

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 18th June, 2003

The House met at 2.30 p.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.119

TERMINAL DUES FOR RETRENCHED CIVIL SERVANTS

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

- (a) when the civil servants who were retrenched vide Circular Ref.OP13/19A, dated 23rd June, will be paid their dues; and,
- (b) in view of the Civil Service Regulations regarding the security of jobs of all employees in the Civil Service, whether he could justify the retrenchment exercise.

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

(a) I wish to inform the hon. Member that, out of 20,705 employees who were retrenched, a total of 19,818 have been paid their retrenchment benefits. The balance of 887 former employees have not been paid their benefits due to the fact that, some of them have not filled and returned to their parent Ministries or Departments CSR/SRP/3 forms, which contain the information the Ministry requires to calculate their terminal benefits. It is apparent that they have simply refused to comply with the laid-down instructions, and thus, causing delays in payments.

However, I want to assure the hon. Member that, as soon as those forms are duly filled and returned to the respective Ministries, payments to those civil servants will be effected promptly.

(b) While the Civil Service Regulations provide for the security of jobs to the employees in the Civil Service, they also provide for abolition or re-organisation of offices when there is need to enhance efficiency and effectiveness of public service delivery, through streamlining of systems, processes and structures in Government Ministries.

The consequences of that exercise may lead to abolition of certain functions and, hence, staff being laid off. It should be noted that the Public Service Commission Act Cap.185, which was revised in 1985, provides for the Government to retire officers early on the grounds of abolition or re-organisation of office. In this regard, the retrenchment or early retirement of officers from the Civil Service is justified under the Public Service Commission Act.

Mr. M. Kariuki: Mr. Deputy Speaker, Sir, before a civil servant is retired, he is actually asked to fill the forms that are referred to in part "a" of the answer. Those particular civil servants filled the forms and they have not been paid their dues up to now. The issue of them not having filled and returned the forms is

merely an excuse for not paying them their dues. I would like to ask the Assistant Minister to tell me where those forms could be found for the retrenched officers to fill them, so that they can be paid expeditiously.

Secondly, on part "b" of the answer, the Assistant Minister has referred to abolition or re-organisation of offices, which is not the same as retrenchment. The persons who were sent home had letters in the circular clearly saying that the exercise was down-sizing of the Civil Service. Their offices were not abolished. So, the excuse that the offices were abolished and there was re-organisation is not actually a reason under the Public Service Commission Act.

Could the Assistant Minister then tell us whether the offices of the 20,000 people are in existence or not?

Mr. Dzoro: Mr. Deputy Speaker, Sir, with regard to the forms that I have referred to, I would like to ask the hon. Member to tell the affected persons to go to their Ministries and re-check. As per our records, what I have stated here is what tallies. With regard to the retrenchment exercise, I would like to tell the hon. Member that we acted according to the Public Service Commission Act.

Mr. Deputy Speaker: By the way, Mr. Assistant Minister, 11,000 former employees have not been paid their dues. Now, you are telling Mr. M. Kariuki to tell the retrenched officers to go to their respective Ministries and fill the forms. Where will he find 11,000 people? In any case, what information do you need in order to pay those people? You employed them and, therefore, you must have their particulars.

Mr. Dzoro: Mr. Deputy Speaker, Sir, what I am trying to say is that the retrenched officers need to identify themselves and fill the forms.

Mr. Karaba: Mr. Deputy Speaker, Sir, could the Assistant Minister tell us what is the Government policy on this issue? I have noted that retired civil servants are finding it very rough. Every other time, retrenched civil servants are stopping us in the streets for assistance. This morning, I was stopped by a former civil servant who had gone to the Treasury to get his dues. He filled the forms five years ago and has not been paid his dues. I think we need to get a clear Government policy over the issue.

Dr. Dzoro: I would like to tell the hon. Member that there are some documents that are required when somebody retires. These include the last payslip and the photocopy of the identity card. What I am saying is that---

Mr. Mwenje: On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the Assistant Minister to tell us that somebody who has been employed for ten or 15 years should bring the last payslip and yet the payslip came from the same Ministry that he or she was working? You employed him or her to provide you services in the first place. How do you ask him or her to bring his or her payslip?

Dr. Dzoro: This has been a requirement and it is only fair for them to follow it.

Mr. Deputy Speaker: Mr. Assistant Minister, this is a matter of public interest. Mr. Mwenje said you paid him his last salary. Why do you want his payslip when you have it? That is the question.

Dr. Dzoro: Mr. Speaker, Sir, there are forms that this particular civil servant has to fill and attach to the required documents.

Mr. Muiruri: Mr. Deputy Speaker, Sir, is the Minister aware that, last Sunday, during the prayer meeting at Ruring'u Stadium, retrenchees from Nyeri District displayed a big placard telling the President that they were dying of hunger and they had not been paid their money? Are you aware that, that was a terrible embarrassment to the Government and the President?

Dr. Dzoro: Mr. Deputy Speaker, Sir, I am not aware and we shall investigate the cases of those who have not been paid their dues.

Mr. Deputy Speaker: Last question Mr. M. Kariuki.

Mr. Sungu: I want to give my contribution.

Mr. Deputy Speaker: There is a very big difference between Mr. Sungu and Mr. M.

Kariuki!

Mr. M. Kariuki: He is my brother-in-law.

(Laughter)

Mr. M. Kariuki: Mr. Speaker, I think the Assistant Minister is not serious with his answer. This is a very serious matter. It involves the lives of persons who have served the Government for a long time. The way he has answered the Question is in a lacklustre manner while this issue is about the livelihood of the people. I will ask him a very simple question. Were the offices abolished, because you can only justify the retirement or dismissal of a civil servant if that particular office ceases to exist? But here is a situation where somebody is sent home and another one is recruited tomorrow.

Could the Assistant Minister tell us when these people will get their dues and whether the offices are still there or not?

Mr. Deputy Speaker: What is it Dr. Manduku?

Dr. Manduku: Is the Minister listening to the question?

Mr. Deputy Speaker: Dr. Manduku, you are out of Order! Order Dr. Manduku!

Dr. Dzoro: Mr. Speaker, Sir, I would like to say that, for those retrenchees who have not filled the forms, let them fill them and if there is any isolated case, they can approach our office and we will be able to help them.

(Mr. Sungu stood up in his place)

Mr. Deputy Speaker: What is your point of order, Mr. Sungu?

Mr. Sungu: Mr. Speaker, Sir, in my view, this Question has not been answered satisfactorily. Could I request, through the Chair, that the Minister or the Assistant Minister in the Office of the President, comes and answers this question as a serious matter? The Assistant Minister is busy avoiding answering the question. Unless he is not understanding it, this Question has not been answered at all.

Mr. Deputy Speaker: I can assure you that the Chair will see to that. But I can only make one comment; that, I think it is high time the Government addressed issues of retirees more seriously than it is doing at the moment.

(Applause)

Question No.038

PAYMENTS TO CONTRACTORS
IN LATE 2002

Mr. Mwenje asked the Minister for Finance:-

(a) how much money the Government paid to contractors during the months of October, November and December, 2002;

(a) if the bills were genuine and if so, if the Minister could lay on the Table proof thereof; and,

(c) if the Minister could table the list of the contractors paid indicating how much each was paid.

Mr. Deputy Speaker: Next Question Mr. Mwenje. I thought I saw Mr. Mwenje enter the Chamber. Mr. Mwenje, are you there? Next Question Mr. Mutiso. We leave that Question until the end.

Question No.259

PROMOTION OF "A"-LEVEL TRAINED
PRIMARY TEACHERS

Mr. J.M. Mutiso asked the Minister for Education, Science and Technology:-

(a) why there is such a big discrepancy between the salaries and allowances of Approved Teachers Status One (ATSI) and Primary One (PI) of more than Kshs18,000;

(b) what the employment level of "A" level trained and "A" level untrained teachers is; and,

(c) when the Minister will promote the "A" level trained teachers to ATSI.

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Mr. Deputy Speaker, Sir, I beg to reply.

The Question is why there is such a discrepancy between PI teachers and ATSI what is being done regarding their promotion. There are actually no discrepancies. The difference in the salaries has got to do with the fact that there are three grades in-between PI and ATSI.

In regard to the second part of the Question on the number of "A" level teachers, there are 7,222 PI teachers with "A" level certificates and 466 untrained "A" level teachers.

With regard to promotion, the Ministry will promote untrained teachers to ATSI progressively as per the scheme of service of non-graduate teachers.

Mr. J. M. Mutiso: Mr. Speaker, Sir, in 1997, "A" level untrained teachers were promoted to S1 grade. In late 2000, all of them were promoted three grades higher; to ATSI. I would like to ask the Assistant Minister what criteria the Ministry used to promote S1 teachers, all of a sudden, who were not trained, to ATSI, which is three grades higher.

(Applause)

Dr. Mwiria: Mr. Deputy Speaker, Sir, as a matter of fact we are aware that there was that problem. In 1997, as you know, many things were done out of non-merit consideration in the previous regime. This is, indeed, what led to this problem.

Mr. Deputy Speaker, Sir, as a result, untrained "A" level teachers began to ask why some of their colleagues were promoted without training and they were left out. The Ministry then started on a programme which would involve a system of promotion on the basis of merit. It would require identifying teachers, asking them to apply for promotions, getting them to be shortlisted by their districts, selecting a number from various districts, training them for sometime, like three times in-service in a year and then allowing them to sit a proficiency test. After they had passed the test, then they would be promoted.

Mr. Bifwoli: Mr. Deputy Speaker, Sir, thank you very much. It appears the Assistant Minister should tell us why "A" level untrained teachers were promoted to SI. The same Government left out teachers with A level who had never been promoted since 1975 up to today. There is the other question which he was asked and he has not answered it. The same untrained teachers who were promoted in 1997, were again promoted to ATSI. What crime did the original P1 teachers with the "O" level commit against this Government and what arrangements does the Assistant Minister have to promote them?

Dr. Mwiria: Mr. Deputy Speaker, Sir, I would like to make it clear that first, I was not in office in 1997. Now I am there. Because I am there now, we are going to promote them progressively.

Mr. Deputy Speaker, Sir, I would like to say that the Ministry of Education, Science and

Technology is negotiating with the Finance Ministry to allocate some money for us to be able to promote those teachers. That is being taken care of; in the next Budget.

Mr. Bahari: Thank you Mr. Deputy Speaker, Sir. I am aware that teachers' promotions have been stopped for a long time. In view of what the Assistant Minister is saying, are we being made to understand that, that has already been waived and the teachers can now be promoted?

Dr. Mwiria: Mr. Deputy Speaker, Sir, I said that we are negotiating and as soon as we are through with the negotiations with the Ministry of Finance, we will look into it. We know there are teachers who deserve to be promoted and we shall take the matter up as soon as funds are available from the Ministry of Finance.

Mr. Maore: Mr. Deputy Speaker, Sir, do you know that the Teachers Service Commission (TSC) is the one that runs the department to do with teachers? Has the Assistant Minister harmonised the promotions to remove this function from Jogoo House to the TSC because it is the teachers who know who to promote instead of the corruption in Jogoo House?

Dr. Mwiria: Mr. Deputy Speaker, Sir, we realise that there are several discrepancies, but this is one of the issues that we as a Ministry are looking into; to see how we can harmonise it.

Mr. J.M. Mutiso: Mr. Deputy Speaker, Sir, the promotion criteria used by the Ministry is wanting. In 1997, a teacher with a P1 grade was promoted to S1. All of a sudden, he was promoted to a DEO with ATS1 status. Only last month, again, the same person was promoted to a Provincial Education Officer in one of the biggest provinces in this country. Could the Assistant Minister tell us what the Ministry is doing to review the promotion of primary teachers to acquire higher status in the Public Service?

Dr. Mwiria: Already the Ministry, along with the TSC, are working out---

Mr. Poghiso: On a point of order, Mr. Deputy Speaker, Sir. The Questioner has given information about a particular teacher who has had rapid promotions; from P1 to PEO. Would I be in order to ask that he substantiates his information so that we can go on?

Mr. J.M. Mutiso: Mr. Deputy Speaker, Sir, I think it is up to the Assistant Minister to ask that question. I have asked him the question. Let him answer in the context I have framed the question. After all, the Assistant Minister has information as to even the person who has been promoted from a P1 to PEO.

Dr. Mwiria: What I would say is that if that is the case, I am sure there are reasons for that promotion. If it is otherwise, we need to know the name of the teacher and we can check on the extent to which the promotion was merited or not. In terms of promotions, the Ministry of Education, Science and Technology, along with the TSC, is working out a promotion criteria that reviews previous policies on promotions to make sure that whoever is promoted from now on, will be promoted on the basis of merit.

Mr. Khamasi: On a point of order, Mr. Deputy Speaker, Sir. The rules of this House are very clear. An hon. Member is responsible for the accuracy of the statement he makes in this House. I think it is incumbent upon Mr. Mutiso to let us know the details as raised by Mr. Poghiso.

Mr. Deputy Speaker: I do not think the hon. Member did say that there was such a teacher.

Hon. Members: He said!

Mr. Deputy Speaker: He did say, but if the Assistant Minister wants the information, he should demand it from the House. It is not an allegation to be substantiated. Mr. Mutiso, if you want to say who the teacher is, feel free to do so. If you do not want to mention somebody, I will give you that allowance. What is the position?

Mr. J.M. Mutiso: Mr. Deputy Speaker, Sir, I did not mention anybody. The Assistant Minister has information and he can also table the qualifications of all the PEOs in the House for hon. Members to have a look at.

Mr. Deputy Speaker: Mr. Assistant Minister, do you have the information?

Dr. Mwiria: Mr. Deputy Speaker, Sir, we have information on thousands of teachers. It is

impossible for me to table that information here. If there is only one such person, Mr. Mutiso should be able to tell us. If he is feeling shy about it, it is another matter.

Mr. Deputy Speaker: Very well. In that case, it is incumbent upon Mr. Mutiso to tell the House who this person is.

Hon. Members: Yes! *Toboa!*

Mr. Deputy Speaker: Mr. Mutiso, is there such a person? If so, who is it? Otherwise, you should withdraw that statement.

Mr. J.M. Mutiso: Mr. Deputy Speaker, Sir, I did not mention anybody.

Mr. Deputy Speaker: Of course, you did not. That is why we want you to tell us.

Mr. J.M. Mutiso: I was just giving an example, so I cannot substantiate.

Mr. Deputy Speaker: Order, hon. Members! Mr. Mutiso, you did not mention anybody yet, but the House wants to know that person now, if he exists. If he exists, say who it is. If you cannot do so, withdraw those remarks.

Mr. J.M. Mutiso: Mr. Deputy Speaker, Sir, since I am not aware and I did not mention anybody, I withdraw the statement.

Mr. Deputy Speaker: Very well. The statement is withdrawn.

Next Question!

Question No.268

PROVISION OF MEALS TO
UNIVERSITY STUDENTS

Mr. Lagat asked the Minister for Education, Science and Technology:-

- (a) whether he is aware that due to harsh economic conditions, students in our public universities now prepare their meals in their hostels; and,
- (b) if he could consider providing meals to the students to ensure adequate time is availed to learning.

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that there are students in public universities who prepare meals in their rooms.

(b) The Government, however, is aware of this problem and has made it possible for students to access loans to be able to buy food from university cafeterias at a subsidised rate.

