

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 15th June, 2005

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

NOTICES OF MOTIONS

INTRODUCTION OF HIV/AIDS PREVENTION AND CONTROL BILL

Dr. Galgalo: Mr. Speaker, Sir, I beg to give Notice of the following Motion.

THAT, noting with concern the adverse effects of the HIV/AIDS on the socio-economic wellbeing of our country; taking cognisance that the scourge was declared a national disaster in 1999 leading to the implementation of multi-sectoral policies and initiatives which have borne marginal dividends in terms of reduced new infections as well prevalence rates; and further aware of the need to consolidate the gains made so far in protecting those not infected and supporting those infected and affected; this House do grant leave to introduce a Bill for an Act of Parliament entitled The HIV/AIDS Prevention and Control Bill to provide measures for the prevention, management and control of HIV/AIDS and for the protection, support and care of persons infected, affected or at risk of infection and for connected purposes.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. We remember that this Bill was supposed to be brought to this House by the Government. As a Member of the Departmental Committee on Health, Housing, Labour and Social Welfare, I am concerned because it is not just the HIV/AIDS Bill. We also had the Tobacco Bill which has never been brought to this House. The National Heritage Bill and the National Social Health Insurance Fund (NSHIF) Bill are yet to be brought to this House. In fact, Mr. Oloo-Aringo is about to give notice of a similar Motion. Could we get some clarification?

Mr. Speaker: How can you seek clarification from the Chair? I neither sit in your Committee nor do I sit in the Cabinet. Let us wait for the Bills to be brought to this House.

AMENDMENT TO THE DISTRICTS AND PROVINCES ACT

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

THAT, in view of the fact that there are 74 districts in the country which are currently operational; aware that these districts are catered for in the national Budget through financial allocations and cognizant of the fact that out of the said 74 districts, only 46 are officially gazetted; this House do grant leave for the introduction of a Bill for an Act of Parliament to

amend the Districts and Provinces Act, 1992, to validate the 28 non-gazetted districts.
Mr. Wamwere: Bw. Spika, ninaomba kutoa Arifa ya Hoja zifuatazo.

RE-INTRODUCTION OF PRICE CONTROLS

KWAMBA, ikieleweka ya kwamba bei za bidhaa nyingi nchini ziko juu sana; ikifahamika wazi kwamba wananchi wengi hawawezi kununua bidhaa muhimu kama vile unga, sukari, nguo, dawa na kadhalika; ikifahamika pia kwamba hali ya maisha imekuwa ghali mno na mishahara ni haba; Bunge hili linahimiza Serikali ianze tena kusimamia na kuthibiti bei za bidhaa muhimu nchini.

EMPLOYMENT OF KENYAN PROFESSIONALS

KWAMBA, ikieleweka kwamba Kenya ina wataalamu wanaoishi ng'ambo na wangependa kurudi Kenya kuitumikia nchi yao; Bunge hili linaiomba Serikali iunde taratibu itakayolazimisha Serikali, makampuni ya nchi na kimataifa na taasisi sizizo za Serikali zinaponuia kuajiri wataalamu kutoka ng'ambo, kipaumbele kipewe wataalamu Wakenya waliomo nchini na ng'ambo ambao majina yao yamo katika daftari itakayotengenezwa na kikundi cha Jamii ya Wakenya Ng'ambo (Kenya Community Abroad) yenye orodha ya wataalamu Wakenya na nyanja za utaalumu wao kabla ya wataalamu wageni kuajiriwa.

ESTABLISHMENT OF SCHOOLS DISASTER MANAGEMENT FUND

Prof. Olweny: Mr. Speaker, Sir, I beg to give notice of the following Motion.
 THAT, in view of the fact that natural calamities always cause damages to several schools and that the Government has not put in place a system to cater for such destruction; this House urges the Government to establish a Schools Disaster Management Fund to be used for repairs and reconstruction of schools in case of such calamities.

QUESTIONS BY PRIVATE NOTICE

DESTRUCTION OF FOOD CROPS BY ROGUE ELEPHANTS

Mr. Muchiri: Mr. Speaker, Sir, I beg to ask the Minister of State, Office of the President the following Question by Private Notice.

(a) Is the Minister aware that Mahianyu, Kiahiti, Ymungu and Raichiri areas of Mathigira Location, Ndaragwa, are going without food due to rampant destruction of their food crops by rogue elephants?

(b) Could the Government provide constant supplies of food to the area residents until a solution to the elephant menace is found?

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

(a) I am not aware that Mahianyu, Kiahiti, Ymungu and Raichiri areas of Mathigira Location, Ndaragwa are without food due to rampant destruction of their food crops by rogue elephants.

(b) The Government is charged with the responsibility of ensuring that no Kenyan goes

without food whenever a disaster either natural or otherwise occurs. If the Government establishes that the elephant menace is a disaster, then my Ministry will come in to assist the residents.

Mr. Muchiri: Mr. Speaker, Sir, I am surprised that the Assistant Minister is not aware that those Kenyans go without food due to rampant destruction of their food crops by rogue elephants. I thought that the Government is supposed to be represented everywhere by assistant chiefs, chiefs, DOs and DCs. The people of this area have had this problem for a long time. Has the Assistant Minister got in touch with the officers on the ground to establish whether the people of that area face this problem? I visited the area and found the residents going without food simply because the rogue elephants have destroyed their food crops.

Mr. Speaker: Order, Mr. Muchiri! You have made your point. It is good to let the Assistant Minister answer your question and a few of your colleagues to ask other supplementary questions. Mr. Assistant Minister, have you heard the complaints of the hon. Member?

Dr. Machage: Mr. Speaker, Sir, whereas the issue of marauding elephants should be handled by the Ministry of Tourism and Wildlife, the District Food Security Committee, of which the hon. Member is supposed to be a member, has so far not reported on the food situation in Ndaragwa. If the Committee had done that, I would have taken appropriate measures. It is not enough to say that there is total food crop destruction by the elephants which have invaded the area.

Mr. Kombe: Ahsante, Bw. Spika. Siamini kwamba Waziri Msaidizi anatilia maanani Swali hili. Mimea mingi imeharibiwa mashambani, si Ndaragwa pekee, na hakuna hatua ambayo inachukuliwa kuwasaidia wakulima kwa kuwalipa fidia au kuwapa chakula cha kutosha.

Dr. Machage: Mr. Speaker, Sir, that is a good statement. Maybe, I will expand it a little further.

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

Mr. Speaker: Bw. Kombe, ninakuamuru uketi chini!

Dr. Machage: Mr. Speaker, Sir, unless an area is under the Emergency Relief Operation Programme, my Ministry cannot chip in and look into the matter. The area Member of Parliament should apply to my Ministry for the same so that we can include that area in this programme. However, there are many hon. Members who have approached me about one problem or another that affects the food situation in their areas and I have acted positively.

Mr. Muchiri: Mr. Speaker, Sir, when will the Wildlife Management (Amendment) Bill, which has provisions to compensate farmers whose crops have been destroyed by wildlife, be brought to this House through the Memorandum of the President?

Dr. Machage: Mr. Speaker, Sir, that is a different Question. I urge the hon. Member to ask it at an appropriate time.

COST OF KNA PLENARY HALL RENOVATION WORKS

Eng. Nyamunga: Mr. Speaker, Sir, I beg to ask the Minister for Roads and Public Works the following Question by Private Notice.

(a) Is the Minister aware that the Kenya National Assembly is due to undertake major renovation works in the Plenary Hall?

(b) If the answer to (a) above is in the affirmative, could the Minister inform the House the estimated cost of the works to be undertaken and table a breakdown of the details of the works?

Mr. Maore: On a point of order, Mr. Speaker, Sir. This Question refers to the National Assembly which we know comes under Vote D29 and not Ministry of Roads and Public Works. I thought this Question is supposed to be answered by the Parliamentary Service Commission (PSC).

Mr. Speaker: Order, hon. Members! All engineers in the Ministry of Roads and Public Works are public servants and they do all the work for all public institutions, including Parliament. Mr. Maore, you should know that Parliament has no engineers or architects. Could the Minister answer

the Question?

Mr. Munya: On a point of order, Mr. Speaker, Sir. Since the Ministry of Roads and Public Works assists all other Ministries, why do we not find them answering Questions on behalf of other Ministries?

(Laughter)

Mr. Speaker: Order, hon. Members! Two things are happening. One is that some hon. Members have refused to understand the rules of this House and to respect the House. Secondly, they do not want an answer. Whatever happens the answer shall be given. Where is the Assistant Minister?

The Assistant Minister for Roads and Public Works (Eng. Toro): Mr. Speaker, Sir, this Question was supposed to be answered by my colleague, hon. Kones, and we agreed that he will be here. I do not know where he is. Maybe we can hold on for a few minutes.

Mr. Speaker: Hon. who?

The Assistant Minister for Roads and Public Works (Eng. Toro): Hon. "Cones"!

(Laughter)

Mr. Salat: On a point of information, Mr. Speaker, Sir. I would like to protect my constituent. He is not called hon. "Cones"; he is called hon. Kones.

(Laughter)

Mr. Speaker: Order, hon. Members! Again, this trivialising of everything in this House is worrying. That you can even trivialise the names of your colleagues is absurd in the extreme! I think I have said seriousness must prevail. Could you, hon. Assistant Minister, respectfully come and pronounce the proper name of your colleague?

The Assistant Minister for Roads and Public Works (Eng. Toro): Mr. Speaker, Sir, the correct pronunciation in Kalenjin is Kones but in English it is the other way round.

(Laughter)

Mr. Speaker: Order, hon. Members! Hon. Assistant Minister, can you get it from the Chair that we are not holding a joking session? You either comply or see the outside of this House! You are not only trivial; you are also insubordinating the Chair!

The Assistant Minister for Roads and Public Works (Eng. Toro): Mr. Speaker, Sir, I apologise to the Chair and to my colleague. Thank you.

Mr. Speaker: Very well. I will defer this Question to tomorrow afternoon.

(Question deferred)

ORAL ANSWERS TO QUESTIONS

Question No.109

RECRUITMENT OF POLICE
OFFICERS IN 2003

Mr. Wanjala, on behalf of **Mr. Korir**, asked the Minister of State, Office

of the President:-

(a) how many officers were recruited into the police force during the recruitment of 2003; and,

(b) if he could enumerate the number of officers recruited from each district indicating their gender.

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, this Question was answered yesterday. It was only subject to me tabling the list in the House and I think we supplied enough copies unless the Chair wants me to repeat the answer.

(Mr. M. Kariuki laid the document on the Table)

Mr. Speaker: No, you know what you were asked yesterday!

Mr. C. Kilonzo: On a point of order, Mr. Speaker, Sir. The Question was deferred yesterday because the Assistant Minister did not give the written answer in time. So, is he in order to mislead the House?

Mr. Speaker: Mr. Assistant Minister, what is the correct position?

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, the correct position is that I read out the answer and indicated in part "b" that the list was available. At that point, hon. Korir said that he had not received a copy of the written answer but, subsequently, he was supplied with one by the Clerk.

Mr. Speaker: But you read it anyway?

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, I read it anyway.

Dr. Galgallo: You did not!

Mr. Speaker: Order, hon. Members! I think we must be serious. Dr. Galgallo, you will not sit there and heckle! This is an honourable House; this is not a place to heckle. So, from now can you please retrace your dignity and be with it all the time? Mr. Wanjala can you ask your question based on what was replied to yesterday?

Mr. Wanjala: Mr. Speaker, Sir, this Question was asked in 2003 immediately after the recruitment, but there was a delay that has caused suspicion. Why is Nyeri District missing out in the list on the side of police recruitment which had 1,392 recruits?

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, we are answering the Question in 2005. I am not aware that it had been asked earlier. However, Nyeri District appears on the list I have tabled and 11 GSU officers were recruited from Nyeri.

Mr. Speaker: What about the police?

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, Nyeri District does not appear on the police list.

Hon. Members: Why? Why?

Mr. Speaker: Order, hon. Members! Let us return to order! Mr. Assistant Minister, there are only four possibilities for the absence of Nyeri District from the list. One, is that there was no recruitment.

Two, it is deliberately omitted. Three, it did not participate; and lastly, maybe it was a typographical error. Which of the four is the reason for that?

Hon. Members: None of those! *Sema!*

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, could I

have your protection as I answer the question?

Mr. Speaker: You have it! It is fully granted!

The Assistant Minister, Office of the President (Mr. M. Kariuki): Thank you, Mr. Speaker, Sir. I have a list of all centres from where the recruitment took place and

Nyeri District is not there as far as the police recruitment is concerned. I do not think it is an error. In my view, I think there was no recruitment.

Hon. Members: No!

Maj-Gen. Nkaiserry: Mr. Speaker, Sir, for the benefit of the House, could this Question be deferred so that the Assistant Minister brings the right answer to the House?

(Applause)

Mr. Speaker: Mr. Assistant Minister, and all hon. Members, must appreciate that the work of Parliament is to generally have an oversight of Government activities and to bring it to account. That is the prime reason of the existence of Parliament and that forces Ministers to bring to Parliament answers to Questions even if they are not pleasing or are embarrassing to them. Mr. M. Kariuki, you must bring an answer!

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, I have absolutely no reason to doubt the list supplied to me. The list has a breakdown of every recruitment centre and, at the bottom, we have the total. So, unless there is evidence to the contrary, but actually, there was a recruitment which is not reflected here. I personally have no reason to doubt the list supplied to me.

Mr. Wanjala: Mr. Speaker, Sir, police officers and GSU officers are normally recruited at the same time, on the same day and at the same recruitment centre. How come they recruited GSU officers but they did not recruit police officers?

In Busia District, they recruited GSU and police officers at the same time. Why is Nyeri exceptional? Are the people of Nyeri not Kenyans? Could the Assistant Minister tell us why they were not recruited?

Mr. Speaker: Order! It is actually technically possible to go to a centre and you do not recruit. But if that is the case, the results must show nil. Is the result for Nyeri nil?

The Assistant Minister, Office of the President (Mr. M. Kariuki): Mr. Speaker, Sir, the column for Nyeri shows that 11 officers were recruited into the GSU.

Mr. Speaker: I am forced to let the Assistant Minister go and find out and bring a result; either nil return or a certain figure. Could we have it tomorrow afternoon? I hope I do not have to defer the Question again.

(Question deferred)

Mr. Sirma: Mr. Speaker, Sir, despite the fact that you have ruled, could we refer the same Question to a Committee of the House?

Mr. Speaker: No way! A Committee is not superior to the House. If the matter is before the House, it should not go to a Committee. The House will deal with it!

Dr. Ali: Mr. Speaker, Sir, we know what happens in Kenya. When KANU was in power, Baringo District used to get 400 or 300 officers recruited. If 300 officers have been recruited from Nyeri, he should just say it. There is no problem!

(Laughter)

Mr. Speaker: Order, all of you! What is it Mr. Moi?

Mr. Moi: Mr. Speaker, Sir, I am not aware, nor is my colleague Mr. Boit, that we got 400 or 500 recruits during the KANU regime. Can he substantiate?

Mr. Speaker: Order, hon. Members! For how long shall we buck-pass and ping-pong? Let us deal with the issue at hand. I have already dealt with the issue and we will not revisit it until tomorrow.

