

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 16th June, 1999

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

NOTICES OF MOTIONS

Mr. Maitha: Mr. Deputy Speaker, Sir, I beg to give notice of the following Motions:

A BILL TO LEGALISE *MNAZI*

THAT, this House do grant leave to introduce a Bill for an Act of Parliament entitled the Palm Industry Bill in order to legalise the brewing and sale of *mmazi*.

AMENDMENT TO LOCAL GOVERNMENT ACT

THAT, in cognisance of the important role played by the mayors, deputy mayors, chairmen and deputy chairmen of municipalities and county councils, bearing in mind that the above officers are elected by councillors and are, therefore, not directly responsible to the public; this House calls upon the Government to introduce an amendment to the Local Government Act, Cap. 280, in order to provide that the above officers be elected directly by the public.

ORAL ANSWERS TO QUESTIONS

Question No.047

NUMBER OF LEGALLY ESTABLISHED FUNDS

Mr. Deputy Speaker: Mr. Michuki not here? We will come back to his Question later. Next Question, Mr. Mwiraria!

Question No.200

NUMBER OF AUTHORISED MAIZE IMPORTERS

Mr. Deputy Speaker: Mr. Mwiraria also not here? Next Question, Mr. Otita!

Question No.199

UTILISATION OF CESS MONEY IN NYANDO

Mr. Otita asked the Minister for Agriculture:-

- (a) who receives the cess money from the development of Nyando Constituency and how much was received in 1963, 1970, 1980, 1990 and 1997; and,
- (b) how the above cess money has been utilised.

The Assistant Minister for Agriculture (Dr. Wamukoya): Mr. Speaker, Sir, through you, may I request that I be given time to refer this Question to the right Ministry. I have discussed with hon. Otita, and there are two reasons why I wanted to refer the Question. One, the Question came from the Ministry of Finance and was

directed to us, but we feel that it should be directed to the Ministry of Local Authorities. Secondly, the Question is very vast, and it does not specify the concerned agricultural commodities. So, if you can allow us to do that, we can refer the Question to the Ministry of Local Authorities.

Mr. Otita: Mr. Deputy Speaker, Sir, I understand what he has said, but all the time, we have complained of duplication of work, where, if you have a Question to ask in the House, the right officials to answer that Question are not in the House. You will find that---

Mr. Deputy Speaker: Order, Mr. Otita!

Mr. Otita: Mr. Deputy Speaker, Sir, let me just explain a little---

Mr. Deputy Speaker: No! Which commodities are you talking about?

Mr. Otita: Mr. Deputy Speaker, Sir, we have various agricultural commodities in Nyando Constituency, and when cess is deducted from those commodities, the money should go to one account.

Mr. Deputy Speaker: But the Assistant Minister has told you that he is not ready to answer that Question.

Mr. Otita: Okay, Mr. Deputy Speaker, Sir, I will give the Assistant Minister time to sort out the problem in any way he likes.

Mr. Deputy Speaker: Mr. Assistant Minister, who is responsible for collecting cess money?

The Assistant Minister for Agriculture (Dr. Wamukoya): Mr. Deputy Speaker, Sir, I agree with hon. Otita that there is a lot of confusion about the cess money that is being collected. The Ministry of Agriculture, through the parastatals, knows where the money goes to, but the utilisation of that money is done through the local authorities and the District Commissioners; that is, through the Provincial Administration. So, we are requesting, instead of wrangling with hon. Otita, that we be given time to get the best possible answer for the House. We will thank you for that

Mr. Deputy Speaker: Which Ministry is responsible for answering this Question?

The Assistant Minister for Agriculture (Dr. Wamukoya): Mr. Deputy Speaker, Sir, the responsible Ministry is the Ministry of Local Authorities. It is the best suited to answer that Question because it receives the money and utilises it.

Mr. Kapten: On a point of order, Mr. Deputy Speaker, Sir. Is the Assistant Minister in order to tell us about the transfer of that Question to the Ministry of Local Authorities at the eleventh hour, when they have had all this time? This is not a Question by Private Notice; it is an ordinary Question. This means that they have had all the time to refer the Question to the correct Ministry, if he thought that his Ministry is not the right one to answer it.

Mr. Deputy Speaker: He is certainly not in order, but he has no answer for that Question. So, really---

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I think the normal procedure is that if the Ministry finds that a Question does not fall under them, it is referred back to the Clerk of the National Assembly.

Mr. Deputy Speaker: No, that is not the way. If a Question is not relevant to the Ministry, then the Minister has every right to refer it to the relevant Ministry.

Mr. Anyona: Well, Mr. Deputy Speaker, Sir, I thought that should have been the procedure. In this particular case, who determines which is the relevant Ministry for a Question? For instance, on the question of cess collection, there is no firm decision that has been taken as to where the cess money should go to. The Government itself is firmly behind that. The farmers, particularly the tea farmers, are saying that they do not want their cess money handled either by a local authority, or any other body. I am very impressed by the work which is being done right now by the Ministry of Local Authorities. But no agreement has been reached between the farmers of the various crops and the Government, as to where the cess money should go to. So, really, I do not think that we can determine, through that Question, where the responsibility for the usage of cess money goes to. I think we need a clear statement from the Government, at least for now, as to what their stand is.

Mr. Deputy Speaker: So, it seems this Question relates to the Ministries of Agriculture, Local Authorities and Office of the President. So, will each one of you decide who will answer it on Tuesday next week?

The Assistant Minister for Agriculture (Dr. Wamukoya): Mr. Deputy Speaker, Sir, I will refer it to the Clerk of the National Assembly.

Mr. Deputy Speaker: No! The Clerk has nothing to do with it; it is one of the three Ministries; Office of the President, Local Authorities, or Agriculture which is responsible for this Question. You must decide amongst yourselves who is responsible for cess matters, and bring an answer to this Question on Tuesday, next week.

Dr. Wamukoya: Thank you, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Next Question, Mr. Gitonga!

The Assistant Minister for Agriculture (Mr. Karauri): On a point of order, Mr. Deputy Speaker, Sir. I know you have made a ruling, but if the hon. Member does not specify which crops he is talking about, he will still create difficulties.

Mr. Deputy Speaker: But you know which crops are cessable.

Mr. Maitha: He is talking of all crops; it can even be *miraa*!

Mr. Deputy Speaker: Order! Hon. Otita, even fish is cessable. So, you have to name which crops you are referring to and give the details to Dr. Wamukoya.

Yes, Mr. Gitonga!

Question No. 205

DISMISSAL OF KPTC EMPLOYEES

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

(a) whether he is aware that Messrs. J.M. Njenga, P.No.62567, and P.N. Gathe, P.No.85361, former employees of the Kenya Posts and Telecommunications Corporation, were unfairly dismissed and were not paid their terminal benefits; and,

(b) if the answer to "a" above is in the affirmative, whether he could order the KPTC management to pay these employees their terminal benefits without any further delay.

Mr. Deputy Speaker: Is there anyone from the Ministry of Transport and Communications? No one is around.

Mr. Gitonga: On a point of order, Mr. Deputy Speaker, Sir. This Question was listed yesterday and it was not answered because no-one was around to answer it.

Mr. Deputy Speaker: Is there anybody from the Ministry of Transport and Communications? We will come back to the Question later. If they will not be there by the end of Question Time, I will have something to say about it. Mr. Sungu!

Mr. Sungu: Thank you very much, Mr. Deputy Speaker, Sir, I beg to ask----

Mr. Deputy Speaker: I am sorry, hon. Sungu. Let me give those hon. Members whose Questions were not answered a chance to ask them for the second time.

Question No.047

NUMBER OF LEGALLY ESTABLISHED FUNDS

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

(Question dropped)

Question No.200

NUMBER OF AUTHORIZED MAIZE IMPORTERS

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

(Question dropped)

Question No.205

DISMISSAL OF KPTC EMPLOYEES

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

(a) whether he is aware that Mr. J.M. Njenga, P.No.62567, and Mr. P.N. Gathe, P.No.85361, former employees of the Kenya Posts and Telecommunications Corporation were unfairly dismissed and were not paid their terminal benefits; and,

(b) if the answer to "a" above is in the affirmative, whether he could order the KPTC

management to pay these employees their benefits without further delay.

Mr. Deputy Speaker: Anybody from the Ministry of Transport and Communications?

Mr. Shidie: On a point of order, Mr. Deputy Speaker, Sir. We do not want this House to be taken for granted. It appears that the Ministers are not taking this House seriously. They are not coming in time and they are not punctual. I think you should give us a direction on this matter.

Mr. Deputy Speaker: Order, hon. Shidie! You are the Deputy Chief Whip of the party that includes those Ministers. I want you to make sure that your Members who are Ministers come to this House to answer Questions. That is your responsibility!

The Assistant Minister for Finance (Mr. Arap-Kirui): On a point of order, Mr. Deputy Speaker, Sir. I think you are being one-sided in this matter, and I would like to seek your guidance. You only referred to absent Ministers. We have had two Questions for the Ministry of Finance and the Members concerned are absent. There are three Assistant Ministers from the Ministry of Finance here who are prepared to answer those Questions. So, it is exactly the same thing!

Mr. Deputy Speaker: Order, Mr. Arap-Kirui! When Members fail to ask Questions, they suffer because their Questions are dropped! When Ministers do not appear in the House, the Questions are merely deferred. So, you have another bite of the cherry. I am being very fair to you!

(Applause)

Mr. Shill: On a point of order, Mr. Deputy Speaker, Sir. I think it is not only those Members whose Questions have not been answered who suffer. There are so many Questions that are in the pipeline. If Questions go unanswered, in fact, some of us will not be willing to ask them. Is it in order for the Chair to tell the Deputy Chief Whip that he should whip when he has already shown that he cannot whip his own Ministers?

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. In general terms, obviously, it is wrong for both sides not to be here to attend to the Business of the House, in all fairness. But in this particular case, these Questions were deferred yesterday because the Ministers were not there, and there is another lot coming in the afternoon. It was by the specific order of the Chair that these Questions be put on the Order Paper and the expectation, therefore, was that both the Questioners and the Ministers should be here to attend to that Business. We are in a situation where orders from the Chair, in the interest of the House and the country, are being defied, particularly by the Government. It is the business of the Government to be here. What are we going to do about that?

Mr. Deputy Speaker: Order, hon. Members! We cannot continue debating this matter for ever. I will address your concerns to the Leader of Government Business when he comes to the House because it is a serious matter for Questions to be asked and not to be answered. Equally, it is important that when Members ask Questions, they should appear in the House to ask them, whether the Ministers are here or not. But even today, Members have behaved rather badly.

Mr. Gitonga: On a point of order, Mr. Deputy Speaker, Sir. What is the fate of this Question now, since you have not made a ruling? Has it been deferred, and if so, to when?

Mr. Deputy Speaker: That Question has been deferred to tomorrow. Yes, Maj. Madoka?

The Minister of State, Office of the President (Maj. Madoka): Mr. Deputy Speaker, Sir, hon. Anyona is misleading this House because the Questions which were deferred yesterday for today were for the Ministry of Public Works and Housing and not for Transport and Communications.

Mr. Anyona: Mr. Deputy Speaker, Sir, I do not know whether this Minister was here. There were four Questions that were deferred; one was for the Ministry of Transport and Communications, while three were for the Ministry of Public Works and Housing!

The Minister for Local Authorities (Prof. Onger): Mr. Deputy Speaker, Sir, is it really fair for the Government to be lambasted when, at least, on today's Order Paper, Questions Nos. 047, 200 and 199 have nothing to do with the non-availability of the Ministers replying to these Questions? The only one which seems to have been in trouble is Question No.205, and I suspect that for the Question by Private Notice, the Minister must be present! Is it really in order to load blame on the Government side, when it is quite clear that the other side is not in order?

Mr. Deputy Speaker: Order, hon. Onger! The Chair has made a ruling. These Questions were deferred yesterday because the Ministers were not there to answer them. The point I want to make is that the work of this House must be taken seriously by both sides of the House. So, we must not pass the buck because there is nobody to take responsibility. This House is the supreme organ in this country to deal with all these matters and

must do it!

Mr. Arap-Kirui, Mr. Mwiraria has come in. Are you in a position to answer his Question?

The Assistant Minister for Finance (Mr. Arap-Kirui): Mr. Deputy Speaker, Sir, the Question has already been dropped and I wonder if it is in order for me to answer it.

Mr. Deputy Speaker: It is not in order.

Mr. Kiunjuri: On a point of order, Mr. Deputy Speaker, Sir. I am rising on a point of order, to demand a Ministerial Statement on a very serious issue---

Mr. Deputy Speaker: Order, Mr. Kiunjuri! It is still Question Time. Mr. Sungu!

QUESTION BY PRIVATE NOTICE

SALE OF ESTATES BY KISUMU MUNICIPALITY

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

(a) Is the Minister aware that the Kisumu Municipal Council intends to sell residential estates such as Arina, Ondiek and Lumumba to offset debts to various Government parastatals?

(b) Is he further aware that the Government and parastatals owe the Kisumu Municipal Council a lot of money?

(c) What steps will the Minister take to off-set the said debts to enable the Kisumu Municipal Council to operate smoothly and viably and thereby, save the estates from auctioneers?

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

(a) I am not aware that the Kisumu Municipal Council is considering the possibility of selling some of its rental properties to reduce its debt burden.

(b) Yes, I am aware that the council is owed substantial sums of money by parastatals and Government Departments.

(c) My Ministry is addressing the issue of indebtedness, not only of the Kisumu Municipal Council, but other local authorities in the country as well, through a number of reform measures, such as the single business permit, Local Authorities Transfer Fund and contributions *in lieu* of rates. These are aimed at improving the revenue base for local authorities to enable them to settle their legitimate debts and deliver qualitative services to the taxpayers. The council must also improve on its revenue collection to assist in the settlement of its debts.

Mr. Sungu: Mr. Deputy Speaker, Sir, the Minister should be aware that the Kisumu Municipal Council has made statements in the newspapers to the effect that it is selling the estates through public auction. The main issue of housing in Kisumu, and particularly the properties belonging to the Council, is critical. Only the other year, the Chair became aware that Oloo Oguma Estate and Joel Omino Estate were sold through a public auction to an Indian, despite the fact that the council tried all it could to---

Mr. Deputy Speaker: Ask your question!

Mr. Sungu: Mr. Deputy Speaker, Sir, I would like the Minister to table a list of the Government parastatals and Ministries that owe the council money, and how that money can be offset.

Prof. Onger: Mr. Deputy Speaker, Sir, first, I would like to correct the impression created by the hon. Member. The matter which is subject to court arbitration in respect of Block 5/43 of Lumumba Estate is a tussle between the council and the National Bank of Kenya. That matter is in court and the arbitration is yet to come through. As it relates to the other estates that he was referring to, I am aware that the council, for instance, deliberated on Arina and Ondiek Estates; 42 houses at Mosque Estate, and nine shopping centres within the estates. The decision within the council was not conclusive and, therefore, there was no substantive request to the Minister for Local Authorities to offset the debts.

Thirdly, in respect of the money owed to the Kisumu Municipal Council, it is, in total, Kshs177,415,332.85, broken down as follows: Water - Kenya Railways, Kshs20,742,146.90; various Government Departments, Kshs17,822,756.95; rates from the Government, Kshs139,850,529; the Police Department, Kshs601,000; Service Charge for various Government Departments, Kshs7,625,217; giving a total of Kshs177,415,432. This must be seen as a backdrop of creditors that the Municipal Council of Kisumu owes, to the tune of Kshs628,997,867.50.

Mr. Sungu: On a point of order, Mr. Deputy Speaker, Sir. The Minister is misleading this House! I have a list showing debtors owing money to the council to the tune of over Kshs400 million, and not Kshs177 million as he is saying. I will table the list right now! So, is the Minister in order to mislead this House that the

money owed to the council is only Kshs177 million, when it is over Kshs400 million?