Mr. Lagat: Thank you, Mr. Deputy Speaker, Sir, for that very shallow answer. In my Question I stated "Due to harsh economic conditions". That means the students are not getting enough money in terms of loans or grants. The meals are very expensive. If they were affordable, I am sure the students would not prepare meals in their rooms. I do not think it is very expensive for the Government to assist the students to at least get meals in our universities because they are our institutions of excellence. Could the Ministry at least provide students with a meal so that they can learn in a very decent environment?

Dr. Mwiria: Mr. Deputy Speaker, Sir, since the introduction of the cost-sharing policy in universities, students who deserve support from the Government are given loans on the basis of need. The money that they are given is supposed to be used to buy books, food and to cater for accommodation. The maximum amount a student can be given as a loan is Kshs42,000. However, the Government is reviewing the possibility of increasing this amount. It has been found that the Kshs42,000 is enough for most students to be able to buy food and cater for other basic needs. That is why many of the students are still able to eat at the university cafeterias.

Mr. Deputy Speaker: Mr. Marende!

Mr. Owino: My name is Owino Likowa.

Mr. Deputy Speaker: How did you know then that you are Marende?

Mr. Owino: You always call me Marende even in the corridors!

(Laughter)

Mr. Deputy Speaker: Very well. I will correct myself from now on. Mr. Owino!

Mr. Owino: My constituency is Migori. Recently, there was a problem in Hall 9 as a result of students' cooking in [Mr. Owino]

there. What general policy does the Ministry have for higher learning in this country?

Dr. Mwiria: Mr. Deputy Speaker, Sir, the question is very general. The hon. Member is asking about higher education policy. Are we talking about students' food or higher education policy?

Mr. Deputy Speaker: Mr. Owino, could you repeat your question?

Mr. Owino: My question is this: Recently, because of the situation in our campuses, a fire broke out in Hall 9 at the University of Nairobi. This is because most students do not get this loan that the Assistant Minister is talking about. They, therefore, depend on the meagre funds that they get from their parents. What is the general policy for learning in institutions like the universities for all our students?

Mr. Deputy Speaker: Yes, the fire broke out because the students were cooking in their halls of residence.

Dr. Mwiria: Mr. Deputy Speaker, Sir, the question is now clear. It is illegal for students to cook in the hostels.

Hon. Members: Students are cooking!

Dr. Mwiria: Not all students are cooking! We have realised that it is very dangerous and expensive for them to cook. As I said, although this is a cost-sharing programme, the most needy students are supported by the Government. However, there can never be 100 per cent support for students. As I said earlier, the Government is reviewing the amount of money available to students with a view to increasing it so that we have a few students cooking in the hostels.

Mr. Mganga: Mr. Deputy Speaker, Sir, since the introduction of cost-sharing in the universities, it is an open secret that this has caused untold suffering to students in this country. Although the Assistant Minister says students can access loans, I would like to inform him that loan distribution is not done evenly. We have situations where students from very poor families are denied loans, while those from very rich families get the full loan. In view of these untold hardships across the country, could the Ministry consider looking at this programme with a human face and review cost-sharing or remove it completely from the universities?

(Applause)

Dr. Mwiria: Mr. Deputy Speaker, Sir, that suggestion is well taken. However, it is subject to discussion and the review that will take place. The higher education policy will be reviewed in the next few months and we will take this into account and see if there is anything that we can do about students' loans. However, I am not saying that the Ministry will do without the students' loans. The matter will be reviewed at an appropriate time.

Mr. Lagat: Mr. Deputy Speaker, Sir, you heard the Assistant Minister say that, in fact, students use a lot of energy in preparing their meals. I think it is only prudent that, instead of paying huge electricity bills, the Ministry to consider providing meals to students so that our students can live in a very decent environment.

Dr. Mwiria: Mr. Deputy Speaker, Sir, again, in the context of reviewing the higher education policy generally, this suggestion will be taken into account.

Mr. Deputy Speaker: For the second time, Mr. Mwenje, Question!

Question No.038

PAYMENTS TO CONTRACTORS IN LATE 2002

Mr. Deputy Speaker: Mr. Mwenje still not here? The Question is dropped.

Mr. Osundwa: On a point of order, Mr. Deputy Speaker, Sir. This Question is of utmost importance because the Government lost billions of shillings to corrupt contractors.

Mr. Deputy Speaker: I agree, but the Questioner is not here to ask it.

Mr. Osundwa: Mr. Deputy Speaker, Sir, the reason why I stood up on a point of order is because one of the beneficiaries, Eng. Maina of Kirinyaga Construction Company has been---

Mr. Deputy Speaker: Order, Mr. Osundwa! I appreciate the fact that you are very fresh in the Back Bench, but rules demand that the Questioner be here. I agree that the Question is important, but Mr. Mwenje is not here. Therefore, the Question is dropped.

(Question dropped)

The Assistant Minister for Finance (Mr. Katuku): On a Point of order, Mr. Deputy Speaker, Sir. This is the fourth time this Question has appeared on the Order Paper. I have always come prepared to answer it. Could the Chair assure me that this Question is permanently dropped? I do not know how it comes up again.

Mr. Deputy Speaker: I do not want to tie the Chair's hands and use the word "permanent" because circumstances may arise which may change, but for the moment it is dropped.

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

Mr. Deputy Speaker: What is it, Mr. Sungu?

Mr. Sungu: Mr. Deputy Speaker, Sir, this kind of Question raises the issue of the reputation of this House. It would be very unfair if you do not let Mr. Mwenje tell the House why he does not come to ask the Question. The Question raises very fundamental issues with regard to corruption in this country.

Mr. Deputy Speaker: Order! That is a serious allegation and I do not think we should go into it. I still insist that the Question is dropped. For the interest of hon. Members, the Chair may wish to find out from Mr. Mwenje the circumstances under which this Question has not been asked severally. At the moment, the Question is dropped, but your sentiments have been noted.

Lets us move on to Questions by Private Notice.

QUESTIONS BY PRIVATE NOTICE

CIRCUMSTANCES SURROUNDING MR.

AYANU'S VISIT TO KENYA

Mr. Muiruri: Mr. Deputy Speaker, Sir, I apologise. I was not able to be here yesterday. However, I beg to ask the Minister of State, Office of the President the following Question by Private Notice.

(a) Could the Minister explain the circumstances under which an Ethiopian farmer, Mr. Lemma Ayanu, was recently hosted by the Government in a Nairobi hotel?

(b) What is the relationship between the farmer and the freedom fighter, General Stanley Mathenge?

(c) What was the cost of the visit to the Exchequer?

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

(a) Mr. Lemma Ayanu was positively identified by his Kenyan wife as the Ex-Mau Mau freedom fighter, General Stanley Mathenge, who fled to Ethiopia during the Mau Mau armed struggle against colonialism. The identification was further corroborated by other credible Ex-Mau Mau generals and fighters who travelled with the family to Ethiopia in September, 2002, for the identification. The Government, therefore, in good faith, facilitated the return of Mr. Ayanu alias General Mathenge at the request of the family members and friends. This action was deemed to be in line with the NARC Government's policy of recognising heroes of the Independence struggle.

(b) The true identity of the man shall be established beyond reasonable doubt after the awaited DNA test results.

(c) The total cost of the visit was Kshs1,273,662.

Hon. Members: Shame! Shame!

Mr. Deputy Speaker: Order, Member! Let us listen to the Assistant Minister!

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Deputy Speaker, Sir, the total cost of the visit was Kshs1,273,662. This included accommodation, travel, meals, medical and other related expenses in Ethiopia and Kenya.

Mr. Muiruri: Mr. Deputy Speaker, Sir, first, I would wish to seek your guidance on this. When such a scandalous answer is given to this House and is not even signed, what is the position?

Mr. Deputy Speaker: That is not an issue. The Assistant Minister has answered the Question. It is authoritative and I do not think it is scandalous.

Mr. Muiruri: Mr. Deputy Speaker, Sir, the answer tells it all; that there is a Kenyan Embassy in Ethiopia which was very well established by the time we got our Independence. Did the Office of the President contact the Kenyan Embassy in Ethiopia to ascertain the true identity of this Ayanu? Did they involve the Kenya Embassy in Ethiopia? **Mr. Deputy Speaker:** Order! Mr. Muiruri, you have asked a question. Let the Assistant Minister answer.

Mr. Muiruri: Did they involve the Kenyan Embassy to establish the true identity of that Ethiopian?

Mr. Tarus: Mr. Deputy Speaker, Sir, the Kenya Embassy in Ethiopia was, indeed, involved.

Dr. Ali: Mr. Deputy Speaker, Sir, if the Kenyan Embassy in Ethiopia was involved, how come the Kenya Government hosted an Ethiopian citizen and paid for his two weeks stay here and embarrassed the people of Kenya? How could they bring an Ethiopian as a guest of the Kenya Government purporting to be General Mathenge from Othaya?

(Laughter)

Mr. Tarus: Mr. Deputy Speaker, Sir, we do know the amount of damage that was done by the colonialist during the struggle for the Independence of this country. Many people were displaced or killed and others ran away.

When we got Independence, it was not possible to know---

*(Several hon. Members stood up
in their places)*

Mr. Deputy Speaker: Order! Order, Members! The Assistant Minister had not finished

answering the question. Could you finish?

Mr. Tarus: Mr. Deputy Speaker, Sir, could the hon. Members give me just a few minutes to finish?

Mr. Deputy Speaker, Sir, it was not the intention of the Government to host an Ethiopian. But, with all due respect, if corroborated information had given the fact that this was, indeed, a Kenyan, it was the obligation of the Government to investigate and to consider the mechanisms of bringing him back to Kenya.

*(Several hon. Members stood up
in their places)*

Mr. Deputy Speaker: Mr. Assistant Minister, you have to finish now.

Dr. Godana: On a point of order, Mr. Deputy Speaker, Sir. I hope it will not be an anti-climax if I request that, given that an Assistant Minister does not hold the policy portfolio in our system, that this Question is so serious that it befits the substantive Minister of State in the Office of the President himself to come and answer it. Otherwise, this is a joke! Is it that in order?

(Applause)

Mr. Deputy Speaker: Order, hon. Members! If you look at your Standing Orders, the definition of a Minister, the Assistant Minister fits. This Chair is satisfied that this Assistant Minister can answer the Question.

(Mr. Wamwere stood up in his place)

Mr. Wamwere, I thought you were the guest of honour at the airport? Do you want to ask a question?

Hon. Members: Shame! Shame!

(Laughter)

Mr. Deputy Speaker: Order, now! Order, hon. Members! I have given Mr. Wamwere a chance to ask a supplementary question. Continue, Mr. Wamwere.

Mr. Wamwere: Mr. Deputy Speaker, Sir, I am proud to have been the guest of honour at the airport.

Mr. Deputy Speaker: But ask your question now.

Mr. Wamwere: Mr. Deputy Speaker, Sir, had Mr. Ayanu been General Mathenge, it was the responsibility of every Kenyan leader to be at the airport to receive him. In any case---

(Loud consultations)

Mr. Deputy Speaker: Order, Mr. Wamwere! Order! Sit down, Mr. Wamwere! Are you asking a question?

Mr. Wamwere: Yes.

Mr. Deputy Speaker: Ask the question now.

Mr. Wamwere: Mr. Deputy Speaker, Sir, could the Assistant Minister tell the House

whether the Kenyan Government has ever received any communication from the Ethiopian Government whether General Mathenge ever crossed the border into Ethiopia, and if he did, whether he is still alive or dead? Has the Government ever received any such communication from the Ethiopian Government?

Mr. Tarus: Mr. Deputy Speaker, Sir, the Government has not received any such information.

Mr. Sambu: Mr. Deputy Speaker, Sir, on 25th March, 2003, I asked a Question by ordinary notice; Question No.025, as to whether this Government, or the previous two Governments, has ever sought any compensation for our freedom fighters; the Mau Mau and other freedom fighters. This Government answered that it has never done so and it was not going to do so. Mr. Bildad Kaggia is dying for lack of medicine; Mr. Paul Ngei also is always here, the wife of Kimathi is starving; Mr. Achieng-Oneko and other generals are suffering. Why do we go to look for the unknown generals when we have got the known generals? Why could we not support the known generals instead of looking for fake generals?

Mr. Tarus: Mr. Deputy Speaker, Sir, I do recognise that as a result of what has happened, there is a view that, possibly, that was a mistake, but on the request of the family members. That is the basis on which the Government acted but not on any other basis.

*(Several hon. Members stood
up in their places)*

Mr. Deputy Speaker: Order! Order, hon. Members! I know this is an important Question but, certainly, not everyone can ask a question. Can I ask Mr. Muiruri to ask the last question?

Hon. Members: No! No!

Mr. Deputy Speaker: Order! We are guided by time. Look at your Order Paper.

Mr. Muiruri: Mr. Deputy Speaker, Sir, in view of the answer given by the Assistant Minister, which is not true because I have a copy of the interview by this Ethiopian in which he stated clearly: "I am not Mathenge, says the Ethiopian man---" That is what he said. Further, he went on to say: "I am not the missing Mau Mau general."

Mr. Cheboi: On a point of information, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! There is no such thing like a point of information.

(Laughter)

Mr. Muiruri: Mr. Deputy Speaker, Sir, this matter came up as a result of falsified journalism by one Karimi, who equally wrote a book known as Mau Mau Succession in which he insulted and abused many leaders in this country. Would you permit me if I were to ask that the substantive Minister, Dr. Murungaru, comes to answer this Question because the answer given is false? My father was a detainee. He was a freedom fighter and the answer given to this House is an insult to all the freedom fighters in this country.

Mr. Deputy Speaker: Order! Order! I think, Mr. Muiruri, a point of order was raised by Dr. Godana about that issue of who answers a Question. I referred you to the Standing Orders. Who is a Minister? An Assistant Minister is a Minister and you have no business directing the Government which person answers what Question. I think Mr. Tarus is qualified. Do you have a question?

Mr. Muiruri: Yes, Mr. Deputy Speaker, Sir. Since a sum of Kshs1,273,600 was spent on an unknown ghost or "freedom fighter", could the same amount be paid to every freedom fighter in this country?

Mr. Cheboi: On a point of information, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Order! In case the Shadow Minister is new, I have told you that there is no such thing like a point of information during Question Time. This is Question Time!

Mr. Tarus: Mr. Deputy Speaker, Sir, the action taken by the Government was, as I said, in the interest of assisting the family. Yes, that amount of money has been spent but not in bad faith. That is why I said, indeed, we have freedom fighters in this country.

Mr. Deputy Speaker: Order, Mr. Assistant Minister! The question is: Would you give other heroes the same amount, yes or no?

Mr. Tarus: Mr. Deputy Speaker, Sir, it will need to develop the necessary mechanisms of identification and the Government policy on the freedom fighters. I think it would be unfair for us to give that categorical statement when we have not developed the necessary framework in the Ministry.

*(Several hon. Members stood
up in their places)*

Mr. Deputy Speaker: Order, hon. Members! Is it a point of order, Mr. Nyachae?

(Applause)

Mr. Nyachae: On a point of order, Mr. Deputy Speaker, Sir. We cannot allow this House to be misled. I happen to know Mrs. Mathenge well and it is misleading to say that Mr. Ayanu was brought here at the request of Mathenge's family.

Mr. Deputy Speaker: What is your point of order?

Mr. Nyachae: My point of order is this: Is it in order for the Minister to mislead this House that, it is Mrs. Mathenge and her family who requested for Mr. Ayanu to be brought?

Mr. Tarus: Mr. Deputy Speaker, Sir, before the so-called Mr. Ayanu travelled to this country, members of the family had travelled to Ethiopia to identify him, together with a journalist who had identified him.

