the insinuation.

The Temporary Deputy Speaker (Mr. Imanyara): Order! I think the Chair is quite capable of making a ruling. The Minister has not raised any point of order that requires a ruling from the Chair.

Continue, Mr. Murungi.

Mr. N. Nyagah: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to intervene here on behalf of the speaker. From the ruling made by the Chair, the Chair ruled----

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Nyagah!

Mr. N. Nyagah: Mr. Temporary Deputy Speaker, Sir, I am talking about the Member on the Floor, not the substantive Speaker. In view of that ruling by the Chair---

The Temporary Deputy Speaker (Mr. Imanyara): You have taken all his time.

Mr. Murathe: Mr. Temporary Deputy Speaker, Sir, I do not know whether we want to be merely discussing this Budget. I would like to contribute to this Motion by asking this House to throw out this Budget in its entirety. There is no point of asking people to pay taxes which they can never be told how they are spent. Year in, year out, we have a litany of Finance Ministers coming here to present Budget proposals of ways and means of

how much money they intend to collect, and how they intend to spend it.

Mr. Temporary Deputy Speaker, Sir, in the last financial year, this Government collected more money than had been projected. This Government has nothing to show for that money. It is robbery to ask our people to give this Government taxpayers' money. This Government should just be dissolved because it does not work on the basis of its Budget. This Government is run from an office called the Office of the President, which has about 54 departments, which are the ones which run this Government, and they do not follow the Budget. A budget is about planning for yourself; that is, how you want to collect money and how you want to spend it, like the way you do with your salary. However, if you make a budget and at the end of the day you get your salary and take all that money to the bar and drink it, then there is no point of having a budget in the first place. This Government was to collect Kshs180 billion. They collected more money over the last three-quarters of the year than they had planned to spend. What do they have to show for it?

Mr. Temporary Deputy Speaker, Sir, we are really let down by this Government, and this is the generation of problems across the board. For the last 35 years, this generation across the board, on both sides of the House, has had the collective duty of running down this country. During the handing over function in South Africa, Mr. Nelson Mandela said that he was not handing over the seat to Mr. Mbeki, but he was handing it over to a generation. But we have a generation here, which is not taking up the challenge of taking over from this old generation. Every nice little thing that has happened in this country, they are collectively responsible, but they are also responsible for every bad thing that has also happened in the country. It is high time that this generation of leadership was thrown out of power, and the young generation must now take up the challenge; that is the Kirwas, Rutos, Imanyaras and Gatabakis of this House. The situation we are in today has a direct bearing on the sort of leadership that for the 35 years of Independence this generation has been in control.

Mr. Temporary Deputy Speaker, Sir, we are even talking about Budgets that do not work. Regarding the Constitutional Review Process, they are talking about Kshs4.5 billion and you will find that no matter how beautiful a Constitution you have, and it is not implemented, it is just a waste of time and taxpayers' money. We have a Constitution in place and an IPPG deal which says that Members of Parliament cannot be harassed, but this Government spends taxpayers money to go and terrorise Members of Parliament contrary to the IPPG arrangements. They are not capable of implementing anything. They are not even capable of implementing this Budget. There is no point of asking people to pay taxes. Maybe, it is high time that we asked our people not to pay taxes to this Government because it is not capable of utilising those monies properly.

Mr. Temporary Deputy Speaker, Sir, look at the stalemate that we are having about the constitutional order that we want. It is a simple problem caused by this KANU Government. The Act is very clear, and it says that there shall be 13 seats divided among the ten Parliamentary parties; 13 divided by ten is 1, and there are three seats remaining. That means that you give each Parliamentary party one seat and there will be three seats left to be given to the other non-Parliamentary parties to distribute, maybe, between the women, the youth and the disabled. I do not understand why we want to have a stalemate about the future of this country.

Mr. Temporary Deputy Speaker, Sir, look at the taxes which have been re-introduced by the Minister for Finance, like Presumptive Tax on farmers. This is a Government that is pretending to be farmer-friendly. What are they up to? They are putting the yoke further on the farmer, by re-introducing the taxes in this Budget. They told us about reducing the Budget deficit in last year's Budget, but look at what has happened. They have increased the Budget deficit of this country. This Government is not serious and there is no point of giving these people money. It is high time we told our people not to pay taxes to this Government. Let this Government come to a halt. Let us start a new structure.

