

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 20th June, 2001

The House met at 9.00 a.m.

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

PRAYERS

COMMUNICATION FROM THE CHAIR

LIMITATION ON QUESTION TIME

The Temporary Deputy Speaker (Mr. Musila): Hon. Members, before I call on the first Questioner, I want to draw the attention of hon. Members to the prevailing situation on the Order Paper. The Motion on Committee on Ways and Means starts at exactly 9.30 a.m. So, we will only have 25 minutes from now for Questions.

Question No.314

SHOOTING OF REV. MBUGUA

Eng. Toro asked the Minister of State, Office of the President under what circumstances the police shot Rev. Geoffrey Ngoima Mbugua on Friday, 30th March, 2001.

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

Reverend Joseph Ngoima Mbugua was not shot by the police as alleged. It is suspected that he was shot by one of the three armed thugs who had carjacked his car during an exchange of fire with the police. One suspect was arrested on the spot and has been charged in court where the matter is still pending.

Eng. Toro: Mr. Temporary Deputy Speaker, Sir, cases of innocent people being shot by police or gangsters while exchanging fire have been on the increase. In this case, why did the police have to start shooting at the gangsters or exchanging fire, while it is very well known that every time there is a carjack, gangsters never leave behind the owner of the vehicle? He is usually put in the back seat or in the boot. The police know this trend very well. So, in the event of exchange of fire, either the police will shoot the innocent person in the boot or in the back seat, or the gangsters will shoot the innocent victim. What action is the Assistant Minister going to take, noting that last year, the Minister of State, Office of the President promised that such cases were going to stop and yet they are on the rise?

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, while I do agree that unfortunate incidents occasionally take place where innocent persons become victims of shootouts between police and armed thugs, the police have a duty to defend themselves. In this particular incident, the police were under attack by the armed thugs in that car, a Peugeot 505 Saloon. The police had very little choice. As much as they would want to use necessary force, in an incident like this where they are under attack, they are permitted by law to use the firearms in their possession. So, while I still insist that the police should be careful in the use of firearms, especially where members of the public are involved, in certain incidences, the police cannot avoid it.

Mr. Gatabaki: Mr. Temporary Deputy Speaker, Sir, the late Rev. Ngoima Mbugua hailed from my constituency. So, not only did I lose a voter, but a very distinguished man of God. Considering that even this kind of shooting by the police has not helped to reduce carjacking in this country; more carjacking cases are occurring everyday, could the Assistant Minister admit that the manner in which the police have gone about cracking down on carjackers is a failure and other means should be used to stop this carjacking? The manner in which the police go about it, shooting like in the Wild West, is a failure and the Government should come up with a better policy of arresting the crisis.

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, I do not concur with what the hon. Member has said. Indeed, the force with which the Police Force has used in the handling of these cases has, indeed, brought down the level of insecurity in the country drastically. We intend to intensify security measures, and any persons in possession of firearms will face the full wrath of the police. The police have clear instructions to deal very firmly with any persons in possession of firearms and engaging them in shootouts.

Eng. Toro: Mr. Temporary Deputy Speaker, Sir, since the Assistant Minister has said that one of the gangsters is the one who shot Reverend Mbugua, could he tell the House whether ballistic tests were done to establish that none of the policemen's guns was used or that none of the bullets with the police was used?

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, I did issue a Ministerial Statement to that effect and indicated that ballistic experts did examine the ammunition that killed the Reverend. It was ascertained that it was not the 7.62 mm calibre used by the Police Force. We do believe that it was the firearms in the possession of the thugs that killed the Reverend. Mr. Peter Maina is already in court in connection with murder of the Reverend.

Question No.362

DISTRICT TREASURY FOR MBOONI SUB-DISTRICT

The Temporary Deputy Speaker (Mr. Musila): Mr. Kalulu is not here? The Question is dropped.

(Question dropped)

Next Question, Mr. Wamunyinyi!

Question No.293

TERMINAL BENEFITS FOR MR. LUKHALE'S FAMILY

Dr. Kulundu, on behalf **Mr. Wamunyinyi,** asked the Minister for Education:-

(a) whether he is aware that the dependants of the late Joseph Lukhale, TSC No.70987, who died on 18th November, 1992, while serving as a teacher, have not been paid terminal dues including salary arrears for the period between 1st January to November, 1992; and,

(b) when these dependants will be paid.

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

(a) I am aware that the dependants of the late Joseph Lukhale, TSC No.70987, who died on 18th November, 1992, have not been paid their terminal dues.

(b) The dependants will be paid the death gratuity as soon as the following information is forwarded by the late Lukhale's area chief: The late Lukhale's marital status, his next of kin and a list of the late Lukhale's dependants.

Dr. Kulundu: Mr. Temporary Deputy Speaker, Sir, delay in paying pensioners' dues is a question that has been recurrent in this House. In fact, we are now beginning to think that the Government may be using the pensioners' money to fund its own operations. Those of us who have been in the Civil Service know that before one is employed, you indicate your next of kin and so on. This is routine information that should be available in any officer's file. Has this Ministry attempted to look at the file of Mr. Lukhale to establish whether or not he indicated his next of kin?

The Temporary Deputy Speaker (Mr. Musila): Just before the Assistant Minister answers that question, yesterday, the Chair did express concern over these Questions on the payment of pensions being asked in the House. Indeed, a lot of Questions and Motions have come to this House with regard to this matter. Could the Government, for once, do something about this matter? Everyday, we are getting a Question on pensioners who are suffering. I do hope the sentiments of the Chair will be taken seriously by the Government. What do you have to say, Mr. Awori?

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, the Government is definitely looking into this issue. We accept what the Chair said yesterday and also today. I think the problem is in administration and processing. It is not that the Government wishes to use pensioners' money for any other purposes. When we say that details are missing in the file of a particular officer, we mean it. But we accept that there are shortcomings in the processes

and we are looking into the situation so that we can stop this. Even those of us in the Government side have got pensioners from our constituencies who are facing the same problem. Therefore, we have got to take this matter seriously.

Mr. Obwocha: Mr. Temporary Deputy Speaker, Sir, everybody is concerned in this country about this matter. I asked a Question here about Mr. Richard Nyariki who retired in 1996 from the teaching profession. Up to now, he has not been paid. This is a serious problem in the Teachers Service Commission (TSC). Could I ask the Assistant Minister, who is an elderly person and a responsible Assistant Minister, to have a task force of two people in the TSC to sort out all the files of the teachers who have retired so that this mess can be sorted out once and for all?

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, I accept the sentiments of the hon. Member. In fact, we had four people from the Pensions Department attached to the TSC. Unfortunately, three of them were withdrawn and we have only got one left there. We are now requesting that they should go back so that they can clear the backlog. It is indeed a very large backlog.

Mr. Kamolleh: Mr. Temporary Deputy, Speaker, Sir, the Ministry is aware that there are many teachers retiring. Why is it that they cannot computerise that particular section of teachers' pensions so that these matters can be dealt with much faster? I have got a teacher who retired in 1988 and died the other day as I was chasing his terminal dues on behalf of his wife. These people---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Kamolleh! I gave you a chance to ask a question. Would you now ask the question?

Mr. Kamolleh: Is it, therefore, possible for this Ministry or the TSC or the Ministry of Finance to computerise that section so that matters can be dealt with in a speedy manner?

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, that is what we are proposing to do. We are trying to computerise the whole system. At the same time, we are requesting those who are coming in to give their personal information right from the beginning so that it is in the file. What has happened in most cases is that vital information is missing. It is only when a teacher has retired or when he has died that we start looking for this information, and it takes time. So, we are looking into the question of computerisation but we are also asking the teachers to give us information when they are still in service.

Dr. Kulundu: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has evaded my question about the routine information on an officer which should be available at the time of his employment. Could the Assistant Minister now tell us how much money is owed to the dependants of the late Mr. Lukhale and whether the Government, because of its failure to act fast, will pay this money with some accrued interest?

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, I am sorry I cannot tell the hon. Member how much money is accrued to the dependants of this person. But, in any case, the regulations do not allow for the payment of accrued interest on the money outstanding. But I just want to---

Mr. Shitanda: On a point of order, Mr. Temporary Deputy Speaker, Sir. I think this answer is not adequate. The Assistant Minister, in his answer, says they are waiting for some documents from the area chief. Would it take a chief nine years to avail documents to the TSC?

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Shitanda, you have just asked a supplementary question. That is not a point of order. You do not have to be insincere like that! Mr. Awori was still answering the supplementary question by Dr. Kulundu.

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, as I was saying, in the regulations there is nothing that will make us pay interest on the amount of money accrued. But I was going to add that, in fact, before this teacher died, he had worked for 18 days during the month of November. We paid him Kshs3,880 for the period he worked from January to November. At least, his dependants managed to get some money for just those days he had worked. Now we are waiting for Treasury to release the balance. Probably, if I answer Mr. Shitanda's question, I accept, indeed, that it should not take nine years for the chief to bring this information. But that is the situation.

Dr. Kulundu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to mislead the House that the Ministry does not know the dependants of Mr. Lukhale when, in fact, he now admits that dependants of the deceased were paid some money for the days he worked in the months of January to November? Could he tell us who are these dependants that were paid the arrears?

Mr. Awori: Mr. Temporary Deputy Speaker, Sir, the money was paid to the District Commissioner so that he could find the dependants of the teacher. We did not pay it to the dependants because we do not know them.

The Temporary Deputy Speaker (Mr. Musila): Well, I will proceed. No matter how these Questions

are answered, they still leave a lot of other questions. The answer will be for the Government to address issues of pensioners more seriously than it is doing at the moment.

I can see Mr. Kalulu is here, but we are not going to his Question. Instead of dropping his Question, I defer it to another time.

Question No.362

DISTRICT TREASURY FOR MBOONI SUB-DISTRICT

(Question reinstated and deferred)

QUESTIONS BY PRIVATE NOTICE

DEATH OF ESTHER NJERI

Mr. Kathangu: Mr. Temporary Deputy 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 Esther Njeri, a Standard Eight pupil in Ng'araria Primary School in Kandara Division, Murang'a District, was pronounced dead on arrival at Thika General Hospital on 9th February, 2001?

(b) What investigations did the police carry out to ascertain the cause of the death?

(c) Why was Mr. John Gitau Muhwanga arrested in connection with this death and later released?