If it turned out that, that was not the person they were looking for---

Mr. Deputy Speaker: Order, Mr. Assistant Minister! I think we are going round in circles. The point of order raised by Mr. Nyachae was that you are misleading the House because he knows Mrs. Mathenge and that she did not ask the Government to bring the Ethiopian here. The question is: Are you misleading the House?

Mr. Tarus: Mr. Deputy Speaker, Sir, I am not misleading the House.

Mr. Deputy Speaker: Order! Next question, Mr. Twaha!

CLOSURE OF MOKOWE PRIMARY SCHOOL

Mr. Twaha: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Education, Science and Technology the following Question by Private Notice.

(a) Is the Minister aware that Mokowe Primary School has been shut down?

(b) Why was it closed?

(c) What urgent measures is he taking to ensure that the school is re-opened immediately?

The Assistant Minister for Education, Science and Technology (Dr. Mwiria): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Yes, we are aware that Mokowe Primary School was closed one week before the official closure during the April holidays.

(b) The reason for the closure was to provide enough time for repairs to leaking roofs, cracked walls and sanitary facilities following a directive from the Ministry of Health.

(c) There is no need to undertake urgent measures because the problem was resolved and the

pupils are back in school along with others from other primary schools.

Thank you Mr. Deputy Speaker.

Mr. Twaha: Mr. Deputy Speaker, Sir, we have been told that, under the NARC Government's free education programme, there will be money provided for building and repair of schools. The District Education Officer (DEO) had assured us that those funds will be used to repair the school. However, whenever we approach the DEO, he keeps on dodging and telling us that the money is not coming. We had to hold a secret fund-raising because the NARC Government has banned Harambees, in order to raise money to repair the school.

(Loud consultations)

Mr. Deputy Speaker: Order, hon. Members! Mr. Twaha, could you be direct to the point?

Mr. Twaha: Mr. Deputy Speaker, Sir, my question is: Is the Assistant Minister aware that, first of all, the money which was supposed to be provided for free primary education was not used to repair that school? Since there are bottlenecks in accessing that money, could the Assistant Minister consider lifting the ban on Harambees, so that, we can help ourselves?

Mr. Deputy Speaker: Could you ask the question?

Mr. Twaha: I have done it, Mr. Deputy Speaker, Sir. You were consulting when I was asking the question.

Mr. Deputy Speaker: Have you asked the question?

Mr. Twaha: Yes.

Dr. Mwiria: What I am aware of is that money was provided under the free primary education programme at Kshs46 per pupil for the repairs. The repairs were carried out. If the hon. Member is saying that, that money was misappropriated, he should come up with evidence and we would be happy to investigate the matter. Thank you.

Mr. Deputy Speaker: Next Question by Mr. Khamasi!

ILLEGAL SALE OF PUBLIC LAND

Mr. Khamasi: Mr. Deputy Speaker, Sir, I beg to ask the Minister for Lands and Settlement the following Question by Private Notice.

(a) Is the Minister aware that public land parcel No.LR.24984 - Nairobi, measuring 100 acres, has been advertised for sale?

(b) Could the Minister inform the House who are the allottees of that parcel and how they acquired it?

(c) What action will the Minister take to stop that sale and repossess the land?

The Assistant Minister for Lands and settlement (Mr. Ojode): Mr. Deputy Speaker, Sir I beg to reply.

(a) I am not aware that public land parcel No. LR.24984 has been advertised for sale.

(b) The same plot No. LR.24984, measuring 3.0 hectares, and not 100 hectares as alleged, was excised from Kikuyu Escarpment Forest for a primary school. That excision was subsequently, however, cancelled in July 2000, reverting the land back to the Forest Department.

(c) There has not been another allocation of plot No. LR.24984. My Ministry has, however, established that some unscrupulous people, on noticing that the plot was free in number form, have attempted to fraudulently use it for a Nairobi plot. That was, however, nibbed in the bud by retrieving the fake deed plan they were using.

Mr. Khamasi: Mr. Speaker, Sir, the Assistant Minister has told us something about the last part of the Question. But I have a copy of the letter of allotment here and yet, he is denying that the

number I referred to has not been used. It was signed on 1st May, 1999 by none other than Mr. Onyango for the Commissioner of Lands. I would like the Assistant Minister to tell this House who attempted to do that, since he has not answered part (b) of my Question. He has not told us who the allottees of that particular parcel of land were.

Mr. Ojode: Mr. Deputy Speaker, Sir, I hope you heard me say that, that particular piece of land was not meant for Nairobi. It was a forgery and even if he has a letter of allotment, I cannot talk about a forged document. I have ordered the police to investigate those who were involved in that scam and I will bring the report once the police have done the investigations. There is an original deed plan which was copied from the Lari Forest land in order for those people to get the land in Kasarani; the so called "100 hundred acres". I have so far cancelled that one, and the original deed plan is here. I am not going to table it because it is meant for the Ministry.

Mr. Deputy Speaker: Order! I want you to finish because of time.

Mr. Ojode: Mr. Deputy Speaker, Sir, once the investigating team completes its job, I will be able to give the names of those who were, purportedly, given the plots.

Mr. Deputy Speaker: Lastly, Mr. Khamasi!

Mr. Khamasi: Mr. Deputy Speaker, Sir, you can see that my Question has not been given adequate time as it was supposed to be. I am just wondering whether the Chair could defer this Question so that the Assistant Minister can come here and give us a proper answer.

Mr. Deputy Speaker: Order, Mr. Khamasi! I think the only answer you did not get is who the owners of this company are and the Assistant Minister has said that after investigations have been carried out he will give the information. That is what I heard him say.

Mr. Khamasi: Mr. Deputy Speaker, Sir, how long is he going to investigate this matter? I would like the Assistant Minister to tell us who the owners of Pillar Amusement Park Ltd. are because he has got that information from the Ministry.

Mr. Ojode: Mr. Deputy Speaker, Sir, you and I know very well that the names of the directors of any company are in public domain. If the hon. Member wants to know the directors of this particular company, he is free to go and carry out a search at the Registrar of Companies' office. If he has a problem in getting the names of those directors from that office, he can consult me and I will take him there.

(Laughter)

Mr. Deputy Speaker: Very well! That is the end of Question Time! If you look at your Order Papers, you will see that we should commence our business not later than 3.30 p.m.

Mr. Obwocha, you had requested me to allow you to seek a Ministerial Statement from the Minister of State, Office of the President, in charge of internal security.

POINT OF ORDER

MURDER OF MR. ONGWAE AT GITHURAI

Mr. Obwocha: Mr. Deputy Speaker, Sir, I would like to seek a Ministerial Statement from the Minister of State, Office of the President, in charge of internal security in connection with the murder of Mr. Jeff Ongwae, who was shot dead on 14th June, 2003 at his residence in Githurai. This young man hails from Masosa, West Mugirango Constituency, which I represent. Terror is being perpetuated by organised thugs against persons who own *matatus*, buildings and businesses in Githurai. People in that estate live in fear of being attacked by thugs. The murderers who shot Ongwae dead have not been arrested to date. His body is lying at the Aga Khan Hospital Mortuary.

Could the Minister of State, Office of the President in charge of internal security, issue a Ministerial Statement in connection with this murder and order Mr. Nyaseda to arrest the killers?

(Messrs. Omingo and Khamasi stood up in their places)

Mr. Deputy Speaker: Mr. Omingo, I know that you want to seek a Ministerial Statement, but I will not allow any more points of order. Mr. Omingo and Mr. Khamasi, I will give you a chance to request for your Ministerial Statements tomorrow!

Let us move on to the 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 12.6.2003)

(Resumption of Debate interrupted on 18.6.2003 - morning sitting)

(Third Day of Budget Debate)

Mr. Deputy Speaker: Who was on the Floor? Mr. Michuki was on the Floor but he is not here! Somebody else should take the Floor!

Mr. Poghiso: Thank you very much, Mr. Deputy Speaker, Sir. I would like to join my colleagues in discussing the Budget. I congratulate the Minister for Finance for having had the strength to stand up for two and half hours and present it. I would also like to congratulate him for reading his first Budget in this House. This was the NARC Government's first Budget. I thought the Government would put its best foot forward, but I was disappointed in a number of areas by this Budget.

A Budget process should involve more people. In this country, the Budget is a secret weapon and it is kept away from people and hon. Members of Parliament. Therefore, nobody knows what the Budget contains until midnight when all that was read in it begins to be implemented. Hon. Members cannot discuss the Budget effectively if they are not involved in any way when it is being drawn up and defined. So, when the Minister for Finance came to this House to present this year's Budget, all of us were expecting good things.

I will go straight to the point. If the Budget is not based on proper planning, it is bound to fail, displease people and divide this country into the haves and the have-nots; those who have power and those who do not have power. It has come out clearly in this country that if you have power you benefit, but if you do not have power even the Budget discriminates against you. We have seen that. If the Budget is not based on good planning and specifics some areas of this country are forgotten. As a citizen from Kacheliba Constituency, what was the plan for this constituency before that Budget was read? Is this constituency within the Minister's radar? The answer is most likely going to be

negative. There was nothing specific, from the beginning, in the minds of the people who were preparing the Budget as to which particular development project should be initiated in this constituency. What is in the Budget which will benefit a person who lives far from Nairobi or from a particular region in this country? I am saying that we should have more involvement in the Budget-making process.

Mr. Deputy Speaker, Sir, it is said that if you aim at nothing, you will surely hit it. You will definitely hit the nothing target which you aim at. So, I would like to say that many of the things which were in the Budget were based on probably hurried planning, which has always divided Kenyans along regional lines.

The NARC Government promised that it would create job opportunities for our young people. This Government still insists that it will create 500,000 jobs per year. I do not believe that creating jobs means sacking people from their jobs. You cannot sack 500,000 people to create 500,000 jobs. What is to be done to create these 500,000 jobs within this year? For goodness sake, can we stop the roadside sackings which are going on in this country? Can we have a process in place so that people can know that they will be sacked and prepare for it? I have been very embarrassed to watch on my television set the sackings which have been going on. You go to where your junior workers are, find that all of them are frightened to see you and then you proceed to sack them in front of everybody and all the cameras. That leaves us with a question: Is there a real plan out there to create 500,000 jobs per year?

I represent a people called "the Pokot". I have always drawn the attention of this House to the plight of these people from time to time. The Government knows that there is not a single doctor in a constituency called "Kacheliba". The Government knows that it has never built a hospital or a single secondary school in that constituency. The Government also knows that it has not done any major road in that constituency. By the way, there is only one main road which cuts through the constituency and it has never been done. Now, that information is needed to process the Budget, but you have the information and you know it as the Government. So, this year and next year, we are going to be read budgets that are going to talk about improving co-operatives and the coffee sector. But for me as an MP here, what is in there for the constituency that I represent?

We must begin to look at constituencies. We have started on a good footing where development is done by districts, but let us go further and look at every constituency and develop them. That is where taxation should be based. It is said that there is no taxation without representation. The representation in Kenya is at the constituency level and so, we must begin to look at these things at that level. That way, if you say there is going to be so many roads built this year, let us see which constituencies have never had a road.

Mr. Deputy Speaker, Sir, when the Government decided to develop the Turkwel Gorge Hydro-electric Power Station several years back, it was only interested in the power station. So they built the power station, kicked out the people who lived in the area, built the dam and water was retained covering former village areas and ancestral land. The Government just wanted to generate power and they did not consider the plight of the people who were displaced. That information is Government information.

I would like to differ with the attitude that the NARC Government has these days. They would like to put the blame on the Government of the past. I would like to remind them that, this is a legally-elected Government. It was not a military take-over; it was elected. So, they should take over the debts, liabilities and all the good things from the previous Government.

(Applause)

That is why there are governments. That is why I get weary when every time, when I see a

document and a statement by the Government saying they are the NARC Government, as if they are not the Government of this country. I keep saying that, for the time being, you are the Government. So, sit there and be the Government and stop telling us "this is a NARC Government".

Mr. Deputy Speaker, Sir, the previous Government was a KANU Government but, you never heard us say "the KANU Government is doing this". We always said "the Government", because we were the Government; unless, of course, you still think there is a KANU Government.

(Applause)

Mr. Deputy Speaker, Sir, all the liabilities and the assets of this country are under the management of the Government. Let us stop this issue of saying we were not there. We were not there in 1963, we were not there at Independence and in the colonial days. But, KANU took over as the Government in 1963 and continued to rule, taking over all the liabilities and the assets. That's what the Government is all about.

It is time for the NARC Government to own up; the honeymoon is over. I would like to say that the Budget begins with planning and let us share in those plans before you go ahead and give us a Budget.

With those few remarks, I beg to support.

Mr. Gachagua: Thank you Mr. Deputy Speaker, Sir. Let me take this opportunity to congratulate the Minister for Finance for a Budget that has gone to the root of the problems that we have been experiencing in this country. However, there are one or two issues that I would like to comment on. We would probably have wanted to see them addressed in more detail.

Mr. Deputy Speaker, Sir, one of them is the issue of the pending bills as conceded to by the Minister for Finance. We have some pending bills that were incurred by the Government that went out and they are still there. These pending bills are still earning interest because they have not been resolved. I would have wanted to hear the Minister address that matter because the situation as it is now, simply aggravates the matter. The bills continue to increase.

Further to that is the issue of the contracts that were entered into late last year by the outgoing Government. Some of those contracts are in the construction industry. We have huge contracts in terms of monetary value that have been stopped as part of the cleaning up process. They have been stopped so that the current Government can have an opportunity to check their validity. The truth of the matter is that these contracts are still on-going and the Government continues to incur liability on them.

[Mr. Deputy Speaker left the Chair]

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

I would have wanted to hear the Minister address that issue because any gains made in the construction industry, in the coming months, may very well be outdone by the costs of these open contracts. It is imperative that these contracts are addressed, either by terminating them and the Government taking the full consequences of the contracts or alternatively, the parties in the contract could be called upon to sit with the Government and negotiate a settlement. It is, however, totally untenable that these contracts are left open-ended to the detriment of the tax payers.

Mr. Temporary Deputy Speaker, Sir, the Minister conceded that the construction industry is one of the leading sectors that would take this economy out of the quagmire that it is in. However, having conceded that, the Minister went on to ignore any reforms or incentives given to this industry,

to enable it take part in taking the economy out of the quagmire. I would have expected to hear incentives being given to constructors, housing sector, price of building materials and reduction of duty on lorries and construction plants. But, there was nothing like that and it is difficult to see how the construction industry is going to do this on its own without these incentives. I would have wanted to hear incentives along the same lines given to the manufacturing sector. This would perhaps have gone a long way towards helping the situation.

There is an issue I would like to comment on regarding the LATF funds. It is good that the Minister increased the funds going to the local authorities by 25 per cent, but he has gone on to say that these funds may not realise the intended purpose, unless a system is put in place to address how the funds are going to be used. He has gone on to say that the people in charge of these funds, where they do not use the funds properly, the recipients of the funds would not attract more funds in future. I find this to be punitive because, if the authorities or the people in charge of these funds do not use them well, the solution is not to deny the local authorities the funds but to deal with the officers. I would like to see some change in that approach.

Mr. Temporary Deputy Speaker, Sir, the measures that have been proposed in this Budget are all very well as they address all the sectors of this country or the sectors affecting our economy. However, 40 years after Independence, I would have wished to hear something coming from the Minister for Finance, addressing those of us in this country who are landless and live by the roadside. I come from a constituency where people live by the roadside. It is all very well with the GDP going up and milk getting to the market. But there is human dignity in people living in this county living and enjoying amenities like all of us. I would have wanted the Minister to put in place urgent measures to get these people to be at par with the rest of Kenyans in this country.