Mr. Temporary Deputy Speaker, Sir, I hope this Minister, this year, and this time around, will not give us those figures that they are putting in the development plans and books. Last year, I had money for Gatanga Constituency to the tune of Kshs45 million for water, and that figure is still there this year. I really do not understand why you want to give money, so that we please people when we do book-keeping exercise. It is high time this Government explained to wananchi in very simple language that this is the amount of money that we collected, and this is how we spend that money and not the litany of how Kshs300 billion has been stolen and looted. A look at the PIC and the PAC reports when you are dealing with a banana republic--- Even an individual in the world, like Bill Gates, is worth about US\$90 billion and this Government in total collects Kshs900 billion which is about US\$10 billion. You know that the net worth of the Government of Kenya is minus. This country owes US\$9 billion in external debts and US\$2 billion in domestic debt, and its GDP is Kshs900 billion. Technically, this Government is bust. Why do we want to tell our people to keep on putting money in a bottomless pit?

Mr. Temporary Deputy Speaker, Sir, I think it is high time that Members of Parliament, as representatives of our people, sought a very simple explanation in very simple language. I am glad the Minister

has his technocrats in this House to prepare a balance sheet and to say that we have collected so much money in 1998/99, and this is how we spent this money so that there is something to show for it. This Government even tells us about money that they are not capable of spending; that is, money that they have been given free of charge by the World Bank to rehabilitate urban roads. There is one road here called Ronald Ngala Street, named after the father of the Minister for Public Works and Housing, and it is not passable. Quite clearly, we have a serious problem here and I would like to urge this House, and the Members present, to throw out this Budget totally and maybe, even dissolve this Parliament. Then, we should go back and tell the people that we do not have a Government here, and let this Government be run by a commission or you get people to go back to the jungle. You cannot ask our people to keep giving money and you are tightening their necks every day, and then, there is nothing to show for it. What are we doing here?

Mr. Temporary Deputy Speaker, Sir, in terms of accountability, transparency and even in terms of those taxes which this Government is trying to levy in order to discourage imports, it is just a waste of time. This is because the higher the tariffs, the higher the incentive to avoid being taxed, and you know as well as I do that even those people who are importing eggs are well-connected people. Even if you put higher tariffs, those people are going to evade paying taxes and your chicken farmer is just going to go down the drain again. Mr. Minister, put quotas and say that there is no way that anybody is going to be allowed to import eggs into this country. Say that there is no way there is going to be importation of sugar. Put a quota system on textiles. Put a quota system on those areas where we have competitive productive advantage, so that anything coming in here--- Forget about trying to levy tariffs on eggs and other consumables.

Mr. Temporary Deputy Speaker, Sir, liberalisation is not just about the absence of regulations. The Government has failed to take charge of the liberalisation process. So, it has no business to continue ruling. You cannot just open up things and then blame the Opposition for asking for liberalisation. We are talking about free trade and free markets. However, we also know that foreign governments subsidise farming activities. We also know that their farmers have tax incentives so as to export farm produce.

Now, what we are doing to the agricultural sector is that we are killing it. We are killing it in terms of farm inputs and levying statutory deductions. For example, in the coffee sub-sector, the tax rate has risen from about 6 per cent last year to about 12 per cent after adding the Presumptive Tax and other market charges being levied by this Government. In the process of liberalising the tea sub-sector, factory companies, which were previously exempted from paying taxes, are now being required to pay 45 per cent corporate tax. Now, is the Government really helping the farmer, or killing him? Does the Government, really, know what it is doing, or it does not? The Government should stop the things it is doing through this Budget.

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

I would like to say that the Budget is not farmer-friendly. A look at the measures that were suggested by the Minister for Finance shows that they go against the fundamental principles of improving the standards of living of the farming community in this country. The increase in the prices of kerosene and diesel directly affect the farmer. Also, the re-introduction of Presumptive Tax directly attacks the income of the farmer. The farmer is already so hard pressed that the farmer who, about two or three years ago, was just living above the survival level, is languishing in poverty today; yet, the Government is still levying taxes on items which directly affect the improvement of the farming community.