(Mr. Sungu laid the list on the Table)

Mr. Anyona: Mr. Deputy Speaker, Sir, the way I understand the response from the Minister to the first part of this Question, when he said that he was not aware that there were plans to sell off those estates, is that the policy of the Government on property belonging to the councils is that they should not be sold to private interests. In the future, when there will be no more land and houses to grab, the local authorities and the Government will require to house their employees. Could the Minister state categorically that it is not the policy of the Government and the Ministry to dispose of houses of local authorities to private interests?

Prof. Onger: Mr. Deputy Speaker, Sir, it is quite clear that the Government does not encourage local authorities to dispose of their properties until there is a very substantive case made for doing so. That case will be dealt with in accordance with its own merit.

Secondly, I have perused through the list tabled by hon. Sungu, and I have the following comments to make. He must be in a position to differentiate between the Government and individuals. Individuals do not belong to the Government, but they may be part of the Government. Therefore, in order to correct him, the amount of money owed by individuals to Kisumu Municipal Council totalled to Kshs243,533,215 as at 31st May, 1999. That is why, in my earlier answer, I said that the council must obviously make a deliberate effort to collect the money which is owed by individuals. I think that testifies why I had to make very elaborate changes in Kisumu in order to address this specific issue.

Dr. Ochuodho: Mr. Deputy Speaker, Sir, the estates that are mentioned are the only ones that are affordable by the average Kenyan living in Kisumu. In the past, when houses have been sold, it is foreigners who have ended up grabbing them, mainly of the Asian community. Could the Minister tell us, assuming that the facts that have been tabled are the truth, whether the Government owes Kshs400 million, including senior Government officers? The council, on the other hand, owes Kshs600 million and no taxes are paid. One can say that the two tally.

Could the Minister tell us what alternative arrangements are going to be made, to house those who are going to be moved out? Why, in particular, is the National Bank of Kenya taking Kisumu Municipal Council estates for auction and not others?

Mr. Deputy Speaker: Order! You are asking very many questions at a go!

Dr. Ochuodho: My question is: What alternative accommodation is being arranged, and why, in particular, is the National Bank of Kenya taking the property of Kisumu Municipality to be auctioned, and not taking the property of other people, including the property of the person answering the question?

Prof. Onger: I think that is a very mischievous--- To say the least, that is a very mischievous request and remark from Dr. Ochuodho! If he has any substantive issue to raise with me as an individual, he should do so! I take great exception to this rather kind of callous statement from him. Not saying the least, however, let me answer the other question.

First, the question of Arina, Ondiek, 42 houses at the Mosque Estate and the nine shopping centres within the estates being sold does not arise because I have already said in my answer, if he cared to listen carefully, that, that request has not been made to me. I have not given permission for them to be sold and, therefore, the issue of the people being moved out does not arise whatsoever!

Secondly, I do not decide who takes who to court in the case of Kisumu Municipal Council and the National Bank of Kenya.

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

Mr. Deputy Speaker: Order! You have the Order Paper which tells you how the proceedings of the House will be. The next Order must start not later than 9.30 a.m.

Next Order!

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 10.6.99)

(Resumption of Debate interrupted on 15.6.99)

(Second Day of Budget Debate)

Mr. Anyona: On a point of order, Mr. Deputy Speaker, Sir. I do not know whether we have forgotten to follow our procedures. Today is Wednesday; it is a Private Members' Day. The Government is required by the Standing Orders to move a Procedural Motion to exempt today's business from the provisions of the Standing Orders, and yet on the Order Paper, there is no such provision for such a Procedural Motion. In this case, if there are no Motions by hon. Members, we cannot proceed with the Budget Debate. Therefore, the House is required to adjourn.

(Applause)

Mr. Deputy Speaker: Order! Do not be so over anxious. It is true that today is Wednesday and it ought to be a Private Members' Day. But I think the House Business Committee took cognisance of Standing Order 137(1). It says:-

"Unless the House otherwise orders, the debate on the Financial Statement on the Annual Estimates shall take precedence over all other business, and until disposed of, shall be set down each day as the first business of that day."

Mr. Anyona: Mr. Deputy Speaker, Sir, that is the correct position. That is why there is a provision in the Standing Orders. The Government, therefore, is free, and has the right to bring a Procedural Motion to exempt today's business from the requirements of that Standing Order. That is one of the enabling Standing Orders for them to be able to do that. They do it, year in, year out. How come it has not been done this time? Standing Order No.137 has always been there and we have always moved the Procedural Motion. We cannot afford to flout our own rules. If it is an oversight, so be it. But we cannot break the rules.

The Vice-President and the Minister for Planning and National Development (Prof. Saitoti): Mr. Deputy Speaker, Sir, where, of course, the Standing Order does not specifically state that, that particular business is the one to be given preference, that is when we normally come here to exempt the Business of the House. We took cognisance of this proviso, and this has normally been done on every Wednesday morning in the case of the Financial Statement. It is given preference over any other business. I think you have read it. Standing Order 137(1) says:-

"Unless the House otherwise orders, the debate on the Financial Statement on the Annual Estimates shall take precedence over all other business, and until disposed of, shall be set down each day as the first business of that day."

Mr. Deputy Speaker, Sir, I do not know how more certain this could be. So, there is no lacuna; unless the House decides otherwise. The only way we can do it, in his own words, is to bring a Motion and say that it should not take precedence. I think the English language is very clear in Standing Order No.137.

Mr. Deputy Speaker: Order, hon. Members! We should now proceed to the debate on the Committee of Ways and Means. Mr. Githiomi was on the Floor. Is Mr. Githiomi there?

Hon. Members: No!

Mr. Deputy Speaker: Then let us have Mr. Kathangu.

Mr. Kathangu: Nakushuru, Bw. Naibu Spika. Ni matumaini yangu kwamba huu ni wakati wa kuanza kulalamika tunapochangia Hoja hii ya Bajeti. Mambo ambayo ningependa kusema ni kuwa kwa muda mrefu, Bw. Waziri wa Fedha amekuwa akizungumza mambo mengi kuhusu njia mbali mbali ambazo zinaweza kufuatwa ili kukuza uchumi wa nchi na kuwafaidi wananchi. Kila wakati kumekuwa na unafiki mwingi katika upande wa Serikali, ikisema ni vipi uchumi wetu unaweza kuimarika. Ni matumaini yangu, baada ya kusoma Bajeti ya mwaka huu, kuwa Waziri wa Fedha atayatekeleza yote ambayo ameyasema katika Hotuba yake. Hata hivyo, kama nilivyosema mwaka jana tulipokuwa tukijadili Hoja ya Bajeti, siwezi kushuhudia unafiki wa Serikali hii. Kwa hivyo, ninaomba uniruhusu niweze kukaa nje ya Bunge hili kwa muda wa siku saba wakati Bunge hili litakuwa likijadili Bajeti ya mwaka huu, kwa sababu tutapoteza wakati muhimu wa nchi hii. Nashukuru sana.

Mr. Kombo: On a point of order, Mr. Deputy Speaker, Sir. Mr. Kathangu asked for permission from

the Chair that he be away from the House during the remaining period of the debate on the Budget, but you did not give him the permission he is asking for.

Mr. Deputy Speaker: I thought that he was joking. So, I did not make up my mind whether he was being forced out or not.

Mr. Kathangu, if you want to be away for eight consecutive days, come to my office and we will discuss that matter there.

Mr. Kathangu: Asante, Bw. Naibu Spika. Ikiwa ni lazima kwa muda wa siku saba tuyajadili mambo ambayo Bw. Waziri wa Fedha aliwasilisha hapa Bungeni, nimesema siwezi kusikiliza unafiki wa Serikali hii. Ningelitaka wewe mwenyewe, katika Bunge hili, unipe ruhusa niwe nje kwa muda wa siku saba. Nitahudhuria kikao cha siku ya nane.

Mr. Deputy Speaker: Order, Mr. Kathangu! The Standing Orders only require you to get permission from the Chair if you will be away from the House for more than eight consecutive days. If you will be away for seven days, that is a matter of your conscience and your constituents.

Mr. Kathangu: Asante, Bw. Naibu Spika.

(Mr. Kathangu withdrew from the Chamber)

Mr. Ndilinge: Asante sana, Bw. Naibu Spika, kwa kunipa nafasi hii ili nichangie Hoja juu ya Bajeti iliyowasilishwa na Waziri wa Fedha, na pia nimhurumie rafiki yangu, mhe. Kathangu, anayetoka sasa hivi. Angevumilia na kusikiliza michango ya Wabunge juu ya Hoja kwa sababu kuna mambo mengi muhimu ambayo angeyasikia.

Hotuba ya Bajeti huhusu pesa ambazo hupitishwa na Bunge hili ili kuwasawaidia wananchi waliotuchagua. Ningependa pesa hizi zitumiwe kwa miradi ambayo imekusudiwa katika Bajeti ya mwaka unaohusika. Hii ni kwa sababu ni aibu kupitisha pesa hapa na hazitumiwi kwa kazi hiyo. Tungependa Waziri ajue kwamba tunapopitisha mambo hapa na hayatekelezwi, hiyo ni njia moja ya Wizara yake kutumaliza kisiasa.

Bw. Naibu Spika, kuna miradi ambayo inatengewa pesa na Bunge hili. Tungependa tujue pesa zinazotengewa sehemu yangu na za Wabunge wengine; hata wawe wa Upinzani, kama zinafika katika sehemu hizo. Ningependa kuwakumbusha Wabunge wenzangu kwamba Bunge hili limeona Wabunge wengi, lakini hawako hapa sasa hivi. Basi, wakati Wabunge wanapotekeleza kazi zao ni heri wajue kwamba kulikuwa na Wabunge wengine kama wao, lakini hawako hapa kwa wakati huu. Ni heri waseme ukweli kwa sababu ukweli ni Mungu, na Mungu ni ukweli. Ukisema uwongo, basi siku moja ukweli utakufuata! Ninaposema hivi, ninamaanisha kwamba jambo likisemwa na Mbunge wa upande wa Upinzani au wa Serikali, na ni la kujenga nchi hii yetu, tafadhali ndugu zangu, msiwe mnalipuza. Tunapochaguliwa kuja katika Bunge hili, hatuji hapa kama Wabunge wa KANU au wa chama kingine. Tunachaguliwa kuja hapa kama Wabunge ili tuijenge Kenya yetu.

Ningependa kuomba pesa nyingi ambazo zilitengwa, hasa zile za kuendeleza elimu; na hasa zile ambazo zinaelekea Mkoa wa Mashariki; na sana sana zile ambazo zimetengwa kwa sehemu ya Ukambani, zitumiwe kwa miradi iliyokusudiwa. Kwa mfano, katika sehemu ya Ukambani, kuna mito karibu 16 ambayo inapitia sehemu hiyo na kuingia Indian Ocean. Ajabu ni kwamba mito hiyo, yote haitufaidi kamwe. Kama Serikali ingekuwa na mpango wa kuzuia maji hayo sioni kama Wakamba wangeomba chakula cha msaada. Wakamba wangukuwa wanajitosheleza kwa chakula. Kwa nini jambo kama hilo halifikiriwi? Ningependa kuomba upande huu wa Serikali ambao niko ufikirie kuangamiza njaa katika sehemu ya Ukambani kwa kuzuia maji hayo ambayo yanaenda katika Indian Ocean.

Pia, ningependa kuomba pesa zinazotengwa kwa Wizara ya Ardhi na Makao zitumiwe vyema. Mambo ya usoroveya yalianza katika nchi yetu mwaka wa 1974, na hadi leo, hakuna mtu yeyote ambaye amepata cheti cha kumiliki shamba. Ukiniuliza kwa nini watu wa sehemu hiyo hawajapata vyeti vya kumiliki mashamba nitakuambia kwamba ni kwa sababu ya njama. Hii ni kwa sababu kama haingekuwa hivyo, kata ndogo moja, mbili au tano zingekuwa na vyeti vya kumiliki mashamba. Wale watu ambao wako na vyeti vya kumiliki mashamba ni matajiri. Hao watu hutumia vyeti hivyo vyao ili kupata pesa kutoka kwa benki ili waendeshe biashara zao. Lakini swali ni moja: Tangu mwaka wa 1974, hakujafikiriwa vile hiyo shida ya mashamba inavyoweza kusuluhishwa? Ningependa kumwomba Waziri wa Ardhi na Makao aangalie sehemu zile ambazo kuna kesi kama tatu, nne au tano--- Wale ambao wamesuluhisha kesi zao inafaa wapewe vyeti vya kumiliki mashamba, na wale ambao wako na kesi waachwe ili wazisuluhishe kwanza.

Hii ni kwa sababu kuna mtego hapa, na aliyeweke mtego huo alikuwa na nia mbaya. Kwa mfano, kama kuna kesi mbili au tatu katika kata ndogo, wale watu wengine ambao hawana kesi hawawezi kupewa vyeti vya kumiliki mashamba mpaka kesi hizo zote zisuluhishwe. Sasa, mimi nitakungojea umalize kesi yako lini, na pengine huenda ikawa umerogwa ili uwe mtu wa kesi mwaka nenda,

mwaka rudi? Hilo ni jambo ambalo lingefikiriwa sana na Wizara hii kwa sababu katika sehemu nyingi huko kwetu, watu hawajapewa vyeti vya kumiliki mashamba. Hii si kwa sababu hawazitaki, lakini ni kwa sababu kuna kesi moja, mbili au tano katika kata ndogo. Watu hao wanapouliza wapewe vyeti vya kumiliki mashamba, wanaambiwa kwamba hawawezi kupewa vyeti hivyo kwa sababu kuna kesi katika sehemu hiyo.

Bw. Naibu Spika, ningependa pesa ambazo hupelekwa kwa Kamati za Maendeleo za Wilaya (DDC) ziangaliwe sana. Hii ni kwa sababu nyingi ya pesa hizo zinapofika huko, sisi Wabunge hatuna sauti juu yake. Kwa mfano, ukiuliza mahali pesa fulani zilienda, unaambiwa: "Usituletee siasa; sisi ni wafanyakazi wa Serikali". Tungependa wafanyakazi hao waelezwe kuanzia sasa hivi kwamba Serikali hii ni ya siasa. Kwa hivyo, wao wako katika upande wa kutekeleza na mimi niko katika upande wa kutenga pesa. Kwa hivyo, ninapomwambia kwamba sioni pesa ambazo alitengewa kutengeneza barabara fulani, asije akafikiri kwamba mimi ninaongea tu. Kazi yangu ni siasa na yake ni kutekeleza mambo ambayo wanasiasa wanataka yatekelezwe.

Kuna mambo yaliyotendwa na wakoloni hasa katika sehemu ya Ukambani. Kuna colonial dams ambazo kama zingetunzwa vizuri, hata ingawa shida ya maji ni nyingi, kabla hatujaitisha chakula cha msaada, tungekuwa tunatumia maji hayo, na sijui kama tungekuwa tukiitisha chakula cha msaada kila wakati. Nina furaha kwa sababu kuna Waziri ambaye anaielwa kazi yake hapa, Bw. Madoka. Ningependa kumwomba ili tusije tukagombana kule nyumbani na kisha aone kama wanasiasa wengine wanawaingilia wafanyakazi wa Serikali katika Wizara yake. Hii ni kwa sababu chakula cha msaada kimekuwa kama rubber stamp kwa watu wengine kujitajirisha nacho katika sehemu hiyo. Ninaposema hivyo, Waziri ataanza kufikiri kwamba ninaingilia chifu, District Officer (DO) na District Commissioner (DC) wake. Ikiwa magunia ya mahindi ni 200, kila gunia lina debe mbili. Wanawake wanapewa debe mbili na kuambiwa ati hiyo ni gunia moja. Sitaki tutumiwe sisi kwa kuwatajirisha watu wengine. Ni aibu sana kuuza au kuiba chakula ambacho kimetengewa mtu ambaye ana njaa. Juzi tu, hata ingawa sitaki kuyasema mambo hayo hapa---

An hon. Member: Sema!