The Minister raised the issue of non-performing loans. He pointed out that one of the reasons why the loans are not performing well is because there is poor risk management assesment and administration of justice. To that extent, I think he might have meant that it takes too long for the matter to be brought in court when the banks lend to Kenyans. However, the Minister had only looked at this matter from the viewpoint of the banks. It takes common knowledge that in other jurisdictions, banks do not simply lend by assessing the risk of the person borrowing. Banks go into depths to find out if the areas they are financing are feasible. They must be encouraged in future to look at the feasibility of the projects they lend to, so that the rate of default is not too high. Commercial banks in this country are notorious for only looking into their interests. As long as a bank is sure that the funds you intend to borrow from it are secured, it does not bother to establish whether the project you intend to undertake with the money is suitable. That is an area which commercial banks must get involved in.

Mr. Temporary Deputy Speaker, Sir, it is common knowledge that the tourism sector has collapsed because of the so-called "insecurity" that is currently with us. It is very hypocritical of the Government of the United States of America (USA) and that of the United Kingdom (UK) to preach to the rest of the world how insecure Kenya is and warn their nationals against travelling to this country, while at the same time they do not ask their nationals who are currently in this country, milking its economy dry, to leave. Are there two categories of American and British citizens? If Kenya is as insecure as the two Governments want the rest of the world to believe, why are they not telling their nationals already in the country to leave?

They are not doing so because the nationals of the two countries benefit from being in this country. So, we would like them to stop this habit of simply asking their nationals not to come to Kenya. Such travel advisories have influenced people from the rest of the world not to visit Kenya. That is what has led our tourism sector to where it is today.

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

Mr. Ngoyoni: Mr. Temporary Deputy Speaker, Sir, I would like to join my colleagues in congratulating the Minister for Finance for his wonderful Budget Speech.

From the outset, I would like to say that generally, over the last six months it has been in power, the National Rainbow Coalition (NARC) Government has done a commendable job. So, we need to give it a credit for that. I say so because the Government has made concerted efforts in the fight against corruption, as well as the revitalisation of the Civil Service and local authorities. Even on the administrative front, the Government has done a commendable job. For example, sometime back, there were numerous roadblocks on our roads. The effect of those roadblocks are known to all Kenyans. The roadblocks were cash cows for the police officers who were manning them. As I speak now, there are no roadblocks on our roads. These may be administrative issues, but they have made life easy for Kenyans. The numerous roadblocks on our roads were there for only one purpose known to all of us. The NARC Government has gotten rid of them, and I really commend it for that.

Mr. Temporary Deputy Speaker, Sir, you may recall that at Independence, the Government of the late Mzee Jomo Kenyatta enjoyed goodwill from all Kenyans, as the NARC Government is doing, simply because the people's hopes and aspirations were raised. However, I doubt whether this level of enthusiasm will last for long. This county's economy went down the drain because former President Moi lost control; a few people had surrounded him and shielded him from the reality on the ground. The same scenario is now emerging in the NARC Government. A few people in the NARC Government are now shielding President Kibaki from the reality. Therefore, I would like to warn them that, very soon, they may not be far from what former President Moi was doing.

Apart from promising to introduce free primary education in the run-up to the last general election, the NARC had undertaken to give Kenyans a new Constitution within its first 100 days of leadership. The Government has been in power for about six months, and it has not delivered on that promise. While at the Bomas of Kenya, those who attempted to scuttle the constitutional review process are the same persons who campaigned tirelessly for a new Constitution during former President Moi's tenure. These are now the people who are holding back the Constitution-making process.

Mr. Temporary Deputy Speaker, Sir, you will also recall that hon. Members on the Government side wanted the previous President to trim the Government. You know as I do that trimming of a government does not end with the Civil Service, but also involves making the Cabinet lean. The NARC Manifesto is very clear that its Government would have 15 Ministers and, maybe, one Assistant Minister for each Ministry. But what do we see now? We now have 27 Ministers and many Assistant Ministers. The NARC Government is supposed to ensure that the economy recovers. An ailing economy does not recover when the Government engages in heavy expenditure. That is exactly what the NARC Government is doing. I would, therefore, like this Government to go back to the drawing board, have another look at its manifesto, and try to maintain Kenyans' confidence in it. If that is not done, Kenyans may very soon lose confidence in the Government.

With regard to ASAL areas, the Minister should have given a special attention to those areas. In his Budget, the Minister has provided all ASAL areas with a paltry Kshs750 million. As one of my colleagues has said, the Kshs750 million that has been reflected in the Budget is for an on-going World Bank-funded project. So, in effect, the Minister has not given ASAL areas any money, yet in his inaugural speech, the President promised that his Government would give a special attention to ASAL areas. I believe that, that is an area that this Government needs to look into. Generally, Kenyans are poor, but those who live in ASAL areas are poorer. Today, if you ask any Kenyan what the most pressing problem is, he will tell you that it is depressing poverty. The situation is worse in ASAL areas.

Mr. Temporary Deputy Speaker, Sir, you very well know, as I do, that our people go without food for days on end; they do not know what three meals a day are. Maybe, they only know of a cup of milk or something of that sort. That is the way they survive. It is sad that such things are happening 40 years after this country's Independence and when the Government claims to be giving people in ASAL areas a special attention. The Bible says: "Give me neither poverty nor riches but my daily

bread." So, we want to live a decent life like other Kenyans. We really want to catch up with other Kenyans. How can we achieve that objective? We want the Government to provide us with basic services like water.

I have been complaining from this Floor that in my community, there is not a single Government-maintained water project. We want the Government to give us basic services like health and we shall be like other Kenyans.

If I may now talk about the constituency which I represent, there is not a single Government facility. We want this Government to provide us with education. It is the only way we can improve our area. It is saddening when we hear that Kenyans are having affordable health services and are supposed to be accessing clean drinking water. If we are Kenyans, it is high time this Government treated us like the rest of Kenyans. Let the Government also extend these services to us.

I think to be poor is a sin in this country because the very people who are relatively better than us are receiving basic services while those of us who are the poorest of the poor are actually the ones who are paying for the very services. I think it is a contradictory; a paradox that we have to come out of.

In my constituency today, and you know the distances involved, for us to get to a health facility, one would use a minimum of Kshs3,000, excluding the price of drugs that one is supposed to get; the lodging fees and the miscellaneous expenditure. It is high time that we really considered these areas. If I have to dwell on this subject, the only way this Government and the Minister would appreciate the kind of difficulty we are in, is by arranging for some trips. There is need to arrange educational trips for the Ministers, for them to go and see the countryside, particularly the ASAL areas. This will get them convinced that we need help.

I also want to say something about the matatu industry. I had began by saying that the NARC Government has done some things in a better manner, but the matatu industry is still wanting, undisciplined and it is even getting worse than when KANU was there.

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

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

The Member for Igembe (Mr. Muriungi): Mr. Temporary Deputy Speaker, Sir, this is the first time I am making a substantive contribution in this House.

The Temporary Deputy Speaker (Mr. Poghisiso): Order! Is this your maiden speech?

The Member for Igembe (Mr. Muriungi): Mr. Temporary Deputy Speaker, Sir, yes it is my maiden speech. I wish to join the other hon. Members in congratulating the Minister for Finance for such a brilliant Speech, a Speech which is reminiscent of the Budget Speeches that were made by His Excellency President Kibaki when he was the Minister for Finance, for many years. It is a Speech which gives a lot of hope to Kenyans and one which I will praise at all costs.

I would like to comment on the education sector. The Ministry of Education, Science and Technology was awarded a lot of money and it deserves that addition because an educated nation has a future. However, there is a sector in education that has been ignored for a long time. This is the pre-school sector. Even in the very days of our education system, the 8-4-4 ignored the existence of the pre-school. Sociologists and psychologists of education have proved that a child that has gone through pre-school successfully is more likely to succeed at primary, secondary and higher levels of education. It has been proven that pre-school is a very important element in one's education. Therefore, I ask the Ministry to extend the free education to this foundation, because starting at primary school is like feeding a tree from the stem and ignoring the roots.

I also ask the Government to consider sponsoring those students who are studying a Bachelor of Education Degree in Early Childhood at Kenyatta University. Those students should be considered for support because pre-school education is very important to this country.

On the same sector of education, the question that has been ignored a lot and which cannot be

wished away is the one that was mentioned earlier during Question Time, of the P1 teachers. Those teachers are demoralised because of the little salary that they receive. The P1 teachers form the bulk of the teaching force in our schools. Therefore, if we do not consider the plight of those teachers, we shall be ignoring the most important part of our education system.

Let me touch on agriculture which is the mainstay of our economy and the source of our livelihood. It was observed in the Budget Speech that agriculture and livestock production has been declining progressively over the years. This decline is despite the fact that, even when the donors withdrew their support from this country, the Ministry of Agriculture was financed heavily. In every district there are Pajeros and other vehicles in support of agriculture. The decline was as a result of the apathy which has been shown by the extension officers, both in agriculture and livestock sections.

The Government should revert to those days when the agriculture extension officer was a common feature in the village. They did outreach work, visited the villages and advised the farmers, and that is why we were proud to be an agricultural country. Once again, the Ministry of Agriculture, and today, I understand there is even the Ministry of Livestock Development, should encourage the officers to reach out to the farmers.

It is commendable that, the Government is once again reviving the Kenya Co-operative Creameries (KCC) and also the Agricultural Finance Corporation (AFC), the corporation that finances farmers. However, it is a pity that although the AFC loaning has been revived, it is very expensive for the farmer to get a loan. To get a small loan of Kshs50,000, the farmer is required to part with not less than Kshs9,000. There is no way a farmer will borrow if he already has the money. They need to be supported, the AFC loans need to be made affordable.

Mr. Temporary Deputy Speaker, Sir, there is an element that was in the President's Madaraka Day's Speech, which we expected to be included in the Budget Speech. This is the return of the GMR loans especially for the wheat and maize farmers. That one should be re-considered because for Kenya to develop, every community and every aspect has to be considered.

Mr. Temporary Deputy Speaker, Sir, may I mention a cash crop which the Government has ignored over the years. It is a cash crop which earns millions of shillings for this country. This crop is widely grown where I come from, Meru North District. This crop is *miraa*, botanically it is called *cartha edulis*, and it fetches a lot of money for this country. I am asking this Government to have a policy, and a possible policy for that matter, towards *miraa* production. It should be treated like any other cash crop. Research should be done on it and the farmers and traders assisted to market it worldwide. Kenyans need to be told more about this cash crop because were it not for it, Nyambene District would be a very poor place. *Miraa* should not be mystified; it should be understood and protected by the Government like any other cash crop.

Mr. Temporary Deputy Speaker, Sir, let me also touch on co-operative societies. The co-operative movement is nearly dead. And as much as we want to revive coffee, milk and other agricultural production, we cannot do so until we restore the faith that the farmers had in the co-operative movement. Very many societies collapsed and the farmers were never paid. The farmers are still doubtful as to whether we can talk of coffee again as a leading cash crop in this country, when the co-operative movement is mismanaged in the form in which it is. Until those people are paid, farmers will have no faith in that movement. Therefore, our revival of the coffee industry will just be but a dream.

Then, Mr. Temporary Deputy Speaker, Sir, I will touch on tourism. I would just ask the Ministry of Tourism and Information to encourage local tourism, and more especially at this time when we are suffering because foreign tourists are not visiting our country in great numbers. We should encourage our own local tourism, just as we should encourage the consumption of our own products, like coffee and tea. This way, we shall not be lamenting that the tourist season is here but we

are not getting money. We can use our own resources to sustain tourism in our own country.

Mr. Temporary Deputy Speaker, Sir, on security, I would like to ask the Ministry concerned to boost security in Meru North District and other parts of the country. This is because it seems as if there are a lot of guns in the wrong hands. There are shootings every time and people are complaining of armed robbery and so on. The security of citizens should be taken more seriously. Security should also be expanded to the care of our livestock. In Meru North we have a problem because our brothers are still in the days of Robin Hood; who used to rob the rich in order to give to the poor. Now there are some brothers of ours, I think in Samburu District, who will take our animals and not return them. Let them know that the days of Robin Hood are gone. If one wants livestock, let him go to the market and buy them. I am asking the Government to ensure that any animals taken away are returned.

Finally, Mr. Temporary Deputy Speaker, Sir, may I touch on taxation. It is commendable that the Value Added Tax (VAT) rate was lowered from 18 per cent to 16 per cent. I am sure that this will increase compliance, which will be good for the country.

With these few remarks, Mr. Temporary Deputy Speaker, Sir, I beg to support. Thank you.

Mr. Ndambuki: Thank you, Mr. Temporary Deputy Speaker, Sir for giving me this opportunity to say a few words on the Financial Statement. One thing which really worries me is what I hear from almost every Minister or Assistant Minister when they stand here to contribute; they all blame the previous KANU Government. Some of the problems we are facing now, and which we have been facing for the last 10 years, are as a result of just a few people, who are now in the Government, who used to stand up everyday and tell the donors not to bring any money or any assistance to Kenya. As a result of that, the economy declined, because all the time we were running short of funds to run the Government. I am surprised when they say the KANU Government left the "granary" empty. They have bought themselves very expensive limousines, even to the extent of bringing in this guy from Ethiopia to come here and enjoy himself at the expense of the Kenyan taxpayers, and they can go ahead and claim that they did not find anything in the Treasury!

(Applause)

Mr. Temporary Deputy Speaker, Sir, that really proved that what they were saying was wrong; because the Budget which they are still enjoying is the one which was passed by this House during the last regime. So, I do not see how they should continue complaining and shifting the blame to the previous Government. As some of the hon. Members have said, the honeymoon is over because this is their Budget, and we would like to see it implemented. When you look at some of the things which the Minister talked about; I am just going to pick education, we accept and appreciate the free and compulsory primary education. But there is more to it than just the free and compulsory primary education. If you visit some schools, children sit under trees. If this Government has this kind of money, and it can create a deficit like the one it created, it should go ahead and construct classrooms. My district is leading with a shortage of more than 1,000 teachers. As the Ministry of Education, Science and Technology is taking the greater part of this Budget, I would like to ask the Minister to consider posting more teachers to my district.

Mr. Temporary Deputy Speaker, Sir, all of us are waiting to industrialize this nation by the year 2020, but there is so much disparity in the education system at the tertiary level. If you visit our national polytechnics, you will find that students are not getting any assistance in form of bursaries, whereas secondary schools get very high amounts of bursary. It is high time the Government started looking at the tertiary sector so that we can industrialize this country by the year 2020. There is an increase of Kshs100 million in the bursary section. I would urge the Ministry to consider the tertiary levels, especially the national polytechnics, to be allowed to enjoy some of this bursary which they

have never enjoyed since the inception of polytechnics.

I would also like to see some of the youth polytechnics which are lying idle in the rural areas being moved from the Ministry of Labour and Human Resource Development to the Ministry of Education, Science and Technology because that is where the staffing is done, where they can be well monitored and best run.

Mr. Temporary Deputy Speaker, Sir, on communication, the Minister increased tax on airtime on mobile phones from 5 per cent to 10 per cent. Not every part of this country is covered by landline telephones. People in the rural areas had now started enjoying the services of mobile phone services. However, increasing tax on mobile phones airtime from 5 to 10 per cent is again denying the rural people this service. I would recommend to the Minister to reduce this tax on mobile phone airtime during the Committee Stage from 10 per cent to, maybe, 6 or 7 per cent, in order to allow the rural people to enjoy this service.