The Minister has said that agriculture is the backbone of the economy of this country. However, what he has suggested in the Budget does not show that he takes that statement seriously. The increase in the prices of kerosene and diesel, and the re-introduction of Presumptive Tax will, first of all, contribute to the destruction of the environment. Therefore the Budget itself is not environment-friendly. If farmers stop using kerosene, they will have to use wood fuel, which means that they will destroy forests. As we talk about the destruction of Karura Forest, wananchi will still harvest the woods in their surroundings for fuel, thus destroying their environment. Also, the increase in the price of diesel will increase the price of the very important farm inputs. This will, in turn, increase the cost of farming, while the farmer is already impoverished.

Mr. Temporary Deputy Speaker, Sir, despite all this, the Government has not given any suggestions on how marketing of farm produce can be improved, to enable farmers fetch better prices for their produce. The increase in the price of fuel will automatically increase transport costs of both farm produce and passenger services. This way, we are not going to reduce inflation. Although the Minister has said the rate of inflation will be contained within the single digit level, I must say that this will not happen. Definitely, inflation will shoot up. The increase in the price of fuel oil will have effects across the board, and will increase the prices of all related goods and services.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about the *El Nino* funds. It appears to me that

the Government has got its priorities upside down. The *El Nino* funds were supposed to be used for the improvement of the roads that were destroyed by the *El Nino* rains. However, the Government is instead using the funds to refurbish urban centres whereas the *El Nino* rains damaged more of rural areas infrastructure. It destroyed roads leading to very important agricultural areas and the lake area, where fish is supposed to be transported to markets. Our fishermen have stopped fishing because the road network is destroyed, and no investors are ready to transport fish on roads which are completely destroyed. Therefore, I would like to suggest that rehabilitation of infrastructure in the rural areas be given priority.

Therefore, I would like to suggest that the Government's priority in the utilisation of the *El Nino* funds be reversed to start with the rehabilitation of roads in rural areas. Maybe, the Government should just give some token funds to local authorities, since it raises a lot of funds from rates and other charges that it levies on wananchi, to which local authorities have no access. Despite the fact that the *El Nino* rains destroyed roads all over the country, there is no mention of any road in my district in the Budget. The Bondo-Kisian Road is not mentioned anywhere in the Budget, and yet it is a major road which leads to very important beaches where fish is produced.

I would also like to talk about the improvement of the investment environment, which the Minister mentioned in the Budget. I would like to tell the Minister that there will be no improvement of the investment environment until there is improvement on the general security in this country. Business people are butchered every day in this country. Tourists are caught up in bad roads and even killed in national parks. Despite all this, the Minister does not tell us the concrete security measures the Government is taking to empower the Police Force in order to improve the security situation in this country. This must have been given in terms of vehicles and security equipment. Also, there are cases of rampant police brutality against Kenyans. I was one of the victims of police brutality in Eldoret when we went there to open an office for our party. I was beaten up, and my arm broken. The then Minister in charge of internal security had the audacity to come and tell the House that I was not beaten up, and that I was only pretending. However, until the police are restrained from beating up ordinary people and hon. Members of Parliament, the image of this country will not improve, and we should not expect any contribution from the international community in terms of donations for development.

Mr. Temporary Deputy Speaker, Sir, the Minister has talked about minimising domestic borrowing. I would like to say that there is no way domestic borrowing will be minimised until the application of public funds is done rationally, and Kenyans can see what their money is doing. The country collects Kshs180 billion every year, but cannot see that money in terms of services rendered to our people. Until this is done, there is no way we will reduce domestic borrowing. We will continue to borrow, but Kenyans will continue to languish in poverty.

Mr. Temporary Deputy Speaker, Sir, I want to oppose vehemently the privatisation of the Kenya Ports Authority. Indiscriminate privatisation of parastatals is not going to help this country. In fact, from the very beginning, it was decided that strategic parastatals would not be privatised, and Kenya Ports Authority cannot be left to be a mere landlord of manning our ports. In fact, it is so strategic that the Minister must consider to revise his intention to privatise it.