Mr. Ndilinge: Bw. Naibu Spika, hivi majuzi, chifu mmoja aliiba magunia kumi ya mahindi na diwani akaiba gunia moja la mahindi. Tulipoyataja magunia hayo ya mahindi, viongozi hao walienda wakayatoa mahindi hayo kutoka mahali walipokuwa wameyaficha. Bahati nzuri, magunia hayo ya mahindi hayakuibiwa kwa sababu raia walikuwa macho sana. Hivi karibuni, utasikia kwamba chifu au mwanasiasa ambaye anahusika na chakula hicho amechomwa na raia. Hii ni kwa sababu hawawezi kutumia majina ya raia kwa kujitajirisha wao wenyewe. Hii ni aibu kubwa.

Wengi waliposikia kwamba nimeng'olewa kama Waziri Msaidizi walikuwa wanafikiri kwamba nitakihama chama cha KANU. Niko katika chama cha KANU na wengi wataenda na waniache hapo hapo.

(Applause)

Nimeona wengi wakijiunga na chama cha KANU na kuniacha hapo hapo. Ningependa kuwaonya wenzangu wanaofurahia wanapona mtu amefutwa kwa fitina zao. Mimi siwaonei huruma. Ninayemwonea huruma ni Rais wangu ambaye ninampenda sana. Hii ni kwa sababu huo uwongo utafanya viongozi ambao wananchi wanawapenda zaidi waende wote. Mimi sijilili. Kwa vile hayo ni mambo ya chama, sitayaongea hapa kwa sababu nikiyaongea mambo hayo hapa, itakuwa kama nimeliingiza Bunge hili katika mambo yetu ya nyumbani. Hayo mambo tutayatatia sisi wenyewe. Ukiyang'anywa ofisi na ukose kunyang'anywa wafuasi wako, utakuwa na wasiwasi gani? Ningependa kuwaonya watu hao wenye fitina, na wenye kusema kwamba fulani alifanya hivi na kusema vile kwamba, tumeona watu wengi sana wakipitia katika Bunge hili na kwenda nyumbani. Inafaa watu hao wamwogope Mungu. Haifai kwao kuzihifadhi bendera zao kwa kuwafitini watu wengine.

Mr. Obwocha: Thank you, Mr. Deputy Speaker, Sir, for allowing me to make my little contribution on this Budget Speech.

Mr. Deputy Speaker, Sir, I would like to start with one issue which the Minister raised in his speech about the Catering Levy Trustees. I would like the Assistant Ministers to listen carefully to one mistake they have made. I know the two are my colleagues in the profession, and I think they will understand me. The Catering Levy Trustees has been collecting levy at 2 per cent from various hotels. In the Minister's speech, on page 29, he said that he has now assigned the Kenya Revenue Authority "the responsibility to collect the catering, training and tourism development levy, betting and casino taxes cum duty." Now, this money that the Catering Levy Trustees has been collecting, has been the support of that Fund. Now, if you are transferring that responsibility from the Catering Levy Trustees to Kenya Revenue Authority, what are you going to do with the total of 342 employees who are under the Catering Levy Trustees? In any case, this proposal contradicts the Act itself. It purports to abolish section 16 of the Hotels and Restaurants Act, where the Catering Levy Trustees falls. Yet, in the same Act, section 19 gives them the authority to collect this revenue. I do not know whether the Minister looked into this. In

one section, he is abolishing it and, in fact, he has gone ahead and done that under Legal Notice No.78; the Hotels and Restaurants Act, Cap.494. He has already done it. He has abolished one section and instead of harmonising these two, I do not know, honestly, what the Minister intends to do.

So, in this proposal, there is a contradiction in the measures the Minister intends to take on how to collect this levy. Maybe, he has some plausible reason that he can tell this House why he is transferring that duty from Catering Levy Trustees to Kenya Revenue Authority, and we would like to know. But if this is going to be implemented, then my proposal would be that Kenya Revenue Authority should take up the staff of the Catering Levy Trustees, so that they can continue to collect this money. It is revenue that the Government wants. If they cannot absorb all of them, then it should find money to retrench them, give them their dues and pay them handsomely because it is not their mistake. Even under that same proposal, as we know, the betting and casino taxes is a department of the Ministry of Home Affairs, National Heritage, Culture and Social Services, and Stamp Duty, as we know, is a department under the Ministry of Lands and Settlement. But the Catering Levy Trustees is a parastatal. You cannot just wake up and make a proposal and abolish a parastatal under some proposal like this! So, I hope the Minister will look into this issue very seriously.

Mr. Deputy Speaker, Sir, in running this economy, there are quite a number of problems. Recently, we were told the National Bank of Kenya is restructuring its operations. But the problem I have with the National Bank of Kenya right now is their closure of the Nyamira Branch. As you know, there are a lot of cash crops produced in that area, the major one being tea. Through that bank, we used to channel over Kshs6 billion a year, and yet, they have closed it under the pretext that it is not generating enough money on the ground. I would like to appeal to my brother, Mr. Reuben Marambii, to reconsider this position of the closure of Nyamira National Bank Branch. This is because there is so much money in Kisii from tea, and I am sure they can make business out of that money.

Mr. Deputy Speaker, Sir, many hon. Members have talked about the implementation of the Public Accounts Committee and Public Investments Committee Reports. I do not want to go into that because I have given an intention to move a Motion on the Public Accounts Committee, but if Kenyans are going to take this House seriously, we must consider how we can implement those decisions. You saw recently, when I brought up a case which had been mentioned by the PIC, one hon. Member assaulted me in this House. In fact, he confirmed that he is a thug and a thief.

Mr. Deputy Speaker: Order, hon. Obwocha.

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

Mr. Obwocha: I have only ten minutes.

Mr. Deputy Speaker: Order! Hon. Obwocha, there are no thugs and thieves in this House. None at all. There are only hon. Members.

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

Mr. Obwocha: Mr. Deputy Speaker, Sir, I would be able to give this evidence when my time comes.

But---

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

Mr. Obwocha: I have only ten minutes. What is wrong with you?

Mr. Deputy Speaker: Yes, Mr. Wanjala?

Mr. Wanjala: Mr. Deputy Speaker, Sir, is it in order for the Chair not to compel the Member who is contributing to withdraw that statement of calling another Member a thief and a thug?

Mr. Deputy Speaker: Order, hon. Wanjala! Which Member?

Mr. Wanjala: The Member who is contributing.

Mr. Deputy Speaker: Which Member did he call a thief and a thug?

Mr. Wanjala: He has to withdraw, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Order! Which Member did he refer to as a thief and a thug?

Mr. Wanjala: Mr. Deputy Speaker, Sir, he referred to hon. Gumo.

Mr. Deputy Speaker: Order! Hon. Wanjala, you heard me very clearly tell hon. Obwocha that there no thugs or thieves in this House; only hon. Members. Now, you are compounding the matter by naming a Member who has not been named. You are the one who should apologise to hon. Gumo.

Hon. Members: Apologise!

Mr. Wanjala: Mr. Speaker, Sir---

Mr. Deputy Speaker: Order! Apologise to hon. Gumo!

Mr. Wanjala: No, Mr. Deputy Speaker, Sir, I will not apologise on that.

Mr. Deputy Speaker: Hon. Wanjala, nobody mentioned hon. Gumo in this House. You did it, and I am

ordering you now to apologise to hon. Gumo.

Mr. Wanjala: Mr. Deputy Speaker, Sir, it is you who compelled me to mention whom he was referring to.

Mr. Deputy Speaker: Order! I am giving you one last chance to apologise to hon. Gumo.

Mr. Wanjala: Mr. Deputy Speaker, Sir, I believe the Member was referring to him.

Mr. Deputy Speaker: Hon. Wanjala, I now order you to leave the Chamber for the rest of the morning sitting.

(Mr. Wanjala left the Chamber)

Proceed, Mr. Obwocha.

Mr. Obwocha: Mr. Deputy Speaker, Sir, I never mentioned anybody, but if by implication, you know him, that is well and good. I think some of these hon. Members, particularly the new Members, should know that we have only ten minutes to contribute.

Mr. Deputy Speaker, Sir, I was saying that this House should seriously consider establishing an implementation committee. That is the point I am making. I am saying that if there was an implementation committee, some of the recommendations, like the one I was referring to, where money was stolen from Mumias Sugar Company, should have been taken up, so that the money can be refunded to the farmers.

Finally, I want to say that God loves the President of this country. He has given him a long life and many years to remain in power. If he continues to rely on people with dubious characters, who tarnish the names of other people by going round conducting *coups*, particularly those ones from where I come, from; in Kisii, it is common knowledge---

Mr. Deputy Speaker: Order! Mr. Mwakalu.

The Assistant Minister for Local Authorities (Mr. Mwakalu): Thank you, Mr. Deputy Speaker, Sir. My contribution is in support of the budgetary statement by the eloquent Minister responsible for that portfolio. I will be very grateful in indicating a few areas of concern that were either omitted in the contents of the Budget, or somehow failed to meet the specific solution requirement when the economy is in the middle of recession. The Budget, viewed against a background of our current economic recession, in my view, was eloquent on some glaring omissions. Among them, this Budget even if implemented to the letter did nothing, offered no prospects or gave no promises on job creation, wages and prices. Employment generation, raising the wages and the effective purchasing power of the consumer and controlling pricing are primary cornerstones of attempting to balance the reality of the existing recession, and bringing up the economy to a point where we can begin to breathe some relief along the social economic order.

My fear, it seems, which led to the omission to look at the employment, wages and prices issues is that, perhaps, we have taken liberalisation far too far as an end in itself. This is very dangerous for a developing economy. It is very difficult in the sense that it exacerbates the problems that already workers and peasants of this country encounter on a daily basis. In my view, liberalisation should have been a means to an end. Being as such, we should have moulded within the economic structures of this country some mechanisms to price controls, wage controls and even carrying out such necessary measures as protecting the domestic industrial establishment of this country, against unwarranted external interference. There is nothing unsacrosanct about protecting the realities of a growing infant industry in a country. It is a national and patriotic duty that we should be able to prevent the importation of oranges and eggs, when these are already available within our own market areas of operation in the country.

It does not make very much sense to allow the importation of vegetables into Kenya, and even tea and coffee now, into the local market when we do produce these primary commodities. It makes little or not patriotic sense whatsoever to import sugar at the expense of killing the national or domestic sugar industry in this country. I would militate towards a review of the liberalisation policy. This should not be the end or panacea to our problems. Liberalisation should not be the end of our economic considerations. The parameters of getting out of the economic recession must, indeed, review liberalisation as an overall policy of getting the Government away from areas of essential concern that would protect domestic industry.

An inordinate number of Motions have been passed by this august House over the years. These Motions have not had the opportunity to be implemented. The cliché that has been used when these Motions are not implemented is: "When funds are available." I am tempted to register a negative sentiment on this cliché. Parliament passes Motions and also allocates funds for the implementation of the same. When we are told that funds are not available and, therefore, Motions passed over the years have not been implemented, we are, at the

same time, treated to funds being siphoned out of the Consolidated Fund without the express authority of this august House. There are cases when money has been taken to fund projects that were not passed before this House; money that was allocated for other activities being diverted, or money which had been allocated by Parliament being embezzled by some civil servants who are supposed to implement those projects in the first place.

This issue of Motions being passed, not being subjected to funds having been voted, but not being able to monitor and evaluate the appropriate consequences of the projects on the ground, must once again be revisited by this Parliament. Parliament must assert its authority in terms of making sure that public money is properly utilised for the purposes for which it was voted. It is high time that we made a check list, and took an inventory as to how many Motions have been passed in this House, but went dead for not being implemented on the grounds of not having available funds. I would like to end my contribution by stating, once again, one observation that creates misunderstanding in the public mind. Ours is a political Government, with its clearly delineated branches of Government; the Judiciary, the Executive and the Legislature. These somehow are supposed to be balancing for the welfare of society and the just Government of men and women. That balance has not materialised over the years and, instead, more power has shifted even away from the Executive, the Judiciary and the Legislature to one department within the Government in the Office of the President.

Mr. Deputy Speaker, Sir, this over-centralisation of power in that office has much to say about how we resolve an issue that needs to be regarded, in view of a situation such as the one we have now, when there is an economic recession. Saying that there is more power in the Office of the President is not to adduce any motive in the person holding that office. My fear is, if we had a President other than the one we have, and the amount of power we have in that office, we would probably be crying "help!" Those powers ought to be balanced, and it is the duty of this Parliament, the civil society and the Press to highlight the significance of democratic balancing in the management of national and social affairs. If we fail in that regard, then we will have ourselves to blame. In the end, the future generation will not forgive us, nor will history overlook what we overlooked.

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

Mr. Magara: Thank you, Mr. Deputy Speaker, Sir, for giving me this chance to contribute also to the Budget Speech.

The Budget Speech which was read to this nation on Thursday really affected the common mwananchi. The increase in Fuel Levy automatically affected the common man because by increasing the price of petroleum products, the prices of consumable commodities also went up, affecting the common mwananchi in total. It is unfortunate that this increase in Fuel Levy, which affects the common man, came at a time when over 50 per cent of our country's population is living below the poverty line. There is no way we can improve the standard of living of our people if we cannot address the issues which were raised in the Budget squarely.

Mr. Deputy Speaker, Sir, we cannot address the issue of improving the economy when we have corruption. Corruption is the most serious thing that is affecting our nation politically, socially, economically, and even institutionally. If, indeed, this Government is in need of improving this country's standard of living and creating employment opportunities, one wonders why, even the simplest department of Jua Kali which used to be in the Ministry of Research and Technology, was moved to the Office of the President. The only reason why this department was moved from the Ministry of Research and Technology is simply because there was a huge sum of money which was given as aid to improve the working standards of Jua Kali artisans. But because that money was Kshs4.6 billion, the people in the Office of the President, who are so corrupt, thought that the best thing they could do was to remove that department from the Ministry of Research and Technology to the Office of the President, where they can be celebrating, without minding about other people's welfare.

Mr. Deputy Speaker, Sir, one wonders why the Kenya Wildlife Service was removed from the Ministry of Tourism to the Office of the President. This is purely due to corruption, which we have to address first before we think of improving any economic development in this country, or improving the standards of our people who are living below the poverty line, and who are over 50 per cent. Kenya Airports Authority is in the Office of the President because there is something big which people in our Government want to enjoy.

On the issue of alleviating poverty; there is no way we can alleviate poverty if our farmers, who are the backbone of the economy of this country, cannot be able to transport their products to the markets. There are no access roads in all tea-growing areas to enable the farmers to transport their tea to the factories. You cannot find access roads, especially after the *El Nino* induced rains. Although the *El Nino* induced rains came just as a result of other factors, there were several excuses given, that the roads were inaccessible because of the *El Nino* induced rains. Even if we allocate much money; like now, the Fuel Levy has gone up to Kshs7.6 billion, how much is going to be spent on these projects?

Mr. Deputy Speaker, Sir, last year, the Fuel Levy realised Kshs6.1 billion; on which projects was this money spent? In which areas was this money spent when our infrastructure has completely collapsed? How are we

going to alleviate poverty if we cannot assist our farmers to transport their products to various places for marketing?

Mr. Deputy Speaker, Sir, there is a looming strike by teachers and we are always telling them that, "when the economy will improve", we will, at least, address their Phase II of the Salary Recommendation which the Government committed itself to pay. How is this economy going to improve when we are persistently looting the available resources? Every day, we are having looters and there is corruption. If you read newspapers, you will hear that, "so-and-so has grabbed a particular place". When funds have been set aside for a particular project, there is nothing that is being done and we are promising teachers that, when the economy will improve, we will pay them. It is high time that this Government realised that teachers must be paid, and they must be paid now. If the Government cannot pay them now, I think something worse might come out of it. There is no way we can say that we are improving the economy when we cannot address issues affecting our economy.

Mr. Deputy Speaker, Sir, most institutions have been run down and it was just yesterday when we were told that several parastatal chiefs who are over 55 years of age have been retained in their positions in order to reorganise these institutions. How do you expect some people who are senile to produce? What is their productivity? What is here to be reorganised in this Parliament, to have Mr. Masya here for all this period? What is there to be reorganised in the Ministry of Energy to justify the presence of Mr. Mutitu who is over 75 years of age? What is there to be reorganised in Kenya Airports Authority? What is there to be reorganised in AFC? Does it mean that for all these years, whoever has been a chief executive had no deputy to assist him to do all these things? These are the people who are running down these institutions. They have been retained in those positions to assist the corrupt people to loot this country, and we are talking of improving our economy. Institutions have been run down. The Kenya National Assurance Company was run down by Ministers who are seated here. Over 4,000 people who were employed there went home because selfish, primitive and corrupt officers ran down the company and now they are seated in this House.