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

(a) Yes, I am aware that Esther Njeri, a Standard Eight pupil in Ng'araria Primary School, was pronounced dead on arrival at Thika General Hospital on 9th February, 2001.

(b) The police investigated the matter vide Kandara Inquiry File No.1 of 2001, opened on 10th February, 2001. The postmortem report indicated the cause of death as head injury by blunt object impact.

(c) The suspect, a Mr. Muhwanga, was arrested and charged with murder at Murang'a law courts. The charge was later withdrawn under Section 233(1) and (2) of the Criminal Procedure Code and the accused was discharged.

Subsequently, an inquest file was opened and the matter is still pending.

Mr. Kathangu: Mr. Temporary Deputy Speaker, Sir, the answer by the Assistant Minister has been given to me six times and this Question deferred five times because he had argued that the answer was not satisfactory. Actually, we suspect cover-up here because two postmortems were carried out and police arrested a Mr. John Gitau Muhwanga. However, he was released after four days and the police opened the inquest file. We want to know why they opened an inquest file. This is because the investigation had revealed that Mr. Muhwanga murdered the child and that is why he was arrested.

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, while I do agree with the hon. Member that there is a lot to be desired about what transpired here, the remedy we undertook was to open a public inquest because we did not find evidence that corroborated the incrimination of Mr. John Gitau Muhwanga. He is still a teacher of the primary school. It was alleged that he did mete out some disciplinary action on this child. The evidence we have from the school, pupils and the class is that the discipline was administered on the backside of the child. The postmortem report indicates that the death was caused by an injury sustained by use of a blunt object on the head of the child. That is what necessitated the action we took to open up a public inquest so that we can corroborate all the evidence that we can. Indeed, if Mr. Muhwanga will be incriminated by the evidence, we will charge him with the murder of that child.

Eng. Toro: Mr. Temporary Deputy Speaker, Sir, the school, teacher and the victim in question come from my constituency. The Assistant Minister is taking this case very lightly. When you find schools being burnt by students, it is because the authorities have refused to address certain serious issues. Up to now, the teacher is still teaching in the same school, in the same class. The pupils in that class do not know what to do. Here is a teacher who murdered one of the pupils and he still continues to teach the same class. Even courtesy from the Ministry of Education, Science and Technology would have it that the teacher be transferred to another school or be suspended, pending investigations. Could the Assistant Minister tell this House what other evidence he requires and from who, because it is very clear the cause of death was through a blunt object on the head?

The Temporary Deputy Speaker (Mr. Musila): Eng. Toro, I think you have answered your question. Could you let the Assistant Minister reply?

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, as I said earlier, there is no evidence yet that links the death of this child to her former teacher, Mr. Muhwanga. Once we find that evidence, we will not transfer the teacher, but charge him in a court of law.

Mr. Kathangu: Mr. Temporary Deputy Speaker, Sir, an autopsy was done after the exhumation of the body last month. The autopsy established the same thing. The reason why Mr. Muhwanga was released was that there was doubt as to whether that blunt object came from him or somebody else. We are talking of children between seven and eight-and-half years. They cannot possibly give you the right position as to how the child was beaten because they were afraid. Secondly, they were threatened that they would not continue with their education if they did not cover-up for the teacher. Could the Assistant Minister tell the House how he will give confidence to the pupils and the community around this school?

Mr. Samoei: Mr. Temporary Deputy Speaker, Sir, I am not taking this issue lightly. Meanwhile, in light of what Mr. Kathangu has said, I will take action to transfer the teacher as we wait for the outcome of the public inquest.

The Temporary Deputy Speaker (Mr. Musila): Order! Hon. Members, it is now 9.30 a.m. and I still have another Question by Private Notice.

REMOVAL OF RADIOTHERAPY UNIT

(Mr. Sungu) to ask the Minister for Public Health the following Question by Private Notice.

(a) Is the Minister aware that there is a conspiracy by senior Ministry officials to move the only Radiotherapy Unit in Western

Kenya, from the New Nyanza General Hospital, Kisumu, back to Nairobi?

(b) What repairs are required by the Unit and what urgent steps will the Minister take to solve the problem?

(c) Could the Minister assure the House that the Unit will not be moved from the New Nyanza General Hospital, Kisumu?

The Temporary Deputy Speaker (Mr. Musila): Mr. Sungu, would you be happy if I defer this Question to tomorrow?

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, I would be so grateful if it was deferred to this afternoon.

The Temporary Deputy Speaker (Mr. Musila): Order! The Order Paper for this afternoon is already out. So, can we do it tomorrow?

Mr. Sungu: With due respect, I agree with you, Mr. Temporary Deputy Speaker, Sir.

(Question deferred)

The Temporary Deputy Speaker (Mr. Musila): Very well. Thank you very much. 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 14.6.2001)

(Resumption of Debate interrupted on 19.6.2001)

(Second Day of Budget Debate)

The Temporary Deputy Speaker (Mr. Musila): Mr. Chanzu concluded his contribution. So, the Floor is open. Could we hear from Mr. Shitanda?

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

Mr. Temporary Deputy Speaker, Sir, although we support the Budget as presented by the Minister for Finance, there are quite a number of things which the Ministry should address in trying to achieve the objective of the Budget presented before this House.

Mr. Temporary Deputy Speaker, Sir, with regard to the issue of revenue collection, it is not enough to say that Kenya is doing well in revenue collection as compared to our neighbouring countries. I believe that most of the revenue we are supposed to collect, especially at the Port of Mombasa, is not collected due to corruption at the Port, as a result of employing officers of the Kenya Revenue Authority (KRA) who are not doing their work properly. When you go to the Port of Mombasa, you see so many stakeholders who are involved in revenue collection. I believe that the number of agents involved in revenue collection are responsible for the little revenue the Government is collecting. We have the police officers, the Special Branch officers, the CID officers, the Kenya Bureau of Standards officers, the KRA officers and everybody else at the Port of Mombasa. You will find that most of these so-called stakeholders in revenue collection at the Port are just nothing, but conduits for corruption and diversion of transit goods.

Mr. Temporary Deputy Speaker, Sir, in order to maximize revenue collection at the Port of Mombasa and other entry points into this country, the Ministry of Finance should try and devise ways of putting in place mechanisms to ensure that the officers who are manning these entry points are people of integrity and who are not corrupt. We have very junior officers who are manning these entry points and they have amassed a lot of wealth and are stinking rich. Some of them cannot even explain how they have acquired these riches. The KRA should seek ways and means of making a follow up on the activities of these officers, especially those who are involved in the revenue collection, to make sure that whatever the activities they are involved in, outside their work are activities that are not in conflict with their employment.

Mr. Temporary Deputy Speaker, Sir, there is also the issue of Income Tax collection. Most of the people who are harassed when the Government levy income tax are the small people. When you look at the tax status and the tax arrears, you find that we have huge sums of money which are unpaid in respect of income tax. When you try to find out who are owing the Government a lot of money in unpaid taxes, you find that they are the big shots or the people who are being protected in one way or the other. Our tax laws should apply equally to everybody. We welcome the waiver of duty on items like bicycles and imported raw materials. While doing that, the Government should try and put in place a law to protect our local manufacturers against counterfeit goods. These counterfeit goods that are manufactured in places like Kariobangi, Industrial Area and also in the Export Processing Zones (EPZ). The Government should try and monitor the activities of the manufacturers who are operating in the EPZ, to make sure that whatever activities they engaged in are done in accordance with the rules that govern the EPZ. Otherwise, most of these counterfeit goods that are being produced in those areas are finding their way into this country through the EPZ and sometimes through the Port of Mombasa because of corruption.

Mr. Temporary Deputy Speaker, Sir, this year's Budget was based on the Poverty Reduction Strategy Programme (PRSP) and we are being told that whatever the allocations that have been done, are going to be implemented by Government departments at the district level. But the Treasury has to go out of its way and try to curb the activities of the provincial administration, especially with regard to the implementation of projects at district level. The provincial administration has a tendency of trying to meddle with the affairs of all departments in the districts. If this programme is going to succeed and if the recommendations in the Budget are going to be implemented, then the role of the provincial administration as relates to the PSRP should be clearly spelt out. They should be told clearly to keep off the activities of the Ministries responsible for agriculture, roads, public works and others.

Mr. Temporary Deputy Speaker, Sir, duty on imported timber was lifted and maybe, it is a move that is belated. Most of our forests have already been destroyed others are still being destroyed and not by strangers because most of these forests are being destroyed by Government officers; the forest officers, the DOs and officers of the provincial administration. While this destruction has been going on, the Government has just been sitting idle and watching. When they are asked what they are doing, they always promise to take action, but no action has ever been taken.

Mr. Temporary Deputy Speaker, Sir, when you go to places where we used to have forests, like the so-called Kakamega and Malava Forests you see that they are no longer forests, they are not there because they have all been destroyed, not by the local people or small men, but by the big men. These forests have been

destroyed by the forest officers and the DOs who have bought power saws and abandoned their duties. Sometimes we wonder what the work of a DO is. All they do is to walk in the villages and meddle with the village affairs and the orderly lives of ordinary wananchi.

A lot of money has also been allocated to security while in the PRSP Paper, we are told that agriculture has been given priority number one. Why is it good to allocate such money to the issue of security? This is because most of that money is not used in the right way. That money is used by officers in the Provincial Administration and the regular and administration police officers to run their personal errands; to carry their charcoal to their homes, destroy forests and transporting them, using lorries which have been allocated for security matters in the provinces. Sometimes, most of the money allocated to police stations is used to chase chang'aa brewers and not to address the real security issues like patrolling the borders and areas which have had clashes. For example, it has not been used in areas that ought to receive attention, like Marakwet District. Why do we allocate so much money to Turkana District; like in Kakuma area? Do we allocate such money so that the refugees who are there are safeguarded?

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Maitha: Bw. Naibu Spika wa Muda, ningetaka kuchangia Hoja hii. Nauunga mkono yale yote yaliyosemwa na Waziri wa Fedha katika Jumba hili.