Question No.161

TITLE DEEDS FOR MAUTUMA SETTLEMENT
SCHEME BENEFICIARIES

Dr. Kibunguchy asked the Minister for Lands and Housing:-

(a) whether he is aware that the new Mautuma Settlement Scheme in Lugari District was started to settle squatters and landless people in the district;

(b) whether he is further aware that the scheme is entangled in many controversies most of which were created by the Provincial Administration and officers in his Ministry; and,

(c) what plans the Ministry has to solve the problem afflicting the scheme so that the genuine settlers can get their title documents to enable them, among other things, secure loans from AFC and other financial institutions.

The Assistant Minister for Lands and Housing (Mrs. Tett): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Mautuma Settlement Scheme in Lugari District was started to settle squatters and landless people in the district.

(b) I am not aware of the controversies allegedly created by the Provincial Administration and officers in my Ministry.

(c) However, I am aware that immediately after the allocation was carried out by the Provincial Administration in 1996, it was challenged through Parliament and a review ensued. To solve the problem affecting the scheme, the Ministry has undertaken the following measures:

1. A committee chaired by the District Commissioner, Lugari District has been set up to vet the squatters.

2. The District Surveyor is being assisted to hasten survey of the plot boundaries to enable registration of the scheme.

3. Selling of land has been stopped.

4. Settlers are being encouraged to repay outstanding land loans to enable them to secure their title deeds.

Dr. Kibunguchy: Mr. Speaker, Sir, I would like to say that this answer is a big joke. The Assistant Minister is taking a very serious issue lightly. First of all, she said that the DC has been mandated to vet squatters. I do not know what that means. We do not have a district surveyor in Lugari and, besides, this scheme has not been degazetted from the forest yet. To me this is a joke! This is not a serious answer!

Mr. Speaker: You do not have to respond to that question, Mrs. Tett.

Mr. Marende: Mr. Speaker, Sir, the handling of land settlement in the country has generally been haphazard notwithstanding promises over the past two-and-a-half years that a land policy will be put in place. Could the Assistant Minister explain why Kenyans are being evicted from land where they had otherwise been lawfully settled in the past and with title deeds?

Mrs. Tett: Mr. Speaker, Sir, the land policy is on course. The other question he raised is a different one. It has nothing to do with Lugari.

Mr. Sirma: The hon. Member for Lugari complained about the interference by the Provincial Administration. The Assistant Minister said she has appointed the District Commissioner to Chair a committee. What measures will the Assistant Minister take to ensure that there is an independent committee devoid of the Provincial Administration which has been dictatorial from the past to the present?

Mrs. Tett: Mr. Speaker, Sir, this was in 2000/2001. I would like to assure the House that the survey of the plots has been completed. I was given that information today. The Ministry has taken up the matter with the Ministry of Environment and Natural Resources and we are now waiting for the degazetment. I would like to assure the hon. Member that everybody will have their title deeds within a month.

Dr. Kibunguchy: Mr. Speaker, Sir, the Assistant Minister has said that this was challenged in Parliament and then the review ensued. I would like her to give us the outcome of this review.

Mrs. Tett: Mr. Speaker, Sir, I have just told the hon. Member that we are now in the process of writing the letters of offer. That means we have finished this matter and, within a month, all the letters of offer will reach the people.

Question No.103

SHORTAGE OF INSTRUCTORS
AT BUNGASI POLYTECHNIC

Mr. Osundwa asked the Minister for Labour and Human Resource Development:-

- (a) whether he is aware that there is a serious shortage of instructors at Bungasi Polytechnic in South Wanga Division, Butere/Mumias District; and,
- (b) what action he is taking to alleviate the situation.

Mr. Speaker: Where is the Minister for Labour and Human Resource Development? Mr. Osundwa, it appears he is not here!

Mr. Osundwa: Mr. Speaker, Sir, this is about the fourth time I have asked this Question since February this year, before we went on recess. Yesterday, the Chair deferred the Question to today. I do not know whether the Minister for Labour and Human Resource Development and his Assistant have gone on strike. They do not seem keen to answer this Question and yet students do not have teachers in this youth polytechnic.

Mr. Speaker: Where are they?

An hon. Member: They are on strike!

Mr. Mbai: On a point of order, Mr. Speaker, Sir. Yesterday, when this Question was asked, Ministers were not in the House to answer it. Could the President appoint some more Ministers?

Mr. Speaker: Mr. Kones, what is your reaction? You are sitting on the seat of the Leader of Government Business.

(Laughter)

The Assistant Minister for Roads and Public Works (Mr. Kones): Mr. Speaker, Sir, I think the number of Ministers is adequate and they have the capacity to answer Parliamentary Questions. Probably, there are one or two Ministers who are held up somewhere and that is why they could not make it here. However, they are adequate.

(Loud consultations)

Mr. Speaker: Order, Members! Mr. Kones is not setting a good example. He was late himself to come to the Chamber.

The Assistant Minister for Roads and Public Works (Mr. Kones): Mr. Speaker, Sir, I am sorry that I came late. I thought that the Questions by Private Notice would appear last on the Order Paper.

Mr. Speaker: Mr. Kones, do you know what that tells me about you? It tells me that you have not been a frequent visitor to this House. We changed that rule a long time ago. Could you, please, be visiting the House more often?

Maj-Gen. Nkaiserry: On a point of order, Mr. Speaker, Sir. The President of the Republic of Kenya always portrays us as a working nation. The Ministers are at the top of this Government and yet they are never present every time Questions are asked in this House. Could we, therefore, say that the nation is working, but the Government is not working? Is it also not possible that one of the Ministers present here, in the spirit of collective responsibility, can undertake to answer this Question now?

The Assistant Minister for Roads and Public Works (Mr. Kones): Mr. Speaker, Sir, truly speaking, if anybody was to rise up here and try to answer this Question, it is most likely that the answer would not be accurate. However, I would like to plead with the House to allow the Minister for Labour and Human Resource Development some time so that he can come here tomorrow to answer this Question. Again, I apologise on his behalf.

Mr. Speaker: Order, Mr. Kones! Let us get everything correct. I think it is an exaggeration by hon. Maj-Gen. Nkaiserry who is also the Shadow Minister in charge of Provincial Administration to say that Ministers are not in this House. On the contrary, Ministers are present. I think what it means is that this particular Ministry, that is, the Ministry of Labour and Human Resource Development, is prone to chronic absenteeism. It is the Ministry on the spotlight now. Hon. Kones, could you ensure that the Minister for Labour and Human Resource Development is here tomorrow so that he can explain to the House the seemingly chronic absenteeism of Ministers from that Ministry?

The Assistant Minister for Roads and Public Works (Mr. Kones): Mr. Speaker, Sir, I will do exactly that, but I think I will go further and talk to the Leader of Government Business to make sure that the Minister is present tomorrow to answer this Question.

Mr. Osundwa: On a point of order, Mr. Speaker, Sir. The Chair, yesterday, allowed the Leader of Government Business to consult with the Minister and report to this House today. That is why the Question was deferred until this afternoon. What is the reason for asking to see the Leader of Government Business on the same issue? Would you allow me to bring a Motion of censure on this Minister now that he seems not to be performing?

(Loud consultations)

Mr. Speaker: Order, Members! I have confirmed with the Clerk that, indeed, the Question was postponed because the Minister and his Assistant were not there. The Leader of Government Business gave an undertaking to pass the information to the Minister. In any case, it is not the work of Parliament to follow Ministers. It is for them to come to the House. I, consequently order that the Minister for Labour and Human Resource Development does appear, tomorrow, before this House to explain about the chronic absenteeism that has been displayed by his Ministry.

(Several hon. Members stood up)

in their places)

No! We will not debate that matter further! I am sure that the hon. Members who are standing cannot issue any orders to the Minister which I have already done. I think that is adequate.

(Question deferred)

Nest Question!

Question No.460

IMPROVEMENT OF VISA PROVISION SERVICES BY FOREIGN EMBASSIES

Mr. Mwanicha asked the Minister for Foreign Affairs:-

- (a) whether he is aware that applicants for visas from certain foreign embassies and high commissions based in Nairobi have to queue for long hours starting as early as midnight in order to get services;
- (b) whether he is further aware that many Kenyans are losing money through visa application fees which is non-refundable to unsuccessful applicants; and,
- (c) what steps he is taking to ensure that the service is provided during normal working hours.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Speaker, Sir, I beg to reply. However, before, I do so, I must say that I answered this Question, on the Floor of this House, sometime last year.

Mr. Speaker: Order, Mr. Wetangula! Order! You should know that this is the rule: If a Question has been dealt with by the House, then it will not be dealt with again within that Session or six months after; whichever comes early. Last year, we were in a different Session. This year, we are in a new Session.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Speaker, Sir, I was not saying that I will not answer the Question. I was just bringing to your attention the fact that we dealt with a similar Question last year. However, I beg to reply.

(a) I am aware that applicants for visas from certain embassies and high commissions queue for long hours to get service. The applicants do so voluntarily to ensure that they are served first when embassies or high commissions are opened. My Ministry has already initiated consultations with embassies and high commissions to ensure that problems relating to long queues and delays in processing visas are eliminated.

(b) I am aware that Kenyans spend large sums of money on visa applications. Applicants are charged visa application fees, irrespective of whether the applications are successful or not. The amount charged is non-refundable and varies from country; to country to cover administrative costs. Kenya applies the same principle too. When visas are issued "*gratis*", of course no charges are raised.

(c) Visa applications are received by embassies and high commissions or their agents during normal working hours over periods specified by themselves. Application forms are not received outside the specified times. Those who present themselves at embassies or high commissions outside the specified times have to wait until the offices are opened.

Mr. Mwanicha: Mr. Speaker, Sir, members of the public do not queue outside embassies or high commissions voluntarily. The reason is that some embassies only take, say, applications from 100 people. So, one must be within those selected 100 people. That information is for the Assistant Minister. If whatever is charged is for administrative costs and some embassies charge up to

Kshs15,000, could the Assistant Minister undertake to negotiate so that these exorbitant charges that are draining Kenyans are reduced?

Mr. Wetangula: Mr. Speaker, Sir, the fees are set by the missions themselves. The only thing that the Government of Kenya can do is reciprocate by charging similar fees. However, in many situations, especially in cases of students who want to travel outside Kenya, there are many Kenyans trying to travel out and many nationals of those countries trying to come in. So, even reciprocity may not help.

On the issue of queues, missions that process these visas can only handle a certain number of people on a particular day. If the number is 100, then the first 100 people will be served and the rest will come the next day.

Mr. Owino: Mr. Speaker, Sir, the Assistant Minister says that he answered this Question last year and he probably gave the same answer. What are the results of the consultations and negotiations they had with embassies on these issues?

Mr. Wetangula: Mr. Speaker, Sir, some missions like the USA Embassy have set up alternative centres for processing visas so that they can work for longer hours. I also said last year, and this is still going on, that the Government is negotiating with missions where we have high traffic, especially of students who go to those countries, that, in the event they fail to get their visas on first application, then some degree of refund will be done taking into account the administrative costs incurred, which can be worked out. These negotiations are still going on.

Dr. Galgalo: Mr. Speaker, Sir, hon. Members of Parliament themselves have suffered in the process of trying to get visas to some of these countries. We spend a lot of time trying to get visas. We realise that Ministers and other people who hold diplomatic passports have the process done more smoothly.

Could the Assistant Minister consider issuing diplomatic passports to all hon. Members of Parliament, so as to hasten the process of acquiring visas?

Mr. Wetangula: Mr. Speaker, Sir, to the best of my knowledge, when hon. Members of Parliament travel officially, Parliament processes their visas. I would like to tell the House that wherever hon. Members have any problem, my protocol office will step in and assist.

On the issue of diplomatic passports, it will be a matter of consultations between my Ministry and the Ministry of Immigration and Registration of Persons that deals with passports. I could bring back information to the House later.

Mr. Speaker: Very well, last question!

Mr. Mwanicha: Mr. Speaker, Sir, if an embassy is to process, for instance, 100 applications per day, why can they not issue 100 forms to the applicants, so that those who do not get them can go back? Why do they just have to keep people queuing and some of them do not even get served? Some of these people come from distant areas of this country.

Mr. Wetangula: Mr. Speaker, Sir, it is very difficult to deal with a question in general terms the way the hon. Member is framing it. If there is any specific mission that he has in mind, that he wants addressed, let him bring the information to my Ministry and we shall deal with it. Otherwise, we cannot just give a blanket direction to missions.

Mr. Speaker: Very well!

Next Question, Capt. Nakitare!

Question No.303

SEIZURE OF PRIMARY SCHOOL
LAND IN KITALE

Mr. Speaker: Since Capt. Nakitare is not here, his Question is dropped.

(Question dropped)

Question No.458

NON-PAYMENT OF DUES TO
NYAYO TEA ZONE WORKERS

Mr. Speaker: Is Mr. Gachagua not here?

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

Mr. Speaker: What is it?

Mr. Mwanicha: Mr. Speaker, Sir, this issue by hon. Members of Parliament---

Mr. Speaker: Order, Mr. Mwanicha! Will you sit down, please?

Mr. Mwanicha: Mr. Speaker, Sir, could I---

Mr. Speaker: Mr. Mwanicha, you will not proceed because you want to control the Chair! Even this second Question is also dropped!

(Question dropped)

Question No.402

LATF PROJECTS IMPLEMENTED
IN WUNDANYI CONSTITUENCY

Mr. Speaker: Hon. Members, at the request of Mr. Mwandawiro, this Question is deferred.

(Question deferred)

Question No.423

IMPLEMENTATION OF BAN ON
SALE OF ALCOHOL IN SACHETS

Mr. Kembi-Gitura asked the Minister for Trade and Industry:-

(a) if he is aware that on 21st July, 2004, this House unanimously approved a Motion urging the Government to ban the sale of alcohol in sachets and that alcohol henceforth be sold in designated sealed rigid containers with a minimum capacity of 250 millilitres;

(b) if he is further aware that he undertook to implement the terms of the Motion through a notice in the Kenya Gazette which has not been done to date; and,

(c) when he will fulfil his undertaking to the House.

The Assistant Minister for Trade and Industry (Mr. Miriti): Mr. Speaker, Sir, I beg to reply.

(a) I am aware.

(b) I am aware of the undertaking to implement the terms of the Motion through a notice in the Kenya Gazette, but I am not aware that it has not been done to date.

(c) I have done the following: The Weights and Measures Act, Cap.513, Section 34, was

amended vide Kenya Gazette Notice No.122 of 5th November, 2004 to provide for the rules of sale and packaging of alcoholic beverages only in designated sealed containers made of glass, plastic or metal. The Finance Bill (2004) amended the Customs and Excise Act, Chapter 472, and provided for the offence and fine of packaging or selling alcoholic beverages in containers of less than 200 millilitres capacity.

Mr. Kembi-Gitura: Mr. Speaker, Sir, I had asked this Question in the last Session and it was re-instated in the present Session before the gazettelement was done. I wish to thank the Government for the action it has taken pursuant to the Motion that was passed by the House in July, last year.

Mr. Speaker: Very well, Mr. Kembi-Gitura!