Mr. Deputy Speaker, Sir, it is high time we addressed issues squarely because as much as we are trying to eat today, let us think about tomorrow, our children and our country. Let us address issues that can assist us come out of this mess.

Mr. Deputy Speaker, Sir, the level of insecurity in this country is very alarming because our police officers are not given proper remuneration to enable them work efficiently. Our police officers do not have proper communication machines to enable them address issues of crime efficiently. Looking at the Financial Statement, the Office of the President has been allocated the highest amount of money; more than any other Ministry. Why can this money, which is allocated to the Office of the President, not be utilized to assist the common mwananchi in solving these problems? Robberies are there now and again, and we could even conclude that it is actually these police officers who are the looters or robbers. Why can we not give them proper remuneration and improve their living conditions? For example, in Kisii District where we have about 400 police officers, you find five officers staying in one room of those houses which were constructed by colonialists. Which services do we expect to get from a police officer who is staying in a 10x6 feet room with other five police officers? And yet we expect them to wake up in the morning for duty and address the issue of crime efficiently. We should identify the right priorities for our country. We should give our officers better remuneration and good living conditions. We should also give them modern security equipment to enable them address the issue of crime efficiently.

Mr. Deputy Speaker, Sir, when we talk of creating employment, we cannot create employment for our young children if there is no improvement in proper investments. If we, as Kenyans, cannot invest in our country, but instead, take out our money every day, how do we expect foreigners to come and invest in this country? If we cannot invest in this country because we do not trust ourselves, how do we expect investors from outside to come and invest in a place where we, ourselves, fear because of corruption and *toa kitu kidogo (TKK)*? For example, when someone wants to come and assist us, we tell him that before he invests, he has to give us something small. We should address the issue of our economy, poverty, proper administration and good governance in order to salvage this country from collapse.

Thank you.

Mr. Maundu: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to make a few comments on the Budget proposals presented by the Minister for Finance to this House.

Mr. Deputy Speaker, Sir, according to the Minister, this Budget was intended to be the poor man's Budget or a Budget which, in many ways, was going to address the issue of poverty as discussed in this country during this year. We know there have been many seminars and meetings where poverty as a serious problem in this country has been discussed. In many ways, the Minister, in his Budget, tried to present this particular view.

Mr. Deputy Speaker, Sir, when we look at the Budget in totality, we find that despite the fact that the Minister targeted the poor man in his Budget Speech, it will become very difficult to implement his wishes.

Indeed, whereas the Minister was balancing finances of projects that will help the poor, in the process, the poor man found himself a victim of this Budget. When we consider the prices of such essential commodities like kerosene, which the poor man uses, being increased merely because other people are mixing it with diesel; if that is the mischief he wanted to cure, I think he used an overdose to punish the poor man. It is important that the Minister considers this particular aspect, because the poor people in this country who have no access to electricity and other forms of energy use kerosene as the basis of their daily fuel.

Mr. Deputy Speaker, Sir, an increase on petrol and diesel prices, which are used in production, will also trigger the increase in consumer prices, and the poor man will be the first one to suffer. So, whereas the Minister intended to give something by the right hand, unfortunately, it has been taken with the left hand. It is important that he looks at this issue again and sees how best we can help the poor people in this country. One of the greatest issues of concern which the Minister did not address in the Budget Speech is the issue of the international financiers. Other than expecting that the international community; the World Bank and IMF, will come and supplement his budgetary proposals, he did not specifically tell this House how he intends to pursue the issue of striking an understanding between the World Bank and IMF. The World Bank and IMF might not be giving so much money to this country, but it is important to have the goodwill of the international community if Kenya expects to trigger its economic recovery. In my own view, the World Bank and the IMF are not difficult; it is us who are reluctant and dragging our feet to address the central issues that can bring about good economic governance and accountability.

Mr. Deputy Speaker, Sir, as many hon. Members have said, if we are not prepared to make good use of our money; if we are not prepared to make sure that public finances are properly protected and utilised for the purposes they are intended for, why should we be optimistic that other financiers will bring their money to this country for purposes of investment and helping the poor people of Kenya? It is a day-dream, and we should not cheat ourselves any longer. We should accept the reality that we have not committed ourselves to serious economic governance; we have not properly and conscientiously addressed the issue of corruption in this country and, therefore, our name within the international community is not good; it is absolutely dented.

Mr. Deputy Speaker, Sir, I would like the Minister for Finance to take a decisive action. I read somewhere where he gave an interview that he does not talk too much, but is a good doer underground, like the Mzima Springs. I hope that he is going to use that capacity and marshall his efforts to make sure that this particular issue of the World Bank and IMF is addressed expeditiously.

For the Minister's Budget to succeed, it requires absolute political goodwill from those in power. The political goodwill has not been there when it comes to the Ministers for Finance. They start off very well, with good momentum, but somewhere along the line, they falter. Then, sooner than later, they are swept aside like broken pieces of China. We would like to wish this Minister goodwill; we will give him the support, but he must demonstrate to us that he has the muscle and the backbone to withstand difficult and turbulent times; because, the moment he will start to pursue thieves, profiteers and, tax evaders, that is when the problem will begin. The Minister for Finance should take cover in this House and express where he has difficulties, and we will be able to give him our own support, so that this country is run in the interest of all Kenyans.

Mr. Deputy Speaker, Sir, I am afraid that those who talk loudest in defence of good economic governance are those who have looted this economy. Some of them are employed in senior positions in the Government. We would like the Minister to start from the tallest to the shortest, so that at the end of the day, his Budget - which in a sense is balanced - gets the capacity to move on.

Mr. Deputy Speaker, Sir, essential areas that would have contributed immensely to the reduction of poverty in this country have not been given serious emphasis in this Budget. There has not been sufficient allocation of funds to the Ministry of Water Resources for purposes of reviving stalled projects that would improve agriculture and irrigation in this country. I am particularly talking about the Tana and Athi Rivers Development Authority (TARDA). This Authority has not been given a leeway to make sure that it becomes a big contributor to agricultural irrigation within the southern districts covering parts of Ukambani. Therefore, the Kamba people have been crying for a long time to be given water for the purposes of irrigation, so that they grow food for their own consumption and that of this country. But more often than not, we have appeared as beggars in our own country. The Ukambani region can be a granary for the whole of this country. We have good soils and sunshine throughout the year, but because we have not been empowered to produce for ourselves, we have found ourselves in this particular difficulty. We want the Government, within this Budget and the next Budget, to allocate sufficient resources to the drier parts of this country; Eastern Province, North Eastern Province and other drier parts of this country, to make the residents of those areas self-sufficient and self-reliant for the purposes of eradicating poverty.

Mr. Deputy Speaker, Sir, the political confusion we have in Ukambani has been caused by the politics of the tummy. People are not capable, and when your tummy is empty, it is impossible to have an oriented mind.

That is why we have been concentrating ourselves basically on luring defectors in the hope that some little tricklings of food will drop in that particular "desert". I would like to urge our Ministers in this country, particularly those from Ukambani, to consider the plight of the people and forget about useless ventures of luring defectors, or even causing "coups" in KANU branches. As far as I am aware, there is no budgetary allocation for a KANU office in Makueni. Personally, I will pursue those issues that I consider to be relevant, but not repugnant to the progress of the people who have elected me to this Parliament. To continue to pursue aimless politics of being a KANU supremo in a district is to tie myself down instead of propelling myself to the nation where we want to take better stakes. The conflict of interest in Ukambani is about Ministers fighting over who becomes the Vice-President, yet that position so far is filled. They should now concentrate on other matters which are more relevant.

(Applause)

So, anyone who thinks he is going to confuse Kenyans today is mistaken. The greatest potential that is there is the succession. We want a peaceful succession. We want to assist President Moi to give us his legacy in a manner which he deems best. That legacy cannot be bequeathed to Kenyans so long as there is the in-fighting that we are witnessing today. President Moi's legacy of a peaceful Kenya and a prosperous country can only be seen if it is enjoined within the constitutional reforms.

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

Mr. Wamae: Thank you, Mr. Deputy Speaker, Sir, for giving me the opportunity to make my contribution to this Budget Speech.

First of all, I would like to say that I was pleased that my good friend, Dr. Masakhalia, whom I worked with in the Public Service for many years, is now the Minister for Finance. In the 1970s, when he was in the Ministry of Finance and Planning, I was the Executive Director of the Industrial and Commercial Development Corporation (ICDC). We worked very closely together for many years. I know his capability and sincerity about the interest of this country. I also know that he has a very good brain. If all these are put to the good use of this country, I think we can achieve something. But as we always say, unless he has got the stamina, he is not going to be allowed to be independent. He is not going to be allowed to think independently. He is not going to be allowed to make his contribution, which should benefit this country, but he is going to be forced to follow the views of certain people. I hope he has the stamina to resist those temptations.

[Mr. Deputy Speaker left the Chair]

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

It is better to be sacked, or to resign like the former Minister for Finance than to be misused and to ruin your name in Kenya. So, he has an opportunity to build a name in this country by resisting evil temptation, particularly corruption, because the Ministry of Finance is the key to all matters related to corruption. It is the one which controls the financial purse and revenue collection. It is also involved in the awarding of contracts. Therefore, every aspect of corruption must somehow be tied up with the Ministry of Finance. So, if the Ministry of Finance is properly managed, we can cut down---

(Members consulted loudly)

The Temporary Deputy Speaker (Mr. Poghisio): Order! Order, in that corner!

An hon. Member: That is KANU B!

Mr. Wamae: Therefore, if the Ministry of Finance is in a proper set-up, we can reduce corruption considerably.

I would also like to mention that for nearly one year, we were clamouring, including Members from this side of the House, for the appointment of the Vice-President in this Government. The reason why we wanted the Vice-President to be appointed was because we did not want to have a vacuum. We felt that there was a responsibility, both in the Constitution and elsewhere, to have the Vice-President. Now, we have the Vice-President and, therefore, the Government is complete. We should now start seeing the results of this Government being able to do things which are to the best interest of this country, particularly on the question of reduction of poverty. Reduction of poverty means an increase in productivity. A reduction of poverty is a negative

concept. We should be talking about the increase of productivity. We need to increase productivity in all fields of agriculture and industries.

When I mention industries, we also have to take into account the problems we are facing, now of a lot of importation of goods we do not need in this country. I think the Minister for Finance tried to increase duties of certain items in an effort to protect our industries. I know that the depreciation of the Kenya shilling - now, a dollar is equivalent to nearly Kshs75 is also going to help. We should ensure that we do not transfer jobs from here to other countries, but we should protect them. We should protect the industries which have taken over 20 years to build. It is not easy to build industries. If the Americans are protecting their own industries - they are even fighting against the importation of bananas and steel and this is a developed country and a world leader - who are we here to say that we want a liberalised economy? We cannot have a completely open economy. It is better to pay a little more for some of those products which are manufactured by our own people. When our own people get employment, they also get the purchasing power to rejuvenate the economy. But when we sack our own people the way Rivatex and Raymond and Bata Company and so on did, what are we working for?

Bata Company has been here for 100 years, but it is now threatened with cheap imports. They are not inefficient. But if you look at every market, for the first time, you will find that we have *mitumba* shoes. All those people who fled from Kosovo left behind their shoes and all those shoes have been collected and brought to Kenya! They are all here in Kenya being sold very cheaply. You can get a pair of shoes for between Kshs50 and Kshs60. This is something which is very worrying. How did we start having *mitumba* shoes? Before, we had only *mitumba* garments, but now we have *mitumba* shoes. That is what is threatening Bata Shoe Company and some of those importers do not pay duty for those imports.

Mr. Temporary Deputy Speaker, Sir, I would like to warn the Minister for Finance to be careful about two types of people: These are sons and wives of important politicians getting involved in contracts within the Ministry of Finance and elsewhere. This is particularly so with the sons; they have become too greedy. I know they are looking for you now. I do not know why they are not satisfied with what they have. I think they are competing with one another on who is going to acquire more.

This is what is called kleptocracy. That is what hon. Nyachae was saying the other day, and that is the danger in this country. It is not only the people who are in the Government. There are others outside the Government, but because of their influence, they are running the Government. This, Mr. Minister, is where you have to put your foot down.

Mr. Temporary Deputy Speaker, Sir, I have to say a few things about education, being the Shadow Minister for Education and Human Resource Development. The Government did say six years ago that school buildings would be done by parents and that the Government would only provide the teachers. This policy cannot work in the whole country. It can work in certain places where people have got income. We went to a certain place in Malindi called Jilore and other places and we found that people there have not built even one single classroom for the last ten years. They are not capable of putting up classrooms because they have no income. They do not have coffee, tea or cotton. Even the *mnazi* beer only started selling the other day when hon. Maitha brought a Motion into this House. They do not have income. How do you expect them to build schools? From where and from what? If you ask a parent to contribute Kshs200, he cannot contribute. So, certain areas in this country cannot do with the parents putting up the physical facilities in schools. The Government must provide for this in the Budget, so that we do not have certain parts of the country being left behind. We must have special programmes to provide these physical facilities from the Government finances for the arid and semi-arid areas. We have to be realistic. I am not saying that in Mathira, we need those finances. We do not need them, but where they are required because people have no income, then let us provide them. Let us look at Kenya as a whole, and that is the only way in which we can achieve what we really want. So, education is a big problem.

Mr. Temporary Deputy Speaker, Sir, the second issue on education is that you are not going to be able to stop training teachers and employing them. There are many teachers who are dropping out of service and others are dying, and so many other things are happening. They must be replaced. Secondly, the population is also increasing and, therefore, teachers will be required. It is a false saving in the long-run, to end up without enough teachers in the country. We should also make sure that we have good dialogue with the teachers. The Government must sit down with the teachers and agree, so that they work in happiness and harmony. We do not want these wrangles every year before the examination, when we have problems with the teachers. So, I hope that the Government will look at this very carefully.

Mr. Temporary Deputy Speaker, Sir, we are receiving Kshs200 billion in revenue. If this money is properly used, it can go a long way towards the development of this country. We still need money from multilateral and bilateral agencies, and we hope that the new Minister for Finance will now have proper dialogue with them, so that the channels can be opened for us to start receiving our share of these donor funds. Part of the

problem, of course, is corruption, but let us streamline and start receiving these resources from the World Bank, IMF and other bilateral donors. But when we hear that the Dutch Government is going to stop financing the health programme because of corruption, we get very worried. When we lost money for rural electrification from Swedish International Development Agency (SIDA) because of corruption, we got very worried. These monies from external sources are very important to augment our finances.

With these few words, I support the Budget.

The Assistant Minister for Information and Broadcasting (Mr. Maizs): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on the Budget.

Mr. Temporary Deputy Speaker, Sir, first and foremost, I think the question of free markets has really ruined our country. The National Cereals and Produce Board (NCPB) which was meant to buy maize from us is existing but is not carrying out its functions although it is getting money from Treasury. We are hiding behind this blanket of free market. Our people at home are taken aback. They do not know what this monster called the "free market" is. They cannot sell their produce and they are not prepared for the free market. The NCPB, particularly in areas where it used to buy wheat and maize, has abandoned its duties and our people are only subject to some people who hover around, looking for wheat at Kshs400 per bag and maize at Kshs300 per bag. So, the Government should have streamlined these markets before they were allowed into the free market.