Mr. Temporary Deputy Speaker, Sir, on banking, I really appreciate the fact that the Minister reduced the capital base from Kshs350 to Kshs250. However, we are not saying that everybody who applies for it should get it. We need to strengthen our inspection section in the Central Bank of Kenya (CBK) to make sure that any bank which is set should really meet the standards and requirements that it is supposed to, so that we can stop the collapse of banks, which really gives a lot of our people a lot of problems. They cannot access their money and thus cannot afford to buy a lot of things.

Mr. Temporary Deputy Speaker, Sir, privatisation is another issue. I know that development partners have subjected us to strict conditions by telling us what to privatise and what not to privatise. We need to come up with a Bill to spell out which enterprises we should privatise, but not the donors to dictate to us what to privatise and what not to privatise. This Bill should also cater for the cost of privatisation. This is a very good gesture from the Minister.

Mr. Temporary Deputy Speaker, Sir, on banking, the Minister also promised us that he is going to come up with an instrument which is going to regulate or monitor interest rates. This instrument is long overdue. We need it today so that these banks, which have been enjoying very enormous profits, can also be curbed. I also think the Minister did a good thing by saying that the banks will be now getting an approval from his Ministry whenever they want to increase any interest rates with their clients.

Mr. Temporary Deputy Speaker, Sir, on agriculture, the Minister talked of several cash crops like coffee, tea and cashewnuts, but these cash crops are not grown in every part of this country. For example, cotton was left out and yet it is the only cash crop grown in Ukambani. So, we also need some incentives to be offered to cotton farmers. On agriculture, the Minister was not really specific when he said he is going to introduce some micro-credit facilities. For example, we need soft loans for our farmers. Looking at the requirements for securities, one will notice that not all of us own title deeds which can be produced as securities in order to obtain loans. So, the Minister should look for a way to provide these loan facilities to the farmers, instead of really insisting on security because some areas have never been surveyed even up to now. If he insists on production of title deeds, we are not going to get anywhere.

Mr. Temporary Deputy Speaker, Sir, I support what has been said by some of the Members on banks as concerns the cash ratio. It is money which is really wasted since it is kept idle in the CBK. The banks collect it from customers like ourselves. The customers and the banks are not paid any interest and there is a margin which should be passed by the banks, which, in turn, pass it to their depositors. This has not been happening and we need to look for a way of giving more money to our people.

Mr. Temporary Deputy Speaker, Sir, the Minister talked about this instrument of controlling interest rates, but he did not tell us what he will do for the ordinary people who are supposed to benefit from most of these incentives. For example, the incentives he gave to the manufacturing sector

are all going to the well established companies. They are not going to the young growing companies.

With these few remarks, I support.

Mr. Musila: Thank you, Mr. Temporary Deputy Speaker, Sir. I am glad I have caught your eye and I would like to make a few contributions as the Member for Mwingi South. First, I would like to congratulate the Minister. Indeed, he did a very good job. It was a difficult exercise and I think every one is in agreement that he deserves compliments for the good job he did.

Mr. Temporary Deputy Speaker, Sir, I have a few comments about the Budget Speech. First, I want to commend the Minister for increasing or proposing to increase the salaries of the public officers. This House has been concerned many times because of the low salaries that are paid to public officers and the disparity that exists between the lowest and the highest paid public officers. I do hope that the Minister will try to bridge this gap so that public officers are paid salaries which are comparable.

Mr. Temporary Deputy Speaker, Sir, I must say that I was a little bit disappointed; in fact, very disappointed because the Minister failed to address himself to the issue of increasing pension dues. When I was moving the Pensions (Amendment) Bill, I had requested that the next time round the Minister proposes increment of salaries of public officers, he should also consider increasing pensions payable to retirees. At the moment, we have got pensioners who served this country for many years and yet they earn as little as Kshs500 a month. It makes no sense to continue torturing Kenyans with such pensions. I believe that if we want this country to continue getting proper services from public officers, we must, as a matter of practice, whenever we are reviewing salaries for serving public officers, do likewise for pensioners. Otherwise, why do we have such low pensions? It is because these pensions are never reviewed. I was very surprised because the Minister happens to be a pensioner himself and he knows very well how pensioners are suffering. I hope, and I want to appeal to the Minister to look into this matter afresh. He should appoint a commission to inquire into the remuneration or monies paid to the pensioners of this country and adjust them accordingly.

Mr. Temporary deputy Speaker, Sir, I want to talk about tourism. Tourism is a very important industry. It provides large numbers of employment opportunities directly. It is estimated that in this country, 200,000 people are employed directly in the tourism industry. If you consider the multiplier effect, because of those who drive taxis and those who sell curios, all those put together will result in no less than 500,000 people benefiting from the tourism industry in this country, and yet we know that the industry is suffering from terrorism.

Kenya is a peaceful country. Why should this country suffer because of terrorism, yet we have no quarrel with anyone? The reason lies with our friends. Because of interests of other countries, such as America and Britain, Kenya has been targeted by terrorists. It is time the Government considered its relationships with these countries. We remember, when a bomb blast rocked Nairobi, 250 people were killed. Kenyans suffered and many people were maimed. But when it came to compensation, our people were not adequately compensated.

Mr. Temporary Deputy Speaker, Sir, when terrorists struck New York, USA, on September 11, 2001, all the victims were more than adequately compensated, and to crown it all, the USA Government undertook to compensate the businesses that were affected by that tragic event. The airline industry, in particular, was given billions of dollars to enable it continue in business. However, what happens in this country is that terrorism is affecting our industries. They just collapse and our so-called friends, although we are targeted because of their interests, do nothing to compensate us.

Mr. Temporary Deputy Speaker, Sir, recently, when the USA went to war against Iraq, it paid Egypt, Turkey, and Qatar billions of dollars. All the countries that were affected by the war were paid money so that they could be cushioned against any adverse effects on their economy. We are asking the Government to seek money from the countries for whose interests we are being targeted by terrorists. Such money will cushion our industries from terrorist attacks and will enable our people get

jobs because, right now, they have no employment.

Mr. Temporary Deputy Speaker, Sir, I want to talk about education. I want to congratulate this Government, which I am part of, for giving free primary education to our children. But as we provide this free primary education, we must not lose sight of the fact that many children have been enrolled in primary schools and yet they have no teachers to teach them. In Mwingi District, we are short of 800 teachers. The Government must do something to increase the number of teachers in primary schools because if that is not done, we will lose the benefits of free primary education. To add to that, we have a School Feeding Programme which has been going on in various parts of the country. This programme has been stopped abruptly. So, the Government is giving us free education on one hand, and taking away the School Feeding Programme through the other hand. I think the whole affair will turn to be negative, unless we take action which will enable the children who were not going to school because of hunger, to go back to school. Since they were being fed during lunchtime, they must continue to receive food so that they be in school.

Mr. Temporary Speaker, Sir, indeed, this morning there was a question about how to keep these children in school. One way of achieving that is through sustaining the School Feeding Programme. I am afraid that unless we do that, all the gains we are making in providing for free primary education, especially in having more enrolment of children, will be brought to nought. My appeal to the Minister for Education, Science and Technology is that he should reinstate the School Feeding Programme in the areas that he has already withdrawn it, including the area I represent, Mwingi South.

Mr. Temporary Deputy Speaker, Sir, I would like to use the few minutes remaining to talk about water. The Minister for Finance, in the Budget Speech, said that the Government was going to consider giving priority to ASAL areas. ASAL areas are not only to be found in North Eastern Province. Immediately you leave Thika, and after Yatta, you go into semi-arid areas extending all the way to our border with Ethiopia. The same thing applies to the districts falling in Maasailand, North Rift Valley, *et cetera*. Therefore, when you look at the money that has been allocated for these areas, you will realise it is peanuts. May I appeal to the Minister for Finance not to give lip service concerning additional funds to ASAL areas. Let us see real money going to these areas so that the standard of living of these people is upgraded, especially by providing water.

Mr. Temporary Deputy Speaker, Sir, I do not know whether you are aware that there are people in some parts of this country who walk for up to 20 kilometres looking for drinking water! We have been talking about this problem. We were promised that by the year 2000, there would be water in every house, and yet we are in the year 2003. We do not even want running water; we just want a borehole at some place where women can reduce the 20 kilometres they walk to 10 kilometres, to fetch, at least, a bucket of water. Let us not give lip service to our people as far as water is concerned. In Ukambani, as one hon. Member said this morning, we need real water. We want bore-holes in hundreds. I hope the Minister for Finance will see the need to stop talking more about giving priority to ASAL areas and do it practically as opposed to what is happening now. Our people are waiting. During the campaigns, they were told that after the NARC Government takes power, they will get water. Indeed, the NARC Government came to power. I plead with the NARC Government to consider the people of Mwingi South, Ukambani, and the people living in the Arid and Semi-Arid areas in general by providing them with water.

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

Mr. Omingo: Mr. Temporary Deputy Speaker, Sir, thank you for giving me the chance to comment on the Budget proposals of 2003/2004. I commend the Minister for Finance for having done a good job in his maiden Budget speech. Even if there were pitfalls here and there, we would like to give some credence to him because it was a display of effort on his part.

Mr. Temporary Deputy Speaker, Sir, I would want to mention one or two things with regard

to the Government. The Government reigning today was popularly elected by Kenyans. This was the first time Kenyans exercised their right to vote and they chose the leaders they wanted. I also warn that although Kenyans put those persons into leadership, they can throw them out tomorrow without question. The NARC Government is accountable of Kenyan citizens.

Mr. Temporary Deputy Speaker, Sir, I want to go back to the Budget Speech made by the Minister for Finance. He did say that the Government was trying to restore public confidence and encourage investors. How do you achieve that when reckless statements are made by Ministers to the extent that the tourism industry has been put to dilapidation and is almost collapsing? When a Minister stands up and says: "We are insecure in Kenya", yet he is the one with the capacity and power to protect Kenyans against terrorism, he is actually admitting that he is defeated. I equate such a Minister to that proverbial man who was actually said to be managing his house. He went to a hill-top and said: "Friends, my wife beats me up everyday". His aim was to seek sympathy thinking he would be called a "good boy". We are now calling that Minister a hero after he has messed up this country. Such kind of Ministers are reckless and are not able to contain their own tongues at the expense of the lives of Kenyans. We need to be accountable for every statement and every act as a way of demonstrating collective responsibility.

Mr. Temporary Deputy Speaker, Sir, the public debt of the Republic of Kenya stands at Kshs629.2 billion. That is broken down to Kshs251.5 billion domestic debt, and Kshs377.7 billion external debt. The debt was incurred in total contravention of the rights and expectation of Parliament. Before the Government borrowed, it was supposed to come to this House, under Cap.420 of the Laws of Kenya, and seek approval to do so. We are burdening Kenyans against their conscience and without the knowledge of their leaders. The Government needs to re-check things and be accountable to the people who elected them. The Minister for Finance said that he inherited empty coffers. It is amazing to see that they inherited empty coffers and yet, between January and today, the Government has bought more than 20 brand new Mercedes Benzes in total disregard of the economic hard times. We are saying that, that money is from the public coffers. The Government should have diverted that money to proper use. It is unreasonable to say that you are controlling expenditure, when you are living lavishly on borrowed money. That is a primitive act, and we must change. Let us address that issue, and cut our jackets according to the sizes of our bodies. Let us not live on borrowed money. The syndrome of donor funding must clear from our people's minds. Why must we change the fleet of presidential vehicles, when former President Moi had all the vehicles? We were saying that he had more than enough vehicles. Now, we are saying that he had more than enough vehicles, but we require our own as if the Mercedes Benzes which were used by former President Moi have been infested by fleas. That does not make any economic sense. Mr. Temporary Deputy Speaker, Sir, the Minister said that we want to add value to our money in terms of priorities of expenditure into projects. How do you do that, when the Public Accounts Committee (PAC) tables five year old reports on the Floor of this House since the year 2000, and nothing is done? How can we be able to check expenditure? The Minister said in his Budget Speech that we need to manage the revenue/expenditure gap. In his mind, he knows what that gap is. We must not have it in the first place, and we need to fit our jackets according to our size. I want to impress upon the Minister to do one of the following. He should bring to the House the Government Financial Management Bill quickly, so that we can build capacity in the Controller and Auditor-General's office, so that the PAC and the PIC could be able to present reports on the Floor of the House in good time. He should also bring to the House the Public Audit Bill soon enough, for the purpose of Kenyans knowing the value addition of their taxes. Again, we must talk about taxes that we pay with results or accountability of the same. The Minister needs to speed up the introduction of those Bills, so that, Kenyans may be able to examine the results of the Budget and the application of resources in the best way possible.

Mr. Temporary Deputy Speaker, Sir, in terms of priority of public expenditure, the Minister

talked about roads, health and water. I want to mention to the current Government that priorities must really be priorities. They should not be priorities because one is Mr. correct, or one comes from district X, where he shouts the loudest in the name of a particular person. We are saying: "Let us prioritise expenditure". For example, roads in Kisii District, particularly in South Mugirango Constituency, are impassable. That is an area with rainfall almost throughout the year. Agricultural produce rots in the farms. If there are priorities, let us have them right, and not because of political expedience. With regard to the issue of health, malaria kills people in Kisii District every year. So, let us prioritise the health sector in that area on malaria, and prepare for emergencies in good time, so that our people can cover themselves against it.

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

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

Mr. Temporary Deputy Speaker, Sir, I want to touch on the energy sector. The Government wants to create 500,000 jobs. How do you do that, when you are retiring the few employees who are there? A case in point is the Kenya Railways Corporations (KRC) godowns. The Kenya Railways does not intend to use the godowns for the next five years. But the people who were working there, creating 4,000 jobs, were chucked out. Why? Maybe, somebody wants to relocate his own kins and kind. We need to get focused. We should face the reality. People must get electricity to develop themselves into *Jua Kali* artisans, do a bit of welding, and create employment.

Mr. Temporary Deputy Speaker, Sir, touching on the banking issue, the Minister has tried to manage the financial sector. I think that is why he came out very positively. He mentioned that he wanted to make sure that credit is accessible to Kenyans, and he went on to spell out how he will manage that. He outlined cash ratios in terms of keeping money idle in the Central Bank of Kenya. That was a positive move. The Minister also talked about the restriction of interest ceiling rates. That was also positive. He also talked about reducing capital base, which is also a positive move.

Unfortunately, the Minister mentioned that he wants to write off non-performing loans. During the last Parliament, a list of corrupt individuals, who had borrowed money from banks, was tabled before the House. The list was expunged and those people are still living freely. It was never said how we intend to recover non-performing loans from the people who had borrowed the money, and refused to pay. That is an omission. We need to pursue those individuals because they are known; the records are clear and so, they can be brought to book. The records should be amended, so that Kenyan taxpayers' money is properly accounted for.

Mr. Temporary Deputy Speaker, Sir, on agriculture, the Minister talked about challenges of rainfall, technology, funding for research and regulatory capacity. We require the goodwill from the Government in terms of regulatory capacity, to control the importation of sugar. Hon. Members from the sugar belt were sitting over there, and were with me a while ago. They have forgotten that the same shouts and cries their people made during the former Government are still there. They are the same Kenyans who elected them. I commend Mr. Osundwa for taking the bull by its horns and saying that there is corruption and a cartel in the sugar industry. To me, he is a hero. Let us face it. Those who were shouting loudest about the sugar barons are still here, and are importing sugar now. Some Ministers stood up to protect COMESA as if they are shareholders of COMESA. We need to protect the farmers. The SONY Sugar Company alone is owing farmers Kshs600 million and yet, you pretend to be alleviating poverty. That is ironical and primitive.