Dr. Galgalo: Mr. Speaker, Sir, there are foreign companies which are importing beer in bottles which cannot be recycled. These bottles are an environmental hazard. Could the Assistant Minister consider banning importation of such beer into the country, so as to save our environment from dumping of bottles which have no use to the companies that bring them?

Mr. Miriti: Mr. Speaker, Sir, we will consider that.

Mr. C. Kilonzo: Mr. Speaker, Sir, after this Motion was passed, and after the Ministry took action, the manufacturers of these alcoholic products came up with an alternative way to beat these rules. The manufacturers are packaging the same product in five to 20-litre jerricans. The buyers are sold the same product. What action is the Ministry taking to ensure that these people do not take a short-cut to beat these new rules?

Mr. Miriti: Mr. Speaker, Sir, that is illegal. If the hon. Member is aware of the people doing that, let us have the information and we will take the necessary action.

Mr. C. Kilonzo: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to ask an hon. Member of Parliament, like me, to go all over the country collecting information? I just want to bring this issue to his attention, so that he can take the necessary action!

Mr. Speaker: Order, Mr. C. Kilonzo! How do you represent the people? You are a representative of the people; you are actually mandated to give information on behalf of your constituents, and even to collect it!

Dr. Khalwale: Mr. Speaker, Sir, we supported this Motion because we thought it was one way in which we were to control abuse of alcohol, especially by our youth. We have also learnt that the Ministry intends to ban advertisement of alcohol products on television and other media.

Could the Assistant Minister confirm whether this is true in view of the fact that a lot of jobs will be lost?

Mr. Speaker: Dr. Khalwale, what have you said? I did not follow what you said. Could you repeat what you have said?

Dr. Khalwale: Mr. Speaker, Sir, when we supported this Motion last year, it was because we thought this would help in controlling abuse of alcohol, especially by our youth. Now, the Ministry seems to be pursuing the issue of alcohol abuse further by proposing that they would like to ban advertisement of alcohol products in the media.

Mr. Speaker, Sir, could the Assistant Minister confirm whether this is the case in view of the jobs that we will lose?

Mr. Miriti: Mr. Speaker, Sir, that statement was issued by the Government Spokesman. So, it is the intention of the Government to ban those advertisements.

Mr. Speaker: Very well! That marks the end of Question Time.
Next Order!

*(Mr. Katuku stood up
in his place)*

Mr. Speaker: What is it Mr. Katuku?

The Assistant Minister for Finance (Mr. Katuku): Mr. Speaker, Sir, I just wanted to take this opportunity to make a short Ministerial Statement.

Mr. Speaker: You should have attracted my attention.

Proceed!

MINISTERIAL STATEMENT

INVITATION TO MEMBERS TO POST-DONOR CONSULTATIVE FORUM IN MOMBASA

The Assistant Minister for Finance (Mr. Katuku): Mr. Speaker, Sir, I am sorry. I had informed the Clerk-at-the-Table about it and I thought you had received the information.

I want to take this opportunity to invite hon. Members to a post-donor consultative group briefing forum, scheduled to be held at Sun and Sands Hotel Beach Resort Hotel, Mombasa from Friday, 17th June, to Sunday 19th June, 2005. The forum will focus on the Procurement and Disposal Bill that is pending before this House.

I will also take an opportunity, during the forum, to update hon. Members on the Government discussions with donors and how it proposes to handle the legislative aspect of this reform programme.

I would like to invite you to spare time and attend this important workshop.

COMMUNICATION FROM THE CHAIR

MEMBERS CANNOT DISCUSS WHAT IS PENDING BEFORE THE HOUSE ELSEWHERE

Mr. Speaker: As a matter of interest, and I think I have asked this before, if Bills pending before this House are taken out to be discussed in Hotels, then what do you need Parliament for?

(Applause)

Are you also aware of the rule of anticipation? I think you are out of order! I further direct that hon. Members will not go to discuss something which is pending before this House.

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 8.6.2005)*

*(Resumption of Debate
interrupted on 15.6.2005)*

(Fourth Day of Budget Debate)

Mr. Speaker: Mr. Omingo was on the Floor of the House when we interrupted debate on this Motion in the morning. Where is he?

Mr. Omingo: Mr. Speaker, Sir, as I was saying in the morning, the theme of this Budget is appropriate. The Minister went ahead to show that he meant business by controlling the number of vehicles used by Ministers. I persuade him to go further and cut down on packages that Ministers enjoy, such as riding in Government vehicles over the weekends and using them for private business.

Mr. Speaker, Sir, I also talked about the River Nile Treaty. When hon. Members, including those from Ukambani request for food aid, it is pathetic. River Nile flows through our country and yet, we keep on begging for food. As a matter of fact, I suggest that the Nile Treaty Act be reviewed. On the issue of debt---

(Loud consultations)

Mr. Speaker: Order! hon. Members! We are making the hon. Member shout at the top of his voice because there is too much commotion. Let us give him time to debate reasonably.

Proceed!

Mr. Omingo: Thank you, Mr. Speaker, Sir for saving me the energy that I was using to shout. On the issue of debt relief, you will realise that 67 per cent of our Gross Domestic Product (GDP) is in mortgage. I suggest to the Minister for Finance that he learns how to tailor "the jacket" so as to fit the size of our bodies, by living within our means. We should stop depending on bilateral donors. Malaysia was in the same---

(Loud consultations)

Mr. Speaker, Sir, I cannot be heard!

Mr. Speaker: Order, hon. Members! Order! Please, let us hear one another! The hon. Member on the Floor is making a useful contribution. Let us hear him out!

Mr. Omingo: Mr. Speaker, Sir, on the bad debt issue, Malaysia was on the same economic level with Kenya when it attained its Independence. But today, Malaysia is striving to grow into a superpower by the year 2020 because it blatantly refused to take handouts from the Western countries. These handouts have affected most African countries in terms of debts. The debt reliefs which are being given on selective basis are meant to arm-twist some Governments which could be more independent on being relieved of the debts. The Western countries want us to remain in debt so that we can continue listening to them.

On the bilateral donors development support, I suggest that the Minister for Finance should not factor in any donor support because it keeps on moving like a mirage. The support never comes. We

should stop thinking about depending on people whom we do not know the kind of conditions they have. The Minister proposed that he intends to have the economy grow by 5 per cent in the Financial Year 2005/2006, through private and public sector investments. How do we expect our economy to grow by 5 per cent if we still have very archaic licensing laws which are engulfed in corruption and officers take forever to issue licences? I know of an investor who came into this country wanting to

invest. But because there was a problem of getting a licence, he is now in Addis Ababa, Ethiopia, and is currently employing 1,800 people having failed to get a one-stop shop, which hon. Dr. Kituyi keeps on talking about.

On taxation measures, we have given the Kenya Revenue Authority (KRA) a target to collect Kshs60 billion, more than what it collected in the last financial year, yet we have not told them how to do it. We need to expedite the issue of cash registers so as to have many people remitting tax money. The pin number system should be used so that people who earn salaries and are paid using payrolls are not overtaxed because they are the ones who can be traced. Those who are doing business should also join the tax bracket and start paying taxes alongside other Kenyans.

I suggest that the Minister amends the Banking Act. We need to have a cheque deposited today and cleared tomorrow so that people can trust cheques. If this is done, the Minister would have money rolling in the economic system, leading to a higher turnover. That would increase our revenue and encourage people to invest. Our turnover would become more and our target would be met.

It is important to note that corruption is not only in our country alone, but all over the world. I want to commend the Government on the measures it has taken in curbing corruption, although I think much more needs to be done. We need to do more in terms of proper application of the law, in finding those who are involved in corruption. Not that we need to apply the law in a partisan manner where one person is punished and the other is not; we need to apply the law evenly. Let us have people who are criminals being brought to book. I want to suggest that the Minister, in terms of reviewing the Budget, involves Parliamentarians. That is why hon. Members are praying and wishing that, one time, they will have a Parliamentary Budget Office.

The President went to Kisii and toured the three districts. He promised to look into a number of issues concerning people there. However, not everyone benefitted from the issues that he addressed. Some of the issues include the equal distribution of the national cake that we would have benefited from.

The need for a Parliamentary Budget Office is crucial. This would give hon. Members an opportunity to dissect and turn around the Budget before it is brought to the Floor of this House. Of critical importance is the issue of governance. We want a transparent and better way of managing our affairs and a proper way of procuring goods. I expect that we will expedite the enactment of procurement procedures. But the procurement process must not protect multinational companies to come and do whatever they please in Kenya, in the name of transparency. We want our children to be empowered so that they can procure as well as manage the resources of our country.

With those few remarks, I support.

The Assistant Minister for Co-operative Development and Marketing (Mr. Kenneth): Mr. Speaker, Sir, thank you very much for giving me an opportunity to contribute to the Budget. I must say that the Minister, on top of being articulate, gave a shorter version of the Budget than last year. There is good news that the country has a growth rate, although there have been some disputes as to the actual rate. But there is no dispute that the country has a growth rate. In most developed countries, utilisation of taxes is actually an election issue. It can determine the fate of a Government. But I am sure that, with the good results that the Kenya Revenue Authority (KRA) is giving to this country, the Government must ensure proper utilisation of those taxes.

Mr. Speaker, Sir, the non-reliance on donors in the Budget is a good image for this country. The earlier we shorten the list of what we require from the donors, the better. If we utilise our taxes in a proper way, things will be better for this country. The more we utilise our taxes well, the more taxpayers feel good for this country.

Mr. Speaker, Sir, in the Budget, the tourism sector had a 51 per cent growth. I wish that magic could spread to other sectors. The Minister has given money to the Kenya Tourism Board (KTB). The Government has established a police unit to protect tourists. We need to think about the

other sectors that were in the same peer group as tourism, such as tea, coffee, horticulture and even sugar. We can see how much we can do for them to achieve a 51 per cent growth rate. That will be very good for this country.

Mr. Speaker, Sir, as we talk about a police unit to protect tourism, I was a little disappointed by what we have put aside as budgetary support to security organs. There is no sector that can grow in this country, if it is not well secured. I must appeal to the Ministry, now that we have seen a Sessional Paper on police reforms, to fasten the process so that, every Kenyan can feel protected.

Mr. Speaker, Sir, in his Speech, the Minister alluded to the fact that, we have a Nobel Peace Prize winner in this country. But we must do much more than merely mentioning her name. We must be seen to actually support the purpose for which she won her Nobel Prize. In particular, I would have expected the Minister to put some money aside to support Prof. Maathai's work by distributing tree seedlings to all constituencies in this country. That way, we would be supporting what she has been able to achieve.

Mr. Speaker, Sir, we are relying on privatisation of certain state corporations to balance our Budget. I have always believed that the parastatals that are doing well need to be supported. That way, they can give dividends to the Exchequer rather than privatising them. The experience of privatisation in this country is that we always privatise very good parastatals at very poor prices such that, the taxpayers who initially put money to start such parastatals do not, in the end, achieve anything. If we have to privatise some of our good parastatals, especially those in the banking sector like Kenya Commercial Bank (KCB) and National Bank of Kenya (NBK), we must do so through the stock exchange so that, *wananchi* could buy shares. We should stop having ideas of searching for strategic partners to inject money into parastatals that we keep on injecting our own money to keep them afloat. To me, that amounts to taking taxpayers' money through the back door.

Mr. Speaker, Sir, we have spoken about the SACCO Act and many Questions have been asked in this House. I am glad the Minister talked about the Act. The faster we do it, the more we have prudential standards for all the SACCOs in this country. That will make those who have deposits in those SACCOs to feel well protected. The earlier that is done, the better.

Mr. Speaker, Sir, we have injected a lot of money from the Budget to various Ministries. We have given a large share to the Ministry of Roads and Public Works, Ministry of Health and so on. It is important that, that money is seen to improve health and roads infrastructure. For a long time, whenever a Question is asked in this House by hon. Members about roads, procurement procedures always seem to hinder growth. But now that the allocation to the two sectors has been increased in the Budget, we must ensure that work is done. We should refrain from issuing statements on the Floor of this House.

I also have a bone to pick with the budgetary allocations that have been given to Arid and Semi-Arid Lands (ASALs). It is generally believed that arid and semi-arid areas are found in North Eastern and Eastern provinces.

Some of us in Central Province represent certain areas which are designated as hardship areas and qualify for programmes under ASALs. So, we must ensure that money for such programmes is spent on all arid and semi-arid areas across the country.

Mr. Speaker, Sir, the Minister said that 251 dispensaries were completed in this country. It would have been very good if the Minister gave a list to show where those 251 dispensaries were constructed. That is to ensure that all dispensaries are equitably placed across the country. You will appreciate that the question of healthcare has been a major concern in this country. Therefore, if 251 dispensaries have been completed, they must be equitably distributed.

Mr. Speaker, Sir, in all the statements of intent on taxation that the hon. Minister put forward in his budgetary proposals, I want to congratulate him because of the simple fact that, he was able to cater for the common man. A lot has been said because prices have not come down. But they do not

come down within a day or two. It is now one week after his proposals. It would be very important if the trickle-down effect could be seen. If nothing is seen, when he comes to reply, he will face many questions from Members. So, to avoid that, he should take action to ensure that the prices are not only heard to be down, but are seen to be down.

With those few remarks, I beg to support.

Mr. Onyancha: Mr. Speaker, Sir, I wish also to add my voice to the Speech given here by the Minister for Finance. The theme of the Budget; "Re-orienting expenditure to achieve rapid economic growth and poverty reduction," is quite apt. I wish to commend him for the effort that he made to present such a balanced Budget.

Mr. Speaker, Sir, I wish also to commend the Kenya Revenue Authority (KRA) for the effort it made in tax collection. If all the other sectors would follow up, we are sure that Kenyans would really benefit. However, the provisions of Regulation 58 of the Customs and Excise Act empower the Commissioner to waive customs charges in our warehouses in terms of rent. I wish to ask that the Commissioner should not unnecessarily delegate those functions to junior officers, because then, there is a likelihood of malpractices in the waiver provision. So, perhaps, this should be checked so that there is transparency in the waiving bit of it.

Mr. Speaker, Sir, more than everything else that the Minister said, the Constituency Development Fund (CDF) and the higher allocations that are likely to follow, is the best thing that has happened in this country. We realise that now one can walk into a constituency in the rural environment and see a dispensary that has come up. In fact, a Member of Parliament can say: Let there be a road, and there will be one. Let there be a classroom and there will be one. This, for me, is what has been lacking for a long time now. I wish to commend the Minister for coming up with even a higher allocation in this Fund. It does not really matter how many critics come up to talk about the CDF; the results speak for themselves. We need to strengthen any other areas where we think things might go wrong, so that this Fund can eventually benefit the rural areas.

Mr. Speaker, Sir, we need also to cultivate an environment for doing business in this country. Why are investors moving away from this country to a neighbouring country like Uganda, for example? We are aware that we have had a high cost of doing business in this country because power is very expensive, hence, other sectors suffer. We have poor infrastructure. Therefore, these investors are moving out very fast.

The other aspect which I think the Minister for Finance addressed a little bit is that of the red tape in the issuance of licences. I wish to thank him for doing away with the number of business licences that have been hampering the growth of business in this country. I want to encourage the Ministry to look again into a number of licences that really hinder the creation of a business environment in this country, and therefore, scare away investors.