Mr. Temporary Deputy Speaker, Sir, hon. Wamae who spoke before me actually said that industries which were hitherto growing and were absorbing our people are collapsing. Rivatex in my constituency, which used to employ many people, and Raymonds Limited, are now almost becoming forgotten cases. The reason is that the local industries and the local people were not prepared to welcome this thing called free market. What I learnt in economics at the university about free market is that, the buyer and the seller should be aware of all commodities and should be aware of the prices, and there should not be transport and distance problems. But why introduce to a Third World country a free market economy, when all these imperfect factors are prevailing? Actually, we are poorer now than we were in the seventies and the sixties because of this thing called free market. So, the Government should actually prepare the citizens and the industries to go slow, before we jump into this free market. They are coming to make our people beggars because we sell maize at Kshs400 per bag, and we were selling it in 1965 at Kshs200 per bag when the prices of fertilizers are going up; the transport system cost is going up, and the cost of buying lorries is also going up. Even in my village now, there is no farmer with a brand new car, which means we are going down, instead of going up in terms of economic growth. So, the Government should be prepared now to face the challenges and this monster called free market. We are not ready for it.

Mr. Temporary Deputy Speaker, Sir, even the selling of animals like cows is almost collapsing due to the going under of Kenya Meat Commission (KMC). Some of us who rear cattle do not know where to sell them, and because the economy is almost collapsing, nobody comes to buy our cattle. Now that KCC has collapsed, most of our students are at home because of this thing called free market. So, the Minister for Finance should very carefully see how to deal with this question of free market. They should even introduce weighing machines to sell our cows, because we are selling big bulls at Kshs200 and Kshs300. There is no point to fix a price because the trade is on a willing buyer, willing seller basis, and these people have no money to buy them. Cows are going at Kshs200 to Kshs300 as I have said, and so we are not prepared for this.

Mr. Temporary Deputy Speaker, Sir, again, there is this question of economic population growth. The population is growing, and there is a lot of demand for schools, new roads, new hospitals and all these things, but there is no market for our goods; so, the most important thing is to create the market for local goods.

Mr. Temporary Deputy Speaker, Sir, therefore, the most important thing is to prepare the markets for local goods. Veterinary services are almost extinct, and yet they advise us to sell breeds. They tell us to attend shows, where they tell us: "This is how to grow wheat; this is how to keep cattle; this is how to keep sheep". However, the problem is that we have no market for all these commodities. So, what is the use of agricultural shows? Where do we get income from? We are supposed to grow all those crops and keep livestock, and yet there is no market for them.

On the so-called free market, I must say that the demand is too low compared to the supply of commodities which are grown in any given area. This is the situation in most places except for tea and coffee, which have external markets. In my area, everybody produces milk, and nobody wants to buy the produce. Because the supply of milk surpasses the demand, the price of the commodity is very low. So, we are actually very poor, and in the next few weeks, we may walk naked because the prices are not keeping up with the production cost of commodities.

The Kenya Farmers Association (KFA) is non-existent; the Kenya Co-operative Creameries (KCC) is also almost extinct, and markets for our goods, particularly in the highlands of the Rift Valley Province, are almost non-existent. When we say that we want to improve the living standards of our people and eradicate

poverty---- We cannot eradicate poverty unless we look for markets for maize, milk, and fish. Also, we shall have to tell all those whites who still own our tea estates to go home after selling shares in those estates to us. Otherwise, we shall be poor, and yet we have resources and facilities in this country.

So, the *Mzungu* should be told to sell those shares to us, as he has done in Kiambu and Nyeri Districts. In those places, all shares have been sold to the indigenous people. Now that we have no markets, I do not know how we can eradicate poverty. Poverty will be eradicated if the KCC can be resurrected and the KFA is controlled. All whites in Nandi Hills should sell their shares to the indigenous people and go home, or go home without even selling any shares to us since the estates were initially ours.

On the question of kerosene, I would like to say that the environment will be destroyed since the people will have to resort to cooking with wood fuel. If we are to have our environment intact, we must have more industrial gases and kerosene, and make them affordable. Also, the increased price of petrol will affect producers in the urban areas. People will make noise and will not attend to work; their salaries will be reduced. This increase will affect the salaries of the people who work in towns. So, we are not actually increasing income; instead, we are increasing poverty.

Mr. Temporary Deputy Speaker, Sir, whereas I accept the concept of balancing the Budget, there are very many small things the Minister has to look into. These include ways of encouraging the people to invest in industry, and educate the local people on the need to reduce population and insecurity in some areas. For example, today, in Timboroa, one cannot move about after 6.00 p.m. There are thugs who waylay people not because those thugs are bad people, but because they want to break your neck and then take your car and money.

With those few remarks, I support.

Dr. Ochuodho: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I want to take this early opportunity to apologise to my brother, Prof. Ogeri, for what transpired this morning. I did not mean to personalise the issue. I want to appeal to the Minister to realise that the issue was about National Bank of Kenya (NBK) outstanding debts, which is a major issue. It is among those issues I am trying to address. I think it makes very little sense that we should auction houses belonging to Kisumu Municipality because of a couple of million shillings owed to the bank, when they do nothing to those who owe the bank billions of shillings. I think we should hit the nail on the head and get to the real problem.

On the issue of corruption, I would like to say that we all know about the Goldenberg case. I want to appeal to the Judiciary that, currently, our Vice-President and Minister for Planning and National Development has got a lot of cloud over his head. The Judiciary should finalise that case, so that he can remain a free man. When the case is finalised, the cloud that is hanging over his head will be cleared, and he will go about his business with a free heart.

(Applause)

Mr. Temporary Deputy Speaker, Sir, on the issue of tourism, I think the measures being taken to revive the sector are cosmetic. As much as we appreciate the waiver on visas and other things, we need to tackle the real problem. In my opinion, the main problem that is affecting tourism in this country is insecurity. While we seem to have money to finance things like *jeshi la mzee, et cetera*, our Police Force seems to be--- Yesterday, the Commissioner of Police said that in the new millennium, with the advancements in communication technology, crime will be more difficult to contain. My advice to the Commissioner of Police is that they should be at the forefront of the technology. They should be smarter than the thugs in terms of communication technology, so that they can contain the thugs. I am surprised that an hon. Member of this House was badly implicated in the *jeshi la mzee* issue. I think those people who were involved in the assault of Rev. Njoya should be arrested and charged. I would like to appeal to the Ministry to spend money on useful projects, or efforts, and not on things like *jeshi la mzee* if at all money is being spent on such things.

On the issue of investor confidence, we are again not tackling the main problem. In my opinion, the three major problems are, one, infrastructure; two, info-structure and, I must say, I am glad that the Minister addressed the issue of info-structure to some extent; three, the constitutional review process. On the issue of infrastructure, I am glad that KShs7 billion has been put aside to revive some of our roads which crumbled from the *El Nino* rains.

Mr. Temporary Deputy Speaker, Sir, I must caution here that it is not just the allocating of money that is our major problem with our roads. The main problem is the misuse and misappropriation of those monies. I would want the Minister to try his very best and see that, at least, 50 per cent of the money we allocate is put into proper use. We certainly know that 100 per cent of it cannot be put into proper use.

Mr. Temporary Deputy Speaker, Sir, also, in that connection, while I appreciate that there is an implementation team within the Ministry, I am a bit worried. At one time, I was an auditor. You find it very

difficult to internalise auditing practice. It is in this regard that I would have been more comfortable to have a Parliamentary Standing Committee following up, to ensure that implementation is done to the letter, rather than having a sub-committee within the Ministry; it is very difficult to lord over yourself.

I also want to turn to the constitutional review process, being a major area with regard to investor confidence restoration. I think we have no choice, but to break the current stalemate. Although the stalemate seems to have been brought about by disagreement over numbers, I would want to propose a simple formula which, in my opinion, will work. Nobody seems to be in dispute that KANU should have, at least, five representatives on the Constitutional Review Commission; the DP should have at least, two and the NDP, at least, one representative. The parties only seem to be too contemptuous. So, I would like to appeal to Parliament, and especially to the governing party, that the time has come for us to resolve this stalemate if we want to restore donor and investor confidence. I would like to appeal to all that we have this process back on track by filling those slots which have not been disputed. We should leave the two that have been disputed to be sorted out as the Commission starts its work.

Mr. Temporary Deputy Speaker, Sir, realising the major role agriculture plays in this country, I want also to take note of the fact that despite the measures so far taken illegal importation of sugar is to continue, and as much as I appreciate the measures taken with regard to protection against industrial sugar importation.

We realise that there has been an on-going case in Mombasa between KRA and other named persons. As people from sugar growing areas, we are very closely watching this factor and I would like to appeal to the Minister to be fully behind the KRA officers so that they are not intimidated, and so that this case is used to serve as an example to others who are bent on killing the local industry, especially the sugar industry.

On that note, I would want to challenge the Minister for Agriculture that there has been a lot of talk about this Sugar Bill which is taking too long to come to this House. If we are serious about agricultural revival, the Sugar Bill should come and also the Cotton Bill following the Motion that was passed last week calling for the establishment of the respective development authorities. Cotton and a fish Bills should also come to this House so that we can harmonise and strengthen those industries which could significantly contribute to our economic revival.

Turning to the issue of infrastructure, on behalf of the computer fraternity, I want to take this opportunity to thank the Minister for reducing duty on software, and also for reducing VAT across the board thereby also impacting on the information technology industry. However, I would still want to appeal to the Minister that the issue of spare parts still is a thorny issue because today we pay more tax to bring in spare parts than we pay to buy fully assembled computer gadgets. If we intend to industrialise by the year 2020, this is the time to strengthen local assembly and one way to do that would be for the Ministry to consider further reduction of tax on spare parts, especially for computers and other information technology gadgets. I would also want to take this opportunity to appeal to Information Technology (IT) manufacturers to reciprocate the good gesture that has been shown by the Ministry and make concessions with regard to IT products, especially software. In the US, the big companies make huge concessions to educational institutions, even as much as 70 per cent. I think this is the time when that industry must also reciprocate to the gesture that has been shown.

Mr. Temporary Deputy Speaker, Sir, I also realise that the Minister's hands are tied. He may not on his own remove the 5 per cent tax currently charged on IT products. I would however, urge him to bring a Motion to this Parliament that will allow us as Parliament to make Kenya this year an IT tax-free country with regard to the looming millennium bug problem. I would like to re-assure the Minister that from this side of the House, we will lobby to ensure that, if that Motion comes, we will give it the necessary support so that we lead others and make Kenya an IT tax-free country as we move towards the next millennium.

Turning to the issue of kerosene, this is an issue which will hurt many common men and my constituents, most of them fall in that category. To me, the excuse that was given by the Government why kerosene price had to be increased, is a confirmation of the Government's inability to "tame" the culprits. I do not think it is a good enough reason and I would want to appeal to the Minister to reconsider, if it is possible, because this is something which is going to fundamentally affect the very common man that we should give the top priority in protecting.

I also want to address the issue of telecoms with regard to restoration of donor and investor confidence. One major problem is high telecoms costs and we have talked severally about this in this House. I would want to again challenge the Ministry and the Government in general that we were re-assured that come June this year, telephone calls, mobile phones and other telephone services like internet services and others will be cheaper. You and I and the House know that June is already here, but the prices are still as high as they were before, and in some cases they have worsened.

Finally, one other promise that has been made by this Government which it has not kept, is with regard to the hyacinth menace on the lake. The House may recall that in October last year, when confronted with a

Question, the Minister concerned undertook that within 72 hours the contract for the hyacinth removal would be signed and finalised and actual removal would start immediately. The promises were made, October passed and we were again told that the hyacinth would be removed in January. January came and passed; March was another date that was floated which came and passed. May was mentioned and it has also come and passed and now we hardly hear anybody talk of removal of hyacinth. These to me are major measures that will significantly improve the economy of this country.

Thank you.

The Assistant Minister for Co-operative Development (Mr. Tarar): Asante sana, Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii nami nichangie makadirio ya pesa katika Serikali yetu tukufu.

Ninaanza kwa kumshukuru Waziri wetu ambaye alijaribu kabisa kututolea makadirio ya matumizi ya Serikali hata ingawa sisi sote tunajua ya kwamba nchi hii na dunia nzima zina ugumu wa uchumi. Nikiunga mkono wenzangu Wabunge ambao wameongea hapo awali, sisi sote tunajua ya kwamba uchumi wa nchi hii umezoroteka sana. Lakini sio uchumi wa nchi hii peke yake ambao umezoroteka, tunafahamu ya kwamba ni uchumi wa dunia nzima. Ni heri sisi tuwe tukiwaambia watu wetu ukweli kwamba uchumi uliozoroteka kwa nchi hii si kwa sababu ya uongozi mbaya kama vile watu wengine wanajaribu kusema. Si kwa sababu ya uongozi wa KANU na Mtukufu Rais ambao umezorotesha uchumi katika nchi hii; hiki ni kitu ambacho kimeshika dunia nzima na ni heri tuseme ukweli.

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

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

Tukitaka kutoka kwa hali hii ya kuanguka kwa uchumi katika nchi hii, kuna mambo kadhaa wa kadhaa ambayo pengine tungeuliza Serikali yetu tukufu kuangalia. Ninajua kila nchi ina uwezo wa kupigania kuona vile inaweza kutoa nchi yake kutoka kwa uzorotaji wa uchumi. Sisi katika nchi yetu ya Kenya tuwe na nafasi ya kuona ni njia ipi ambayo tunaweza kupitia ili kuinua uchumi wetu.

Kwanza, mimi ninaona kwamba uchumi hauwezi ukakua kwa nchi dogo kama Kenya ikiwa soko huru tutaichilia iendele kama vile inavyoendelea katika nchi hii na nchi zingine. Hapo awali, Mbunge mmoja amekuwa akiongea juu ya vitu ambavyo vinaletwa kutoka nchi za nje. Hivi vitu vinaletwa kutoka nje, vingine huwa vimekatiwa bei na Serikali zao. Vingine ni vile ambavyo vimekuwa vikitupwa na Serikali zao, na kwa sababu ya umaskini tulionao katika nchi hii, tunavipokea, sio kwa sababu tunavipenda, bali ni kwa shida ambazo tunazo. Tukitaka uchumi wa nchi yetu ukue, ni heri sisi turudishe hayo mambo ya uchumi vile ulivyokuwa hapo awali. Mambo ya soko huru, kila mmoja wetu anajua kwamba hata Waziri akijaribu namna gani kufufua uchumi haiwezekani. Tumeona ukulima ambao ni uti wa mgongo katika uchumi wa nchi hii, umezorota, si kwa sababu ya kitu kingine; tunaona wakulima wamesahaulika. Siku hizi mtu akitaka kupanda mahindi ambayo ni mmea unaopendwa na Wakenya kwa wingi, ni heri mkulima agharamie upandaji wa hayo mahindi. Ni jambo la busara kabisa sisi zote tujue kwamba kama mahindi yakikosekana, kama vile inavyoonekana mwaka huu, uchumi wa nchi utazoroteka zaidi kuliko vile ulivyo sasa. Ni heri Waziri wa Kilimo, ambaye ni rafiki yangu, Mhe. Mudavadi, aipatie Agricultural Finance Corporation (AFC) pesa ili kusudi kusaidia wakulima, hasa, wakulima wa miwa. Hata wakulima wa miwa, mpunga, korosho na mahindi yafaa wapewe pia. Hatuwezi kukuza hii mimea kama wakulima hawana pesa. Njia ya pekee ya wakulima kupata pesa hizi ni kupitia kwa Agricultural Finance Corporation (AFC). Kila siku tunapenda kulaumu AFC, eti kwa sababu haikopeshi wakulima pesa, na AFC ndiyo ilitoa ile pesa ambayo sasa iko kwa mikono ya wakulima. Tunajua ya kwamba, wakati mambo yanapozungumzwa hapa, hakuna pesa zinazopelekwa kule kwa AFC. Kwa hivyo, ni heri kwa sisi kuinua mashirika kama AFC, na hali kadhalika National Cereals and Produce Board (NCPD)

Bw. Naibu Spika wa Muda, ninajua ya kwamba tuko na matatizo mengi, hasa wakati watu wanapozungumzia juu ya ufasadi. Wabunge wengi hupiga kelele nyingi hapa kwa ajili ya ufasadi. Mimi najua ya kwamba ufasadi ni kama uchawi. Mchawi hawezi kujali maslahi ya mtoto wa nyumba yoyote. Kwa hivyo, ufasadi hauwezi kuwa tu kwa chama cha KANU, na upande wa Upinzani hauko.