Mr. Temporary Deputy Speaker, Sir, with regard to the health sector, the Minister talked about providing free health care services. Those of you who watch television, if you were in town yesterday, saw what is happening at the Kenya Medical Supplies Agency (KEMSA). There is a scandal bigger than what the television showed. Those big "boys", who are still in the Ministry, and their aim is to corrupt the Minister to think their way, are buying drugs six months to the expiry date, and paying a third of the cost in full. If drugs are about to expire, you can pay less than the normal cost. That is what people are doing at the Ministry of Health. Then we keep pretending that we can manage HIV/AIDS. If you cannot manage to channel drugs where they are supposed to be channelled, I think it is ironical. We should get serious. Somebody once said that corruption was actually terminated only for a short while. The fuse which blew on the corruption channel has been reconnected from January this year. We are saying that the NARC Government came with a euphoria and it is still getting into the problem of corruption.

With those few remarks, I beg to support.

Mr. Marende: Thank you, Mr. Temporary Deputy Speaker, Sir, for noticing me. I wish to add my voice to those who are supporting the Budget Speech as presented by the Minister for Finance on Thursday, last week. I am proud that the Budget Speech has very serious and focused expositions of monetary and fiscal policy for the next financial year.

The Budget Speech indicated from the beginning that we are starting from a point where we have seriously skipped into public debt with the Government borrowing. Therefore, we have public debt from both domestic and external sources running up to Kshs629.2 billion. On that aspect, it is my submission that, that is a situation where, if we followed the rule of law, which, indeed, the NARC Government has pledged to uphold; that kind of situation should not be existing at all. According to the provisions of the External Loans and Credit Act, Cap.422 of the Laws of Kenya, and in particular Section 6, public borrowing is supposed to be fixed. Such indebtedness is actually restricted to K£650 million which, in my calculation, amounts to Kshs13 billion. The existing situation, where the Government is, therefore, indebted to the tune of Kshs629.2 billion is unlawful. It is necessary that we give attention to that issue by ensuring that we uphold the law.

Mr. Temporary Deputy Speaker, Sir, my next point is on the poor performance of our economy. This is to an extent that there is now a recession that has been prompted by the fact that over the last 10 years or so, we have existed in a situation where there has been so much corruption and poor governance. It is my submission that, this is an area which we ought to address very seriously and, therefore, it is a matter of serious concern when we begin to hear allegations, emanating from some quarters to the effect that, even at the moment, key players in the NARC Government are linked to suspicious deals. It is important that this House asserts its authority on this matter, so that those key players in the NARC Government who are now being linked to suspicious deals are shown the red light before we actually show them the red card.

Mr. Temporary Deputy Speaker, Sir, I also want to comment on agriculture and industry. The Minister indicated that Kenya has generally suffered poor commodity prices and as a result, we have not realised as much revenue as we ought to have, from our agricultural industry. It is my view that in this area, we should be endeavouring, as a nation, to move from the current situation where we are exporting our commodities in unprocessed form. I see no reason why this country should continue to export raw coffee, raw tea and so on. We must move towards a situation where we add value to our products before we export them, so as to have optimum realisation of the worth of those products, which include coffee, tea, and pyrethrum among others.

Mr. Temporary Deputy Speaker, Sir, I also want to contribute on the management of the banking industry. It is significant to note that the Minister has seen it appropriate to put in place, an independent body that will monitor interest rates so that they are realistic. This will prevent banks from going haywire on whatever charges they have to make. I am glad that the Minister has noted that there is a law that, in fact, exists which has not been enforced, and it should be brought into active play.

In the area of communications, appropriate attention has been given to this sector and it is encouraging to note that we will move to an area where the information and communications sector is going to play a greater role in this country. Previously, our airwaves were restricted by reasons of poor policy and management. One looks forward to a situation where our airwaves are going to be completely liberalised and made easy easy, so as to attract more players into that area. In the area of education, all Kenyans appreciate that we now have free primary education and as per the estimates which we have now, there is provision for bursaries to the tune of Kshs800 million nationally.

It is my submission, however, in this area, that just like the road levy, we should move quickly towards a situation where money that is set aside for educational bursaries is allocated on constituency basis, so that we are all assured of equitable distribution. At the moment, there is no clear policy on how that money is allocated, such that some constituencies are, in fact, left out altogether or they get minimum support in that respect.

Mr. Temporary Deputy Speaker, Sir, finally, there is the area of implementation of proposals as contained in the Budget. I think it is significant that the Minister noted that a lot of the time, we have come out with Budget proposals that are very admirable, but the implementation has generally been so poor. For example, in the last Budget, only 3 per cent of the Government's intended projects were, in fact, accomplished. An appropriate monitoring unit that will ensure implementation is, therefore, important.

Finally, I wish to say that in the area of industrialisation, it is necessary that the Government policy shifts from a point where too much emphasis is given to industrialisation in the major or traditional urban areas, and move towards rural areas. For example, in the case of Emuhaya Constituency, which I represent, I would like to see a situation where the Government moves towards exploiting the granite stones that we are so naturally endowed with to ensure production and, therefore, create opportunities for the people of that area.

With those remarks, I beg to support.

The Assistant Minister, Office of the President (Mr. Tarus): Thank you, Mr. Temporary Deputy Speaker, Sir, for according me this opportunity to make a contribution towards this Financial Statement. I start by recognising the good effort made by our Finance Minister. We do recognise that, indeed, considering the economic situation in Kenya now, it was important to bring the entire country into economic participation again. There could not have been any other way, unless the taxation that was prevailing in this country was steadily reduced.

We thank the Minister for Finance for considering the fact that Kenyans, indeed, want to access credit, and without credit, it is not possible to create wealth. The reduction of the paid-up capital for starting up of a bank is welcome because we have witnessed a situation where a majority of the banks are closing down. Banks have closed down in the past and that has tended to create a situation where credit is very expensive. The opening up of the banking sector for competition through this reduction will indeed facilitate competitive procurement of loans. Participants in the economy will be able to see an opportunity to grow again.

We do also recognise that we need to make Kenya a country for Kenyans. As we open up the economy and liberalise it, we have seen a situation where there are more foreigners. Indeed, we are welcoming investors, but we must promote our own people to own their own economy. We must promote our own people to participate in the growth of their economy. The situation that we have, where we have a few rich people and millions of people languishing in poverty, is synonymous to saying that Kenya is not for Kenyans.

Reduction in taxation, opening up of the credit system and the realisation of the mistakes that were done in the past and correction of the same, perhaps, will give Kenyans hope again. It is important to start looking at the mobilisation and formation of capital. This cannot be done unless we encourage people to save. Without saving, we cannot be able to realise investment. While I recognise that, indeed, the Financial Statement did open up the opportunity for accessing credit, we should have also seen a way of encouraging savings. Today, in Kenya, if a person wants to save money in banks, it

is as good as just keeping that money there. The interest rate that is paid for loans that are taken from banks is ranging between 18 per cent and above. But the interest that is paid for saving is sometimes less than 2 per cent.

In order to encourage savings and also investments. It is also important to look at this area. I welcome the idea of micro and small-scale enterprises in this country. We have seen them proliferate and interest had not come on this particular sector, and yet it plays a crucial role in national development. In the "Asian Tigers" we hear that one of the magic tricks that actually made them develop very fast is as a result of the opportunity for every person to save. The issue of minimum requirement to save that is currently prevailing in banks still precludes the poor who would like to also participate in the economy. But if we had micro-enterprises and micro-finance institutions that are flexible even in their loaning systems, we would have encouraged most of the Kenyans to participate in the national economy.

Mr. Temporary Deputy Speaker, Sir, the micro-enterprises should also target the way towards industrialisation of this country. We have not laid a lot of emphasis on the introduction of the cottage industries and the facilitation of Kenyans to start building locally-owned industries. I think this should be the direction. While we think about giving Kenyans access to credit, we should also create the necessary policy framework that will allow them to develop these cottage industries as a way of creating locally-owned industries.

Mr. Temporary Deputy Speaker, Sir, I want to recognise also the investment that the Minister has put on education. An allocation of Kshs9 billion towards the free primary education is a recognition of the fact that if we do not do anything now, we may end up not having a nation. Creation of the human capital is a very important aspect for this country. If we promote the literacy of this country and the aspect of having every child in school, it will be easier to promote development activities. We have lost a lot in the past. Although some of our colleagues on the other side do not like being reminded of their past, we do know that we regret that past.

An hon. Member: Remind them!

The Assistant Minister, Office of the President (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, they are aware.

It is also important in this programme to recognise the importance of expansion of primary schools. If you go down to the rural areas, like in my constituency which I have been trying to go through to see the facilities that they have for education, it is deplorable.

Forty years after Independence, our children are still learning under the trees. Some schools have been started, land allocations made and we have many people who have developed a mania of grabbing land. They do not remember that their own children will require a place for learning. As we think of expanding these opportunities, it is also important to ensure that we plan for the construction of schools. It will be very important for the Ministry to spearhead these programmes so that we do not waste resources unnecessarily.

It is also important to improve the performance of District Development Planners because they do not do their jobs in the districts. We find many development projects sprouting up unco-ordinated and yet we have a Government. It is also important for the Ministry of Finance and the Ministry of Planning and National Development to co-ordinate their activities, so that we can fully realise the value of our money.

Mr. Temporary Deputy Speaker, Sir, on health, we thank the Minister for allocating Kshs500 million towards the purchase of drugs. However, our hospitals are in a very deplorable state. There is a need to rehabilitate and staff them. We should improve the terms and working conditions of the workforce in those hospitals. I do not think the Kshs500 million would be enough. Perhaps we need to allocate more resources to the health sector if we want to improve the social services for Kenyans as we promised them.

Mr. Temporary Deputy Speaker, Sir, on agriculture, if we want to create more jobs, it is important for us to lay more emphasis on this. The maize sector did not feature very much in the

Budget Speech. We would like to see farmers motivated. We would like to see tea farmers motivated so that they can expand their activities. Without the serious support of farmers, I do not see us realising our objectives.

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

Archbishop Ondiek: Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to join my colleagues to support this very important Motion. I stand to support the Budget Speech for the Fiscal Year 2003/2004 as presented by the Minister for Finance. Kenyans in general are extremely happy with the Budget.

Mr. Temporary Deputy Speaker, Sir, my main concern is agriculture. Ugenya Constituency is strategically close to Mumias Sugar Company. We have many sugar-cane farmers in this constituency.

They plant cane and wait for several months before they can harvest it. There was a time when there were plans to construct a sugar factory at Nambale Constituency and the Government decided to sensitise sugar-cane farmers in my constituency. This made most of the farmers to grow a lot of sugar-cane. So, farmers in my constituency grew a lot of sugar-cane with the hope that the Government would buy it. Most of that cane was never bought. Therefore, their investment was lost. We even tried to persuade the Mumias Sugar Company to come and assist the farmers in my constituency. This matter could not take place. The Minister talked about helping the farmers. The only way to help farmers is by making sure that they get the benefit of whatever they have planted.

Mr. Temporary Deputy Speaker, Sir, outgrowers in Ugenya could only benefit by supplying their cane to the factory. But if they are not given the chance, they cannot do so. This is a creation of job opportunities. During the campaigns, we promised that we were going to create 500,000 jobs. If we do not encourage farmers to invest in sugarcane growing, how will we be able to generate job opportunities? We have talked about all these and personally, looking at the situation, I have not seen any sign of job creation. I am left to wonder how we are going to convince our voters on this job creation if these things cannot be improved.

Mr. Temporary Deputy Speaker, Sir, personally, I am surprised that the Kenya Government can pump oil from Mombasa to Uganda, and yet they cannot pump water from Lake Victoria to Timboroa and distribute it by gravity for purposes of irrigation. If we are talking about creation of job opportunities, that is the only way we will be able to assist our people by giving them more jobs.

We are very much aware that we have unpredictable rain patterns in our country, and the only way to make our people happy so that they are not poor economically is by giving them a chance to grow more crops so that they can sustain themselves. I am urging the Minister for Finance and appealing to him most sincerely to reconsider the situation of doing irrigation for our people especially in western Kenya.

Mr. Temporary Deputy Speaker, Sir, Nyanza Province and Western Province fall within the cotton belt. I listened to the Speech and I only heard about coffee. I did not hear about cotton, which is a major source of income for the people of western Kenya. I am appealing to the Minister to reconcile his Budget and reconsider assisting cotton growers in western Kenya.

Mr. Temporary Deputy Speaker, Sir, still on agriculture, the Ministry of Agriculture and Livestock Development should extend dairy farming activities to the constituencies by introducing modern methods of dairy keeping so that dairy farmers can keep quality animals that will give them good returns. This will improve both their income and their living standards.

Mr. Temporary Deputy Speaker, Sir, I know you come from western Kenya and you are aware that most of our people keep these local dairy animals, but they are not viable economically. We are asking the Ministry of Livestock Development to put that into their action plan for this year, 2003, so that they can assist the people by improving the quality of dairy cattle.

Mr. Temporary Deputy Speaker, Sir, I am requesting the Government to extend her support to the revival of the cotton industry. Most of the cotton industries in Nyanza Province are dead. If you look at Ndere and other areas, most of them are dead. I am requesting the Government to ensure that those industries are rehabilitated so that our people can also generate income. Those are the

signs of creating job opportunities. Without those arrangements, it will be very difficult for us to keep on telling *wananchi* that we are going to create 500,000 jobs. This is a day dream. We must think of how we will rehabilitate our dairy industry.

Mr. Temporary Deputy Speaker, Sir, fourthly, I would like to request for the revival of the co-operative movement. It is the only force which can bring common people together so that they can survive. I am requesting the Ministry of Co-operative Development to look for ways and means of deploying their officers to sensitize people so that our people can understand the co-operative movement.

Mr. Temporary Deputy Speaker, Sir, we have Lake Victoria, River Yala, River Nzoia and many dams. To my surprise, you will find that our beloved Government, which we all support and we voted for in a big number, cannot come up with an action plan to see how they could help the farmers in order to have their crops sustained instead of abandoning them.

Mr. Temporary Deputy Speaker, Sir, I am happy to note that there will be a limit on interest rates.

The Temporary Deputy Speaker (Mr. Akaranga): Time up!

Archbishop Ondiek: Thank you very, Mr. Temporary Deputy Speaker, Sir.

With those few words, I beg to support.

The Assistant Minister for Transport and Communications (Mr. Ligale): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the chance to contribute on this very important Motion. At the outset, I want to congratulate the Minister for Finance for his Speech. He was able to craft a Budget that has addressed the wishes and the problems of the poor of this country inspite of the problems that we are going through.

The Budget is beginning to show us some way forward from the pitfalls of the economy that we inherited from the previous regime. In fact, the economy was so battered to the extent where one did not know where to start. I would like to commend the Minister for the priority he gave, in particular, to ensuring that the infrastructure is given very high priority. Without infrastructure, we cannot develop. You cannot develop agriculture and industry. You cannot get things to happen. So, the Minister rightly did put a lot of emphasis on infrastructure which must be rehabilitated and developed.