Mr. Speaker, Sir, the way we deal with transparency and accountability in solving some of the corruption cases in this country will go a long way in helping to restore the confidence of investors and donors. More than just not factoring in the component of foreign donor funds, we still have donors serving this country. We wish, therefore, to create that environment to sort out some of these cases very quickly, so that we can restore that kind of confidence that we badly need.

A lot of money has been set aside for the Ministry of Health and Ministry of Education, Science and Technology. We now have, through the CDF, put up dispensaries in the rural areas. Some of this money should go into employing personnel that will work in these dispensaries, so that we do not just have buildings there without offering services.

Money that has been given to the Ministry of Education, Science and Technology, should really more than ever before, be channelled into employing more teachers. There has been talk about employing more teachers in the month of August. But if this money is not there, we shall end up just doing what has been happening; replacement of those that retire and die. I wish to appeal to the

Government to seriously consider employing more teachers. This will help in alleviating the shortage of teachers which has been brought about by the very good intentions of the Government; to provide free primary education.

Mr. Speaker, Sir, money has been allocated to the Ministry of Roads and Public Works and we realise there is a higher component now in this Budget. We wish to see roads coming up now, especially in the rural areas. There is a road that traverses my constituency; the Kisii-Kilgoris Road. This road is going almost to be like the Kisii-Chemosit Road that gave us problems for a long time. Every time here we keep asking about what will be done on the Kisii-Kilgoris Road which is in a state of disrepair. In fact, even when the President toured Gucha District, he could not drive on the road. It is in a very bad state and we need the Minister to address this once and for all.

Mr. Speaker, Sir, when the civil servants went on strike they were asking for more salaries. It is good to realise that the Minister has allocated some little component in the Budget for the civil servants. But we need to do more on that aspect. While talking about civil servants, there is talk of retrenching even chiefs. I have not seen a situation where a civil servant who goes for a course and fails it, is sacked. He is not promoted, but he should continue serving. So, this talk of sacking chiefs because they have failed an examination may not go down well in the locations. So, the Minister should also look into this. It is good that the chiefs are taken for these courses. We want an informed Civil Service. But the question of sacking them because they have failed an examination may not go down well for these administrators who are very good.

Mr. Speaker, Sir, the aspect of waiving debt relief for certain countries and not Kenya, has been debated. I wish to point out that if Kenya is paying her debts properly, it should not be seen like she is being punished. Even when we know that there is no pride in being in debt, somebody should be able to use that and encourage the country to be able to continue paying its debts by supporting this aspect of relieving it from debts.

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

Mr. G.G. Kariuki: Mr. Speaker, Sir, I would like also to say a few words on this Motion. First of all, I will not talk about the fiscal policy of our economy because that was very well taken care of by the Minister himself when he was moving this Budget Speech.

I would like to thank him very much because I think he was very eloquent and clear. If we go by what he said, I think this country is going somewhere, unlike what has been happening for many years back. The people of this country expected quite a lot from this Government because they lived under very difficult conditions. When this Government took over leadership people thought that things would move very fast. But things did not happen as we expected because there were other problems that were not expected, especially the bickering within the Cabinet and disagreement within the ruling party. That has taken us back. But I think from recent announcements by those who wanted to keep the country where it has been, we might now move somewhere. It is my hope that from now onwards, we will take the chance and utilise the opportunity of the new arrangement. I think we should all have a big heart to accommodate those who erred, if they did, and of course, go on together without a lot of problems. The recent statements by some Members of Parliament talking about the "new Members" who have changed their oppositional role to join the Government, are not really good for building of this nation. Members have a right to shift their goal posts. They have a right to think differently and they should be given an opportunity to behave that way. When they decide to go back to the Government, they should be welcomed, because Members of Parliament are not in a military camp where they are supposed to be paraded everyday and to salute their leader as and when he comes in.

Mr. Speaker, Sir, there is no country that can develop without security. We know very well that our security cannot be said to be the best. These days, you do not know who controls the security of this country; whether it is the police or the general public. Every time you turn on your television set, you see mob justice, the following day you see police killing thugs, the other day you see thugs

killing the police; we are in a very difficult situation.

I think the Government of Kenya should decide which way to go to contain this insecurity. I know it is not easy, especially because we are surrounded by collapsed states like Somalia and the instability in Northern Uganda and Southern Sudan and Ethiopia. So, I expect that when these countries become stable, a lot of illegal arms will stop coming into this country. That is why the general disarmament which is being talked about everywhere may not work. You cannot disarm the Turkana in Kenya and let the Karamojong in Uganda remain armed. All these arms will find their way into Kenya. We cannot disarm our people when others are not disarmed. In any case, there is no greater disarmament like political stability in those countries. That is the only way we can achieve peace and political stability.

Mr. Speaker, Sir, we talk about reforming our Police Force. We have read quite a lot about the way the Government wants to reform the police, but two and a half years is a long time. It is a very urgent matter that our police and the security system of this country needs to be reformed, if the reform is going to do anything at all. Some of the police officers have been accused of being involved in insecurity. There is nothing more dangerous than a policeman who is given authority to provide security to the ordinary man, when he turns to become a criminal himself. That is a tragedy that should be avoided.

Mr. Speaker, Sir, there is also the insecurity to property created by wildlife. We brought a Bill here, on which I do not want to anticipate the debate, but I think it is important that the Government understands that the cry by the public about their food being destroyed by wildlife should not be taken lightly. It is a very serious matter. If you have five acres of food crop and it is destroyed by wildlife at a go, for the whole year, that person will go without food. Let us protect our people's property. In Kenya, there are very few people who want to live on donations by the state.

Mr. Speaker, Sir, the other burning issue is that of forests. People have been removed from forests. It happened again in 1987 when the Government decided that everybody should leave the forests. But immediately, some other people were settled and others went in and sliced some piece of land for themselves. In our case in Laikipia, I would want the Government to do three things, and I have been asking about them. Let us know the areas that have been given to the people and we should be told which areas people have allocated to themselves. We would also like to know the boundaries of the forests which have been left intact. But the issue of chasing people from forests this month, and next month you chase another group is not right. I think the Government should be responsible enough to decide that a particular area belongs to the Government and another area belongs to the people, so that they know what belongs to them and what does not. But let us not behave like the colonial Government where you just order chiefs and Administration Police to go and chase people away. People need to be given enough notice, wherever they are, even if they went there by mistake. They should be educated that, that particular area does not belong to them.

Mr. Speaker, Sir, on roads, there are areas that still need roads to be classified. The access roads are a responsibility of local councils. But they do not have the money to maintain the roads. I want to appeal to the Government that roads should be taken over by the Central Government and all the money that is given to the local councils and districts be utilised by the Central Government since they can do the job better.

With those remarks, I beg to support.

Mr. Speaker: Well, I can see the Opposition Benches are sparsely populated. I will encourage Members of the Opposition to be present in the House. I will now recognise Members who have been here longer; the Member for Runyenjes.

Mr. Wambora: Thank you, Mr. Speaker, Sir, for giving me this wonderful opportunity to contribute to the Budget. This is a poor man's budget as reflected by the removal of Value Added Tax (VAT) from milk, maize-flour and kerosene. Secondly, the way the Budget dealt with basic essential

services like health and education makes it, truly, a poor man's budget. The Budget allocated more funds to health and prioritised education.

Mr. Speaker, Sir, I would like to look at this Budget as a growth Budget. It has enhanced the financial aspects of sectors that boost the economic growth rate. I wish to start with physical infrastructure, which has been given a lot of money. I see physical infrastructure as an engine of growth. I am aware that no country on earth has developed without a well developed infrastructure, be it in Europe or Asia. Even in African countries like Botswana, Egypt and South Africa, which are doing very well, it is the infrastructure that has led the way. Much more money has been allocated for infrastructure than in the last financial year. That is okay. But there are three areas which I think the Government, and especially the Minister for Finance and the Minister for Roads and Public Works, should look at. They should ensure that the procurement process is shortened. The question of taking 12 months or even two years to procure services for building roads is what has brought us down. The money keeps on being returned to the Treasury. I think we should borrow a leaf from Tanzania. I was in Tanzania last month and saw the progress they are making in tarmacking their roads across their country. They do not wait until several millions of Tanzanian shillings have been raised by the Exchequer or the revenue authority there. They raise money for a month, maybe, Tshs20 million or Tshs50 million, and use it to build two or three kilometres of road. That is done on and on. They build their roads as they raise the money. Here in Kenya, we wait until we have raised Kshs200 million or Kshs500 million before we start work on our roads. That is very time-wasting. It is a method that I would advise our Government to change.

[Mr. Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, we should learn from the Japanese experience. We have seen some construction of roads being started and, by the end of the project, the prices increase twice or thrice. In Japan, the contractors tender for projects without variations. No variations! That is what tempts corrupt people.

There are some "cowboy" contractors who just specialise in the area of variation. They quote Kshs200 million and, by the time the road is completed, it costs Kshs1 billion. That never happens in Japan! It can also be done in Kenya.

The second growth area which the Budget touched is agriculture, which has been described as the economic backbone of this country. Majority of Kenyans get their livelihood and income from that sector. It is encouraging to note that the Government has given a boost to the agricultural sector by allocating Kshs1.5 billion to the Agricultural Finance Corporation (AFC) to lend to farmers. That is welcome. There is also the Kshs2 billion which we approved recently. It was borrowed to revive the Kenya Farmers Association (KFA) under a Government guarantee. The Government is very keen on the revival of Kenya Co-operative Creameries (KCC), growth in horticulture and dairy products and better prices for macadamia farmers. Those are areas which are very encouraging and we can move forward.

I want to appeal to the Government to focus on some areas which were not well elaborated in the Budget. For example, nothing was mentioned about agro-processing. We are talking about value addition. We are talking about not selling fruits, but selling fruit juices. We are talking about not selling tea in bulk, as we have been doing, but selling packaged tea. We are talking about selling roasted coffee as opposed to raw coffee. That has not happened! It is an area we should be focusing on because we shall be raising value for farmers' products.

The other area in agriculture which has been neglected and has not gone on very smoothly is direct marketing. I would like to, particularly, focus on direct marketing of coffee. I am aware that an Inter-Ministerial Task Force was formed sometimes back to come up with modalities for direct marketing of coffee. I know there is now a draft Bill in place. It is a pity that all that work has been done without involving the stakeholders in the coffee sub-sector. That is wrong because when it will be brought without involving the stakeholders, it may not have been properly done. I would ask the Minister for Co-operative Development and Marketing to give us the report as stakeholders, so that we can look at it. If it is true that they are going to continue with marketing agents appointed by the Government, I am opposed to that. Coffee is produced by farmers and they should be able to control it. They should be able to determine who is going to be their marketing agent, if they cannot market their coffee directly. They should have a say in the appointment of the marketing agents. I do not see why the Government should have a monopoly in appointing marketing agents for coffee farmers. That is where the first level of corruption comes in. That is where you will begin rewarding people more than they deserve, by appointing agents through the Government. Farmers should take the responsibility.

Mr. Temporary Deputy Speaker, Sir, with regard to the energy sector, the proposal by the Government to sell its 30 per cent shareholding is most welcome. Commercialisation of that parastatal will go a long way in reforming the energy sector. I also welcome the proposal to give Kenya Power and Lighting Company (KPLC) better management. The money that the Ministry of Energy allocates to districts should now be part and parcel of the Constituency Development Fund (CDF). It can be better administered by the Constituency Development Committees (CDC) than it is done to date.

Let me look at the telecommunication sector and say that, time has come for a second land line operator. It is long over due. Time has come for a third mobile phone operator. That sector should be liberalised completely! We can avoid inefficiencies by injecting private sector money. The good thing is that we do not have to spend a single cent of the taxpayers' money in that sector, because the private sector is keen about telecommunications. Let us commercialise and privatise it so that, it can attract more private sector funds and become efficient.

Finally, let me talk about the commercialisation of the Container Section of the Port of Mombasa. We were recently in Tanzania and toured the Dar-es-Salaam Port. That port is more efficient and it is turning over containers faster than Mombasa Port. We are going to lose business to Dar-es-Salaam Port, and that is not good for Kenya. We have taken too long to decide whether we should privatise the port. We should do it without further delays. Our visit to Uganda two weeks ago revealed that their security is much better than Kenya. It is because they took a tough stance on security. It is good news to note that our current Commissioner of Police, Maj-Gen. Ali, was Kenya's Military *attache* in our embassy in Kampala when a military general was appointed to head the police there. He took a hardline stance and today, you can carry cash in the streets of Uganda and nobody would ask you. I would encourage our Commissioner of Police to follow suit. He was there when those things were happening.

With those few remarks, I beg to support.

Mr. Kimathi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to this important Motion on the Budget. Although the Budget was very good, there are a few other things that should have been addressed.

Mr. Temporary Deputy Speaker, Sir, even though my colleague has mentioned that issue a bit, for us to grow faster, we need to improve the Port of Mombasa and all other ports of entry. This should be done if we really want to attract members of the larger economic federations who want to join the Common Market for Eastern and Southern Africa (COMESA) and the East African Community. These include countries like Rwanda, Burundi and Zaire, which do not have ports. Like the previous contributor said, if Dar es Salaam will perform better than us, we will lose business. So, it

is good for us to be competitive in the global market.

Let me now turn to security, which I spoke about here earlier immediately after Maj. Gen. Ali was appointed as the Commissioner of Police. Some people must have viewed him as an incompetent man because he came from the military to the police force. But those who did not believe in him are now seeing the fruits of the capability of this one very dynamic man. If we can have 20 or 30 Ali's in this country in many sectors, including in the political docket, this country can no doubt make a big stride towards economic recovery.

It is very disturbing and I particularly feel ashamed as a Kikuyu, when I find the Liberal Democratic Party (LDP) fighting the Government and then they complain. Then, when Mr. Raila and the LDP come back to support the Government so that we can develop this country, some of our colleagues still want to criticize them. To suspect somebody when he hits you and suspect him even when he supports you is very disturbing. The President is a peace-loving President, he is a fatherly figure and a symbol of unity for this nation. He wants the 42 communities of this country to constitute one nation.

Mr. Temporary Deputy Speaker, Sir, I want to commend the LDP for their gesture of goodwill, because this will help this nation grow. Even though I am in the Opposition party, KANU, I live on this ship called Kenya. If this ship was to sink, all of us will go down with it. I have seen many countries, including Somalia; the Government which left yesterday and which was formed in exile--- We do not want to be another Somalia or Liberia. This is a religious nation and we want peace. We have small children and we want posterity in this nation. We want to review the Constitution, to be united, to build a good country and a good police force. We want to support the Police Commissioner and other armed agencies. Even though I am not a Member of NARC, when it earns credit, it must be commended. Actually, the reforms, especially in the police force and in other sectors, are very impressive; every leader of goodwill should see some sense in those reforms that are brought by this Government and we support them.