Hon. Members: Uko katika KANU!

The Assistant Minister for Co-operative Development (Mr. Tarar): Bw. Naibu Spika wa Muda, ufasadi uko kila mahali. Mfano mzuri, Serikali yetu tukufu, hata Mtukufu Raisi mwenyewe, amekuwa mtu wa ajabu sana, kwa sababu wakati alipochukua uongozi, na hata baada ya yeye kupigana kabisa, ameweka kila mtu wa nchi hii katika Serikali yake. Ukiangalia katika orodha ya Makatibu wa Kudumu, Rais Moi amewateua watu kutoka

sehemu zote katika nchi hii na inajumuisha kabila zote za Kenya. Hata katika orodha ya Wakuu wa Wilaya, amefanya hivyo hivyo. Hiyo ndiyo sababu ninasema ya kwamba ufasidi haumo ndani ya KANU tu. Hata hatujui kama wengine wa maofisa wa Serikali walipigia KANU kura. Pengine, wao walipigia kura vyama vya Upinzani, na kwa sababu wanataka KANU ianguke, ndiyo wanaendesha ufasidi. Mimi ninajua ya kwamba hivyo ndiyo mambo yalivyo. Hata ndugu yangu, Mhe. Sifuna, anauliza kwa nini hatuwezi kuwang'oa maofisa kama hawa kutoka Serikalini. Mimi nataka nimwambie yeye ya kwamba tukiondoa hata mtu mmoja kama---

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order really for the Assistant Minister to say that everybody is in the Government, when we all know that out of the 52 District Commissioners we have in this country, 40 of them are Kalenjins, and all the DOs are Kalenjins?

The Assistant Minister for Co-operative Development (Mr. Tarar): Bw. Naibu Spika wa Muda, ninamjua huyu ndugu yangu, mhe. Mwenje, vizuri sana. Ninataka yeye ajue ya kwamba mimi sitaki kutaja mambo mengi, ama turushiane maneno naye. Hapo awali, Kenya ilikuwaje? Na sasa, iko aje? Kwa hivyo, mhe. Mwenje, sitaki kuyaingilia hayo mambo. Ninajua ya kwamba Rais Moi amejaribu sana kuchanganya maharagwe na mahindi katika nchi hii, ili tupate *githeri* ile inayotakikana, hasa kwa wale watu wa akina mhe. Mwenje.

(Laughter)

Kwa hivyo, mimi najua ya kwamba ufasidi umo ndani ya wale wafanyakazi wa Serikali, na unatoka kwa yule mtu ambaye ana mambo ya ufasidi ndani ya moyo wake. Njia moja ya kupigana na ufasidi, ni sisi zote kuungana mkono na kupigana nao, kwa sababu tunajua ya kwamba ufasidi utakuja kumaliza nchi yetu. Hapo awali, tuliona mambo ya Chepkube na tukafikiria ya kwamba yatakwishwa na kumalizikia pahali yalipotokea. Hiyo Chepkube ndiyo ilizaa ufasidi katika nchi hii. Ndipo utakuta ya kwamba leo, kama mradi mmoja unagharimu Serikali Kshs10 milioni, unaweza kuongezwa mpaka gharama yake ifike Kshs20 million, badala ya Kshs10 milioni. Hiyo inafanywa na watu ambao wanapenda pesa kuliko nchi yao. Hiyo ndiyo sababu ninasema ya kwamba ufasidi umo kila mahali. Ni wajibu wetu, hata wa mhe. Sifuna na wengine, kutaja ni akina nani hawa wanaoendesha ufasidi ili wafungwe. Tuko na shirika linaloshughulikia mambo ya ufasidi.

Mr. Sifuna: On a point of order, Mr. Temporary Deputy Speaker, Sir. I wonder whether the hon. Member, who is a very close friend, is in order to say that corruption is everywhere, and yet he knows very well that this House had recommended several times that some certain chief officers are so corrupt that they should not hold any public office, but the Government goes ahead and gives them promotions and appointments. Even some of the Permanent Secretaries (PS) and Ministers we have in the Government---

The Temporary Deputy Speaker (Mr. Musila): Order! Just confine yourself to your point of order. You are now giving a speech.

Mr. Sifuna: Mr. Temporary Deputy Speaker, Sir, what I am trying to find out is: Is he in order to mislead this House that corruption is everywhere, when we know very well that KANU holds---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Sifuna! Mr. Tarar, your time is up.

Mr. Sifuna: Mr. Temporary Deputy Speaker, Sir, give him five minutes to answer my point of order!

(Laughter)

The Temporary Deputy Speaker (Mr. Musila): Yes, Mr. Khamasi.

Mr. Khamasi: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on the Budget Speech. The Minister for Finance has addressed mainly three issues in his Budget Speech, namely, speeding up the process of economic recovery, alleviation of poverty and reduction of the level of unemployment in this country.

I believe that a good Minister for Finance must always target to make his Budget Speech friendly to the poor, particularly the rural folk who are actually farmers. I am doubtful that, that has come out very strongly in the current Budget Speech.

On the economic recovery, he has addressed the question of poor performance of the tourism sector and he has, in fact, waived the visa rule for tourists who are coming to stay here for not more than 30 days. That is not good enough. What is needed more is peace and stability in our land. Clashes at the Coast Province and in other areas in our country, which were instigated by the Government functionaries, as we have learnt, should be a thing of the past and must stop for good. It is the responsibility of this Government to provide an enabling environment for the people. What we have now heard from the Commission of Inquiry into Tribal Clashes in Kenya, which is still going on, is that it is very clear that some people, who are even sitting in this House, were involved in those

clashes. This must actually be addressed and these people must be taken to court and charged.

Mr. Temporary Deputy Speaker, Sir, while on the tourism sector, I think we have concentrated our efforts mainly on the beaches in Coast Province. We have got many potential areas for tourism. In Western Province, for example, we have got excellent physical facilities and features which can attract tourists. We have got excellent forests there; like the Kakamega Forest which is the only tropical rain forest, that still exists in this part of the world. These forests have not been taken care of. They have got rare species of birds and insects, but they are completely neglected. It is being destroyed and no amount of noise seems to move anybody in this Government, to do anything about this forest. Sooner than later, it will be no more.

Mr. Temporary Deputy Speaker, Sir, our infrastructure is in tatters. All that we get from this Government is lip service. Allocations in Estimates are seen in the books, but whether the money is released for the earmarked projects, nobody knows. We never see where this money goes to. It is people in this Government who should tell us where this money goes to, because we are in a real bad situation; for instance, in Shinyalu, roads are completely impassable. We produce tea and we cannot get this tea to the factories. Lorries get stuck in the roads because the roads are impassable. We know that there is the issue of tea cess which has been a point of contention between the Ministry of Agriculture and the Ministry of Local Authorities. On the one hand, the Ministry of Local Government wants to administer tea cess while on the other, the Ministry of Agriculture wants to administer it. This has become a subject of contention for many years. In fact, it has become an academic exercise. We wonder why the Ministry of Local Authorities want to control farmers' money, when they are even unable to pay their own officers and the councillors. What have they got to do with the money for roads? That has got to be addressed very seriously.

Mr. Temporary Deputy Speaker, Sir, we need to get electricity to our people. The liberalisation in this sector has been very slow and we should speed it up. We know that if we avail electricity to our people in the rural areas, then, obviously, we can be able to industrialise.

Mr. Temporary Deputy Speaker, Sir, we also have giant water schemes which are not operational. I know that the Minister for Water Resources is present in the House, but in my constituency, we have the Shitoli Water Project where the Government sunk in billions of shillings and yet, this has not been operational for years now. There is a lot of taxpayers' money stuck in that project and we want to see something being done about it as soon as possible.

Mr. Temporary Deputy Speaker, Sir, tea is the biggest foreign exchange earner for this country. But the way it is being managed shows that it will soon be extinct like others. We need the liberalisation of that sector to be done as quickly as possible. Many institutions in the tea sector led by KTDA, actually earn what farmers ought to earn and I think, it is important that this has got to be done away with as soon as possible. It would have been a pleasure to hear the Minister for Finance talk about scrapping of the Corporation Tax in the tea sector which is being introduced. The tea sector is managed by the poor farmers. Why should we tax them, when we want to alleviate poverty? It is important that this is looked into very critically. The Minister reduced taxes for several items. It is a pity that he has not considered the Kenyan farmer in this exercise! When we talk about fertiliser and pesticides which affect the small-scale farmer, then, this is where the Minister should have seen to it, that the farmer is helped a great deal. Fertiliser and pesticides are out of reach for the farmer. How then, do we expect the farmers to produce and speed up economic recovery? Mr. Temporary Deputy Speaker, Sir, on the other hand, the Minister also talked about cutting down the size of the Government. This has been a song! We were told about it last year in the Budget Speech and the present Minister for Finance has repeated it this year. But the President has been appointing more Ministers and Assistant Ministers, whereby some do not even have jobs. The only job they have got is to vote with KANU. This has got to stop! Why do we have to cheat our donor partners? We announce that we are cutting down on this and that, but nothing happens.

This is just like the case with corruption which has become a sing-song. Nobody is prepared to do anything about corruption in this country. It takes one man in this country to get things moving. Recently, he stood up in a baraza and said that the Constitutional Review cannot be people-driven; that it must be done by Parliament and everybody on that side of the House was singing the same song. This one man can also do a major exercise and help these Kenyans eradicate corruption. Corruption is a matter that is affecting everybody. Unless we address it seriously, then we are doomed. Let us not give it lip service. All the measures we are putting in place are actually to appease the donor community and the investors. It is high time that we addressed the question of corruption very seriously. I do not think that the Kenya Anti-Corruption Authority (KACA) is capable of doing it. The people who were put there to lead that Authority are products of the same system which is corrupt and I do not hope to see much results coming from that.

Mr. Temporary Deputy Speaker, Sir, the Government must stop giving lip service. We know that the Minister for Finance has got a problem. He has been described in very many adjectives as; a man of vision, a

bright man, and a very sincere man who would want to see this country go to places. Those of us from Western Province have "donated" him! Please, for God's sake, spare him from what the previous Minister for Finance went through. Let everybody on that side of the House give him the support he needs, so that we can see a change in the economic status of this country.

With those few remarks, I beg to support.

The Minister of State, Office of the President (Dr. Anangwe): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to make my contribution on this Motion. Let me state right from the outset, that I fully support this Motion. I listened carefully when the Minister was presenting his Speech. The Speech was very realistic, logically developed and very sensitive to various variables that affect this economy.

Mr. Temporary Deputy Speaker, Sir, when I heard the Minister speak, he did make a number of proposals and presented his analysis of the economy, and I think one would find it difficult to pick a quarrel with him although, as usual, when the Government side does present a matter, it is usually contested. Unlike the previous Budget Speech, I agree with the particular assumptions that under-pin this particular Budget. I also agree with the kind of intentions and political sensitivity with which it is being highlighted.

Mr. Temporary Deputy Speaker, Sir, a public Budget is a political statement because one is talking about the allocation of public resources, to the extent that this allocation has to address various interests in the society, many of them, by and large, very political. Therefore, this particular statement has to be very political and any Minister for Finance has to be politically sensitive. I think, that is what may not have arisen in the past.

Mr. Temporary Deputy Speaker, Sir, this particular Budget did elucidate a number of goals which I found very realistic. One of the goals of this particular Budget was to create a conducive environment for investments through stable macro-economic environment.

I agree that in this country, we need to sustain development. However, if we go by the overall macro-economic measures that have been put in place, we somewhat tend to emphasise the role of foreign investors at the expense of domestic investors. Foreign investors are useful and important, but we must also come up with incentives that stimulate domestic investment. I regret to say that foreign investors are like vultures. They only go to a country to participate in the "eating". They do not participate in the killing. It is only our domestic investor who can create an environment of sustainable growth, that may prove conducive to the foreign investor to come over. Let us not expect foreign investors to come and help us to jump-start the economy, or to create a situation where they can readily make business, if our domestic investors have not been very active on that particular front. Therefore, I am requesting the Minister to ensure that, in his efforts to promote the environment for investment, the domestic investors should be under focus, to the extent that domestic investment is thriving. Whether or not you create the right incentives for foreign investors, they will always come in the way hawks and vultures zoom in on carcasses in the wilderness.

The second goal of this particular Budget is to deepen economic reforms. That is a noble goal and it is in line with measures already taken to enhance market oriented reforms. But on this particular note, whereas in the past we have put emphasis on the role of public investment, I think we are reaching a stage where that kind of option may be causing us a few problems. The root cause of continued economic stagnation in this country, is partly because neither the public nor the private sector is investing. When we curtailed public investments, the assumption was; when you remove public investments from the field, it would provide a field for private investments. We also assumed that public investments stifle private investments. Both assumptions may not be correct, particularly, in this environment where you find that many of the private investors, particularly on the domestic front, are tied to the State. These are other supplies and inputs to the State, or distribution of goods and services generated by the State. When the State stops investing, that is the end of the story. Many are contractors working on Government funded infrastructure. Many of them supply goods and services to the State. In the Government now, those kind of activities are highly curtailed because of economic stagnation.

So, what I am proposing is: Whereas there may be truth that increased public investment may stifle the private investments, we should be very careful and selective. The kind of ventures in the public sector which stimulate private investments should really be enhanced, even if it means encouraging public investments.

The other issue related to economic reforms is: There is an attempt through the Poverty Eradication Plan to broaden the base of economic reforms, to target poverty eradication. This is very important. Under our plan to eradicate poverty, we are trying to improve access to water, education and health services. Unless we do so, we risk witnessing good statistics showing that growth is on-going and, yet, the bulk of the population is not participating fully in the benefits of that particular growth. The real danger we face with the free-market approach is that it tends to benefit either large scale farmers or the commercial elite; those who are able to export and import for that matter. But for the rest of the population, they do not end up benefitting to the extent that the trickle-down approach seems not to be working. Therefore, we really have to come up with specific measures

which target the poor. We have gone beyond the stage when we were for economic growth and not really concerned about equity. Even within the World Bank and International Monetary Fund (IMF) circles, that kind of thinking has changed. It is growth with equity.

Mr. Temporary Deputy Speaker, Sir, the second goal of this particular Budget is to upgrade and rehabilitate the infrastructure. That is very important. Unless we have the infrastructure in the right place--- Unless we have roads, electricity and water, other ventures that are geared to promoting private investments may not be forthcoming. I sincerely believe that if the Government invests very heavily in upgrading the infrastructure of various types, this kind of investment would be able to stimulate economic growth in addition to other measures.

If I speak on behalf of the people of Butere Constituency that I represent in this House, they have certain needs in relation to roads. They would like roads to be tarmacked. For example, they would like the Ebuyangu-Ekero Road and the Sindidi-Sigalagala Road to be tarmacked. They have high expectations that those roads should be tarmacked. They have also high expectations of a district hospital in Butere, so that the people would not have to be referred to Kakamega, which is a distance away. Women tend to suffer when they have to deliver. They have to travel for 25 kilometres on a rough road and they end up delivering on the way, before they reach the hospital. On behalf of the Butere people, I would like to say that there is need to allocate more resources, even if it means bursting the targets of fiscal deficits. I know the aim in the current Budget is to achieve a fiscal deficit of about 2 per cent. If it is warrantable and there is a desire to invest more on infrastructure, there is no harm in continuing.

With those few remarks, I beg to support.

Mr. Kihara: Mr. Temporary Deputy Speaker, Sir, thank you for giving me this opportunity to contribute to the Budget Speech.

Before the end of the seven days when we would be discussing this Budget, we are going to listen and hear very eloquent speeches, like the one we heard from the Minister, and from the Minister who has just sat down. The unfortunate thing is that these eloquent speeches are not backed by action. The theme of this Budget is intended for economic recovery for sustained growth.

In the first instance, one might be tempted to ask: We are recovering from what? What led to the collapse? The answer is very well known; that, it has been due to financial mismanagement, bad governance and corruption. These are the causes of the current down-turn in the economic stagnation of the economy. Unless these issues are addressed very seriously, we will still be where we are 12 months from now.