Down-sizing of the public service through retrenchment cannot be panacea for problems of expenditure on the Civil Service. The Government indiscriminately retrenched, such that there are certain Government departments where, actually, there are no messengers now. There are certain departments where there are vehicles and no drivers. That type of retrenchment is irrational and instead of improving services and even reducing expenditure, it is re-introducing inefficiency in the provision of Government services.

Mr. Temporary Deputy Speaker, Sir, I would also like to inform those who think that the Luo wife-inheritance practice is the cause of AIDS that, in fact, it is the practice which is a deterrent to the spread of AIDS, because when one has an in-law and he knows that her husband died of AIDS, then he can contain her using all the means of protecting himself instead of leaving her to go loose or haywire and spread the AIDS to people who do not know that her husband died of AIDS.

I would like the Minister also to suggest concrete measures. He has complained about dumping of agricultural goods from subsidised markets, but I do not want him to complain. He should take action!

The Minister for Water Resources (Mr. Ng'eny): Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to contribute to the Motion.

First of all, I would like to take this opportunity to congratulate the Minister for his splendid Budget proposal which, definitely, showed the depth, the experience and the width of his knowledge about Budget preparation.

This is a Budget which Kenyans should raise their hopes to and welcome with two hands, because it is about the growth of the economy of Kenya. The Budget emphasises--

Mr. Kikuyu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Minister in order to say

that Kenyans should have hopes in a Budget which has nothing to offer them?

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Kikuyu! Continue, Mr. Ng'eny!

The Minister for Water Resources (Mr. Ng'eny): Thank you, Mr. Temporary Deputy Speaker, Sir. This Budget, as we all understand, emphasises on crucial areas of our economy; crucial areas of growth. It emphasises on infrastructure and, as we all know, infrastructure is the basis of our economy. Kenyans, I am sure, do appreciate and realise that in the last few days or years, this country, including other countries of the world, underwent very serious economic conditions arising out of global recession.

The global phenomenon arose out of the growth of the new world order. In some cases, it arose from the collapse of the Berlin Wall, and very severe drought, not only in Kenya, but also in the whole region. It also arose out of the various aspects of international and national phenomena. Kenyans should be grateful to themselves, and to the Government, for having managed to go through the past enormous difficulties. We should appreciate what the Government has done, if we are really sincere to ourselves. I think what we lack is sincerity to ourselves, which I am sure, if we have, we should be able to move further.

Mr. Temporary Deputy Speaker, Sir, I am sure, as we talk and ponder over the future of Kenya in this House, Kenyans are beginning to have a lot of confidence in the Government. I would like to take this opportunity to thank His Excellency the President because despite those difficulties and hurdles, both internal and external, Kenyans have managed to live together in peace. Peace and tranquillity are the most paramount things that any human being desires to get.

So, Mr. Temporary Deputy Speaker, Sir, even last week, the President underwent severe pains to convince the dairy farmers that the best way of running the Kenya Co-operative Creameries (KCC) is to come together and discuss about their problems. I am sure that, from that day, KCC will never be the same. Similarly, I am sure that even the Budget has got a very good foundation; it is a launching pad, like a rocket. To launch a rocket, you need a very good foundation, so that you have trajectories which will enable it go up to the skies. So, similarly, the Budget has really been launched on a very firm foundation. As we all know, it was done professionally and splendidly. So, now, Kenyans should build their hopes on this Budget Speech, and know that Kenya is their country, and the Budget was theirs, and they can only base their development on it. They cannot base their development on any other Budget! So, I urge my colleagues, who genuinely criticise, to continue doing so, because it is good. I appreciate what they are doing, and I think all of us appreciate genuine criticism. But my understanding is that when we talk about the Kenyan Budget, then we are talking about ourselves, our children and our future. We are also talking about our position in East Africa and Africa as a whole.

Mr. Temporary Deputy Speaker, Sir, I would like to take this opportunity to remind hon. Members that when we stand up very proudly wherever we might be - be it in New York, Moscow, Tokyo or the North Pole - and say that we come from Kenya, I am sure this country will change for the better and be like those days when we used to be famous. But our problem is that we have despised ourselves. We are no longer proud of ourselves and our institutions because we have degraded our institutions, including this Parliament, which is our highest institution on the land. We have diminished it to nothingness!