The only thing that I would like to say here to the new Director of Public Prosecutions (DPP) and the Commissioner of Police is this: I would like to see these two institutions separated in the future. I would also like to see the DPP enjoying security of tenure so that he cannot be muscled around by political bosses. I would also like to see the same extended to the Commissioner of Police, who is really dynamic. I do not know why the Minister of State, Office of the President in charge of Provincial Administration and National Security has not introduced amendments in this House to quickly give security of tenure to the DPP and to the Commissioner of Police. I would like to see the Commissioner of Police arresting even the "big fish" in the political arena and any corrupt person in this nation. We want a level playing ground and do not want to see only the "small fish" and civil servants being prosecuted when there is a big mistake in the dockets. We want to see everybody being taken to court, even if he is the docket leader, in case he is wrong. I do not really see how a Permanent Secretary can make a mistake without the Minister knowing. It is very bad to apply the law selectively and we want a level playing ground so that every Kenyan can be proud to be a member of this nation.

Coming to the issue of farmers, Mr. Temporary Deputy Speaker, Sir, the Kenya Dairy Board appoints its directors only from the big corporations and big factories which produce milk. This is unfortunate for those farmers who have two or three cows out there, because they should be the ones to nominate the directors for this board. It is very bad for one man, who is a giant, to be regulating products for the majority, because the small holders are the majority and their interest is never taken care of by the Dairy Board, including the revenue they collect; we do not know where that revenue goes. We want to see coffee farmers, milk and sugarcane producers being paid well so that we can control the rural-urban migration. After finishing school, many men and women have become urban dwellers, even though they do not have proper accommodation. That is why Mukuru Kwa Reuben and other slums have mushroomed everywhere. These people come from rural areas and live in those

slums because they do not have relatives to stay with when seeking employment. But if we can promote the farmers in rural areas, I think this country can, no doubt, make a move towards a quick economic recovery.

Lastly, as I near the end of my contribution, there is no way we are going to have good security in this country. That is going to continue being a dream, unless the Government stops arresting police officers who make mistakes in good faith while on duty. Kenya is the only country in the Commonwealth where a police officer would be arrested for committing an offence genuinely while on duty, instead of being interdicted and investigated. As much as we want our sons and daughters to work for us and to provide security, there are certain mistakes which are uncontrollable, and it is the Attorney-General who should take responsibility for them. The other day, I heard people criticizing the Kenyan police. We are lucky to have a very competent police force in handling issues. But they need a political blanket because this is a political country. If we do not provide political blankets to civil servants and policemen, they will not be able to work until we change the Constitution to make the police unit an autonomous and independent institution. We must show these men in blue and the civil servants that we value them when they provide security. If all of us can be united, shun off tribalism and recognize that we are one country with one destiny to prosper, this country can be a great nation. So, I pray to God to bless our country.

With these few remarks, I beg to support.

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

First, I want to congratulate the Minister for this year's Budget. The Minister has become more confident and this year, he has given Kenyans an opportunity to look forward to the future with a little more confidence than we have done in the past. He indicated that there has been a growth rate of 4.3 per cent over the last one year, a figure that is being contested by some people, but I believe that it is correct in global terms. Like hon. M. Kariuki has pointed out, you can have a growth rate of 4.3 per cent in terms of the global economy, but what does that translate into to the local people? Are Kenyans beginning to feel that, indeed, the economy is picking up? That is the issue that we need to address. We need to give hope to Kenyans. The economy is surely picking up, but we need to give hope to the poor Kenyans. The gap between the rich and poor must be narrowed. As the economy grows, we must ensure that we spread that growth to the poorer sectors of our economy. These sectors must begin to feel that they are part and parcel of the development process.

The theme of this year's Budget is re-orienting resources towards priority areas, particularly the social-economic purposes in this country. This means that we should put emphasis on the sectors that matter, for example, education and health. We must also recognise that while we emphasise on those two areas, it is in the infrastructure that we begin to see the growth of the economy most. Without a proper infrastructure, the economy cannot grow as fast as we expect.

Mr. Temporary Deputy Speaker, Sir, the Minister addressed the issue of good governance, and I could not agree with him more that we need to have good governance to be able to attract investments, not just domestic, but also external investments. In the recent past, we have had the unfortunate distinction of investors moving out of this country and re-locating their investments in our neighbouring countries. We have been a net loser in terms of investments. We have lost partly because of the perceived corruption and ineptness amongst our leadership and our people. Doing business in Kenya has been rather too expensive, not only because of our dilapidated infrastructure, but also because of the very high cost of energy, amongst other factors.

It was right for the Minister to give a lot of importance to the issue of good governance. I commend him and our President for ensuring that we place more emphasis on those things that make us more effective in terms of apprehending those who have been involved in corruption and by strengthening the institutions that deal with this matter. We should declare our wealth publicly, so that

we can begin to see those who are using their positions to enrich themselves. Strengthening institutions is just one aspect of fighting corruption. The other important aspect is taking decisive actions. I want to commend President Mbeki of South Africa for the action he took in dismissing his own Deputy President. After the Deputy President's associate was implicated in malpractice, the President took a decisive action and dismissed him. Taking a decisive action alone without even doing all these other things, such as strengthening the relevant institutions, sends a very important message across the country and everybody begins to realise that the Government is serious and it means business when it comes to fighting corruption. We should not have amongst us anybody who flouts the law or uses his position for gain. In the case of Zuma, it was circumstantial evidence. He did not have to go to court to be proven guilty. That is sending the right message across the whole continent. Such actions should be taken, so that people can get the message that if you are involved, even obliquely through associates, in corrupt practices, the whip will be cracked. That way, the message gets across.

Mr. Temporary Deputy Speaker, Sir, we need to create a conducive environment for our economy to grow and we really must try and encourage the private sector. We must bring the private sector along with us because it is the one that will ensure that the economy of this country grows. The Minister sent a message to the parastatals which have been guzzling revenue in the past that public funds will no longer be injected into them. We should re-orient our resources to sectors that grow. The private sector should play a major role in the growth of our economy. We need to create a conducive environment by introducing proper legislation and re-orient our resources, so that our economy can grow.

Mr. Temporary Deputy Speaker, Sir, I would like to commend the Kenya Revenue Authority (KRA) because our revenue collection has improved tremendously. The Minister is now confident enough to look into the future and not to factor any doubtful donor assistance in our Budget. We can stand on our own. If it comes, it will be a boom to us. If it does not come, we can still go out of our way, plug the holes and collect as much revenue as possible. I want to encourage the Minister, particularly in the area of revenue collection. He intends to do this in two ways. First, by ensuring that the electronic tax registers are implemented. I know that we have had a few disgruntled elements trying to fight this, but we need to encourage the Minister and the KRA. Everybody who is taxable must pay his taxes, and if one of the ways of doing that is by having the electronic registers in place, then we must put them there. Secondly, by widening the base and giving tax relief to those who have not paid in the past to encourage them to do so. They should pay their taxes, so that the revenue collection improves.

I want to touch on the regional context within which we are discussing this Budget. We have helped a number of countries to overcome their difficulties, notably, Somalia and Sudan. As we sit here, other countries are beginning to reap the benefits of that effort. If you go to Sudan now, you will find that South Africa and other countries are already there. They are already establishing their roots and beginning to do business there whereas us, who brought about that peace are still waiting. We are still dithering. Our Government should take the initiative to assist Kenyans who want to move into Sudan and do business there. People should be assisted to move there and establish themselves there, so that we are the first to reap out of the effort that we put in to bring about peace in Sudan.

Mr. Temporary Deputy Speaker, Sir, the idea of the Constituency Development Fund (CDF) and the Bursary Fund is a noble one and should be encouraged. It is the best thing that has happened to us. If there are any loopholes, we should correct them, but not condemn the idea.

With those few remarks, I beg to support.

Prof. Mango: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this very important Motion. I must take this opportunity to thank the Minister for Finance, and in particular, the Kenya Revenue Authority (KRA), for the effort they have put in, in collecting so much revenue as to even up the allocation to our Constituency Development Fund

(CDF). If all the arms of the Government work like the KRA, this country would move on.

Having said that, I would like to talk about the Budget Speech, which has been hailed as being very balanced. However, the Budget needs to look at our agricultural sector. Agriculture remains the backbone of this country's economy, yet we cannot feed ourselves as a nation. As I speak, there are areas which do not have any food. The Government needs to zone this country. Parts of the country that cannot raise food crops, like the ASAL areas, should concentrate on raising livestock. They should have enough fodder and water for their livestock to enable them supply beef to the country and also export.

Mr. Temporary Deputy Speaker, Sir, the areas that can produce enough food crops should be supported and even given incentives to grow more food crops, so that this country can attain self sufficiency in food production. This country can feed itself if we put more effort and grow enough rice, maize and beans, so that we do not import those commodities. This has become a problem year in, year out. We need a national water pipeline to reach the areas that are frequently hit by drought, so that they can irrigate their farmland and produce enough food. If we cannot do that, we should let them concentrate on livestock production and subsidise the areas that produce enough maize and other food crops, so that Kenya can feed itself.

It is a shame that 40 years after Independence, Kenyans are always starving and importing food. For how long shall we continue begging for food? Therefore, we must put money into the agricultural sector to be able to feed the nation and produce surplus to export to other nations. If we continue with our haphazard ways, as we have been going on, we will never feed ourselves. There is never enough fertilizer at the time of planting and, therefore, farmers plant without fertilizer. There is no enough seed at the time of planting. Therefore, farmers can never do a good job.

Mr. Temporary Deputy Speaker, Sir, we also have cash crops such as coffee, tea and sugar-cane. These should also be subsidised so that we get enough out of them and protect them. For instance, sugar-cane is a food crop as well as a cash crop. I have just come from my constituency and the people there cannot afford sugar, yet they grow sugar-cane. What a contradiction! We should stop having these contradictory positions, particularly 40 years after Independence. It is high time we put our act together as a nation. Therefore, when we talk about the Budget being balanced, we should be bold enough to take up issues of national importance and address them, so that we can be on the right track.

Mr. Temporary Deputy Speaker, Sir, in this country, we have a lot of unemployed youths. That is a time bomb. We cannot continue adding more and more youths into this section of unemployment. The youths are able-bodied, very healthy and very strong. They can even bring down the Government. It is time we sat down and addressed the problem of unemployment, particularly among the youths. Many a times, we would employ the father and leave the son unemployed. It does not make sense. We should cater for our youths and not leave them desperate. We should give them hope and take care of them as future leaders. We should not leave them to hang around at market places as beggars. That is demeaning and demoralising to them.

Mr. Temporary Deputy Speaker, Sir, if we expect investors to come to this country, we must improve our infrastructure. Doing business in Kenya is such a painful undertaking. Last month, I was out of the country, and when I tried to call this Parliament, it took me a week to get a call through, yet I knew who I was calling and the number I was calling. You can imagine a scenario where a foreigner is trying to do business with a Kenyan businessman but he cannot get through to that person on phone. These are issues we need to address. We should put in place a reliable telephone system and improve our internet connectivity, because, nowadays business is conducted through the electronic media. If our telephones do not work, we should do something about them.

That also goes for electricity. We need electricity everywhere in the rural areas. We cannot continue living in the dark ages 40 years after Independence. Our schools need electricity if they are to

teach information technology. We cannot teach information technology in schools without electricity. Therefore, the Minister for Energy should address this aspect.

Mr. Temporary Deputy Speaker, Sir, I saw a little paragraph about gender in the Budget Speech. In this country, the issue of gender is so misunderstood that nobody knows what gender is. Gender is men, women, the youth and everybody else. If I may talk about a particular section of gender, women are the driving engine in agricultural sector, yet they remain the poorest lot of this country's population. If you walked around Kenya, you would find the women in the *shambas*. They produce food and cash crops. However, most of them do not have medical schemes. They die like rats, because they have no health cover to cater for them. When they fall sick, they just die. The law is very unfriendly to them. They do not own land or anything; they are just there. It is high time women issues are addressed, so that they are brought at par with other Kenyans.

That also goes for the girl child. The girl child in this country is not doing much. The boy/girl child enrolment ratio in primary schools is one to one. However, at the secondary school level, girls comprise of about 10 per cent of the total enrolment. At the university level, the female enrolment may be 1 per cent. In so doing, we lose a whole generation of other human beings, yet these people are part of this nation. If you educate a man, you educate an individual. If you educate a woman, you educate the society. But the girl child in this country has even become an endangered species. Every day you open a newspaper, you see a story of a girl child who has been raped. I do not know what has gone wrong in our country where the girl child is endangered everywhere.

Mr. Temporary Deputy Speaker, Sir, there are very many orphans in this country, but the Government has never taken the trouble of taking a census of them. We are going to lose a whole generation unless we do something. We talk about street children and yet these are orphans from the rural areas who are coming to the streets of our urban centres. One time we are going to be invaded. It is high time we addressed the plight of those children and started to take care of them. We are burying our heads in the sand and pretending that the problem does not exist. When we realise the magnitude of this problem, they will be all over our streets and there will be no turning back.

It is, therefore, high time the Government started taking census of the orphans and planning for them. We know very well that the pandemic is here with us, yet we do not want to think about the results of that pandemic. The medicines for the people suffering from HIV/AIDS are nowhere to be found. If you go to health centres and dispensaries in the rural areas, you will find that people are dying like flies, but nobody seems to care. We hear that there is money for HIV/AIDS programmes. How is it being used if we do not provide medicines to HIV/AIDS sufferers? We have to take care of our nationals because nobody is going to do it for us. If we do not take care of them, we are all going to perish because that generation will die of HIV/AIDS. Again, this disease is quiet and insidious, and we do not know who is infected. The sooner we help those who are suffering the better. For now, we talk about the HIV/AIDS pandemic but we want other people from elsewhere to take care of our people. We have to put our priorities right if we want this nation to move on.

Mr. Temporary Deputy Speaker, Sir, the Budget talked about re-orientation of resources. These resources should be re-oriented into education and industry.

With those few remarks, I beg to support.

Mr. Muriungi: Mr. Temporary Deputy Speaker, Sir, I wish to join my colleagues and other Kenyans in commending the Minister for Finance for such a good Budget. It is a Budget that gave all Kenyans hope and especially the poor. It might not necessarily have added very much to the individuals, but, at least, it will not take away the little that they have. It is a Budget that reminds us of those days before the mid-1970s because before then, Budgets were hardly known to the people and from there they were like price raise days. All Kenyans took a sigh of relief this time round because not many commodities had their prices rising.

We are also seeing a Budget which will make us say goodbye to the days when services were

over concentrated in particular places. We remember there were times, especially in the past regime, when there were roads which were used by goats and people to dry their cereals on because there was less traffic. These are going to be days of the past. There were days when we had power lines going to very remote areas with no people to serve. This is not going to be the case now.

The Constituency Development Fund (CDF) has helped us a lot in the country. As little as it is; at 2.5 per cent of the national income, it is visible everywhere. It is a challenge to the Government to make the 97.5 per cent also visible by spreading it out equitably to all parts of the country.

Mr. Temporary Deputy Speaker, Sir, I wish to commend the Minister for allocating more money to the most important Ministries starting with the Ministry of Education, Science and Technology. All countries that have achieved any level of development have done it because of education and the correct application of the same. I would, however, urge the Government to recruit more teachers because providing those facilities in the free primary education and not providing enough teachers to use those facilities might not be effective enough. I appeal to the Government to allocate more money to the recruitment of teachers.