One wonders how serious we are when we talk of eradicating corruption in this country. We have seen the reports of the Controller and Auditor-General telling us who have been responsible for corruption and no action is taken. Some of them, as has been said here, have been promoted and are now sitting on this Front Bench. They have brought down certain institutions in this country. We have seen some actions being taken against corrupt individuals, but unfortunately, they are targeting the small fish. Very "small" men in the Attorney-General's Chambers have been arrested for very minor offences like issuance of birth certificates, while the big fish and their sons, are the ones who have brought down the economy of this country. These are the people who should be targeted.

Mr. Temporary Deputy Speaker, Sir, let me move away from corruption and mismanagement, because this will be with us for as long as this KANU Government is in power and the only way to eradicate it, is to get rid of this Government. Let me now turn to agriculture because I represent an agricultural constituency. I would like to talk about one crop which has been ignored for a long time. This is pyrethrum. Pyrethrum is the only cash crop in much of the area that I represent. In Nakuru and Kisii districts and other areas, pyrethrum is their main cash crop. Recently, we have seen the pyrethrin content of the flowers that we delivered to the Pyrethrum Board of Kenya (PBK) decreasing. Naivasha used to deliver pyrethrum with a pyrethrin content of 1.7 per cent and above. Recently, it has decreased to 1.2 per cent. We are sure that this is cheating by the PBK, because there is nothing that has changed in the area. We would like this matter to be investigated by the Minister for Agriculture. They should tell us what has happened to our pyrethrum.

I would also like to talk about the enabling environment in agriculture; mainly, research. We have seen our research farms being grabbed. Since Kenya is an agricultural country, I cannot see how we can progress in agriculture without research. We hope that the Minister will take measures to see that agricultural land, he is on record as having said so, will be preserved. When we take over the leadership of this country, we will recover agricultural research farms which have been illegally allocated.

Mr. Temporary Deputy Speaker, Sir, we will not eradicate poverty in 15 or 30 years, unless we look after our farmers. In this connection, particularly on the question of the pyrethrum, I will propose and maybe speak to the hon. Members of Parliament from pyrethrum growing areas, so that we can have an association to articulate

the price and interests of the pyrethrum farmers.

In my area, there are tourism attractions. The tourism industry has been ruined by this Government. We see the Minister is addressing the question of promotion of tourism industry in this country. There is no way you will bring back tourists who have changed their destinations, unless we improve security. There are lions all over the world and not just in Kenya.

Mr. Temporary Deputy Speaker, Sir, I now move on to the question of constitutional reforms. I think this is the single-most important issue facing this country now. It is an issue that we must be serious about. We, hon. Members, cannot take the place of wananchi in constitutional reform. Wananchi are supreme because they are the ones who brought us here. They want this debate outside this Parliament. I would like to tell my friend, Mr. Lotodo, that just as much as the Pokots do not want to be sidelined or dominated by the larger tribes, neither do larger tribes want to be dominated by the small ones. So, we must find a constitution that will be fair to all. The only way to do this, is to take the constitutional reform process to the people.

On the question of infrastructure, Mr. Temporary Deputy Speaker, Sir, it has been completely destroyed by this Government. Look at the Kenya Railways Corporation. I do not know what has happened to it. I sit on the Board of the Railways Corporation. It used to make money but now, it is completely ruined because of poor management by political appointees who run it.

Mr. Temporary Deputy Speaker, Sir, you will be surprised to hear that the wagons of the train that was involved in the accident six or seven months ago, are still lying at Tsavo National Park. I do not know the image the Kenya Railways Corporation (KR) wants to give to members of the public who travel in their coaches. It is surprising that those wagons are still lying at Tsavo National Park todate.

On our roads, we have seen deaths in Naivasha Constituency. They are now trying to patch up that road and one wonders how many people must die before the roads which are in a similar situation are repaired. How many people must die before those roads are recarpeted? Work on those roads need to be supervised because some of them will be down graded very soon, after work on them has been completed.

I think, the Minister has addressed the question of tendering in the Ministries. This is a good idea, and I hope that he will follow that with his actions. Could he extend the same thing to the parastatals? This is because that is where the "eating" takes place. He should make sure that tenders in parastatals are awarded fairly to the people who deserve them.

I would like to touch on energy development. I would like to say that instead of going for small hydro-electric power from storm water, such as the Turkwel Gorge, now we are talking about the East African Co-operation. Why do we not look for a possibility of jointly, developing hydro-electric power with our East African neighbours? We can have cheap hydro-electric power from the Murchison Falls which will serve our three countries, and even sell some of it to our neighbouring countries. We can also go as far as River Congo and develop jointly cheap hydro-electric power which will serve this region.

Mr. Temporary Deputy Speaker, Sir, somebody referred to the size of this Government. It was only yesterday when we had about five Questions which were addressed to one Ministry. This Ministry has got a Minister and, maybe, five Assistant Ministers but none of them was here, to answer those Questions. We have always asked for the reduction of the size of this Government. Those of us who have served in the Government know that an Assistant Minister has no job in the Ministry, apart from coming here to answer Questions.

The Assistant Minister for Finance (Mr. Keah): That is not true!

Mr. Kihara: What is not true?

The Temporary Deputy Speaker (Mr. Musila): Order! There should be no exchange of words.

Mr. Kihara: Mr. Temporary Deputy Speaker, Sir, could the Assistant Minister stop addressing me because he is one of the people who have no schedule in his Ministry!

The Temporary Deputy Speaker (Mr. Musila): He is not addressing you because I did not give him a chance.

Mr. Kihara: Mr. Temporary Deputy Speaker, Sir, if we want to save some money for the development of this country, then let us reduce the size of this Government. The Kshs4.6 or Kshs4.5 billion which is required for the constitutional review process will be available, if we can only get rid of some of these Assistant Ministers who do nothing. I would like to find out, and I will bring a Question to this House, how many acres of waste land have been reclaimed by the Ministry concerned with land reclamation since it was established. How many acres of waste land have they reclaimed because we have been voting money for this purpose every year in this House? Those are some of the Ministries which have been established to create jobs for the boys. We want Ministries which will produce results. There are many Ministries like this one which have been duplicated. We shall look for

the reports that the Minister has said all the Ministries are required to produce here and see what the Ministries have done.

The Assistant Minister for Finance (Mr. Keah): Mr. Temporary Deputy Speaker, Sir---

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

The Temporary Deputy Speaker: Order! I have recognised Mr. Keah. Proceed Mr. Keah.

The Assistant Minister for Finance (Mr. Keah): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. I am the hon. Member of Parliament for Kaloleni Constituency and in that regard, I can talk on the Budget---

Mr. Kanyauchi: On a point of order, Mr. Temporary Deputy Speaker, Sir. We recognise that Mr. Keah is an Assistant Minister for Finance. Surely, for him to contribute now is part and parcel of the Budget Speech which we are discussing. For him to contribute to---

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

Mr. Kanyauchi: I have not made my point. My point of order is that for him to contribute now, is he replying to what we are going to say. This is because that is the only reason why--

The Temporary Deputy Speaker (Mr. Musila): Please, would you go straight to your point of order, because you are now giving a speech.

Mr. Kanyauchi: Mr. Temporary Deputy Speaker, Sir, is it in order for the Assistant Minister for Finance to reply to the issue before it is comprehensively debated?

The Temporary Deputy Speaker (Mr. Musila): I got your point of order and my ruling is that I have recognised hon. Keah in his own capacity because he wants to contribute. I am not sure and I have not been told that he is replying to the Debate. Unless you can tell me of a Standing Order that bars him from speaking, hon. Keah, you have the Floor.

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. When everybody is talking and there is interruption, this hour glass is not controlled. Why is it controlled when it is time for Mr. Keah to speak?

The Temporary Deputy Speaker (Mr. Musila): Hon. Keah has not even started speaking.

(Laughter)

Mr. Mwenje: Why is he not being timed when every other Member is timed even when a question is raised?

The Temporary Deputy Speaker (Mr. Musila): Mr. Keah, will you proceed?

The Assistant Minister for Finance (Mr. Keah): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to speak on the Budget Speech.

Mr. Temporary Deputy Speaker, Sir, I am the Member of Parliament for Kaloleni Constituency and my constituents have a right to hear my comments in so-far-as this Budget Speech is concerned. In any case, there is no Standing Order that bars me from doing so.

Mr. Temporary Deputy Speaker, Sir, in making my contribution to the Budget Speech this year, I want to make several points which, to me, are very pertinent indeed. First, I think the Budget is well structured and in my view, has addressed the key issues that are of great concern to this economy, namely poverty eradication and the creation of jobs and it makes every effort to address the issue of economic growth. In a nutshell, that is what the Budget is talking about and in this regard, the Minister should be commended. I believe that the staff of the Treasury have done a good job too.

Mr. Temporary Deputy Speaker, Sir, I am not replying to this Debate. The Minister for Finance will reply to Members' comments. But I have four or five points that I want to make. First, is the issue of the taxation measures. With regard to the taxation measures, my plea is to the officers of the Kenya Revenue Authority to be even more vigilant to ensure that taxes have been collected at the right time and the correct amount of tax should be collected. My next appeal is to Kenyans. Without taxation, we will have no revenue to develop our country. We should grow a culture of accepting to pay taxes, because that is where we get our development funds from.

Mr. Temporary Deputy Speaker, Sir, let me go further on the issue of Civil Service and particularly, the services provided out of this taxation. I am also abhorred as many of my country-men are by noticing the fallen infrastructure. Roads that were previously passable, where there were buses passing and I can say that from the experience of my constituency, are impassable.

An hon. Member: Why?

The Assistant Minister for Finance (Mr. Keah): Those buses cannot go there, neither can any matatu. This increases poverty. If the infrastructure is not addressed, then, in my view, that is looming continuity of

poverty. I want to take this opportunity to say in so far as the infrastructure is concerned, we need to take stock of all the roads; not just classified roads because people are all over the place, but all the roads, including harambee roads. Wananchi must also have a say in the administration and monitoring the utilisation of funds that have been voted.

I think we have fallen short of the monitoring process when it comes to executing projects. Therefore, I would like to see this team that has been set up in this Budget to monitor the implementation process go further than just the head office at Treasury, but monitoring should be even at the grassroots. People should know how much has been budgeted for a particular road and the people at the grassroots, at that local level, should be able to know how much there is and how much is being utilised for that road. What has happened is that funds have been voted and they have not been utilised for the purposes for which they are intended for.

I want to take this opportunity to talk about our judicial system. There is too much delay in the courts in processing cases. Cases take five or six years. By the time the decision is made, it is no longer a benefit to the man who has won. I would like to appeal to the judicial system to take stock of the cases that are still outstanding in court and to have a programme of implementation to ensure that all the cases at least, are cleared before we enter the next millennium.

On Kenya Ports Authority, the concern here just like the sugar growing belt, the tea growing areas and the coffee growing areas are concerned, our tea is the port. That is our natural God-given asset or facility. In privatising Mumias Sugar Company or tea companies; also in the privatisation of the ports, the ownership must ensure that a percentage of that ownership goes to the people to whom God gave that port as a natural asset. That really is the point at issue here.

The next point is on the Civil Service. I want to emphasise once again that the issue is one of effectiveness. Let there be job description for every civil servant. Let there be a job description and authority given accountability to everybody. Otherwise, we will not achieve anything. That indeed, includes a review of all positions within the Government. I am not excluding Assistant Ministers in the process because they are part and parcel of the Government. My call is that one should be given responsibility, coupled with authority. That is what happens in the private sector and there should be no exception, whatsoever. You can sack or retire so many, but unless you have job description and responsibilities defined and authority to go with the responsibilities, we are not really achieving very much.

The next point is on public accounts. Before the next millennium I would like to call upon the Controller and Auditor-General, if the capacity is not there, to make sure that all the accounts right up to-date are audited and presented, so that we can begin the third millennium on a clean slate. At the moment, we are discussing 1995/96 accounts. That is what is there.

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

The Assistant Minister for Finance (Mr. Keah): Mr. Temporary Deputy Speaker, Sir, I have only two seconds. He will raise that later.

Mr. Odoyo: Is it in order for the hon. Member, who is a well known auditor and chartered accountant and who has been in the Ministry for the past five years, to tell us about the Controller and Auditor-General's inefficiency which should have been addressed in the Budget Speech?

The Assistant Minister for Finance (Mr. Keah): Mr. Temporary Deputy Speaker, Sir, I am not talking about the inefficiency of the Controller and Auditor-General; I am talking about what we should do.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Mr. Musila): Mr. Keynan.

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

The Budget Speech was beautifully prepared, as usual, but the worry of Kenyans has always been that, we have been good talkers, but we have never been known to be good achievers. I wonder how the beautifully prepared paper is going to get implemented when there is a total collapse of the infrastructure in this nation.

Currently, there is insecurity all over to the extent that, Kenyans, leave alone investors, cannot move around to do their business. There is corruption and today Kenya is ranked fifth in the world on the list of most corrupt nations. Tribalism is so much entrenched that, instead of seeing ourselves as Kenyans, we see ourselves as Bukusu, Somalis, Kikuyus *et cetera*. The presidency has been tribalized, trivialised and regionalised. I am afraid that, even the next Budget will also be tribalised and regionalised and lose the national meaning it is supposed to have. These are issues that we are supposed to address. We are tired of being given a beautiful paper every now and then. I think we would have got so many medals if the number of good papers we have in our archives would have been taken to the international community for a thorough scrutiny. We want action.

First of all, this year's Budget has nothing for the people of North-Eastern Province. The only thing that is covered in the Budget for people of Wajir, is my salary. I do not think I can be proud of that Budget. I need to see tangible development for my people. We have waited for 35 years. When is this day of tomorrow going to come? When are we going to see the national cake? We are fed up! You can even withdraw my salary because the only thing that my people are relying on now is my salary. That is the only development they know; there has been nothing else. So, we want you to give priority to the disadvantaged regions. God has endowed us with different capabilities. Even some regions are naturally favoured. I think right now we are being disadvantaged because of the kind of politics that has been put in place. North-Eastern Province is a disadvantaged region and the level of poverty is very high. That is why we have a lot of banditry and a lot of diseases. As we are talking now, I lose two to three people each day as a result of hunger and I can verify this.

I am glad that hon. Dr. Anangwe is here. His visit to Wajir is long overdue. I want him to see the dying people of Wajir as a result of hunger. I promise I will take him there and show him where we are losing two to three people each day. These people are hungry and this paper is not going to assist us. People of Mandera cannot go to Mandera today by air because you have heard what happened; and by road it is not possible. How are they going to travel? How can we be proud in identifying ourselves? When we are in Wajir we say, "we are going to Kenya". We want people of North Eastern Province also to feel that they are part of Kenya. That is not going to be realised until and unless we stop corruption and re-direct the resources that these individuals have been looting to the real development of our people. The resources are there, this is a very rich country; only that the resources are misdirected. There is a saying in our mother tongue which says; you can be very rich, but if you are not careful in your allocation, then you will be worse than a miser.

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

The Temporary Deputy Speaker (Mr. Musila): Mr. Keynan, do you want information?

Mr. Keynan: Yes.

Mr. Shaaban: Mr. Temporary Deputy Speaker, Sir, the point of information I would like to give the hon. Member is that, even His Excellency the President could not reach Mandera District either by road or by air. He wanted to go and thank the people who elected him. He had to return and reschedule his trip because he could neither land by air nor go by road. That is what is there in Mandera. Thank you.

Mr. Keynan: Mr. Temporary Deputy Speaker, Sir, we are talking about winning the confidence of investors. How are we going to appeal to the international investors when there is political uncertainty, social upheavals and everything is uncertain? Look at what happened the other day. That should not have happened. Even if there was a protest, those people should have been allowed to continue with their peaceful protest. At the end of the day they would have achieved what they wanted. The beating of Rev. Njoya and other people have done great harm to this country. In fact, the following day the beating of Rev. Njoya was the headline in the Press not the Budget. That small incident was the headline all over the world. Why do we have to resort to this kind of thing when we know that these are innocent people? Why do we have to beat them?