Mr. Kariuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for this hon. Minister to insinuate that institutions are being wrecked when he has been a party to that process of wrecking institutions?

(Applause)

The Minister for Water Resources (Mr. Ng'eny): Mr. Temporary Deputy Speaker, Sir, I did not build a "kukuu house"; I built something nice which everybody is proud to see.

With those few remarks, I beg to support.

Mr. Mwakiringo: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this last Budget Speech for this century and the first one for the coming century.

Mr. Temporary Deputy Speaker, Sir, the Budget, though the last and the first, did not take into consideration the common man's needs. A common mwananchi requires peace and security in this country to be able to do his daily duties. It is surprising to note that the office of the Commissioner of Police was only given Kshs40 million for communication equipment, which is nothing.

Equally so, the Commissioner of Police was given Kshs40 million to rehabilitate police stations and police lines! This is nothing! In total, the Commissioner of Police was given Kshs80 million, which cannot service the required equipment to fully control the security of this country. Why am I saying that? It is saddening to note that this House was given Kshs64 million for the rehabilitation, repair and partitioning of Continental House in the last Budget. In this Budget, it has been allocated Kshs100 million for the same purpose,

thus giving a total of Kshs164 million. Which is more important; the security of this country, or the rehabilitation of the offices of Members of Parliament? This amount is half of what the Commissioner of Police has been given for the security of this country. I think we need to have some direction as to what our priorities should be. We know that because of corruption, money is allocated where it can be taken easily.

Mr. Temporary Deputy Speaker, Sir, this Budget does not touch on the common wananchi. The Minister for Finance started very well by reducing the percentage on VAT. But he worsened the situation when he added Kshs1 on fuel prices. The Kshs1 that the Minister added to fuel prices is worse than the 1 per cent he reduced on VAT. This is because the common wananchi will resort to wood fuel and yet, we have Ministries dealing with the environment. What environment can you conserve when, at the same time, you are increasing petrol and kerosene prices? This is where the Minister messed up! He did not take care of the common wananchi! As I said, this Budget, being

the last one in this century, and the first in the next century, the Minister should have taken into consideration the plight of the common people. In future, let us focus our Budget to take care of the common people.

Mr. Temporary Deputy Speaker, Sir, on infrastructure, the money is normally allocated, but the jobs are never done. For example, I am talking about the Voi-Mwatate-Taveta Road, where Kshs150 million was budgeted, allocated, contractors identified, but the job was never done! The people of that area are asking: "What is happening! How can we alleviate poverty when we cannot transport our produce from Taveta to Voi, and to Mombasa? Where does the money go?" Year in, year out, the same road appears in the Budget Books and PAC Reports. Can the technical teams in the Treasury and respective Ministries ask themselves: "Have we achieved what we wanted to do for that particular year?" We are just too smart! Right away, instead of us being given the Budget Speech, a lot of other documents have been added to confuse Members of Parliament, so that they do not know what to contribute on. It is very embarrassing! Why should people be confused?

Mr. Temporary Deputy Speaker, Sir, multi-partyism did not come here illegally. It is legal. But some Provincial Administration officers still behave like small kings. They have not accepted that multi-partyism is here to stay. When I was going round with my Chairman over the weekend, the Provincial Administration in my district was still telling the people not to attend my meetings! But they were beaten on their own faces! We had massive attendance in all the rallies that we held. Let the Provincial Administration realise that multi-partyism is not here illegally. It is there to stay. It will be there whether they like it or not! When we were there, my other colleagues were suffering in Machakos. I think some policemen do not know their roles! They are supposed, if they do not want the rally to proceed, to give a notice of rejection immediately. They are not supposed to wait until the last minute!

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Imanyara): Hon. Mwakiringo, I am sorry I will have to cut you short until tomorrow. On that note, we must interrupt the business of the House until tomorrow, Wednesday, 23rd June, 1999, at 9.00 a.m.

The House rose at 6.30 p.m.