There is also the support for tertiary institutions. This has not been addressed sufficiently because although there is free primary education, secondary schools bursary programme and the Higher Education Loans Board (HELB) for the universities, there is no provision by the Government to cater for middle level colleges which produce the bulk of the human resource that we require in this country.

There is also another category that needs to be addressed. There are so many working people who want to acquire university education but cannot access the loans. I propose that the Government should expressly give loans to teachers who are studying for degree courses privately. They can then start paying using their salaries. This means that they would not wait until they graduate to start repaying the loan. They require that loan so that they can finance their educational needs.

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

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

Mr. Temporary Deputy Speaker, Sir, the Budget addressed the issue of energy. It is a great relief to hear that the Government intends to privatise those agents that are controlling the energy sector. However, it is important for the Government to remember that there are many areas in this country that do not have access to power because they are very far from the national grid. Some of these areas have fast flowing rivers which can be used to generate hydro-electric power. When I was in secondary school in the early 1970s, the secondary school and neighbouring mission were supplied with hydro-electric power using a local stream. We can also exploit solar energy to produce power because we have enough sunshine power. Further, we can exploit wind power to generate power for our people. Above all, I would urge the Government to consider introducing nuclear power so that we can have a supply which is sustainable and continuous to get rid of the power outages that are a common factor in this country.

Mr. Temporary Deputy Speaker, Sir, on the health factor, I would urge the Government to ensure that there are good health facilities in every district. As it is now, there are some districts that do not even have a health facility that can be called a district hospital. Meru North District has a so-called district hospital which operates at the capacity of a health centre. Every district should have a fully equipped district hospital which can be a referral centre. That way, even the National Social Health Insurance Fund (NSHIF) Bill that could not go through will be more justified because people will not

have to be referred to the Kenyatta National Hospital (KNH) for every small ailment.

On the roads sector, it is encouraging that enough money was set aside. However, the issue of road concessioning had been addressed earlier but it was left out in this Budget. Most countries have used this method to encourage the private sector to finance the road network of their countries and the users pay for the use of those roads. I know that Kenyans are willing to pay for the use of good facilities. Therefore, road concessioning should be considered because if we rely only on the donors and taxes, we might never improve our road network.

On agriculture, the Government has promised a lot of money. The World Bank is also going to fund some initiative to encourage agriculture. However, until the extension services are provided in the country side, then improvement of agriculture will just be a dream yet it is the mainstay of our country.

Mr. Temporary Deputy Speaker, Sir, there is also no subsidy for the farm inputs. The cost of farm inputs is still very high and this does not encourage the farmers to produce more food.

Another element that I would urge the Government to provide for is the purchase of relief food when the need arises from local farmers instead of importing food from Japan, South Africa and other foreign countries. It would be wise for the country to buy rice from Mwea. There is a lot of rice produced there but the Government continues to import rice from Pakistan to feed our own people. We should encourage fellow Kenyans to buy rice from Mwea.

Mr. Temporary Deputy Speaker, Sir, there is also the element of SACCOS. I know the Government has a plan to introduce a Bill to regulate SACCOS. Most Kenyans have benefitted in one form or another from SACCOS and even merry-go-rounds. So, it is high time the Government streamlined and managed the SACCOS because without them the average working person cannot manage to own a good home, educate his or her children or even feed them properly. So, I urge the Government to see to it that the issue of SACCOS is well addressed.

Mr. Temporary Deputy Speaker, Sir, finally, the privatisation of companies and banks is long overdue. I remember it is Margaret Thatcher would told us that the Government should have no business doing business. So, even in Kenya it is high time that the Government left alone business to the business community.

With those few words, I beg to support.

Mr. Gachagua: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me an opportunity to contribute to the Budget debate.

I want to commend the Minister for a very good Budget but with two qualifications. One, I want to make some observations on the money the Government has allocated towards housing. The Government has allocated a cool Kshs500 million towards housing. Whereas it is the duty of the Government to provide housing for its people, it is my considered opinion that spending Kshs500 million in setting up flats in slum areas is not proper usage of money. We have had experiences of investments by the Government in providing housing. We have the Kibera Highrise and Pumwani flats. When these houses were constructed they were intended for the slum dwellers but today not a single one of them is actually occupied by the intended beneficiaries. I do not understand why the Government would want to go on adding a mistake after another.

Mr. Temporary Deputy Speaker, Sir, the reason why we have a shortage of housing and people living in slums is because of the rural-urban migration. Rural-urban migration is caused by the imbalance in resources between the rural and urban centres. Until the Government addresses that imbalance, we will really not solve the problem by providing flats in Nairobi and other major centres. The provision of Kshs500 million would have been very well spent if the Government were to actually address the real issue. The real issue is that the problem in our slum areas is not the four walls which house tenants. The problem is that there is no water, no collection of waste and no street lighting in the slum areas. These are areas that we should be concerned with. Spending Kshs500 million in targeting

that particular aspect of the slum area would go a long way in alleviating the way in which these people live.

Mr. Temporary Deputy Speaker, Sir, even if we were to be convinced that there is need to provide housing in those areas, the solution is not in highrise flats. The solution is in providing basic facilities where a family can have a room or two and a water closet. The water closets, street lighting, water and sanitation provisions would go a long way in ensuring that the intended beneficiaries benefit from these funds. I hope that the Government will have an opportunity to look into this issue because unless that is done I am convinced that this is a waste of public funds since I have experienced this problem.

Mr. Temporary Deputy Speaker, Sir, coming to the issue of low-cost settlements we should learn from experience elsewhere. The experience elsewhere is that you do not actually go and demolish slums and put up flats because if you look at our affordability in terms of funds, we are not going to be able to provide the residents of this particular city with housing at any one time. Given that as a fact, the solution lies in long-term planning of how we deal with our low-cost settlements and the solution is in water, sanitation and street lighting provision. This has the effect of, first of all, reducing our cost of health care because provision of water and collection of sanitation ensures that the incidences of diseases in our hospitals are lowered and this is the practice elsewhere. It is the practice in Calcutta and most North African cities where the incidence of slums is much more protracted than in this country. So, I hope that the Government will look into this area and see what it can do.

Mr. Temporary Deputy Speaker, Sir, the second point I want to make is the provision that this Budget has made to agriculture. Given that we all agree that agriculture is the mainstay of this economy, the current allocation of money to this sector does not reflect that reality. Given the amount of money that this Government is using on relief food and such other efforts, it would make a lot of sense if a lot of this money went towards empowering the farmer to grow more. I have in mind the issue of dairy farming. Expanded credit towards dairy farmers would ensure that they would take advantage of the expanded market of milk in the Common Market for Eastern and Southern Africa (COMESA) and other regional areas within the borders of Kenya. I think that is an area that we should look at.

Mr. Temporary Deputy Speaker, Sir, the other area which is still related to agriculture is coffee farming. The Minister for Finance announced that the Government has an intention of opening a second window to market costs and this has excited a lot of entrepreneurs. I am informed that only last week about 15 companies had been opened to get into this industry. I am taking this opportunity to ask the Government to tread very carefully in opening up this window because only a few years back we had cases of coffee wars where a lot of entrepreneurs and millers went to coffee societies looking for coffee to mill. This is not now coffee to mill.

The window is now being actually opened for entrepreneurs to actually procure coffee and go and sell it. It is an area that must be handled with a lot of care. We must put in place the necessary regulations to ensure that people do not have direct access to the coffee societies. There must be a mechanism between the coffee societies and the Ministry of Co-operative Development and Marketing to ensure that those people who come to procure coffee from our societies actually have the funds and are able to execute the necessary bank guarantees. It is not enough to say that simply because a coffee society owns coffee that it should be allowed to sell that coffee without the buyer opening a bank guarantee. It is a sensitive area that must be taken care of.

Mr. Temporary Deputy Speaker, Sir, we have heard a lot about the desired effects that would arise if we were able to add value to most of our products. We lose a lot of money because we sell our coffee and tea in a raw form. The future of the farmer in this country will be value-added. However, the issue of whether this country has the capacity to do that right now must be considered seriously. It is my considered opinion that the KTDA is unable to go out there and market our tea.

Mr. Temporary Deputy Speaker, Sir, the Coffee Board of Kenya and the KPCU who are currently involved in the marketing of coffee, actually, do not have the capacity to do that. I would like to see a situation where the Government is able to develop a mechanism where we can have commercial bodies taking over this sector, so that the farmer can benefit greatly.

Even if that were not possible, because there is the issue of the WTO regulations, we do have experience. I understand that Lipton Tea is now currently being packaged in Cairo by the same companies that were doing it in Britain. So, it is possible to look into the possibility of opening up that kind of operation here, so that we can see whether we can value-add our products locally and export them as finished products. Empowering the farmer in this country is empowering Kenyans.

Mr. Temporary Deputy Speaker, Sir, as long as we maintain that the mainstay of this economy is agriculture, then all efforts must be seen to be targeted towards that reality.

With those few remarks, I beg to support.

Mr. Sungu: Thank you, Mr. Temporary Deputy Speaker, Sir. As I associate myself with those who have spoken before me in congratulating the Minister for Finance for producing a wonderful Budget, let me also take this opportunity to congratulate the two gallant son and daughter of Kenya; the only two sitting in the Opposition Benches, because she has been alone but now she has been joined by another hon. Member.

The Budget is a very important thing in this Republic because it sets down Government policy in so far as what we need to do in the coming financial year. The Minister has indicated that there was growth on the GDP of approximately 4.3 per cent overall. This was, in fact, lower in the agricultural sector, which was about 2.6 per cent.

Mr. Temporary Deputy Speaker, Sir, in its strategy for revitalising agriculture for 2004/2014, the Government has identified some of the problems that bedevil the agricultural sector. Some of these include inadequate markets and marketing infrastructure, inappropriate legal and integration framework, inadequate financial services, inadequate storage and processing capacity for perishable commodities, weak and ineffective research extension farmer linkages, poor co-ordination with other support sectors such as water, roads, energy and security, natural disasters such as droughts, floods, pests and diseases, outbreaks, among other things.

I dare say that the same Government has not addressed all those inadequacies in this Budget as it should have done. The issue of floods is very worrying. I come from an area known as the Kano Plains, and this area is subject to perennial floods. In his Budget, the Minister has not adequately addressed the issue of these perennial floods. If this area was treated well, with respect to agriculture, I dare say that we would never be importing rice, cotton and other food crops.

Mr. Temporary Deputy Speaker, Sir, as I talk, this area is actually a net importer of food products from other regions in this country and from outside the country. This is one of the areas which was referred to in the past as the bread basket of Kenya. It is now suffering because of neglect from one Government to another Government since Independence. Forty years since Independence, we have nothing to show for development in this area. I want to urge the Minister that when he revises this Budget, he looks at this area properly.

In this particular area we also have the sugar sub-sector. Hon. Members of Parliament from this region have cried over and over again concerning the sugar industry. The expansion in sugar, tea, horticulture and dairy farming, which the Minister talked about, has not been correctly reflected when it comes to the sugar sub-sector, because this area has been ignored.

Mr. Temporary Deputy Speaker, Sir, the Minister also talked about structural reforms, including areas of public expenditure and areas involving promoting good governance and rule of law, fighting corruption and business licensing. The most important thing that I noted in this Budget was resource allocation utilisation.

The re-orientation of resource allocation towards priority areas is a very important issue. I

cannot forget to mention the fact that we now have the Constituency Development Fund (CDF). This nation has cried for devolution of power to the regions and empowerment of the common man. Everyday, when we attend conferences and workshops, they come up with new terminologies such as "empowering", "engendering", "enhancing", "deepening", and all kinds of mega words which amount to nothing if you do not do much about it. The CDF is something that every Kenyan should support.

From the bottom of my heart, I would like to thank this Government and the Minister for Finance for providing these finances, because for the first time we can see development at the grassroots level, which we were not able to see from previous budgets. They only used to talk about money going to a certain region, but at the end of the day, the people at the district treasury would sit on this money until towards the end of the financial year when they would go for it, hammer, tooth, tongs, nails and what have you. At the end of it, nothing would be done that would be of benefit to *wananchi*. The rest of it would be returned to the Treasury. I am grateful that we have the CDF.

Mr. Temporary Deputy Speaker, Sir, let me also talk about LATF. If we are to be honest, I think we need some laws to regulate LATF funds that are given to local authorities. This money should not be given on a blanket cheque because it is being misused. In my constituency, I cannot pin-point even five projects, despite the fact that we are getting Kshs100 million every financial year.

This is something serious. There is something suspicious on the ground, because we can see what the Kshs6 million that we were given as CDF funds is doing on the ground. There is now Kshs20 million coming up, with half already allocated, and we also have some projects coming. We also need more allocation for bursary and the District Roads Committees, because these are areas that need to be looked at.

Mr. Temporary Deputy Speaker, Sir, as we talk about governance and laws, I would like to say that I heard something odd from the Minister when he mentioned that the Ndung'u Report will be implemented in full. I know that this Report has been laid on the Table of this House. I am a very regular hon. Member of this House and I do not remember ever discussing this Report which was Tabled on the Floor of this House. How then will we now implement a public document which has not been discussed on the Floor of this House? That Report is of a serious magnitude and should be---

The Minister for Justice and Constitutional Affairs (Mr. Murungi): On a point of information, Mr. Temporary Deputy Speaker, Sir. I want to thank the hon. Member for making a very useful contribution. The Minister for Finance was talking about the Goldenberg Report. He said that when the Goldenberg Report is ready, it will be fully implemented by the Government. He did not mention the Ndung'u Report during the Budget Speech.

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, I do not want to argue with my very good friend. I do remember I was sitting over there and I heard very well. Nevertheless, that is a matter of record. We should not argue about that because we should go on. On that score, I would like to recommend that if we have such reports and they are tabled on the Floor of this House, then we should be able to discuss them as Parliament. This is the supreme organ in the nation. When we discuss such issues, the sentiments of parliamentarians should be taken into consideration, and that if the recommendations are accepted, they should be implemented by the Executive arm of the Government.

Let me now turn to other areas. I am really saddened by the fact that our development partners did not cancel our debts despite the fact that we were looking forward for them to do so. This is a very unfortunate situation. I know Kenya has always enjoyed very good relations with the donor community. However, I would like to associate myself with the rest of Kenyans in saying that it was not fair for them not to cancel our debts. We would like this issue to be addressed as soon as possible.

Mr. Temporary Deputy Speaker, Sir, talking about macro-economic policies of the Government, if it comes to fiscal discipline, it is firmly in the hands of the Government. As a student at the University of Nairobi (UoN) in the 1970s, we studied all the macro-economic factors that affect

development, fiscal discipline, monetary policy, operation markets by the Central Bank and so on. Such reforms are all necessary. However, without real commitment by the Government, nothing will come out of this. I would like to ask the Minister for Finance to ensure that what he says in this Budget is implemented to the letter, so that we have some progress. It is only necessary for me to congratulate the Kenya Revenue Authority (KRA) for a job well done.

Mr. Temporary Deputy Speaker, Sir, talking about areas of governance, I would like to urge this Government to redouble its efforts in the question of fighting corruption. The people of this country are extremely poor.

In my area, we recently got the rather dubious title of being the poorest province in this Republic. We are not proud of that. However, the truth cannot be avoided. We are suffering because of poverty.