Hata hivyo, aliyoyasema yote yalikuwa mema na mazuri na yanaonyesha ya kwamba yanaweza kufanya uchumi wa Kenya urudi kama zamani, yaani kufanya uchumi huo uinuke tena. Tumesoma makadirio ya pesa zetu kwa siku nyingi na taabu tuliyo nayo kama Wakenya, na hata Serikali, ni kwamba baada ya Bajeti kusomwa na pesa kukusanywa, ni vigumu sana baadaye kuona kwamba mwananchi wamefaidika. Tumepata taabu nyingi katika Kenya. Wananchi wanakuwa na hamu wanapooona Serikali inapokusanya mapato hayo, lakini hakuna faida ambayo inawafikia kwa sababu wale ambao wanahusika na mambo hayo, kwa kuangalia miradi yote ya maendeleo inaendelea vyema; wafanyakazi wa Serikali, wanajichukua kama wamewekwa pale kuona kwamba marafiki wao wamepata tenda hizo. Kwa hivyo, pesa zile zinamalizika kabla kumfikia mwananchi.

Nasema hivyo kwa sababu Bajeti iliyosomwa ilikuwa nzuri sana, ingawa kwingine imeumiza mwananchi. Kwa mfano, Waziri anataka kuongeza pesa zake kwa kuinua ushuru wa mafuta. Kama unavyojua, mafuta ndio chanzo cha uchumi wa kila nchi duniani, na unapooongeza ushuru wa mafuta, ni sawa na kusema ya kwamba umeongeza kila kitu. Hii ni kwa sababu makampuni yanayouza mafuta yakiongeza bei, kila kitu kitapanda bei, na mwananchi wa kawaida ambaye tunampigania ili maisha yake yawe mazuri ndiye atakuwa wa kwanza kuumia. Kwa sababu tunaposema ya kwamba tuna mpango wa kuondoa umaskini kwa watu wetu, ni vigumu sana kusema tunaondoa umaskini, na huku tunawawekea mzigo mwingine. Bei ya bidhaa nyingine itaongezeka kama Waziri ataendelea na hilo jambo. Ni lazima mwananchi wa kawaida afaidike. Ni lazima wananchi wawe na kinga katika Bajeti, lakini utaona ya kwamba Bajeti iliyosomwa haikuwa na kinga. Hivyo basi, wananchi wataendelea kuumia zaidi.

Nasema hivyo kwa sababu hata ingawa watu wengine walisherehekea walipoambiwa kodi juu ya baiskeli itapunguzwa, lakini hata ukipunguza bei na yule mwenye baiskeli hawezi kununua unga au kitu chochote kwa sababu bei imeongezeka, hatakuwa na raha na hatafurahia Serikali. Hiyo ni kama kumfunga macho mwananchi wa kawaida kwa kumpa kitu kingine ambacho ni cha starehe na kile kitu ambacho kinamhusu hasa, kama madawa, usafiri na mengineyo, bei inapanda juu. Naamini ya kwamba mtu yeyote hawezi kusafiri kutoka Bungoma au Busia mpaka Nairobi; lazima atapanda bas. Ni kama sisi tumefurahishwa, na huku wengine wanaumizwa.

Uchungu wangu mkubwa ni kuona ya kwamba Bajeti hii iliwaumiza watu wa Pwani, kwa sababu nimeangilia vile pesa ziligawanywa katika makadirio. Nimegundua ya kwamba sisi watu wa Pwani hatujafaidika. Sisi watu wa Pwani tunategemea utalii, lakini haujafanya vizuri na ningependa kupinga kabisa maneno yaliyozungumzwa na Waziri wa Fedha, ati kwamba mwaka uliopita, walifanya juhudi sana kufanya watalii waongezeke. Huo ni uongo. Wale maofisa wa utalii ambao wamepelekwa katika maofisi ya nchi za kigeni ni Wakenya wenzetu, lakini hawajafanya chochote ili kusambaza sekta ya utalii katika nchi za nje. Kuna watu ambao hawajui uhodari wa Kenya katika mambo ya utalii. Mfano mzuri ni hivi juu juu tulikuwa na Wabunge kutoka Russia ambao walisema wazi kuwa katika Russia, watu milioni nne kwa mwaka wanaenda likizo katika nchi nyingine ili wapumzike, lakini hawajui kama Kenya iko na pahali pa utalii; hawajaambiwa mambo ya Kenya. Ikiwa watu wa Russia, ambao wako jirani na sisi, hawajui mambo ya Kenya, nchi kama za Ulaya na kwingineko zinaweza kujua mambo ya Kenya? Hiyo ni kuonyesha ya kwamba sisi Wabunge tunadaganya wananchi. Pia, wenye mahoteli wote walioko Pwani sasa wameanza kufunga mahoteli yao. Mahoteli yote yanafungwa kwa sababu wafanyakazi ambao wanafanya huko wanapoteza pesa zao kwa sababu Serikali imekataa kusaidia sekta ya utalii. Imekataa kuketi na wale ambao wanalinda sekta ya utalii, kama Kenya Tourist Board, ambao kama wangepewa pesa nyingi mwaka uliopita wangefanya kazi nzuri. Hawakupata pesa zozote. Zile pesa walizopata

hazikuwawezesha kufanya chochote. Walienda nchi moja ya Ulaya peke yake.

Waziri wa Fedha alisema ya kwamba anataka kupunguza ushuru katika visa kutoka US\$40 mpaka US\$20. Hiyo haimanishi ya kwamba sekta ya utalii itaimarika. Serikali ingeondoa vikwazo vyote juu ya sekta ya utalii. Haikuwapatia wenye mahoteli faida yoyote kama kuwaruhusu kukopa pesa, ama Serikali iombe pesa na kuwapa, ili waweze kujilipia hasara ambazo walipata muda huo wote ambapo Kenya ilikuwa haiapati watalii. Kenya imekosa kupata watalii, na watalii ni wachache. Tulikuwa tukipata watalii zaidi ya milioni moja kwa mwaka. Sasa hatupati zaidi ya hawa tangu miaka miwili iliyopita, kwa sababu idara inayohusika haijauza Kenya sawa sawa.

Pia, barabara ambazo Wazungu wengefaa kuzitumia ni mbaya, na Serikali imekosa pesa ili kurekebisha barabara zinazoelekea upande wa utalii.

Pia utapata kuwa katika sekta ambazo zingeleta faida, Serikali haichukui jukumu la kuona kuwa zinasimamiwa sawa sawa. Kuna miradi ambayo Serikali ingesimamia Pwani hasa katika sekta ya ukulima. Lakini ukulima umepuuzwa kabisa katika Mkoa wa Pwani kwa sababu sisi tunaonekana kama sio watu wa kuleta pesa za ukulima. Nchi zingine duniani zimepata faida kubwa kutokana na ukulima wa mnazi kwa sababu zinafanya utafiti mwingi. Mnazi una faida ya asilimia 52. Kila mwaka, Kenya huagiza mafuta ya nazi kutoka nchi za nje, kwa gharama ya Kshs.7,200,000. Hapa Pwani tunaweza kupata asilimia 60 kwa 100 ya mafuta hayo, na wakulima wetu wangepata zaidi ya Kshs200,400,000 kama Wizara ya Ukulima ingetilia maanani ukuzaji wa mnazi.

Kuna wakulima wadogo wadogo zaidi ya 100,050. Zaidi ya hekta 42,000 kote Pwani zimejaa minazi lakini Serikali inatilia maanani mambo mengine. Pia tunalima korosho ambayo Serikali imeua. Tunalima Bixa na mimea mingi huko Pwani lakini utapata kuwa Bajeti hii haikutilia maanani mambo ya ukulima, hasa wakulima wadogo wadogo. Serikali haikutilia maanani mambo ya samaki, ilhali shughuli za uvuvi huleta pesa nyingi. Kwa sababu sisi ni wananchi wa Kenya, tungependa Serikali ifikirie wale wananchi wanaohusika kwa kuleta vitega uchumi.

Kwa hayo machache, ninaunga mkono.

The Minister for Mineral Exploration (Mr. Kalweo): Asante, Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii ili niseme machache kuhusiana na Bajeti ya mwaka huu. Tangu tunyakue Uhuru, hii ndio Bajeti ya kwanza ambayo imeletwa katika Bunge hili ikiwa ni yetu sisi wenyewe. Imetia maanani uwezo wetu wa kujitafutia pesa na kuzitumia sisi wenyewe. Ni jambo la muhimu nchi kujimudu yenyewe. Ukiwa mtu wa kutegemea watu wengine bila ya kutoa jasho, itafika siku ambayo utajifungia ndani ya nyumba yako na hakuna kitakachotendeka. Katika dunia ya kisasa, kila mtu anatakikana ajimudu na ajisaidie mwenyewe. Wakati umefika kwa Wakenya kujijua wao ni nani. Itakuwa vigumu kwa nchi hii kuendelea mbele ikiwa tutaendelea kutegemea mikopo.

Serikali inafaa ijitahidi kufanya mipango ya kuendelea. Wafanyabiashara hawakufanyiwa mipango yao na Serikali. Sijawahi kuona Serikali yoyote duniani ambayo inampangia mtu binafsi jinsi atakavyofanya biashara yake. Inaonekana umekuwa mtindo wa kisasa kwa Serikali kusukumia kila kitu. Kuna mambo ambayo mtu anafaa kujipangia binafsi kama vile ni kazi gani atafanya; kama atachunga ng'ombe au atakuza mimea gani. Wakati kama huu inafaa mtu ajifikirie kivyake. Hivi ndivyo tutapata kodi kama Serikali na tutaweza kufanya mipango ya kuwasaidia wananchi. Ninajua kuwa Bajeti ya mwaka huu ilitilia maanani masilahi ya wale watu wa mapato ya chini kabisa ili wajimudu na waweze kuamka kwa sababu wengi wao wako katika hali mbaya kiuchumi. Ikiwa kila mtu atajitahidi, Serikali ina mipango na kila Mkenya ajue kwamba anafaa kujitegemea katika siku za usoni.

Ningependa kuzungumza juu ya barabara. Inaonekana kuwa tangu Serikali ianze kupambana na ufasidi, hali ya barabara zetu imekuwa nzuri. Ninashukuru Serikali kwa jambo hili. Tunafaa tujitahidi zaidi kama Serikali kipigana na ufasidi. Kuna barabara iliyotengenezwa vibaya na kontrakta huyo akaambiwa kuwa atarudia kwa sababu alifanya kazi hoi hoi. Tukiwa na barabara ambazo zitawasaidia wananchi kusafiri kutoka mashambani ili waweze kuuza mazao yao, hii itasaidia katika kumaliza umaskini. Tunapozungumza juu ya kupigana na umaskini, ni lazima tufikirie jinsi tutakavyopigana vita hivi. Njia moja ya kufanya hivyo ni kuwa na barabara nzuri.