On the infrastructure, the first priority has gone to roads. I am glad that the Minister for Roads, Public Works and Housing has given us a three-year programme to repair our roads. Although no new roads will be built within that period, we shall rehabilitate those that are classified to make sure that they can contribute to the wellbeing of this country.

Mr. Temporary Deputy Speaker, Sir, water, electricity and power generally, including oil, are crucial for the revival of the economy of this country. Without any doubt, the importation of power from Uganda and other countries that are able to produce it more cheaply than we do, will be an answer to our problems. I am glad the Minister did put emphasis on it. I am also glad that the Minister for Energy has given us an assurance that the construction of Sondu-Miriu Hydro-Electric Project will be re-started, having nearly concluded negotiations with our development partner, Japan. We do trust that, that project will take off in the near future.

Mr. Temporary Deputy Speaker, Sir, while talking about the infrastructure, one cannot help but talk about privatisation or concessioning. All too often, when we discuss communication, for example, Telkom Kenya, Kenya Railways, Power and Electricity, our development partners have put conditions that for those sectors to develop, we must privatise or concession. The conditions that are put do require that we make available those facilities to companies that are going to privatise, having written off all debts that are owed, and having ensured that they are going to have a free hand on tariffs and management. If we were to do all those things, we might as well leave those facilities in the hands of our country.

Mr. Temporary Deputy Speaker, Sir, for example, if you take Kenya Railways in the recent past, we have received a report from the International Finance Corporation (IFC), which has been

looking at the Kenya Railways, on how best to revive it. The recommendation they are making is: "For Kenya Railways to pick up, you must concession. To concession, you must write off debts and give us a free hand on tariffs and management."

If you write off debts of the Kenya Railways, you might as well leave it in the hands of Kenyans to run it themselves. To write off debts and do everything they want us to do, it is like cleaning up the whole balance sheet of that organisation. Then, we give it to them on a clean bill of health. In that respect, my suggestion would be that for the time being, we have no business, as a country, to give away such vital investments such as Telkom Kenya, Kenya Railway and Kenya Ports Authority to strangers. Indeed, we should improve on the management, which has been lacking in the past.

Our people have run down some of these institutions. There is now proper management and investment in this country. I would like to propose that we should clean up the balance sheets of these institutions. We should also improve the management of some of these institutions so that they can be productive, employ our people and play a vital role in the development of this country. We should not privatise our institutions merely because our development partners have asked us to do so.

Mr. Temporary Deputy Speaker, Sir, education is a very important element in the Budget. I would like to support one of the hon. Members on the other side of the House, whom I think was Mr. Ndambuki, for having drawn the attention of this House to the fact that we have forgotten tertiary education after implementing the free primary school education. Our youth polytechnics are important for the development of this country. Unless we put more emphasis on them they might collapse. Our university education subsector, which seems to benefit more those in the upper class, and the primary education subsector are well taken care of. We may forget the tertiary education subsector and yet it is important in the development of any country. This is because it trains the middle cadre of people who can be self-employed or employed by the Government to revive our industries.

Finally, I would like to commend His Excellency the President for getting out of the past practice of ensuring that he remains the chancellor of all our public universities. In today's announcement, His Excellency the President has appointed other prominent Kenyans to be chancellors of our public universities. That is something which should be commended. This shows that the President does not have to be in charge of every big institution in this country. He should give room for professionals to be appointed to run our public institutions, including the universities.

The tourism sector has been mentioned many times in this august House. It is an important sector of our economy, but in the recent past our development partners, and the so-called friends of Kenya, have let us down. We do appreciate that if there is a threat of terrorism, all of us must take collective measures. We must ensure that our country is not only safe for tourists but also for Kenyans. In fact, the two or three terrorist attacks we had in this country have been targeted at the facilities of our development partners and not Kenyans. But the people who have suffered most have been Kenyans.

As my colleague, Mr. Musila, said here earlier on, when the United States of America (USA) attacked Iraq, the countries which assisted it, like Turkey, Kuwait and Saudi Arabia, were compensated a lot for allowing the USA to use their airspace and landing facilities to attack the perceived enemy. This is the case and yet, we, who have been friends of the USA for a very long time, suffer whenever there is a threat of a terrorist attack. Any indication of a terrorist attack makes Western nations to advise their people not to travel to our country. This keeps away tourists from our country and we end up suffering. We should now make the point loud and clear to our so-called friends that if they are, indeed, our friends they should stand by us at times like this. This is because to give in to terrorists is to encourage them to continue with their evil activities. We should also encourage local tourists. Kenyans should be encouraged to visit their country. If this is to happen, then we have to charge them rates which they can afford.

Lastly, we should also explore the possibility of marketing this country as a tourist destination

for nationals of other countries. We should not just concentrate on the traditional countries like Italy, United Kingdom (UK) and the USA. Let us go to the middle East, China and Japan where people are not very scared of past terrorist incidents and, therefore, are unwilling to visit this country just because we have minor security problems. Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support this Motion.

Prof. Olweny: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to this Motion. I would like to commend the Budget the Minister presented in this House because it raised the hopes of Kenyans, especially the farmers. This is because we took over a country whose economy had been run down. The economy of this country was in a mess when the NARC Government took over power. Our economy had actually been turned into what one would call a "mitumba economy". If you look at the clothes most Kenyans wear today, you will find that they are *mitumba*. Many Kenyans who own cars in this country today, own *mitumba* cars. These are second-hand cars which have been imported from other countries. Even most of the spare parts imported into this country for the repair of our machinery like the sugar mills are re-painted because they have been used. So, our economy has been run down to a point where the Government cannot afford to buy new spare parts or equipment. So, the Budget which was read in this House by the Minister for Finance gives us hope. If what is contained in the Budget will be implemented this financial year, then many things will be achieved in this country.

A lot of money should have been allocated to infrastructure to help revive our railway line. We inherited from the colonial government a railway system which was doing very well, but it is in a pathetic state today. The railway system is actually the cheapest mode of transport in any country in the world. Why have we left all those steel lines to rust? The state of our railway system should have been reflected in the Budget speech.

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

[Mr. Deputy Speaker resumed the Chair]

Mr. Deputy Speaker, Sir, our roads look as if they were bombarded recently. I hope what the Minister read in the Budget will be reflected in the improvement or reconstruction of our infrastructure. The agricultural sector depends a lot on infrastructure. This is one of the sectors which have suffered most because of the dilapidated infrastructure. The Minister did a good job when he gave attention to the agricultural sector. Even though the Minister touched on the coffee, sugar, rice and cotton subsectors in his Budget, he left a lot to be desired. He scrapped the tax paid by coffee farmers, but his talk on the other subsectors of agriculture was simply political. There was lack of specifics as regards the cotton industry. We import *mitumba* clothes just because the textile industry has collapsed. It is these *mitumba* clothes which have made the textile industry to collapse. The collapse of the this industry is reflected in the collapse of cotton production. This should have been given attention. The problems affecting this industry should be addressed by the NARC Government so that it can be put back on its feet. If we do that, we will create the half a million jobs per year we promised Kenyans during the campaigns. We cannot create this number of jobs if KICOMI and other textile industries are not operational.

There is no way we are going to create those jobs. So the textile industry should have been addressed properly. Similarly, the Minister should have addressed the small cereals sector. Kenya used to be a net exporter of wheat but today, we are importing 70 per cent of the wheat we consume. What happened to that sub-sector? We were producing rice that was almost sufficient for us but today, we are importing a lot of rice, just because we left the National Irrigation Board (NIB) schemes to collapse. Specific preference was not given to the rice sub-sector as was done for coffee. But, there

was a little bias in the Budget and every speaker here has raised that concern.

The Minister needs to address that issue; that Kenyans are concerned about the bias towards coffee alone. We agree and accept that coffee is a major cash crop in this country, but so are other crops. On sugar, days before the Budget Speech, we had requested the Minister to introduce zero rating Value Added Tax (VAT), on sugar. Why should we have VAT on sugar yet there is no value added to our sugar because it is simply milled? We do not have refined sugar produced in this country. It is just simply milled; why should it be charged VAT? Unfortunately, that was not reflected and we only heard that VAT was zero rated for coffee but not other crops.

We ought to note that in this country and in the rest of the world, agricultural products are subsidised and protected. In USA, that is the procedure and agricultural products are protected and subsidised. That means, farmers are supported. In European countries, it is the same. In Japan, if you import rice into the country, you would be charged tax of almost 400 per cent. Why should we leave our markets open, so as to kill our agricultural sector?

I am asking here that the Government should turn around and fully support the agricultural sector. When Kenya became independent 40 years ago, we inherited a flourishing agricultural sector. There was the Guaranteed Minimum Returns (GMR) scheme and instead of improving on that, the Government made everything difficult for our farmers. Farming in this country is a very expensive exercise. It is said that fertilizer is actually a donation to this country. But why are farmers taxed for something the Government gets for free? Why should it be taxed, once it is imported into this country while nothing else is added to it? We do not have a fertilizer company in this country that adds anything to fertilizers. Why should farmers pay so dearly for fertilizers or diesel for operating farm machinery? This should have been addressed so as to jump-start our economy which is on its knees.

Unless that is done, I do not see us creating the 500,000 jobs. We can not create these jobs if we have so many white elephants in this country. The issue of the stalled Kisumu Molasses Complex should also be addressed. On the hills of Nyakach, we have the Sondu Miriu Hydro-Electric Power Project, which is also going to turn into a white elephant project. It is unfortunate that Japan should be associated with a white elephant project in Africa. I hope that at some point, something will be done about that project. The Kenya Government should talk to the Japanese Government to ensure that implementation of the project resumes.

I will now talk about floods. The famous River Nyando passes through my constituency. In 1954, the colonial Government constructed a 20-kilometre-long dyke along that river. After independence, neither the Kenyatta Government nor the Moi Government did anything to improve the dyke.

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

QUORUM

Mr. Mganga: Jambo la nidhamu, Bw. Naibu Spika.

Mr. Deputy Speaker: Ni nini?

Mr. Mganga: Bw. Naibu Spika, sisi hatuko hapa kuzungumza tu. Tuko hapa kuchangia Hoja hii ili Serikali na wahusika wengine wayasikie na kuyatilia maanani yale tunayoyasema. Ukiangalia utaona kwamba Wabunge katika Bunge hili hatujafikia idadi inayostahili ili tuendelee na shughuli yetu. Je, tunazungumzia nani?

Mr. Deputy Speaker: Order! Bw. Mganga, unachotakiwa kufanya ni kusimama na kusema kwamba idadi ya Wabunge Bungeni haitoshi. Ngojea tuchukue hesabu ya Wabunge waliopo.

*(A count of hon. Members in
the Chamber was taken)*

Imethibitishwa kwamba idadi ya Wabunge katika Bunge hili haitoshi kuendelea na shughuli

yetu. Kwa hivyo ninaamuru kengele ipigwe.

(The Division Bell was rung)

Mr. Deputy Speaker: Order! Order! Hon. Members, we now have a quorum.

Mr. Akaranga, you may have the Floor.

Mr. Akaranga: Mr. Deputy Speaker, Sir, I thank you. I also want to congratulate the Minister for Finance for presenting before this House a well-prepared Budget.

The Budget speech touched on a number of issues, mostly those affecting the common man. Some people feel that the Budget is too ambitious, but when I look at the---

(Mr. Wamunyinyi consulted loudly)

Mr. Deputy Speaker: Order! Order! Mr. Wamunyinyi, the House is in session. Could we have some order?

Proceed, Mr. Akaranga.

Mr. Akaranga: Mr. Deputy Speaker, Sir, when I looked at the figures contained in the Budget, I realised that the set targets are achievable. However, I have some comments to make in respect of certain areas.

I commend the Minister for reminding Kenyans that most commercial banks in the country have completely ignored Section 44 of the Banking Act. Commercial banks have been levying charges on depositors' money for facilities they have installed in addition to what they call "ledger fee". Another charge levied by commercial banks is what they call "penalty fee". So, it has become impossible for the common man to borrow funds from any commercial bank. Consequently, the *jua kali* and agricultural sectors, among others, have collapsed. Therefore, in order for us to realise the goals set in this Budget, the Minister has to watch the banking industry very critically.

Mr. Deputy Speaker, Sir, the prevailing banking trend in this country has discouraged savings. For instance, if you borrow some money from a commercial bank, you are charged interest at 19 per cent on personal loans. However, your deposits in the same bank will attract an interest of less than 2 per cent. That scenario discourages our people from saving with commercial banks. About ten years ago, some banks used to charge concessionary interest rates to their members of staff. During that period, I was working with one of the international banks operating in the country. Subsequently, the Government decided to scrap that scheme. Commercial banks used to purchase houses and that encouraged construction companies, which in turn employed many people.

I was one of the team of bankers that went to negotiate with senior Government officers with a view to convincing them that provision of concessionary interest rates to bank workers by commercial banks was quite in order. However, the Government officials at the negotiations never listened to our views; it was as if we were speaking to stones. So, after the political change that took place, Kenyans started to feel that we now have a caring Government. So, workers in the banking industry are wondering why the Ministry cannot re-introduce the concessionary interest rates scheme for banking staff.

Mr. Deputy Speaker, Sir, I recommend that the Minister considers re-introducing the concessionary interest rates scheme for banking staff because since the scraping of that scheme by the Government, the banking sector has suffered so much fraud and forgery, and that stalls national development.

Mr. Deputy Speaker, Sir, on agriculture, much has been talked about pumping funds to develop agriculture in North Eastern Province. Honestly, a majority of the people in the North Eastern Province are pastoralists. If the Government wants to pump funds into the North Eastern Province just

to improve on certain agricultural products, I think that would be wrong. The Government has to talk to those people. I would prefer that the Government spends a lot of money in North Eastern Province to improve on the livestock industry because those people are specialised in that line. They are specialised in that field and not in other things. Let the Government use a lot of money in improving maize production in Western Province, Rift Valley Province, Ukambani and other areas where people have interest in agricultural production. Taking funds to such places as the North Eastern Province, is an indication of misallocation of resources.

Mr. Deputy Speaker, Sir, I also want to say that the Minister prepared a good Budget, but then it did not include the participation of hon. Members. If my constituents asked me how much money is going towards the construction of roads, water, health and schools in Sabatia, I would not be able to tell them because I did not participate from the beginning. In other organised places, they normally include the participation of everybody in the Budget preparation. This is necessary because we will be monitoring the Budget as hon. Members. We want to tell our people that this is our Budget, it is our baby, we want to nurture it and therefore we support it fully.

We also want the Minister to show us how he has distributed the Budget. We want to know how much has been allocated to Sabatia Constituency, Vihiga, Kakamega and all other districts so that we will know for sure that these are the funds meant for the development of this country in those particular areas.

Mr. Deputy Speaker, Sir, on taxation proposals, I will touch on the mobile phones. Communication is an important tool in the development of any place. If you go to Uganda, you will find that even the matatu touts own mobile phones. Even the children in primary schools own mobile phones. That did not just happen; the Government supported them. Instead of the Minister supporting the growth of the telecommunication sector, he wants to kill it. He has increased the taxes on mobile phones by 100 per cent. I would recommend an increase of 50 per cent.

Mr. Deputy Speaker, Sir, on the issue of VAT, although I thank the Minister for reducing VAT from 18 per cent to 16 per cent, I doubt whether this is going to improve or have any impact on business. The reduction is coming to around 11 per cent. The Minister ought to know what the Asians are doing out there. When I used to pay them a visit to look at their balance sheets, I discovered that Asians in this country do not pay taxes at all. In the real sense, they keep two types of accounts; one for Income Tax purposes and the other one for the banking purposes. You will find the balance sheet for banking purposes is quite empty. They keep these two books to avoid paying high taxation.