The other day, the Assistant Minister Mohammed Abdi survived by the grace of God because a policeman wanted to shoot him and no action has been taken. These are the things that we need to address. The money is there and I can assure you that no investor will come. Bata Shoe Company has closed down, while Johnson and Johnson Company has been relocated to another country. We will have so many redundancies and, therefore, what are we going to say? Tomorrow there is going to be a huge social upheaval down here in the streets because those people will have nothing to eat. They will see you dressed well, driving in a limousine and going to a posh house. They are not going to sleep in the cold, they will come for you.

No amount of force is going to intimidate them. This is what has happened in many countries and we are setting a very dangerous precedent. We must act now or we will go the way our neighbours have gone. I think, it is going to be a very dangerous situation because this is a country we are proud of and Kenyans are very patient people, only that their intelligence has been taken for a ride. We are talking about the constitutional review which is long overdue. We have heard opinions, and I am among the people who are treating what the President said as his personal opinion. Until and unless we see some action, we cannot continue to hold the rights of Kenyans at ransom. Kenyans are getting fed up. Let us act now; let us go ahead with the constitutional review. We want to see those who have alternative views taking action. We do not just want mere talk. For example, let us see a Bill introducing the Office of the Prime Minister and we will discuss it. Let us see a Bill cutting down the immense powers of the Presidency, and we shall discuss it. Let us also see a Bill asking for a marshal plan for the disadvantaged people of Northern Kenya. Then that way, we will have something to be proud of. But nobody is going to believe these mere talks, because we have talked for a long time, till people are saying this is our usual way. For example, we have talked about corruption and we must stop it.

I would like to put this challenge to the Minister for Finance, because I know he is handling a very serious and dangerous Ministry. But we would like him to act even if that will cost him his job. We would like him to leave a legacy; at least something that will make us remember him as the first, second or third Finance Minister to have fought corruption. These are things that Kenyans are looking upon.

Mr. Temporary Deputy Speaker, Sir, I would like to challenge the Minister of State, Office of the President, Dr. Anangwe, to mind about the people of Wajir West. I would also like to tell hon. Mudavadi who is among the young leaders of this nation that the people of North Eastern Province have lost their entire livestock population, but we are not talking about livestock now, we want him to save us. That way, we will continue to support you. Otherwise, tomorrow, do not be surprised to hear that the people of North-Eastern Province talking about "other things". Because, for 35 years, we have waited for the fruits of Independence, but we have not yet seen them. We want to see them now, before the next millennium. If we do not see those fruits, we will sit down and make a decision that will be disastrous. It is now time to act.

We have heard of the constitutional review and the screening card. The screening card is tantamount to the Apartheid Paper. I cannot get an identity card today, if I want it. We are not going to accept---

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is talking of a very serious issue. When he says "they will think otherwise", does he mean they will go to Somalia?

Mr. Keynan: Mr. Temporary Deputy Speaker, Sir, that is a figment of the imagination of hon. Mwenje and I do not think I will respond to it. What I have said is, that we will sit down and come up with our own development strategy that will benefit us. I do not want hon. Mwenje to imagine that, that is the strategy, because I have not said that.

Mr. Temporary Deputy Speaker, Sir, I was talking about the issue of the screening card. This is a dehumanising document. We are not going to accept that. I am going to Wajir next week, and I will be in the front line of opposing it. We are going to burn that document. Today, I have told my brother to stay without an identity card instead of using that document. None of us is going to use that document. We have given the Government up to the end of the next week to withdraw it or declare us non-citizens, then we will understand that language. Otherwise, that is discrimination of the highest order and we are not going to accept it. I would like to appeal to other hon. Members, that when we call them to join us in the burning of that illegal document, please wherever they will be, we want to see their support. That is an illegal document. If South Africa has done away with that, then I do not see why we should introduce another illegal document.

Mr. Temporary Deputy Speaker, Sir, in concluding my remarks, we want to see the benefit of all the Budgets that have been brought to this House before and specifically the current one because this is going to be the last budget before the next millennium. Therefore, let us leave something for the people of North-Eastern Province.

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

Mr. Kimeto: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute. I want to thank the Minister for Finance for having presented this year's Budget.

This year's Budget is good, but it does not say much about the farmer. The protection of the farmer is not mentioned anywhere in this Budget. If we cannot say anything about the farmer, particularly what is happening about the dairy farmers, then we cannot achieve the alleviation of poverty. It would have been a straightforward way to make the farmers become rich.

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

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

Mr. Temporary Deputy Speaker, Sir, what I am seeing right now in this Budget is that we are contributing good ideas, but we cannot do much to change our Budget. This could have come ahead of time to enable the Minister to include in the Budget the proposals we are making now. There should be a complete change of the Budget Speech to allow hon. Members, the Minister or a Committee to scrutinise the Budget proposals. First of all, they should give hon. Members an opportunity to contribute so that whatever we suggest like what hon. Keynan has been saying about North-Eastern Province could have been included in the Budget ahead of time. But what I am saying should have been made in that avenue. So, in future---

Mr. Odoyo: On a point of information, Mr. Temporary Deputy Speaker, Sir. I think the Committee system is working and every party is represented in the Finance Committee. So, they should give their own ideas.

Therefore, I urge my colleagues to give their ideas to the KANU Member in the Finance Committee so that their ideas can be incorporated and when we meet the Minister, we give him those proposals.

Mr. Kimeto: Mr. Temporary Deputy Speaker, Sir, I request this august House to give us time to make our pre-budget proposals before the Budget Speech is made to enable us contribute to the Budget. Our Budget does not talk anything about the welfare of our children. It is silent on that. There are several street children on the streets of Nairobi and everywhere in Kenya. The Budget does not include those children who are going to be a new nation; a nation which will be around Nairobi or every city. Who will cater for those children to get education, their welfare and hospital bills? This Budget has not addressed the issue of hospital charges and training of new staff to take care of patients in the hospitals. We want to go to our constituencies and ask some people to be trained to help Kenyans to fight the new diseases which are mushrooming. How can the Budget be silent on the training of children in colleges? How can we contain this Budget if it does not say anything about the teacher training colleges which have already been closed down? How are we going to train our children and we are bearing children?

Mr. Temporary Deputy Speaker, Sir, the children are increasing yet, there are no other teacher training colleges to enable them to teach in the future. This idea could have been injected into the Budget. We have Lake Victoria and the Indian Ocean and how can this Budget be accepted when we do not have ship building factories so as to bring fish and feed the people and eradicate poverty in Nyanza Province, Coast Province and everywhere? How can this be so when the Members of Parliament have not been given an opportunity to say something here? I would like the Minister for Finance in the future, to give the members of the public a chance to contribute their views about the Budget.

Mr. Temporary Deputy Speaker, Sir, I was talking about the farmers and if we cannot bank our money to enable the farmers to borrow loans to cultivate their farms, then how will Kenya be fed? If you only deposit money in the banks so that you can import maize from other countries, then that is wrong. Why can the Government not look into the welfare of its farmers?

Mr. Temporary Deputy Speaker, Sir, I wanted to say something about transparency. Transparency is something very important. We would like the Minister for Finance to talk about the money that he has estimated to us so that when he comes here in Parliament, he will read to the House that: "Mr. Kimeto, the Member for Sotik, you have been given so much for development", so that I can go and then see the officers concerned to ensure that the activities are being carried out like the building of bridges, hospitals and so on. We want to change the old system, since it is a time for change. The Minister for Finance should have a change in his line of thought. He should respect the ideas of the Members of Parliament so that he can re-structure exactly what he is reading, so that whenever he is reading the Budget Speech, everybody will feel that he is working hand in hand with Parliament. It should not be a matter of lining up behind you and trying to oppose you in whatever you have already talked about.

Mr. Temporary Deputy Speaker, Sir, I also want to say that, the Budget is lacking in the improvement of the disabled. In my constituency, there are so many people with disabilities, but the Budget does not address this issue. How am I going to assist these people; that is the lame, deaf and dumb if the Budget does not contain their welfare and yet, they are Kenyans who were born here and have been disabled in Kenya? How shall we manage? In the future, the Minister for Finance should do something about this. What I am requesting this House is that in the future, we shall have to contribute to the Budget before the Minister reads it.

Mr. Temporary Deputy Speaker, Sir, the Budget does not contain the construction of bridges. For example, in Nairobi you will find that a lot of money is being used here in Nairobi and it is occasioned by the numerous traffic jams. There should be fly-overs to enable Kenyans to move fast and do whatever business they want to do. You find that after 1.00 p.m., many vehicles are caught up in the traffic jams and nobody notices that. The Minister for Public Works and Housing has to construct many fly-overs and not only in Nairobi, but also in my constituency. In my constituency, from the time the *El Nino* rains damaged our bridges, like, for example in Kapturen, nobody has repaired those bridges upto now and we need the Minister. In fact, I could have given the Minister this information, so that he includes it in the Budget. What are we going to do with your Budget? Shall we say: "God save us together with our Government?" Please, we need something to be done to assist the Members of Parliament conduct their activities within their districts.

Mr. Temporary Deputy Speaker, also we could have a lot of electricity, which could be used to electrify the rural areas. If the rural areas are electrified, forest destruction will be checked as farmers will use the electricity within their houses instead of using wood fuel. Electricity could also be used for pumping water, which can in turn be used in farms. If there is electricity in the areas, we can also change the course of rivers by putting more electric power in those areas. For example, in my constituency, there is the Kipsona River. The river pours its water into Lake Victoria, which in turn flows into the River Nile to be used by the Egyptians. Why do we not

put the waters of this river into use for farmers in my area before it flows into Lake Victoria and later on end up being used by the Egyptians? When do we expect those people to have a better living?

With those few remarks, I support.

Mr. Mwenje: Thank you, Mr. Temporary Deputy Speaker, for giving me this chance. I just want to go very quickly. First of all, I want to start with events that unfolded on the Budget day. On that day, things went haywire outside this House, when some people decided to beat up others. The police watched those incidents happening, and they started throwing stones just like any other thug. I want to warn this group calling itself *Jeshi la Mzee*, with due respect to some of my friends, that I am going to dismantle it very soon with *Jeshi la Embakasi*. Those people must stop beating up people the way they did beat Rev. Njoya. If they repeat that, I will hunt them upto their bed rooms and make sure that none of them behaves in that manner. I will also make sure that their leader is quietened.

(Mr. Gumo stood up in his place)

Mr. Temporary Deputy Speaker, Sir, I want to proceed with my contribution.

The Temporary Deputy Speaker (Mr. Poghiso): What is your point of order, hon. Gumo?

The Assistant Minister in the Office of the President (Mr. Gumo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Hon. Mwenje is referring to *Jeshi la Mzee*. Could he substantiate where this is based?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, I do not need to clarify that. Everybody knows what *Jeshi la Mzee* is, and who its leader is; they are very well-known.

The Assistant Minister for Finance (Mr. Arap-Kirui): On a point order, Mr. Temporary Deputy Speaker. We are supposed to be debating the Budget Speech. How relevant is hon. Mwenje's contribution to the Budget Speech?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, of course, I am talking about what happened on Budget Day. So, what I am talking about is part of the Budget. I do not want to waste a lot of time on that matter.

Mr. Temporary Deputy Speaker, Sir, I want to go on and say that this country collects Kshs180 billion every year. How this money is supposed to be used is what we debate here. This money must be used well. The problem is not the collection of that money, because the money is collected and taken to Treasury. The problem is that, after this money goes to Treasury, it is looted, as we have seen in the Public Accounts Committee and the Controller and Auditor-General's Reports. So, this malpractice must stop; if it does not stop, the Government will collapse. The stealing, misappropriation and corruption must stop before the country ends up in a very serious situation.

Mr. Temporary Deputy Speaker, Sir, having come from Nairobi, I would like to say something about roads in the City. Nairobi roads are in a mess. I would like to thank the Minister for Local Authorities because we have now reached a consensus with the World Bank. We are now able to have the roads repaired. I would like to appeal to the Minister that, now that the consensus is in place, the repair work should start immediately. We should not waste any more time. Repair work must be done on all roads, and not just on a few sections of the city. From the time I have been here---

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

Mr. Mwenje: How do I thank you, and you rise on a point of order?

The Temporary Deputy Speaker (Mr. Poghiso): Yes, Mr. Minister.

The Minister for Local Authority (Prof. Ongeru): Mr. Temporary Deputy Speaker, Sir, I would just like the hon. Member to clarify whether he did indicate to the House that they are discussing Government intentions with the World Bank, or whether it is the Government which has discussed that programme with the World Bank.

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, what I am saying is that a consensus has been reached. So, let us see the roads being done.

Mr. Temporary Deputy Speaker, Sir, the roads should be done on a prorata basis. Embakasi should have its share, Westlands its share and the other areas their share, but not to concentrate this effort on one side of this City just because there are some areas where there is Opposition or some areas where "big" people live and other areas where "small" people live. We all pay tax to this Government and we must get our rightful share for our areas.

What I am about to say is about the Nairobi City Council. A lot of looting is going on there. Today, there is no minute book in the City Council. For the last eight months, no minute book has been recorded and we cannot even know what is happening. If a person wants something in City Hall today, he will just go and negotiate a little

bit and he will get it. It is not recorded, there is no minute and it does not go to the full Council. This is allowing a lot of corruption in that City Hall.

Today, and I want to say this and anybody can challenge me, the City Hall is being refurbished at a cost of Kshs85 million. There is cleaning work taking place in City Hall just because of the Mayor's meeting which will be held there. Why must it be done because of visitors and it has not been done because of the residents who are here? Why should we concentrate on that? If we go to the Mayor's Parlour today, it has spent almost another Kshs3 million. Today, the Mayor bought a piece of land in Ruiru for Kshs46 million. Where did he get that money from? Kenyans need to be told where he is getting that money from. Does cleaning mean "stealing"! A Mayor who has been very poor, today he is able to buy land with a house for Kshs46 million. This must be explained and I want to request the Minister for Local Authorities to follow up and tell us where he got this money to buy that kind of land and house in that area within a period of one year as the Mayor of this City. That is the truth.

Mr. Temporary Deputy Speaker, Sir, Nairobi City Council has got to have a budget. We want to know. Today the Mayors meeting is coming to Nairobi. What is the budget for this meeting? How much money are they spending? Kenyans need to be told. The press men have been asking the Mayor to tell them how much money is going to be spent on this Mayors meeting which is coming on 20th. They do not want to say because they know that is where the looting or stealing is going to take place. Kenyans who are the taxpayers need to be told how much money is going to be spent

on that City Hall during that Mayors meeting which is coming. If they can afford to spend Kshs85 million just to refurbish that City Hall, how much more is going to be spent? That is where they are opening a loophole for that kind of "stealing".

I want to come back to a small issue on the Kenya Bus Station---

The Temporary Deputy Speaker (Mr. Poghio): Mr. Mwenje, why are you making accusations against people who cannot defend themselves here?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, he is represented in this House and you know it. The other thing is that the Kenya Bus Station was the other day about to go---

The Minister for Local Authorities (Prof. Ongeri): On a point of order, Mr. Temporary Deputy Speaker, Sir. I hate to interrupt my good friend, hon. Mwenje. He is referring to the Mayor of the City of Nairobi who, apparently, is from his own party. Does he not think it would have been prudent to discuss this matter in-house rather than bring it here to the House and attend to it?

Mr. Mwenje: Mr. Temporary Deputy Speaker, Sir, that is not a point of order, but we know very well he has been bought by KANU. So, he is now working for KANU!

I want to mention something about taxation in this country. In this debate, we must all reflect one thing; that all of us are answerable to Kenyan people. When they demand that they must debate the Constitution outside where they are able to be represented, we must give them that opportunity; we must give them that chance. Nobody including the President, has power to say that we should bring the Constitution debate here. The people are our bosses and we shall never be bigger than them. We must respect their will and what they would want. That is why I would ask even those who are trying to bring issues about the Vice-president, what they are up to. It was only the other day when we were demanding that we be given a Vice-President. When we get him then we start talking about it. I think it is time we also gave the Vice-President a chance to serve a little bit. If he is pinned down, that is a different matter.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Poghio): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.