Kama kungekuwa na barabara inayopita Kibwezi, Mutomo, Kitui, Mwingi, Maua, Kangeta, Isiolo, Marsabit na Moyale, ingeunganisha Ethiopia na Mombasa. Upande huo wote wa ushoroba wa mashariki ungeweza kuwaleta Wakamba katika upande wetu kununua chakula na watu wetu kwenda upande wa Ukambani kununua mbuzi. Tangu zamani upande mmoja umekuwa wa wakulima na mwingine wa wenye kufuga wanyama. Tukibadilisha mali kama vile zamani, itachukuwa tu masaa manne kwa watu kutoka upande wa Meru, kunakokuzwa miraa, kusafiri kutoka Maua mpaka Garissa na Mombasa. Hii itawafaidi watu wetu, na pia Wakamba na wale wa kutoka upande wa kaskazini. Hii pia itawawezesha watu kutoka Ethiopia wapitie upande wa Meru ili kujihusisha na biashara ya kudumu.

Niliona mpango fulani ambao ulikuwa umefanywa na Wajerumani katika mwaka wa 1898. Walikuwa wamefanya mpango wa kunyunyizia maji katika maili 20 za kila upande wa Mto Tana, kama vile huko Bura.

Tunafaa kufanya mambo kama hayo na kufanya masilanga kama Ukambani, Meru na Igembe Kaskazini, mahali ambapo tunapakana na Isiolo. Kutoka mwanzoni kila mtu aliumbwa akiwa kwao. Waborana, Wasomali, Wakamba, Wameru, Wakikuyu na wengine walikuwa kwao. Ni lazima tujimudu na tusikizane. Tusipigane kama wajinga kila wakati. Watu wanafaa wafikirie jinsi watakvyoondoa umaskini. Tukikubaliana tuwe na barabara na utulivu, basi kupigana na umaskini itakuwa kazi ya maana.

Bw. Naibu Spika wa Muda, naishukuru sana Wizara hii ya Fedha. Waziri wake ni mtu ambaye anaeleweka. Ni mtu ambaye husema mambo machache, lakini yanayofaa. Ni mtu ambaye anafahamu nchi hii na tutamsaidia kuwa na uwezo huu wa kuleta Bajeti na mambo ambayo watu wanafahamu. Hii ni kwa sababu Bajeti ya mwaka huu ilihusisha wananchi wa tabaka mbali mbali. Watu wa PRSP(?) walikuwa wakiongea kule Ruaraka na maoni ya watu wengi yako katika Bajeti ya mwaka huu. Ikiwa tutaendelea hivyo, Serikali inafaa ijue kwamba maoni ya wafanyabiashara, wakulima na wengine yakiletwa ndani, basi Kenya itasimama. Ni sisi tu wananchi wa Kenya ambao tutajisimamisha. Sitaki kuongea mambo mengi.

Naunga mkono.

Mr. Wambua: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to point out some few cases on the Budget.

Although I support this Budget, I have to ask myself several questions. This is because it was my first time to hear the Minister for Finance admitting that there is insecurity which is making most of the operations not to function perfectly. My question is: If the Government cannot provide security to the common wananchi and yet they are paying tax to it, who is going to make our people secure? There are some other things which the Government ought to take seriously. I am happy that hon. Kalweo has mentioned it. If the Government cannot provide security to its own people, they cannot cultivate their lands and do business well. In some places, if you have a well-stocked shop, due to insecurity, thugs will come and rob you. So, insecurity has to be taken seriously by the Government. It is only the Government which can stamp out insecurity in Kenya. This is because the common wananchi are doing their best to pay taxes but the Government is failing on its part.

Mr. Temporary Deputy Speaker, Sir, the other thing is about corruption. The Government has admitted that corruption is one of the things that are destabilising the economy of this country. How can the Government say that while the corrupt people are in the Government? This is because it is only the tax collectors and project implementors who are corrupt. So, who else is going to finish corruption unless the same Government takes serious measures to stamp it out?

Mr. Temporary Deputy Speaker, Sir, there are things which the Government cannot say because it will be ashamed. In the PAC and other parliamentary committees, the corrupt people are identified and never taken to court. So, what do you want the common mwananchi to do? You know these things but you are doing nothing to clear them. Instead, you come here to say that corruption is one of the things which have led to poor management of the economy.

Mr. Temporary Deputy Speaker, Sir, the other thing I would like to mention is about foreign investors. Foreign investors have lost confidence in the Government. For instance, you just tell us that you want to eliminate HIV/AIDS. In fact, we, Members of Parliament, were taken to seminars in Mombasa and other places. We were told that donors have released money for AIDS. Where is this money? Each Member of Parliament has to ask himself: "How are we going to eliminate HIV/AIDS if the Government has refused to release money to the AIDS Constituency Committees?" It is a shame! That is why the donors and foreign investors are losing confidence in this Government. This is because if they do what they say, then the donors will have confidence in this Government. The donors have released their money and they know that it is being held somewhere by the Government. Why is the Government holding this money? They should have released it. What else can you tell the donors if they give their donations and aid and you hold it somewhere? Next time, they will not release more donations and aid because the Government is not releasing the money to the needy people.

Mr. Temporary Deputy Speaker, Sir, the other thing is about drought. How many years are we going to talk of drought in Kenya while the big rivers are flowing all the year round to the ocean? What is the Government doing? They should have, at least, planned how to tap this water so that the common wananchi can use it to do something for themselves. What plan does the Government have? Drought is not accidental but something which is there. We are sure that sometime in the future, we will experience drought but the Government does not do anything to curb it. This is because the drought will continue to be there. For example, in Ukambani, we have been telling the Government that we do not want to be given food but water, and then we will work for ourselves. However, the Government is doing nothing but just "hiding". In that case, you are telling people that you are going to eradicate poverty but how are you going to do it? This is because most of the money that is being collected from our revenues can sustain this country and make it self-reliant and not even ask for donor communities to come and assist it. However, because of all these, nothing is happening.

Mr. Temporary Deputy Speaker, Sir, this Budget had leaked before it was read in this House. This is because as concerns the increase in petrol prices, I met one person who told me that their bosses had told them to change their meters on the eve of the Budget Day. This, therefore, means that the Budget Estimates had been leaked. In fact, there are Government officers who are leaking whatever it is going to do. You have told the common mwananchi that the Kshs2 increase is not going to be paid by the consumer but who is going to pay it and yet all the machines have been changed from the eve of the Budget Day, and the Kshs2 is included? So, who is paying that? The Government has to have a system of operation. If you tell the common mwananchi something, then you must be very specific that whatever the Government says is going to be done. I would like to urge the Government to be very serious. It should not be a Government which cannot implement what they say.

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

Dr. Omamo: Thank you, Mr. Temporary Deputy Speaker, Sir. The Chair can excuse my voice, which I lost last weekend due to field activities.

First of all, I would like to thank the Minister for the manner in which he presented the Budget to this House. I would like to point out that the presentation was very good, and the Budget has quite a lot. Generally, the Budget was fair.

The Budget was supposed to tackle the important area of poverty reduction. One can reduce poverty in this country in many ways, but one very important way to reduce poverty is to give wananchi food, which has to be produced. I feel that the Minister should have done more thinking about the ways and means of getting funds to help Kenya produce more. The Minister was a bit silent and I was a bit surprised why he did not do something to reduce the cost of inputs that would help the farmer to produce food at a low cost. At the moment, Kenya is a high cost producer of many commodities. That is the reason why some of the COMESA countries want to invade our country. They want to invade our country because of their lowly produced commodities that come into our country. We should have a strategy to reduce the cost of inputs.

Mr. Temporary Deputy Speaker, Sir, I was equally surprised as to why the Minister did not tell the nation to have a deliberative policy to change from mainly rain-fed agriculture to irrigated-agriculture. I do not know what stops the Minister from rectifying some of the irrigation projects that we all know have collapsed. Why is Bura Irrigation Scheme not being rehabilitated? Why is Ahero, West Kano and Bunyala Irrigation Schemes not being rehabilitated?

(Applause)

A deliberative policy should have been taken to rehabilitate these schemes because they were designed wrongly. Why has the Minister not taken a deliberative move to rectify these very important schemes in order to help us to produce more?

The other area that we need rehabilitation is the sugar industry. I would like to point out that our country has enough land to produce more sugar-cane and sugar. At the moment, Miwani and Muhoroni Sugar Factories are under receivership. Why is this the case? It is because of the past malpractices. The

[Dr. Omamo]

Government should have a deliberative move to put a stop to these malpractices. Where inefficiency causes problems, let us post people who can deliver services to wananchi. We should have enough sugar produced at a relatively low cost in order to give our people enough sugar to put in their tea, coffee and the rest.

Mr. Temporary Deputy Speaker, Sir, our Government should support the fisheries industry. This is the easiest thing the Government should do; just insist on hygienic conditions; get inspectors there, and things will be rectified in order to get support and donations from NGOs and other bodies. This will enable Kenyan fish to compete with fish from other waters.

The Minister was right to propose that the Provincial Administration should be supported with more funds. It is fair enough, but I would like to propose that one area which should have been strengthened, if we are serious with the reduction of poverty, is research, particularly agricultural research. Let us produce at a cheap cost through research. Let our production be research-driven. I would like to point out that agricultural research is a must.

In the past, when we worked in the field, we always struggled to give Kenya some of the best breeds of cattle and crops through research. When they were not in Kenya, we first of all, tried to "Africanise" that crop or livestock and after doing that, we "Kenyanised" it and then localised it and finally "indigenised" it.

(Laughter)

That process should continue.

Today, there is bio-technology in the market, and our Government should encourage research. The Government should pay our researchers more in order to retain them because we do not want to lose them. We do not want to see our researchers flock to other countries. Research is naturally followed by extension. We have some good research results, but we have not extended the research knowledge to the farmers. Therefore, they have not been practised. We should provide sufficient funds in the Budget, particularly to the Ministry of Agriculture and Rural Development, in order to give the field officers mobility to reach the farmer. We should have the field officers adopt the latest method which they call "bottom-up" as opposed to "top-bottom" method of the past.

Finally, I would like to say that the field officers in the Ministry of Agriculture and Rural Development, such as extension officers, should, in my opinion, be given full support. Otherwise, our talk about producing more food for Kenya and, therefore, reduce poverty will just be a pipe dream.