Mr. Deputy Speaker, Sir, if VAT goes down from 16 per cent to around 15 per cent or below, the revenue that this Government is going to collect will be much higher than what they have targeted at 16 per cent.

Mr. Deputy Speaker: Order! Your time is up.

Mr. Ligale, you contributed, did you not? So, I will ask Mr. Kagwima to contribute now.

Mr. Kagwima: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity. I stand to support the Budget Speech. One, if the proposals made are implemented in good time, the Government will be able to create close to 500,000 jobs per annum as pledged. I noted that in the banking sector, the Minister was clear in his Speech that the Government will try to reduce the local debt and encourage the private sector to borrow from the bank so that they can grow in terms of expanding their business. That way, they will be able to create employment. I am happy that in a civilized way, the Minister is trying to get the controls back in place regarding interest rates. In the past, our banks killed the incentives of the business community, especially when they went ahead levying taxes without consulting their customers. It did not make any sense. If one person was not able to pay Kshs100,000 and the bank raised that figure to Kshs1 million, how did it expect the businessman to be able to pay? I want to say that if the Minister can put the necessary measures in place and ensure that the Central Bank controls the banks so that they do not continue levying interest

on the customers' accounts without consulting them or the Minister, people will be encouraged. Very many Kenyans are very shy and afraid to go into the bank and borrow money. This is in view of the fact that quite a number of people in the last five years have lost their property. If this proposal is implemented, it will go a long way towards encouraging business people to go back and borrow money from banks.

Mr. Deputy Speaker, Sir, the other thing I am happy about is the fact that the micro-finance institutions, which the Minister included in his Speech and which he is trying to encourage, will help to make credit available to the people in the rural areas. Most of the women groups and other groups that are involved in agricultural activities will be able to access credit easily using the micro-finance institutions that the Minister is encouraging to be developed in the rural areas.

Mr. Deputy Speaker, Sir, having said that, I would like to note that there is a substantial increase of funding in the roads sector. We note that this country has experienced severe deterioration of our roads. I hope that the money will not only be availed in the books, but also in the districts or the constituencies as the case may be. If the money is made available and our roads are repaired, our farmers will be able to get their agricultural produce to the market in good time. If that happens, the agricultural sector will grow, and will eventually create employment in the rural areas. I am sure that those jobs created in the agricultural sector will be part of the jobs that were promised.

We should also re-think our way of looking at the cotton crop. We know that coffee and tea are very important sub-sectors of our agricultural economy, but we should go further and look at the other sub-sectors that are not fully exploited like cotton farming. Nobody pays any attention to the cotton industry. We still continue with the old mentality of looking at coffee as the only cash crop. It is good to revive and support the coffee sub-sector, but we also want to support cotton and sugar-cane farming and fishing and other sub-sectors that have not been fully developed.

Mr. Deputy Speaker, Sir, moving to co-operatives, I am happy that the Government is trying to revive the co-operative movement and I am sure this will provide avenues for marketing of agricultural produce. It will empower our people to access cheap credit facilities. I say this because the current interest rates in commercial banks are about 24 to 25 per cent whereas co-operatives societies lend money at an interest rate of 12 per cent. So, it is important that we strengthen the co-operative societies so that we can have cheaper money to develop our country. It is very important and, of course, the co-operative societies will enable the coffee and cotton farmers to get money to buy farm inputs so that the farms and the produce are properly taken care off.

Mr. Deputy Speaker, Sir, the other bit is on irrigation. The President said that the Arid and Semi-Arid lands (ASAL) will be developed. The Government emphasises every day that special attention will be given to those areas that were left behind, development wise. We should move quickly and ensure that areas like Ukambani, the lower parts of Embu, Mbeere, the lowest parts of Meru and Tharaka are developed. Those areas, in terms of agriculture, are virgins. They have not been exploited. If we could ensure we have enough irrigation projects, we would produce any crop we need for this country. Instead of supplying relief food to those areas, these areas themselves would be suppliers of agricultural produce to other parts of the country. We know we have farmed for so many years. If we can move quickly and ensure that the so called good policies that the Budget Speech contained are implemented, I am sure our people will be encouraged to produce enough food.

Mr. Deputy Speaker, Sir, the other bit is on the rural electrification programme. This programme has been in place for very many years, but the impact has not been felt. It is there on paper year in, year out, but nothing much happens. Most of the rural areas lack electricity. If we have to develop this country especially in terms of small industries, we need to ensure that we supply electricity all over the country. We should also ensure that, at least, all divisional headquarters are supplied with electricity. After that, farmers will have an input in the agricultural produce. We will

have agro-industries which will add value to the agricultural produce and the farmers will earn much more than what they are earning now. In addition to adding value to the agricultural produce, we shall also be able to create employment opportunities in those rural areas. So, it is very important that we implement this programme than just having it on paper. I am happy that Kshs500 million has been allocated for this cost. If you divide the Kshs500 million by the 70 districts that exist, we have an average of about Kshs7 million per district. We do not have to distribute that amount equitably. We should look at the districts which were left out in the past and give them slightly more so that we are sure we are sharing the cake equitably. We hope that after this Parliament has approved the Supplementary Estimates, we shall have the money for rural electrification released quickly.

Mr. Deputy Speaker, Sir, the other bit is that I am not sure that the Kenya Power and Lighting Company (KPLC) has enough manpower to implement the pending rural electrification projects where people have already deposited their money. If that is the case, we should encourage private investors to do this job and pay them so that we can move quickly and ensure that we distribute the electricity that the rural folk require for rural industrialisation. There has been a target of getting the country industrialised by the year 2020 which is only a few years away. Unless we move quickly and ensure that we implement our programmes, 2020 will find us napping.

Mr. Deputy Speaker, Sir, moving to the education sector, I note that huge amounts of money have been voted for this purpose. The vote is about Kshs71 billion. This is good because we need to support our education system. However, I want to request that because of the increased enrolment of pupils in the primary schools, the Government and the Teachers Service Commission (TSC) should move quickly to employ enough teachers so that the quality of education does not deteriorate. We need 60,000 teachers and these jobs should be advertised and the teachers posted to the areas they are needed.

With those few remarks, I beg to support.

Prof. Mango: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. May I commend the Minister for Finance for coming up with a Budget that is sensitive to mwananchi's needs. In this country, we need to have a vision in agriculture.. This is an agricultural country and it seems every year we are short of food. Why are we short of food in this country and yet we have land and human resource? We need to come up with a good vision in our agricultural policies. Every year we have floods in Budalang'i and in many other areas and yet we do not seem to be using this water to generate food. This water could make this country a grain basket in the region. We could use the water to irrigate those areas, dam the water and culture fish so that we have both grain and proteins, but we do not seem to be doing much. We should use the same water for irrigation and grow a lot of horticultural crops, cotton, sugar-cane and everything that we need in this country. It seems as though we lack a vision for our agricultural planning.

Mr. Deputy Speaker, Sir, I call upon the Minister for Agriculture to come up with a visionary plan to rid this country of starvation. In this country, we have a few areas where the dairy sector has been developed and yet in other areas, livestock production could be developed. We could also enhance dairy production. I congratulate the President for having re-established the Ministry of Livestock Development. I hope the Minister for Livestock Development will expand livestock development into Western Province and help to eradicate the constraints to livestock development like livestock ticks and tse tse flies which are a major constraint to livestock production in Western Kenya. We also need to expand the dairy industry. For now, we only keep the Zebu cattle which are not productive. The area has potential for dairy production yet it has not been given a chance.

Mr. Deputy Speaker, Sir, in this country we have spent a lot of money establishing an oil pipeline. It would have been more prudent if we established a National Water Pipeline emanating from the Lake Victoria and extending to all regions of this country. While water is a menace in some areas, it is scarce in others. That is because of our faulty planning. Once we have a National Water Pipeline, no area in Kenya will experience shortage of water.

(Applause)

We have one of the largest fresh water lakes in the world yet in this country we cry about the lack of clean water for human consumption. The Ministry of Water Resources Management and Development should look into that problem so that Kenyans can have access to affordable clean water for drinking. This is a country where a litre of water is more expensive than a litre of petrol! It is shameful given that we have a fresh water lake in our country. This matter needs to be addressed urgently so that Kenyans do not continue to pay extra for drinking water.

Mr. Deputy Speaker, Sir, I still maintain that we need to intensify agricultural activities by giving out financial support, especially to farmers who grow specific crops. If really this is an agriculture based country, we should have a policy that supports agriculture in order to create jobs. We do not seem to be creating jobs in the agricultural sector. We have been looking at agriculture as a dreadful business. The youth run away from the rural areas and migrate to the urban places because they do not want to work in the farms. We should make agricultural production attractive so that the youth view agriculture as an employer instead of them looking for white collar jobs.

Mr. Deputy Speaker, Sir, a few years back, in this country, there was an attempt to grow Robusta coffee. I call upon the Minister for Agriculture to enhance the production of this coffee. Value could be added to Robusta coffee so that the farmers within the areas that grow it can benefit. Western Kenya seems to be marginalised because anything that grows in this area is not usually given support. The previous Government did everything possible to marginalise Western Kenya. I hope the NARC Government will pay more attention to agriculture in Western Kenya so that the area becomes productive and jobs are created. We have sugar-cane as the major crop in Western Kenya. Sugar-cane farming is currently being frustrated by those who import sugar. The NARC Government has to fight corruption within the sugar industry and stop issuing licences to the chosen few who import sugar to the detriment of the sugar-cane farmer. About 6 million Kenyans depend on sugar-cane farming, and therefore, it is a major activity in Western Kenya. Sugar-cane farming should be supported by the Government so that in turn, it supports the livelihoods of those who are dependent on it.

Mr. Deputy Speaker, Sir, if we utilise water properly, we will be able to enhance agriculture in this country. For instance, we could supplement rain water with irrigation from the lake. I hope the East African Community will negotiate with Egypt so that we can utilise our water for agricultural production. The Ministry of Agriculture and Livestock Development should increase funding for research on crops so that we can have high yielding crops which mature early. At the same time, we should have proper seeds for planting. We have had cases of fake maize seeds in the market, which eventually make farmers lose out on their crop. For example, farmers in Western Province planted the wrong maize seed and they may not get anything out of their efforts.

Mr. Deputy Speaker, Sir, the Ministry of Co-operative Development should spread out and help every area to set up co-operative societies. Co-operative societies have been very useful in many areas in Kenya. The Co-operative Bank of Kenya is the only bank which has been left for the common man. Therefore, it should have branches all over the country. In some districts, there is not even a branch of the Co-operative Bank of Kenya. That means that such a district is limited and cannot develop. Therefore, the Co-operative Bank of Kenya should modernise itself and open up more branches in the country. It does not make sense for people to queue for half an hour trying to be served. This is the dot.com era. The Co-operative Bank of Kenya should have automated teller machines instead of using the old system, where people have to queue for hours waiting to be served.

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

Mr. Sudi: Thank you, Mr. Deputy Speaker, Sir, for allowing me to contribute on the Budget Speech. I support the Motion. It is the first Motion of the Budget Speech by the NARC Government.

In my opinion, the NARC Government has tried its best. However, the Government has left out the vital agricultural sector. If you go through the Finance Bill, there is no mention, or just slight mention of the agricultural sector. We know that the economy of this country depends on agriculture. We need to specialise and put a lot of efforts on that area.

As a country, we are becoming "a jack of all trades and a master of none". If we concentrate on agriculture, we will have a very stable economy which will enable the common man to educate his children and carry on with his activities comfortably. Right now, in Marakwet where I come from, the residents of that area can hardly afford to take their children to school because there is no money at all. Agriculture is their main source of livelihood, but there is no market for their produce. Even when they go to sell their eggs to Uchumi Supermarket, they find that our supermarkets are buying eggs from South Africa. What trend are we assuming in this country as far as the common man is concerned? We need to go back to the drawing board and revive the agricultural sector. We need to establish technical assistance to farmers so that they can improve in their crop production.

I do not see why every year we cry that there is famine in Kenya and we rush to beg for food from other nations like America and yet we can grow that food locally. God has blessed Kenya richly. We have spent a lot of money responding to situations which cause threats in this country. We do not have enough food reserves to cater for our population because we do not grow enough food. We do not give incentives to farmers so that they can grow and get the best of their yields to the market.

I expected the NARC Government to show the way forward to the farmers and give them incentives. For example, they should sell a 90-kilogramme bag of maize at Kshs2,000 so that the farmer can have the morale of growing crops, knowing the market price is good. But there was no mention of incentives to farmers in the Budget. I would like to challenge the Minister concerned to rectify that situation. Although we are in the middle of the year when farmers have already cultivated their crops and they are planting wheat, we should give them incentives.

The co-operative movement used to be there long time ago and the common mwananchi used to invest his or her money in those co-operative societies. The movement used to encourage them to invest in those co-operative societies and when they needed money, maybe, for school fees or any other financial engagement, they borrowed from those co-operative societies. They used to be given a lot of money in those days. It is high time we traced where we went wrong as a country and tried to revive those sectors.

Mr. Deputy Speaker, Sir, I come from Marakwet District and for the last 40 years since we obtained our Independence, there is not even an inch of tarmac road in that area. I challenge you to visit that area and witness for yourself that there is no single tarmac road. How do we expect crops from that area to reach the market? When it rains like it did recently, for a vehicle to reach Eldoret, which is about 80 kilometres away, it takes about five to six hours. It is shameful to live in such a country where we boast of 40 years of Independence and yet our citizens are still suffering because of poor infrastructure. I blame this squarely on the Government because it is not concerned with the welfare of its own citizens.

Mr. Deputy Speaker, Sir, roads in the whole country are in a pathetic situation. I remember in the year 2000 when I was going home for Kenyatta Day Celebrations; I was involved in a horrible accident where I lost two of my brothers. I am lucky to be alive today. I was also going to die, but lucky enough I survived because my time had not come. For how long are roads going to kill our people? The quality of the materials used to construct those roads by contractors are questionable. Overspeeding trucks and potholes on our roads are killing our people daily and yet, we want to pass the Budget to give those contractors money to create potholes on our roads. We are not going to accept that. As a legislator, I am not going to be party to those issues. I wish the NARC Government could try to find ways of assisting Kenyans by rectifying this situation so that we could go back to the good old days whereby quality was paramount and not quantity.

Mr. Deputy Speaker, Sir, given the scenario which we have endured for all that time, there is quite a lot which cannot be discussed here because of the time factor. We will challenge the NARC Government to put things in order.

With those few remarks, I beg to support.

Mr. Khamasi: Thank you very much, Mr. Deputy Speaker, Sir, for giving me an opportunity to contribute on this very important Motion.

From the outset, I would like to say that I support the Budget. We have had Budget speeches time and again since I came to this House and one major problem crops up. I would not say any of the Budget speeches I have heard since I came this year has had any very big shortfalls. The problem has been implementation. Unless we are going to implement what the Minister has prescribed in his Budget Speech, then we shall never get anywhere.

ADJOURNMENT

Mr. Deputy Speaker: Order, hon. Members! Mr. Khamasi, you will continue tomorrow afternoon. I am told you have some nine minutes.

Hon. Members, it is now time for the interruption of business. Therefore, the House stands adjourned until tomorrow, Thursday, 19th July, 2003, at 2.30 p.m.

The House rose at 6.30 p.m.