In my view, this has been caused mainly by corruption. It is a pity that when we gave our leaders authority to govern, they do not do so properly and they become corrupt. It is incumbent upon our Ministers to ensure that the people who work with them, under them and also themselves are not corrupt, so that we protect our people. It is important and imperative to us that corruption is eliminated. I believe one of the reasons why there is some sort of sour relationship between us and the donor community is because of corruption. I agree with the Minister with regard to this issue. In fact, this issue should be brought to the Floor of the House tomorrow.

Wealth declaration forms should be made public. We know of people who did not own much the other day, but today, they own a lot. We would like to make sure that they become public knowledge, so that people do not elect them again. We will also be able to take them to task on the Floor of this House or elsewhere in any fora in this country. Without being transparent and accountable to the people of this country, we will never make progress.

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

The Minister for Justice and Constitutional Affairs (Mr. Murungi): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to thank the Minister for Finance for presenting a good Budget before this House.

This was the best Budget presented before this House in many years. As we all know, a Budget is not merely a technical financial document, but it is, indeed, a policy document. It is a tool for planning and implementing Government priorities. It is very clear, and we have repeated this many times, that the main priority of the NARC Government is to eradicate poverty in this country. We are aiming at high levels of economic growth, at creating employment and at uplifting the welfare of every individual man, woman and child in this country. So, we are not talking about economic growth and development in abstracts. We are looking at the household and individual levels. I am happy to report that in the two-and-a-half years that the NARC Government has been in power, we are making a positive difference in the lives of the people of this country.

Mr. Temporary Deputy Speaker, Sir, when you talk about politics, I would say about 80 per cent of politics consists of debate about the distribution of resources within a society. All the differences that we hear people have in our society and, indeed, in other societies, are about the formula of who will get what and when. So, the NARC Government policies have, indeed, been radical in transforming our Budget into an instrument for distribution of resources in this country.

We have taken great leaps in moving resources from the centre to the periphery and the villages in this country. For the first time in Kenyan history, we have introduced a sustainable universal free primary school education programme which has transferred immense resources to every household in Kenya. We also have the bursary funds which are supporting our children at secondary school level and making it affordable to many children who would never have seen the door of a secondary school classroom.

We also have the CDF, which I would describe as revolutionary. Until this Government came

to power, the CDF did not exist in our dictionary. Go to every village today and you will find a dispensary, classroom, a small bridge or a borehole under construction from these funds. The beauty about this is that, so long as the Budget is read in this House, hon. Members of Parliament are assured that 2.5 per cent will be channelled to their constituencies. Those small projects might not look big in digits, when compared to the other projects, but they make a lot of sense in our villages. There is no Kenya in the abstract. All villages put together make up Kenya. When we are able to move things at the village level then, we are able to say Kenya is moving forward.

Mr. Temporary Deputy Speaker, Sir, we registered a 4.3 per cent growth rate in our Gross Domestic Product (GDP). I do not want to cry like my friend Mr. Sungu that Kenya has been left out of the debt cancellation programme. Indeed, this tells a good story for us, that we are not included among those poorly performing countries. Kenya is included among the giants of Africa that include South Africa and Nigeria. The economies that are doing well, countries which are able to service their debts, are not included in the Heavily Indebted Poor Countries (HIPC) initiative. I do not think that is the route this country should follow. I have just returned from London and I saw an article in the *Times* saying that those small nations which have benefited from HIPC initiative were given "fish". The root to eradicate poverty in Africa is not to be given "fish"; it is being shown how to pick up the rod and fish. So, we should aim at improving our economy, enhancing trade and at creating self-sufficiency for our country. I do not think that we should be crying about aid because this was intended to be a temporary measure. We should be finding ways of getting out of the aid trap.

Mr. Temporary Deputy Speaker, Sir, I was very happy that the Minister has allocated sufficient funds for a governance programme. As we all know, corruption has been a major problem for this country. We have been one of the most corrupt countries in the world. However, we are making significant steps to reduce corruption in this country.

When people say that corruption levels have increased under the NARC Government, such statements are made out of ignorance. Hon. Members do not go for Harambees every weekend like they used to. Manufacturers and other businessmen who were being terrorised by hon. Members to give money for Harambees are now doing their businesses in peace. There is no land-grabbing going on. Mega-scandals are things of the past. Corruption rate has not increased in Kenya. In fact, it has reduced. What has increased is the freedom of the Press and the debate about corruption. Issues which could not be talked about in this country before, without people being taken into detention, like security procurement issues, are things we talk about freely without looking over our shoulders. I would like Kenyans to support the Government in its programmes of fighting corruption. The Kenya Anti-Corruption Commission (KACC) is working. We have the National Campaign Against Corruption, and other programmes which we have introduced, such as the public complaints units, which will help us sort out corruption in the grassroots level. If all these programmes work, we will substantially reduce corruption in this country and there should be no worry of resources being swallowed by people at the top and not reaching all Kenyans. I am very happy that the Government has allocated Kshs3 billion for the referendum to be held at the end of this year. This is a clear demonstration that the Government is committed to mid-wiving the delivery of a new Constitution this year. The challenge is before this House now. We have only 36 days for this House to study the Bomas Draft, develop it and come up with a national consensus on the contentious issues. We should then come up with a final draft that will go to the Attorney-General to be drafted into a Constitutional Bill that will be taken for the referendum. I appeal to my colleagues to get out of our old traditional politics, as this country has no room for political fundamentalism. I would like to encourage the leaders in this House to continue demonstrating the political maturity which they have demonstrated in the past few weeks, where we have graduated from the politics of noise to those of constructive dialogue and consensus. That is the only way we can have a new Constitution for this country.

With those few remarks, I beg to support.

Mr. Wanjala: Thank you, Mr. Temporary Deputy Speaker, Sir for giving me an opportunity to contribute to this important Motion. This year, the Minister for Finance chose to re-orient the expenditure to achieve rapid economic development and poverty reduction. In the light of corruption allegations which emerged last year, the Minister needs to stay true to his promise of greater responsibility in the management of public resources as an indicator of better governance and enforcement of the rule of law. I want to commend the Government for its high tax collection rate. The Minister, this time, wants to spend Kshs508 billion of revenue. When we spend this kind of money, we must ensure that our money is not misused.

In the last financial year, the Minister proposed to bring certain Bills to this House. The Bills he proposed include the Micro-Finance Bill, Public Procurement Bill, Privatisation Bill, MTS and Electronic Transfer Bill, Bills of Exchange Bill, Capital Markets Authority (Amendment) Bill, Insurance (Amendment) Bill, and the Proceeds of Crime and Anti Money Laundering Prevention Bill. All these Bills were proposed, but none of them was passed. Funny enough, the Minister proposed more Bills in this year's Budget Speech. Three Bills have appeared in this year's Budget. When will the Minister bring all these Bills here so that we pass them? Why should he propose Bills which he will not bring here for hon. Members to debate and pass?

The Printed Estimates demonstrated that in the past, public resources have not been distributed equitably. Now that we have the CDF programme, I think this country will develop. As you can see in the Estimates, the Wage Bill takes over 40 per cent. In it, Kshs7 billion has been allocated for wage increment for teachers and other public sector workers. Of this sum, Kshs4.9 billion has been allocated for teachers. Today, very many teachers are dying. Once a teacher dies, a casualty form is filled and his salary stopped. Pupils then suffer as they wait for the financial year to end, so that new teachers are recruited. Why can the Ministry not set up an emergency desk, where interviews are held at least once a year to employ teachers? This would help us get more qualified teachers. For those who die or retire, their salaries are stopped immediately. It is difficult for pupils to wait for a new teacher to be employed for a period of one year without learning. This is why we have a shortage of teachers out there.

The Government supports the energy sector. However, we are experiencing too many blackouts all over the country. This is happening in Nairobi and even in places like Busia. In Busia, people sometimes go for a week without having electric power. No one tells us why there are blackouts there everyday. This week, in Nairobi, we have experienced blackouts. Can this situation not be rectified?

It is two-and-a-half years now since the NARC Government took over power and promised to provide housing for Kenyans. It is important that it embarks on building low-class houses for Kenyans to occupy. It is important to build low-cost houses for Kenyans who are suffering, especially in Kibera and other areas. Let us build houses in towns and rural areas. The Government should also build storeyed houses near flood-prone areas and leave the lowlands for farming. After settling the people in those areas, the Government should provide schools, roads and electricity. What is the point of them settling in those areas and we have not controlled the floods? The people should be put in one place and then use the lowlands to grow rice or sugar-cane.

Mr. Temporary Deputy Speaker, Sir, on Judiciary, as much as they would like to computerise it, justice delayed is justice denied. Cases take too long to be finalised. Even a simple case like assault takes about two to three years. The complainants keep on going to court and the case is not heard on time. They spend too much money! Some of them travel for long distances, especially where courts are situated at the district level, like in Busia. Judges can settle some of those cases within a day! That is what happens in Uganda. Why do cases take a long time? If you know who assaulted you and you have witnesses who have written statements, why is there a delay? The witnesses should accompany you to court, give evidence and the person who assaulted you is either jailed or acquitted. People are

spending too much money.

Mr. Temporary Deputy Speaker, Sir, I want to congratulate the Minister for allocating Kshs1.5 billion for water in Arid and Semi-Arid Lands (ASALs). Areas that are flood-prone should be included in the ASALs, so that they can benefit. The Kshs1.5 billion can be used to divert River Nzoia to Turkwel River. That water would then flow to Turkana and help those people to produce electricity in Turkwel. Those are the things that the Minister should have been talking about, because they are very productive.

I was even wondering when the Vice-President and Minister for Home Affairs said that he was taking temporary measures to remove street children from the streets. They should be trained in agriculture at the National Youth Service (NYS) and upon completion, they should be deployed in Turkana and North Eastern Province to utilise the water that will be diverted from River Nzoia. We should rehabilitate the street children there. Each of them should be given 20 acres for farming. If we do that, we will settle those street children, instead of complaining that we have nowhere to take them. Kenya is a big country with huge chunks of land. But we have not utilised arid and semi-arid areas. We should supply enough water to those areas.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about the police force. The Government increased salaries for the police, but the police have become a let down. When we complain that the *matatus* have started overloading, do we expect the Minister, after he has issued a directive, to be on the roadblocks? It is the police to take up that responsibility.

The Temporary Deputy Speaker (Mr. Ethuro): Order, Mr. Wanjala. Your time is up!

Mr. Wanjala: *Hata nilikuwa sijamaliza!* But with those few remarks, I beg to support.

Dr. Shaban: Mr. Temporary Deputy Speaker, Sir, thank you for giving me an opportunity to say something about this year's Budget. I would like to start by congratulating the Kenya Revenue Authority (KRA) for a job well done. They should go on with the same spirit this financial year, so that we can realise more revenue.

It is quite obvious that the loopholes that were being used to siphon out money are being closed down. That is very commendable. I would like to congratulate the Minister for Finance for increasing the allocation to the Constituency Development Fund (CDF). The CDF is one of the most important things that has ever happened in the history of this country. Kenyans who did not have water, can now have it. Students who did not have science laboratories in schools are now enjoying those facilities. Children who were sitting on the ground can now sit on desks. That is the best thing that has ever happened in this country. That small increment is going to do much more than what has already been done. We have had cases of children being bitten by snakes in classrooms while seated on the floor. If the CDF is not there to assist us, we cannot put good floors in our schools. The CDF will go a long way in assisting our people at the grassroots level.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about water and sewerage. On the ASAL Programme, the Minister for Finance has put in some funds to build dams and dykes for the control of floods. There are some areas which have been suffering for years and they really require that funding. When it rains in hilly areas, water flows downwards to areas which have no rains. People in lower areas are evacuated because of rain water that flows from hilly areas. Those dams will go a long way in curbing those problems. People will till their land and plant crops.

The Minister also increased the allocation to the health sector. I hope the Minister for Health will put those funds into good use. That is because with the HIV/AIDS menace in our country, most district hospitals must have those facilities. Unfortunately, most district hospitals do not have facilities to offer the required treatment. People go to Voluntary Counselling and Testing (VCT) centres, and once they are told they are HIV/AIDS positive, so what? One keeps on asking: "Once I know that I am HIV/AIDS positive, and there is no CD4 counter machine in a district hospital and, therefore, I cannot get medication, what next? Am I just doomed to die?" So, the Minister for Health, after she

gets that money, should, at least, equip all district hospitals with CD4 counter machines. That is the only way we can give our patients quality treatment. The CD4 counter machines are expensive. It is not within the reach of the Government. It is sad that wards in some hospitals do not even have window panes. They have just wiremesh on windows. When a patient with malaria is admitted, he or she ends up with pneumonia because of unblockable windows. Patients are hit by cold at night and become more sick than when they were admitted. I hope the Minister for Health will be able to put the funds she has been given for development into proper use.

Mr. Temporary Deputy Speaker, Sir, on the roads sector, I also want to congratulate the Minister for Finance for having increased the funds to the Ministry of Roads and Public Work. This is because our country requires a proper road network. Even in our sister country like Tanzania, we find everywhere people busy working on the roads, especially on all the highways. They work on them because that is the only way to attract investors into their country. We should do the same in this country, so that we attract investment and, for us also to be comfortable when we drive to our homes.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about the bursary fund which was allocated Kshs800 million. The system which is being used in distributing these funds is not good. There is a circular released by the Permanent Secretary, Treasury. It says that children who are double-orphaned must be given Kshs15,000. If a constituency is given only Kshs300,000, for example, how do we distribute it? Many children have dropped out of schools because of poverty. A good number of them are still in school, but they are orphaned. So, it is difficult to distribute that kind of money that way. So, this area should be streamlined a bit.

Mr. Temporary Deputy Speaker, Sir, I would like to talk about the civil servants. Recently, they went on strike, but thank God that it did not go on for long. However, we know it, in the hospitals, it cost us quite a number of lives. I am glad that the Minister for Finance has set aside some funds to improve the civil servants' emoluments. However, it is not enough. Most of the professionals are quite underpaid. As a result, we have been losing quite a number of them, especially in the health sector, to other countries. They have been leaving the country to work in other countries because they are looking for greener pastures.

Mr. Temporary Deputy Speaker, Sir, the Minister talked about the reduction of duty on LPG gas. However, prices have not changed one week later. Gas is still as costly as it used to be. It looks like something is very wrong somewhere. The Minister has got to come up with guidelines on how to do it. Beer and cigarette prices, on the other hand, were increased instantly.

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

Mr. Samoei: Thank you, Mr. Temporary Deputy Speaker, Sir. I want to take this chance to make my contribution to the Budget Speech by the Minister. I want to congratulate him for making an attempt to read the Budget that, on the surface, seeks to look at the issues that affect Kenyans in entirety, and more specifically, the less advantaged. Mr. Temporary Deputy Speaker, Sir, I would want to know from the Minister, why there is a change from the tradition that we have known for so long, that specific allocations are made to specific Ministries for specific projects. I am saying this because this House is supposed to monitor and assess down the road what the Minister has told the public. If we allocate lump sum amounts of money to Ministries and purport that Ministers will be given discretion on how to spend it, we are introducing a lot of grey areas into the Budget process. I do not think it helps this country in any way. I believe that we are supposed to be moving more towards a transparent and accountable system of governance than to a system where we encourage unvetted discretion, hence introducing by so doing, a lot of discretion that will not be subjected to any scrutiny.