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

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

I want to state, as many others have stated before, that the Budget appeared a good Budget. There are those who have doubted whether the Budget can be implemented, and the Minister for Finance should take that doubt as a challenge to him and show that it can actually be implemented. I was particularly happy to see that the Minister recognises that there is insecurity and, as a result of that realisation, he will ensure that many more policemen will be employed.

Mr. Temporary Deputy Speaker, Sir, many times, the small offenders can be frightened away from their offences by the mere presence of men in uniform. We have few men in uniform. I am only hoping that when the Government employs more policemen, it will emphasise to them that it is more important to walk along the pathways, especially in the rural areas, to be seen to be around, rather than to interfere by going into people's homes. Many times when the policemen go to people's homes looking for chang'aa or busaa, they end up drinking themselves drunk. That is when security surveillance suffers because when the policemen are drunk, they are as vulnerable as anybody else. Those policemen who have had their guns snatched away by criminals have been, many times, found in a drunken state. So, the policemen should take security seriously. They should move around to ensure that they frighten the would-be offenders rather than going to homes to see what drink is being consumed over there.

Mr. Temporary Deputy Speaker, Sir, I wish the Minister had equally realised that instead of first talking of increasing the bursary fund, it was necessary to employ teachers. There are no teachers in many of our primary schools. When we were crying out for teachers last year in Bungoma District, the shortage was about 400 teachers. Now the shortage has increased to 800 teachers. We expected that the Government would see that there was no education service being given in those schools. When a primary school has eight classes, Standard One to Standard Eight, and has four teachers only, do you think there is any teaching taking place in that school?

When the Government said that it had found a little money and it could employ a few teachers in secondary schools, it went for English teachers. I was wondering what is mystical about English? English is a subject that, many times, you would deploy any other teacher to teach when there is a shortage. You can take a history teacher to stand in for an English teacher before you get an English-trained teacher. There is nothing mystical about it. Teaching English is not like teaching electronics because in teaching electronics, you need an expert. But using the little resources you have managed to get to employ teachers to teach those subjects that you would have used any teacher to teach is not having your priorities right. The Government should have employed teachers to teach in those primary schools that have a severe shortage of teachers. I am hoping that the Government still has time to look around. I was encouraged to hear that the President has realised this and that the Government might employ more teachers. It should employ teachers fast enough.

I was unhappy when the Kenya National Union of Teachers (KNUT) resisted the transfer of teachers from areas that had excess teachers, to areas that had very severe shortage of teachers. The KNUT appeared to be just a welfare organisation not interested in the professional aspect and the needs of the child. While the child in Bungoma District was suffering, another place had excess teachers and KNUT resisted the transfer of the teachers. It was in that respect that I was happy that a new union of teachers, the Kenya Union of Post-Primary Education Teachers (KUPPET) was born. I wish to take this opportunity to encourage the KUPPET to go round fast enough and, at least, show some distinctive difference from the KNUT. It should show that it is more professional than a mere welfare organisation.

Mr. Temporary Deputy Speaker, Sir, I am happy at the moment that the political atmosphere is a little warm. Those who only a year ago were saying that we must go back to the Safari Park Hotel have seen sense. I am sure they regret that we have wasted so much time and instead of talking about the constitutional review, we were

talking about whether to conduct the constitutional review outside there instead of doing it in this august House. Now that we have a single process, we should begin talking about the issues that are at stake. We should not just be talking about whether we should have a Prime Minister who has a lot of powers, and a President who has few powers. We should also talk about the other issues. We should talk about the sanctity of life, for instance. What are we doing to protect life? Here we have murderers.

I was happy that this morning, just after a week, a second man has been executed in the United States of America (USA). But here in Kenya we have fellows fattening in Kamiti Maximum Security Prison, having been proved beyond doubt that they are murderers. We continue feeding them and being hesitant to punish them. If these murder convicts cannot have respect for life and revere it, why should we continue to keep them around? This is a sad thing. I am told that there are a number of people who will be going to the Constitution of Kenya Review Commission to say that we should abolish the death sentence. We will be making a big mistake.

Mr. Temporary Deputy Speaker, Sir, we should be talking about landlessness. We have too many people in the rural areas who are now landless. At first, we had squatters only in the former White Highlands. Now, the problem has extended all over, but there are many of us who keep huge tracts of land and can even boast that they have indigenous forests on their own farms. Actually, this is an excuse for keeping the land fallow when there are landless people. We should be talking about issues like those. Now that we have one constitutional review process, I am hoping that we will move faster.

When we vote the money that the Budget has requested us, we hope that it will be used better than it is being used at the moment. We had a project in Bungoma District called the Kibabii Teachers Training College. For ten years, the project was in the Government Printed Estimates, but now it is no longer there. This Government still has five administration policemen everyday, for 24 hours, looking after the sand that the former contractor had put on site. I am wondering whether this is the way we will use the poor taxpayers' money! The taxpayer sacrifices so much just to keep people idle, watching over sand because there is nothing else at all at that particular site.

We also hope that the Government will be more keen on corrupt officers, especially in the Ministry of Roads and Public Works. We have had the *El Nino* roads project. In Bungoma District, and especially in Sirisia Constituency, we have been given contractors who are comen to construct the road from Chwele, through Namwela to Rukhakha at the border. The road construction is not over yet, but the murram is already gone. We should take care of that.

Thank you very much.

The Assistant Minister for Education, Science and Technology (Mr. Awori): Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to join my colleagues in supporting this Motion. The Minister went a long way to address various issues that are affecting this country, and I thank him for that.

Mr. Temporary Deputy Speaker, Sir, the most important thing for a country to progress is to be able to collect revenue. It is very important that revenue must be collected. A good Minister with his team always looks for ways of increasing revenue. First of all, I am happy to see that the minimum tax relief has been increased so that those who were netted earlier, but who found it difficult to survive, have been removed from paying taxes. But that still leaves a very big number of people, organisations and companies that should be paying taxes.

Mr. Temporary Deputy Speaker, Sir, I firmly believe that this country is capable of collecting sufficient money locally, to carry out its services without the necessity of going out to the donors. In fact, it was shown quite clearly how unwise it was to depend on donors, when last year's Budget included a very large sum of money which was expected to be received from the donors. When that money was not received, the Minister suffered! We want to be self-reliant and we can do that. We know that we need something like Kshs250 billion to carry out all the services in this country. We can collect that much and even more. But I think most important is how to utilise the money. Even if we collect all the amount of money that we need, if we have not planned to use the money properly, we will continue to have deficits. I am glad to see that the Minister worked very hard to reduce the deficit to 1.6 per cent. That is commendable. But now, we need policing to ensure that where money has been earmarked, it will be used for that purpose.

Mr. Temporary Deputy Speaker, Sir, the Budget followed on the question of poverty reduction strategy. But it was a bit disappointing that areas which can help to reduce poverty did not get the full attention of the Minister. We are and will continue to be an agricultural country. That being the case, attention should have been given in the Budget to revive the agricultural sector. We have sectors that have suffered. We have the sugar belt in the Western region that needs to be revived. In order to revive it, we must find a way of reducing the cost of production. We will continue to mourn and complain that COMESA countries are bringing in sugar at below the cost that we have, but unless we reduce the cost of production, we will continue to mourn, and COMESA countries will continue to bring in their sugar.

We need to do something about coffee and tea, because those are the areas that, for many years, earned us a lot of money from overseas. Unfortunately, there was not much in the Budget that looked at that. Above all, we have a crop that can reduce poverty in the Western region completely, and that is cotton. We need cotton farming to be revived. But the steps that have been taken so far are wrong! To talk of giving free cotton seeds at the moment is compounding the problem. That is because the farmers will once again plant the seeds, produce lint, but have nowhere to sell it. We need money to be allocated in the Budget, so that we look at cotton growing as an entity; from clearing of the bushes, preparing roads in the cotton-growing regions, building stores, rehabilitating ginneries, finding money for the insecticides and setting aside some money to pay the farmers for their crop. That is the only way we can revive cotton farming.

Mr. Temporary Deputy Speaker, Sir, as far as the pastoralists are concerned, we saw how huge numbers of livestock got lost during the drought season. Had we revived the Kenya Meat Commission (KMC), that would not have happened. It should have been very clear that we needed to look into the situation of reviving the KMC.

Mr. Temporary Deputy Speaker, Sir, on the fish industry, it is time we updated the methods of fishing in Lake Victoria. We can only do that if a certain amount of money is put in the Budget. We need duty to be removed from all fishing gear, so that we can move from the way we have been fishing for many years, to the current situation. We know that fish is required everywhere. Our Nile perch is very popular in Israel, Australia and the European Union (EU). We need a Budget that could update the fishing industry.

Tourism is an area that has helped this country for many years. Tourism is suffering because of insecurity. There is no shame in accepting that there is insecurity in this country. But I think let us make it very clear that it is not just the Government alone that should be concerned with security. It is a combined effort of all of us. Let us improve security and we will see resurgence of tourism. We need money to rehabilitate the facilities in the national parks. The airstrips must be maintained, so that tourists who want to go by air can do so.

Mr. Temporary Deputy Speaker, Sir, the Budget did not cater much for the disadvantaged. We have a big segment of our society that is disabled. To be exact, we have, at least, 10 per cent of our population which is disabled. We would like to see most of the equipment that comes for rehabilitation of the disabled persons coming in duty-free. Above all, things like vehicles that are required to go out to the rural areas as mobile clinics should be duty-free.

Mr. Temporary Deputy Speaker, Sir, there are those who are kind-hearted and who would like to donate to charitable organisations. I think there should be a system of giving tax relief to those who are prepared to give money to organisations that are serving the disadvantaged. I am quite sure that if this happened, some of the medical facilities that are being undertaken by the Government could be done by non-governmental organizations.

Finally, Mr. Temporary Deputy Speaker, Sir, there is the question of famine relief. A lot of money goes to famine relief. If this money could be translated into equipment and buildings, then we would not need to continue giving famine relief.

With those few remarks, I beg to support.

Mr. P.K. Mwangi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute on the Budget Speech. First of all, I would like to thank the Minister for having presented a very good Budget, but which never catered for the poor. It was a shame for this Government to give incentives to manufacturers while forgetting the farmers who produce the raw materials. We could have liked this Budget, first of all, to address the problems affecting our people at the grassroots but it never catered for the poor.

Mr. Temporary Deputy Speaker, Sir, the most serious thing is that the Budget itself never catered for education and where it did, the Minister said that the Government will give Kshs600 million as bursary. This is an insult to Kenyans, taking into account the fact that the Minister acknowledges that more than 56 per cent of Kenyans are poor. How many will be catered for? I could have liked to hear the Minister saying that for the next five years, primary education will be free. That one could have reduced the number of street children we have in this country today. If you visit most towns in this country, you will find many street children. It is not because they are all naughty, but because their parents are poor. I think it is the responsibility of this Government to make sure that each and every child in this country gets basic education. That way, we can be assured that we will be able to industrialize by the year 2020. But to me, all that was said that day was Public Relation because nothing will ever happen.

Mr. Temporary Deputy Speaker, Sir, it was very good for the Minister to have realised that there is insecurity in the country. For us to be able to curb this insecurity, it needs much more effort, both from the Government and the people of Kenya. The police alone cannot curb this insecurity, for one reason; we have seen so many things happening. When we go to our rural areas, we find DCs having three new vehicles, when police stations do not have even a Land Rover which is moving. The Police Force should be given better equipment in the form of vehicles and be provided with houses. Currently, they are living in very poor conditions. They should

also be provided with communication equipment. Within my own area, in Makuyu Police Station, nobody can communicate using a telephone because this Government has failed to settle telephone bills with Telkom(K). Now, a full police station does not even have a public booth. We are saying that there is insecurity and we are not providing the required facilities.

Mr. Temporary Deputy Speaker, Sir, Kenyans could have been very happy if the Government honoured to the letter the agreement it signed with the teachers. Let teachers be given their dues. The Government should also hire more teachers because there are so many of them who have graduated and are "rotting" in the villages. We should not hide our heads in the sand by saying that we have enough teachers whereas we know that more are dying of HIV/AIDS and others are still retiring. We keep saying that we have enough teachers and I concur with Mr. Munyasia that in each and every district, and if Members from the KANU side can be sure of themselves, there are no teachers in our schools. If there are, they are only where schools are along the highways. Rural schools do not have teachers. This Government should immediately employ teachers before everything goes haywire.

Mr. Temporary Deputy Speaker, Sir, on retrenchment, I am not supporting the Minister on that issue. We know the people who were affected last year by this retrenchment were below 40 years. Secondly, we know what they were given is something which cannot even buy a cow. I am opposed to the intended retrenchment of 11,000 civil servants. Instead of retrenching them, the Government should look for ways and means of creating jobs in this country. We cannot afford to give our people Kshs40,000 and when they become hawkers in this City, they are treated as animals. We cannot afford that. I urge my colleagues to oppose this retrenchment because this is inhuman to Kenyans. Once they go there, they are just looking for the young people. If they have to retrench, let them retrench those who are beyond 52 years and not young fellows who left school the other day. We are quite inhuman to the youth of this country and I urge the Government to be humane to the youth and let them develop and progress.

Mr. Temporary Deputy Speaker, Sir, on taxation, our taxes are not favouring investors. Each and every person who is doing business in this country is crying because the taxation is quite high. If we want our economy to grow, let us try the policy of turnover by taxing less and have more turnover. But if we tax more, we end up having nothing. So many business people are closing down their businesses because there is no business in this country, and Asians are running away from this country. Even if we try to lure investors to invest in our country, we have to assure them that our taxation rate will go down.

Mr. Temporary Deputy Speaker, Sir, the Donde Bill must be brought back into this House so as to assure ourselves that we are sure of what we are doing. For more than six months, we promised Kenyans that interest rates would go down but this Government is not serious. They should be serious.

Mr. Temporary Deputy Speaker, Sir, when the Budget is being presented here, we should do what we promise our people. Last week, it was a shame for this Government to tell Kenyans that they are retrenching civil servants, while at the same time increasing Ministries. What is the purpose of increasing Ministries when we are poor? That is lack of vision. What is the purpose of giving somebody a Ministry and instead of him providing the way forward, he is using Government helicopters to tour one province? That is using taxpayers' money and we have never seen such a thing before. Ministers have been appointed and dropped, but why is it that one person is going round with a helicopter using taxpayers' money? If he wants to gain fame, let him use his own vehicles and not Government vehicles.

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

Mr. P.K. Mwangi: Sit down!

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

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, I would like to---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Sungu! Raise your point of order!

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, is the hon. Member in order to insinuate that a Minister was given a helicopter for his tours when public expenditure rules provide that one can hire a police helicopter or even a police officer to guard you and in return the Government generates revenue?

Mr. P.K. Mwangi: Mr. Temporary Deputy Speaker, Sir, the hon. Member does not understand that Kenyans have realised that those helicopters have always been there but the said Minister has not used them.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. P.K. Mwangi, your time is up. Mr. Sungu, it is now your turn to take the Floor.

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, allow me to associate myself with the Minister for Finance for giving us such a balanced Budget which has, indeed, addressed many issues. However, before I expound on the Budget, let me clarify some issues for the benefit of some hon. Members.

Mr. Temporary Deputy Speaker, Sir, public expenditure rules allow for Government vehicles and aircraft to be hired by even Departments and Non-Governmental Organisations (NGOs) whenever possible. This is one area where the Government earns revenue. It is wrong for anybody to insinuate bad motives on our party leader, who is the Minister for Energy, that he has been done a favour. The helicopter he used to tour Nyanza Province was paid for.

(Applause)

Hon. Members: For how much?

Mr. Sungu: If you do not know, just do your homework.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Sungu, could you now contribute to the Motion?

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, the Budget touches on many issues. The issues that are close to my heart are very simple.

On tourism, the Minister talked about trying to bring up the industry to the level it should be at. I want to appeal to the Minister that the Western Kenya Tourist Circuit has never been developed fully, as in other areas of the country.

Mr. Wanjala: On a point of order, Mr. Temporary Deputy Speaker, Sir. It is the concern of Kenyans---

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

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, my point of order is about the helicopter that was used by the Minister for Energy for his personal tour of Nyanza Province.

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

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, you have clearly heard Mr. Sungu say that the helicopter that was misused over the weekend was paid for. This is a matter of concern to Kenyans. Would I be in order to ask Mr. Sungu to lay on the Table a receipt to prove that the said helicopter was, indeed, paid for? Kenyans are suffering due to lack of money yet Ministers are just misusing public funds!

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Wanjala! You asked whether you would be in order to ask Mr. Sungu to table a receipt to prove that the helicopter was, indeed, paid for. I rule that you are out of order.

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, it is up to the hon. Member to go and find that out.

The Temporary Deputy Speaker (Mr. Musila): Order! I have closed that issue.

Could you continue with your contribution to the debate before the House?

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, I would like to appeal to the Minister for Finance to provide enough funds for the development of the Western Kenya Tourist Circuit next time. This area has been ignored tremendously. Western Kenya has various areas where tourism can be developed; those areas include parts of Busia where my friend, Mr. Wanjala, comes from. There is traditional and cultural tourism to be developed in those areas. Also, we have Kakamega Forest, Rusinga Island, Ruma National Park and Lake Victoria, which is the second largest fresh water lake in the world. We need to develop that area so that we can benefit.

Several hon. Members have spoken about trade, which the Minister also talked about. I want to address one particular aspect of the African Growth and Opportunity Act (AGOA). A super power has given us an opportunity to empower our people. However, the AGOA concession is being taken advantage of by non-indigenous businessmen. We want a situation where indigenous business people are encouraged and given the necessary Government support so that they can produce the textile for export to the United States of America (USA) market and bring back to the country the foreign exchange earnings that are going to be realised. We should not allow non-indigenous people to benefit from the AGOA and eventually take away from this country the earnings they are going to realise.

Several hon. Members have talked extensively on the very important issue of poverty alleviation. It is sad that the Minister has not been keen on the areas that need to be looked at. Honestly, and technically, if money was provided for irrigation in the Lake Victoria Basin, including Busia, which is in that area, people in that area could produce enough food for this country. We would not need to import rice from Pakistan or anywhere else. Poverty alleviation must go hand-in-hand with agricultural development. We cannot ignore irrigation. I would like the Minister to look into this issue and provide enough funding for irrigation projects, not only in Western Kenya but also in other areas with irrigation potential countrywide.

Some hon. Members said that this is a common man's Budget because duty on bicycles and condoms has been waived. Many Kenyans are going to benefit from that waiver. We need to support our people in that aspect,

because the waiver will allow more people to acquire bicycles. However, the Minister has ignored the Jua Kali sector, which could be very useful to this country. That is a sector which needs a lot of support from the Government. Most industries in the country have collapsed, leaving Kenyans with nowhere to seek employment. The Jua Kali sector employs most of our people, some with university level of education. So, I would like to appeal to the Minister to look for a way of accommodating this sector, so that practising artisans can import, or obtain locally, their equipment and tools much cheaply than they do now. This is the only way through which we can help them.

Mr. Temporary Deputy Speaker, Sir, the potential in the agricultural sector has not been fully utilised. I am sad to note that the sugar industry is either collapsing or on the verge of collapse. I believe that the Minister should have looked at issues concerning the sugar industry much more carefully. Had we, when it was necessary, provided enough money for sugar factories to overhaul their operations and for farmers to produce sufficient sugar-cane, Muhoroni and Miwani Sugar Factories would not have collapsed. These are things that are well within the ambit of the Government, which has the money for such undertakings. At one time, the Government bailed out the National Bank of Kenya (NBK) by providing it with Kshs2 billion. We only needed Kshs1 billion to bail out Miwani, Muhoroni and Nzoia Sugar Factories. These are issues the Minister should have focused on. We need to revive those factories to raise the living standards of our people. That is when we can raise the per capita income. There is no way we will ever help this country if we ignore the agricultural sector.

We have existing irrigation areas such as Mwea and, particularly, Ahero Irrigation Scheme. The Government should make a big effort to extend these areas instead of letting them "die". It is, indeed, sad that people can remain unemployed when we have large tracts of land lying idle in various parts of the country, which can otherwise be utilised for production and creation of employment so that we can attain higher living standards.

Mr. Temporary Deputy Speaker, Sir, on the issue of donor funding, most of this Budget is hinged on Appropriations-in-Aid. As I speak now, there is no water in most parts of Kisumu District. In 1997/98 JICA was ready and willing to supply Kisumu District with water by constructing several dams. Up to now, this project has not taken off because the Ministry has not taken any action. I would like to appeal to the Minister to take this matter seriously and come up with a solution to the provision of water in Kisumu, because JICA had agreed to fund this project, but the Ministry is dragging its feet in drafting the proper papers so that this project can go on.