Mr. Temporary Deputy Speaker, Sir, as the Official Opposition, we in KANU, would like to hold the Government to account. We would like to hold them to account with the real figures. The system the Minister has introduced limits our capacity to be able to assess whether the Government

has lived up to what it has pledged to the people. If there is no sufficient explanation from the Minister, then he should reverse the decision he took to introduce this kind of accounting or budgeting system, so that we can go back to the system where, we know for sure, for example, which road or project has been allocated what money. Then, at end of the year, we can know exactly whether the Government has spent taxpayers' money in the manner in which it is supposed to or not.

Last year, the Minister did stand before this House and we applauded when he said that he had tax-exempted commodities that the majority of Kenyans use, for example, LPG gas. He did also make a comment on maize meal and other commodities. We applauded then because he told us that the prices of those commodities were going to come down. However, we all know that the prices did not come down. In fact, in some cases, for example, the LPG gas, the prices actually went up. Once the Minister makes pronouncements, the people of Kenya are listening. They want to know whether, as the leadership of this country, we believe in what we say, or we just say it for the sake of it. This year, the Minister said that these commodities were going to be zero-rated, and we again applauded because we expected that the prices of these commodities would come down. I think people are beginning to think that either we are taking them for a ride, or we are not telling them the truth. I think it is incumbent on the Minister to come out openly. In his own words, he said that if that policy was not followed by dealers in those commodities, he was going to reverse that policy. That gave an indication that the Minister himself did not actually believe that those people were going to lower the prices of those commodities. I want to challenge the Minister that if, indeed, the prices of those commodities he pledged to reduce do not come down, he should have the guts to reverse the policy as he told this House.

Mr. Temporary Deputy Speaker, Sir, the Minister will agree that agriculture, which employs close to 50 per cent of the Kenyan workforce, did decline in the last one year. In fact, according to his own figures, agriculture went down from an average growth of 2.6 per cent to 1.4 per cent. Yet, with that decline, and with the influence agricultural activity has on economic activity in the country, I did expect the Minister to allocate sufficient resources to reverse the decline in that sector, so as to have a general effect on the growth of the economy.

Unfortunately, there was a token allocation of funds to this very crucial sector. I took great exception, especially when in the same Budget, the Minister allocated Kshs2 billion to Kenya Airports Authority (KAA) purportedly to make VIP facilities more available; air-conditioning at the VIP lounge, buying a new carpet, putting a water dispenser, we have to be serious. What are our priorities as a country?

The Minister for Finance (Mr. Mwiraria): On a point of information, Mr. Temporary Deputy Speaker, Sir.

Mr. Ruto: I do not wish to be informed now. The Minister can inform me later.

Mr. Temporary Deputy Speaker, Sir, these are the critical issues that put doubts in our minds; whether we are really serious about getting this country out of the situation we are in or we are not. I do not think there is any justification at this point in time, running the economy we are running, to put that amount of money in KAA. It is not a priority, I insist. We should have our priorities right. Apart from a single line mention by the Minister that they are working on Kenya Co-operative Creameries (KCC) and Kenya Farmers Association (KFA), there is no allocation of resources to those crucial sectors. Unless the Government has a deliberate policy to jump-start the sectors that control our economy, we will never grow this economy the way we are telling the people.

Mr. Temporary Deputy Speaker, Sir, I would, therefore, ask the Minister to re-look at his Budget so that when we tell the people of Kenya that we are serious as the political leadership of this country in reversing the trend of our economy, indeed, they see us making positive steps towards that end. We can never grow this economy if we cannot tame inflation. The Minister admitted that inflation has gone up from 2 or 3 per cent to 15 or 16 per cent. How are we going to lower the prices of

commodities if inflation is running away?

With those remarks, I beg to support.

Mr. Keter: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to this very important Budget debate.

First of all, I want to thank the Minister, and it is good he is here, for the way he presented the Budget. At least, for the first time in his third year in office, he took slightly above one-and-half hours to read his Speech. So, in my mind, I was hoping that, at least, we have a Minister for Finance who, maybe, in his next Budget presentation, will use power-point and he will spend less than half-an-hour. I say so because this time round, the media did not capture most of the Members sleeping through the Budget Speech. At least, they captured Members relaxing, and it was due to the efforts of the Minister to cut short his Speech.

Having said that, I want to go to the substance of his pronouncements. I want to thank the Minister for the zero-rating of pharmaceutical products, sanitary towels and computer software. I thank him, especially, on the zero-rating of the computer software because it is in line with last year's Budget. Now that there is zero-rating of computer software, I believe computers will be affordable to Kenyans and we will see a lot of changes. It is also in line with what the Ministry of Education, Science and Technology is doing; providing computers to most primary schools. It is also a good move because the Minister said it is going to cut down telephone expenditure by Ministries. If we had the internet software, I believe most people would resort to e-mail, which will lower the rate of telephony, which is very expensive in this country. So, I want to thank the Minister for being in the right direction on the ICT policy, which will soon be tabled before this House. If we go in that direction, ICT technology is the key way to improving the economy of this country.

Mr. Temporary Deputy Speaker, Sir, the Minister also spoke of poverty eradication measures. Last year, there was a tax of 10 per cent on mobile airtime. The mobile telecommunication has become a necessity in terms of development. But it is also very expensive. So, by zero-rating computer software, I thought the Minister would also remove duty on mobile airtime so that it is affordable. I say so because I have people in my constituency who trade in *sukumawiki* and cabbages. These days, they do not have to waste their funds to travel to Kisumu or Nairobi and queue for about three days for their goods. They send text messages through their mobile phones and ask what is needed. That way, somebody comes when he knows there is a ready market, and less time is spent. So, I believe that next time, the Minister will look at that point because it will help in the eradication of poverty.

The Minister said that we had an economic growth rate of about 4.3 per cent per annum. He said that his Budget was to re-orientate expenditure. But there is a lot of borrowing and spending. Last year alone, we spent Kshs431 billion. This year, he has proposed to spend Kshs508 billion, which is the highest in the history of this country. When the Minister talks about borrowing from the domestic market, what will happen to the interest rates? Are we going to allow banks to exploit us?

Mr. Temporary Deputy Speaker, Sir, on the issue of petroleum products being taxed at entry points, it is a wise move to enable the Kenya Revenue Authority (KRA) to collect more taxes. But my worry is: will multinational companies like Shell and Kobil not levy the 15 per cent that has been added to them on the consumers and the common *mwananchi*? That is my worry. Otherwise, the Minister said that he does not expect multinational oil companies to increase the prices of petroleum products. But I know they will raise the prices because the bank charges are there. If you add 10 per cent or 15 per cent to a businessman who has Kshs1 billion, it is a lot of money. I know any businessman will try to recover the percentage added. So, in essence, I know the poor man in Belgut Constituency will suffer. He will need to pay more for the petroleum products. I believe the Minister is serious when he says that those companies will not increase the prices of their products.

Mr. Temporary Deputy Speaker, Sir, on the issue of opening up the market for our local

entrepreneurs by building a railway line from Kenya to Sudan and Ethiopia, it is a nice move. That is where the market is nowadays. We will diversify instead of looking upon the East African market only. But when I look through the budgetary allocations, I did not find anything for that project. I am wondering where we will get the money to expand the railway line all the way to Sudan and Ethiopia. If you look at last year's Budget, the Ministry of Transport was working on concessioning. Will it not affect that proposal, or it will be left to a particular area? The railway line should also be expanded to other areas, not only Sudan and Ethiopia.

I believe that in the Budget for next year, the Minister will include a railway line to Belgut Constituency. We grow tea in that area and it earns this country a lot of foreign exchange. The Minister ignored this area of tea farming and he never mentioned anything concerning the tea sector in this country. I am wondering whether this country is really serious about farming of cash crops. I expected the Minister to lower the cost of fertilizers because that really affects us. Fertilizers are expensive, but he did not talk about that.

I do not know which sector the Minister was considering, because he only mentioned lowering taxes on *mitumba* from 75 per cent to 45 per cent. But when I look at the Kshs250 million he budgeted for cotton farming, is this really enough? Are we not going to kill the cotton industry? Or are we saying that we allocate Kshs250 million and the taxes from that will be diverted to, maybe, cotton research?

Mr. Temporary Deputy Speaker, Sir, so, when the Minister never mentioned tea, this will really affect my constituency. I need to raise my concern that, this year's Budget did not benefit the people of Belgut Constituency in the sense that we are not dealing with *mitumba*; we are dealing with cotton and tea. Cotton is produced in the Western and Nyanza regions, and we want to improve the cotton industry, which collapsed with KICOMI, so that we can create employment which our youth are really looking for.

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

Eng. Okundi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to support the Motion on the Budget Speech given by the Minister for Finance. This is a very sound Budget Speech because it sought to go into the factors that could make us stand on our own as a nation in terms of budgeting for our requirements. It is the first time in the history of this country that the Minister produced a Budget which talked of how we, ourselves, can tighten our belts and actually face our obligations in terms of raising the finances required. The Minister looked into areas of big concern, particularly in our rural areas where most people are very poor indeed. Those people are so poor that there is need to have budgetary measures that actually touch on them. When the Minister looked into the issue of Liquefied Petroleum Gas (LPG), kerosene and maize flour, those ones really affect the rural poor. By zero-rating those items, he actually netted the loophole which always existed; that in the past, the Government reduced costs to the consumers but did not deal with the silent loophole which the merchandisers tend to misuse. In other words, they factored a price which automatically took care of Value Added Tax (VAT) when that tax had actually been removed altogether or reduced substantially. So, when the Minister zero-rated these items, the move was extremely welcome.

Mr. Temporary Deputy Speaker, Sir, I come from a fairly marginal area where the real cash crop is cotton, and going by the geography of Kenya, almost half of Kenya is marginal land. Cotton grows easily in marginal areas and it does not need much rain. In actual fact, it introduces nitrogen into soil. Cotton makes the soil more fertile. In my area, our cash crop is cotton. For the first time since the collapse of the Cotton Lint and Seed Marketing Board and the co-operatives which were linked to it, the Minister has re-introduced budgetary support for the cotton farmers by putting a token of Kshs250 million. As the Minister said, this money will be used to support the farmer to revive the growing of cotton. It will assist the farmer in buying inputs such as seeds, fertilizers and pesticides. This will also

enable the farmer to have access to small loans which will help him in the production of cotton.

The NARC Government is looking at things in a very positive way. A farmer will not survive in this aggressive economic competition if he does not get some subsidy from the Government. This happens in big countries. People who defeat us in prices are always subsidised in one way or another through a deliberate Government action. I would like to commend the Minister very substantially. I would like to ask him to increase this allocation in the next Budget, so that many Kenyans who live in marginal lands can be able to market cotton.

Mr. Temporary Deputy Speaker, Sir, many textile companies, as well as ginneries, collapsed and they need a major rehabilitation. We need them to be revived. Another thing that will assist the cotton farmer is the introduction of the Cotton Bill, which is currently before this House. When this is passed, specific measures will have to be put in place to assist the growing, marketing and the processing of cotton and revive the cotton industry.

I want to speak about something which the Minister did not address in the Budget, but which I think needed to be addressed. At the moment, in this country, some Non-Governmental Organisations (NGOs) are trying to help the rural people, particularly primary schools, to treat water, so that even if they do not have enough water, they have access to clean drinking water for better health. They have introduced a water-treating chemical called Waterguard. Water is supposed to be treated in a special container of 20 litres using a specific dose of Waterguard. Everything else has been exempted from the Value Added Tax (VAT), but this container is being taxed. The rural people are unable to afford to buy this container. A number of NGOs, for example, Care Kenya, which are trying to assist the rural people are being hindered by the cost of this container and, therefore, only a few people can be supported. I would like the Minister to consider removing this, so that he can help more people. This is very close to what will happen to the treatment of malaria and other waterborne diseases.

Mr. Temporary Deputy Speaker, Sir, with regard to infrastructure, I have looked at the Printed Estimates, and really, if we are serious about reviving this country's economy, we should improve our infrastructure. Roads are key to economic improvement, transport and whatever we need to do for the good of this country. We need to specifically look at the roads sector. In some parts of the country, particularly in Southern Nyanza, the Katito-Kendu Bay-Homa Bay-Mbita Road has been proposed for investment and tarmacking for many years since this country became independent. But, somehow, this road does not get the proper decision of the Government to have it done. This road is straight. It is along the Lake Victoria shore, and it helps to harness the fishing industry. It also helps the entire area in terms of all forms of economic development. So, I would like the Government to consider tarmacking that road, among others in other areas, so that economic progress can take place.

Finally, if the roads and the communication channels do not function, the economy will not improve. We really need to think about these things very seriously when we allocate resources to support the economic recovery effort.

With those remarks, I beg to support.

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

First and foremost, I would like to congratulate the Minister for having presented a Budget that the whole House seems to have endorsed. In that regard, he should keep on improving it. If you compare last year's Budget and this year's Budget, you will notice a clear improvement in his presentation. I hope that by the time he presents the next Budget, he will have understood ways of improving our economy.

Mr. Temporary Deputy Speaker, Sir, as is common, the Minister touched on areas affecting our economy and gave the way forward on how we can improve. I am happy that the Minister in charge of internal security is here. When the Minister for Finance talked about structural reforms, he mentioned about good governance and the rule of law. For any economy to get a foothold, the rule of

law and governance have to be upheld. I say so because, any investor intending to invest in this country would want to know how obedient the Government is, to the rule of law.

Mr. Temporary Deputy Speaker, Sir, this issue is very emotive because as we speak now, the residents of Narok South have been evicted from their land. They are in the cold and the world is watching us. That, in itself, would not reflect well on a Government that should obey the rule of law. Those residents are holders of genuine title deeds given way back in the 1960s and 1970s. We would have hoped that the Government would have tried to depict a picture that it is ready and willing to obey the rule of law by protecting its own citizens. However, as I speak now, what we see on the screens is not a pretty sight. Residents holding title deeds that were acquired legally have been evicted by the same Government that is supposed to protect them and their properties. That will not augur well because we are trying to attract investors to invest here. That is why the Minister, in his speech, highlighted good governance and the rule of law. We would not like to appeal to the world to witness what is happening in Narok South. We would like to tell them that this is a Government that respects the rule of law. However, I cannot say that now, because I have witnessed with my own eyes Kenyans being treated like refugees in their own country. It is really a sad sight to behold! We want to attract investors and to reform.

The welfare of our people should come first. That way, we will attract investors to this country and give them assurance that their investment will be protected. It is only the law that can do that and nothing else.

Mr. Temporary Deputy Speaker, Sir, I am speaking and the Minister is not listening. I hope the Chair is listening because the Minister in charge has chosen not to care whether I am speaking on an issue that is pertinent to this country, which is the rule of law. He should be the one protecting citizens of this country, yet he is not listening.

The Temporary Deputy Speaker (Mr. Ethuro): Order, Mr. Salat! You will have a balance of five minutes to continue tomorrow.

Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Thursday, 16th June, 2005, at 2.30 p.m.

The House rose at 6.30 p.m.