Mr. Temporary Deputy Speaker, Sir, the Minister addressed so many issues and one issue which is close to my heart is health. This is because, the HIV/AIDS pandemic has hit us - particularly in Western Kenya - very hard. It has hit us so hard that we are losing the most important people. We are losing teachers, other professionally qualified people and those who are able to earn a living in order to support others. We have many orphans and other children who cannot go to school. I would like the Minister to think seriously about providing free medical services to those suffering, not just in Western Kenya, but to the rest of this nation.

Mr. Temporary Deputy Speaker, Sir, when it comes to infrastructure, like some of my colleagues have said, it is a shame that we never get our priorities right. Without the physical infrastructure, you cannot get anywhere. We should construct roads around Lake Victoria.

Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Wanjala: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute to this Budget Speech. I would like to support it.

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

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

Mr. Temporary Deputy Speaker, Sir, whereas Ministers should take the Budget Speech debate very seriously, the only Minister who has been seated here is even going out. They do not have interest in the Budget Speech and that is why they have messed up our Ministries. It would be better if they sat here and [**Mr. Wanjala**] listened to hon. Members' contributions. I can only see some two "half" Minister seated here. They are the only ones listening, and you will be surprised that in this current Government, Assistant Ministers have got no responsibilities whatsoever. Nobody is answerable to them, and even as they are listening here, they will deliver nothing to their offices. They only come here to answer Questions that have been---

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): On a point of order, Mr. Temporary Deputy Speaker, Sir. We have heard a very strange terminology this morning. Is the hon. Member in order to talk of "half Ministers"? I have never heard of "half Ministers". Is he in order on this matter?

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Wanjala, you know very well that the only definitions we have in the Standing Orders are "Ministers" and "Assistant Ministers".

Mr. Wanjala: Mr. Temporary Deputy Speaker, Sir, I am aware they are called Assistant Ministers, but I said so because they have no responsibilities in those Ministries apart from reading Ministers' speeches and giving replies that have been prepared by other people, and nobody in those Ministries is answerable to them. They are only given an office, a secretary and a telephone. They have no files and that is why we refer to them as people who have no value in this Government.

Mr. Temporary Deputy Speaker, Sir, the Government is taking Kenyans for a ride and this is long overdue. The Government is wasting a lot of our resources crisscrossing this country and only talking about politics instead of addressing issues affecting Kenyans. A whole Government went to Kiharu and told hungry people who have delivered their crops to factories and have not been paid for the last two years, to join a particular party, whereas even those people in that party are also suffering just like many other Kenyans. They cannot afford to take their children to school or afford medical care for their children, and the Government is not assisting them. They cannot be able to drive their vehicles on the already dilapidated roads and yet they are being told to join a particular party. Is that a solution? It is high time the Government started addressing the problems affecting Kenyans and solving them. Politics should not override economic development in this country. The Government should take a leading role on this matter instead of crisscrossing the country and persuading Kenyans to join the Government. Recently donors wanted Ministries to be reduced, but we can still witness more being created. For example, we now have the Ministry of Information and Tourism. That is increasing expenses. We are taking politics as our priority instead of tackling the serious problems that are affecting this country. A hungry man is an angry man, and soon Kenyans will revolt against this Government. However much you induce other people to join you, I would like to caution that it took Moses 40 years to deliver the Israelites. The situation is very serious, and Kenyans are saddened by the actions of some Opposition Members of Parliament to have joined this Government.

Mr. Temporary Deputy Speaker, Sir, many hon. Members have talked about the fishing industry. This Budget never touched much on agriculture under which the fishing industry and irrigation fall. It is saddening and embarrassing to Kenyans from Western region, for example, for the MP for Budalangi to ask for relief food when he is surrounded by River Nzoia and River Yala and borders the second largest fresh water lake in the world called Lake Victoria. The Government has been in leadership for the last 40 years and we have no water. Why should we ask for relief food? This is because the Government has not taken its responsibility to provide food. They should provide us with enough water through irrigation. The only irrigation scheme that was in existence, known as Bunyala Irrigation Scheme, has collapsed. Why is this happening and yet the Government is there and we have the Minister for Agriculture? We are told that there is no money, but we are not told where the money has gone to.

Mr. Temporary Deputy Speaker, Sir, how can we talk of eradicating poverty when we are killing the few institutions that provide for our people, for example, irrigation schemes? It is not only Bunyala Irrigation Scheme that has collapsed. Ahero Irrigation Scheme and Pekera Irrigation Scheme in the Head of State's constituency is also dead. Those people might even be poorer than those from Budalangi, if I am not wrong. The situation is very bad, but in the Budget they have allocated about Kshs1.5 billion for provision of water. They have talked of dams, but they will not dig up these dams in places where dams are needed. This Government will just choose a few places for political mileage and dig up dams that will not even contain water. We will still have the same problem of shortage of electricity. Along River Nzoia, there is a fall near Webuye, but you will be surprised that the Panpaper Industry in Webuye has applied to contain that water and produce their own electricity, but they have not been licensed to do that work. So, how are we going to control the floods in these areas that are always flooded? The Government should be serious about agriculture. When we have dams, we will be able to grow our crops using irrigation.

Mr. Temporary Deputy Speaker, Sir, the fishing industry has taken off very well, both in Uganda and Tanzania, because of the incentives given to fishermen. In Uganda, today, the duty on fishing equipment, is 6 per cent while in Tanzania it is duty-free. But in Kenya, we pay 18 per cent for the same equipment. Our people cannot afford to buy fishing equipment, hence they have resorted to stealing. It is so difficult to fish in Lake Victoria because of theft. If duty could be reduced on this equipment, then there would be no suffering in that region. People there would be the richest in this country. We cannot engage in modern fishing because motorboat engines are very expensive. It is ironical that duty on tractors is being waived. Why is it that the same cannot be applied to the motorboat engines? Is it because we have not had a President from that province?

Mr. Temporary Deputy Speaker, Sir, recently, some people celebrated that they got a Ministerial post. Since 1997, the Minister for Energy has always come from Western Province, Mr. Okemo and Dr. Masakhalia, and now it has been given to Mr. Raila. But the fact of the matter is that for those four years, no electricity line was extended from where they were to the next point. So, we wonder why people are celebrating over Ministerial

appointments. It is better for one not to be in this Government. We want things to happen so that we can appreciate the effort of the Government. But if nothing is happening, some of us are not ready to appreciate.

Mr. Temporary Deputy Speaker, Sir, the Yala Swamp has given us a lot of problems. We would be producing a lot of food to feed this country. When they talk of the drought as the cause of the suffering in this country--- The drought was only there last year. What about those other years? Let us reclaim the Yala Swamp and produce food to feed Kenyans. The drought in Turkana has always been there and that is why they do not grow crops.

With those remarks, I beg to support.

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

Mr. Temporary Deputy Speaker, Sir, I take this opportunity to thank the Minister for Finance for giving Kenyans a well-balanced and a common man's Budget. A good Budget like this one cannot be implemented without a peaceful environment. We require peace and political unity rather than having differences so that this Budget can be of benefit to the local mwananchi and the country.

Recently, we experienced problems associated with the *Mageuzi* movement and so on. I would like to urge Kenyans to strive for peace in this country. Even the donor community will be scared by such activities. I think the solution to those problems lies in the merger between the NDP and KANU. I take this opportunity to invite my colleagues on the other side of the House to strive to nurture peace in this country so that the proposals contained in the Budget Speech can be of benefit to this country. I would like to agree with one of my colleagues who said the Budget which is one of the best since Independence. It is a home-grown Budget which cannot depend on the donor community for its implementation. It is important to see to it that in future, our Budgets do not depend on foreign donors. This is a very good Budget for the people of this country.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Roads and Public Works has set aside Kshs3.2 billion for rural access roads. It is important that Ministry representatives at the district level employ locals when grading these roads so that they could benefit from that project. That is also part of the poverty eradication campaign. There are also some roads that lead to primary schools and health centres that should be graded from that level. It is important for the Ministry to see to it that these roads are maintained properly so that such facilities can be accessible.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Water Development should strive to alleviate water problems in arid and semi-arid areas by sinking more boreholes or constructing more dams. It is important that we also protect our water catchment areas so that we have water for the communities in rural areas. By constructing more dams, livestock will have enough water. This country has a lot of livestock. The livestock industry should be considered in future budgets. We have got to create market for our livestock. We have to revive the Livestock Marketing Division to assist livestock farmers market their products. It used to be very good because that is the time they created holding grounds and livestock farmers used to get very good prices for their products. The Kshs1.5 billion which the Minister has set aside for the livestock industry should be used to revive the Kenya Meat Commission (KMC). This is one sector that could contribute a lot to the economy of this country, if revived. It is also important to have some slaughter houses in livestock producing areas like Samburu, Marsabit, Wajir, Garissa and even Turkana. We are lucky to have a lot of livestock in this country. We still produce a lot of meat in this country.

Mr. Temporary Deputy Speaker, Sir, I had an opportunity to visit the Democratic Republic of Congo (DRC). I saw people selling baboon and other wild animals' meat. There was no goat or cow meat. I had a problem with their meat at their hotels. The meat they offered me was not good for me because I am used to eating cow or goat meat. We are lucky in this country that we do not eat the meat of wild animals. I urge the Government to revive the livestock sector because it is very important just like the coffee sector in this country.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Health is very important in this country. We hope the Ministry will spend some of the money in this year's Budget to set up more dispensaries in rural areas. We should train more doctors to work in those areas where we have a shortage of trained doctors. I hope also that they will buy more ambulances and send them to those areas. I commend the Ministry of Health for launching the exercise of distributing ambulances. I hope they will distribute these ambulances to all districts. I thank them for that. It is also important that the Ministry and other stakeholders will join hands to fight the HIV/AIDS menace in those areas.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Education, Science and Technology is important, particularly in the ASAL areas of this country. I hope the Ministry will provide bursary funds to all bright but poor students in those areas because their parents do not have enough funds to educate them. The Ministry should provide textbooks to pupils in the ASAL areas.

Mr. Temporary Deputy Speaker, Sir, some hon. Members have talked of equitable distribution of teachers in this country. It is important that we train and employ more teachers so that we do not have any shortage in rural areas. The management of schools in those areas is also very important. The DEOs must be well organised and implement Government policies on education. This will be the only way we can manage the education system in this country.

In Samburu District, we have Wamba Hospital under the management of the Catholic Church. There are so many hospitals in the country sponsored by the Catholic Church and other churches. These hospitals assist people in the rural areas. Therefore, it is important for Minister for Finance to consider waiving duty on drugs used in those hospitals. Currently, I am yet to settle more than Kshs500,000 hospital bills incurred by my poor constituents. I always go around my constituency raising money to settle those bills. If the Government would consider waiving duty on drugs used in these hospitals, then I believe those missions will provide cheap drugs to our people living in those areas. Wamba Hospital does not only serve Samburus, but also the whole of the northern region and parts of Meru, Isiolo and Nyeri.

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

Mr. Mwenda: Mr. Temporary Deputy Speaker, thank you for giving me this opportunity to touch on a few issues raised in the Budget Speech by the Minister for Finance. First, I would like to touch on the Government expenditure. Slightly over three years ago, then the Minister for Finance, Mr. Nyachae, emphasised the need to cut down on Government expenditure. It was then argued that saving on Government expenditure would result in surplus money that would be spent on development activities. Today, Government expenditure has continued to grow. As an illustration, during the last nine months of this financial year, Government expenditure was in the region of Kshs142 billion as opposed to a similar period, the previous year where the Government expenditure was Kshs125 billion. This is an increment of over Kshs20 billion in Government expenditure. Most of this expenditure goes to salaries. It was expected that with retrenchment of civil servants, there would be some savings on Government expenditure so that development activities could be embarked upon. We all know what has happened with the retrenchment exercise. It is riddled with complaints about payments those who were retrenched. Up to now, they have not been paid their final dues. Unless the Government puts its foot down on cutting down expenditure, then we cannot continue talking of any development.

Mr. Temporary Deputy Speaker, Sir, specific measures have to be taken to cut down on daily operations. We are talking about very many direct telephone lines given to State officials. We are talking about very many Government vehicles being allocated for use on daily basis. This is a cause that can be saved, if Government vehicles which are used on daily basis are drastically reduced. Over the weekends, especially on Saturdays and Sundays, we find Government vehicles being used by the DCs, DOs, departmental heads, among other Government officers. It is not actually explained why Government vehicles must be used on Sundays to attend church services. This is unnecessary expenditure. I am only simply saying that you cannot claim to be on duty if you are using a Government vehicle to attend Sunday service in Kabarak. That is not being on duty, unless you do not understand the meaning of "duty". We need to cut down on Government expenditure because this is the only way we can save money for development activities.

Mr. Temporary Deputy Speaker, Sir, the second issue I want to touch on is domestic debt. The domestic debt has continued to grow. We all know that internal or domestic borrowing is absolutely expensive. The interest payable by the Government is very high because it is all short-term. The present policy which has been introduced by the Central Bank of Kenya to float long-term Bonds of three to five years is a step in the right direction. But the question is: Is it viable, given our present economic decline? Will people invest in these three to five-year Bonds? Unless the Government reduces domestic borrowing to an acceptable level, then the Government will continue paying a lot of money in terms of interest and, therefore, saving very little for development purposes. As an illustration, between June 2000 and March 2001, the Government paid Kshs16.9 billion to service interest on domestic borrowing, as opposed to Kshs3.7 billion spent in paying interest on external loans. This is a big difference. So we have to reduce domestic borrowing so that we can save money that is used in the payment of very high interest rates. We all know the genesis of this heavy domestic borrowing. It started in 1992 during the general election where a lot of money was printed. After the election, the Government had to involve itself in mopping up excessive money. This is something that has gone on for the last ten years. The Government is not actually doing anything to ensure that this domestic debt is brought down so that we can have some savings which can be used in development activity.

Mr. Temporary Deputy Speaker, Sir, there is also the question of revenue collection. Last financial year, the Government, through the Budget, introduced measures to consolidate the collection of certain levies under the KRA. This attempt was actually bogged down by various protests by interested parties. Even this year, the Minister for Finance also proposed that certain levies will now be collected by the KRA. My worry is: As

happened in the last financial year, will this be allowed to proceed? Will the KRA be given the opportunity to continue collecting these levies or will we have complaints from interested senior officers in Government? Hand-in-hand with revenue collection, there is the question of resource allocation. We must allocate our resources as equitably as possible. This is the only way we can distribute the development money that is available to all citizens of this country for the benefit of the entire country. There is no way we can be able to talk about collecting revenue and disregard this issue of equitable distribution of resource because every part of this nation requires equal treatment as the other. It is for the same reason a Motion was passed in this House last year that each constituency should get Kshs5 million for road development. The intention was that every part of this nation should get an equal amount of money to develop simple roads to be used by the farmers. But we all know what has happened; the money was not dispatched, the Government continues holding the money while the farmer is unable to move his produce from the farm to the market. So, there is need for the Government to come up with a policy that will allocate resources equitably to all parts of this country.

Finally, I want to touch on the agricultural sector. We all know that our farmers are getting stiff competition from farmers from the COMESA region and, particularly, on sugar and cereals. The domestic producer of cereals, sugar and other commodities needs very, very urgent help. He needs urgent help to increase his efficiency and profitability in farming. This can only be achieved if taxation on farm inputs is completely removed because farm inputs are too expensive for the Kenyan farmer. I am talking about the fertilizers, the ox-ploughs and the tractors. There is need for the Government to deliberately remove taxation on these farm inputs so that the farmer can realise some profit from his farming activities. If this is not done, then we shall continue losing a lot to our competitors in the COMESA region. We shall have cheap cereals being imported into this country from the COMESA region, when our farmers cannot sell their cereals to other countries that are covered by the COMESA region because they have no products and if they have, their products are not competitive.

Mr. Temporary Deputy Speaker, we had financial institutions which used to help the farmer, like the Agricultural Finance Corporation and other institutions, which have now been crippled completely and they are no longer operational. There is need for the Government to set up a fund to help the farmer so that he can get cheap financing at an affordable interest rate. This is the only way our farmers can engage in meaningful and profitable farming.

Mr. Temporary Deputy Speaker, Sir, with regard to the cotton industry, we have had much talk the African Growth and Opportunity Act (AGOA). How much benefit can we get from the AGOA? How do we make use of the provision of that Act, if the cotton farmer cannot produce cotton and sell it at a profit? We know of various regions where we used to have cotton as the main cash crop, but today it is not the same. The prices of pesticides and herbicides for the control of weeds are beyond the reach of the ordinary farmer. So, the Government must deliberately set funds aside for the revival of the cotton industry.

There is also the sunflower industry for the extraction of oil which also needs to be encouraged and the farmers in this country need to be encouraged to venture into new crops which can give them higher yields and higher returns.

Mr. Temporary Deputy Speaker, Sir, a lot has been said about the Poverty Reduction Strategy Paper (PRSP). There is no way we can improve the economy and reduce poverty, if our people are hungry. We all know that most of our people depend on farming. How do you feed people when they are not utilising the land which is available? We know that thousands of people were displaced in the Rift Valley during the tribal clashes and thousands of people were displaced in the Tharaka-Igembe boundary---

With those few remarks, I beg to support.

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

Mr. Temporary Deputy Speaker, Sir, Kenya is an agricultural country and produces a lot of agricultural commodities, like cotton and sugar among others. With regard to this sector, the Minister did not tell Kenyans how to improve the production of cotton. It means, therefore, this country will continue to import *mitumba* clothes from foreign countries and, therefore, poverty cannot be reduced in Kenya. Cotton can be grown in the Lake Region in both sides of Nyanza and Western Kenya. The Minister did not mention anything to do with the market for the agricultural products. He was so silent on this point.

Mr. Temporary Deputy Speaker, Sir, we have big water falls like the one on River Yala among other rivers. The Minister did not mention how we can tap the water falls on the river to produce electricity in the country because without electricity, we cannot have industries or even do irrigation.

Mr. Temporary Deputy Speaker, Sir, we have an existing electricity potential in Nyanza Province, Migori District, at Ngogo Falls. This power potential should be harnessed to produce more electricity. The water, if

tapped from Ngogo Falls, could also be used for irrigation purposes along that region in order to reduce poverty because agricultural commodities are very essential.

Mr. Temporary Deputy Speaker, Sir, the issue of sugar-cane production is creating a lot of concern in Kenya because many farmers go without pay for their sugar-cane deliveries and their children cannot go to school because their parents cannot make ends meet since they depend on the sugar-cane crop for their income. The Government should lend the sugar factories a reasonable amount of money in order to maintain factories and to pay the farmers. This issue was omitted in the Budget Speech although it will affect the Minister because he did not pay much attention to Western Kenya.

Mr. Temporary Deputy Speaker, Sir, we are wondering because we do not know what might have happened to the Ministry of Co-operative Development. Why did the Ministry disappear? Nowadays, the fish industry in the Lake Victoria Region is in the hands of Asians and a lot of money is being repatriated out of Kenya. So, in order to control poverty along this area, we should put emphasis on the fish industry since it is the most stable industry in the Lake Victoria Region and we cannot grow cereal crops in that region. Indeed, people depend mostly on fish for food and income for other needs. Since fishing is out the hands of Kenyans, poverty cannot be reduced around the Lake Victoria Region.

Mr. Temporary Deputy Speaker, Sir, in Nyanza, for example, South Nyanza and Migori, there are plenty of cattle and, therefore, we need a slaughterhouse to provide a ready market for cattle farmers. However, this area has been forgotten and that is why the Minister for Finance did not touch on he talked about poverty reduction in Kenya in his Budget Speech. Those are the points which the Minister should have talked about but he did not give us attention at all.

With those remarks, I beg to support.

The Assistant Minister for Labour and Human Resource Development (Maizis): Bw. Naibu Spika wa Muda, nashukuru sana kwa kunipatia nafasi hii ili---

Mr. Kihoro: On a point of order, Mr. Temporary Deputy Speaker, Sir. I thought that this was an opportunity for an hon. Member from the Opposition side to speak, and I have seen that you have already given chance to two hon. Members from the Government, one from "former NDP" and one from---

The Temporary Deputy Speaker (Mr. Manyara): Order, Mr. Kihoro! Nobody from the Opposition stood up to catch my eye and I had to call on Mr. Maizis.

The Assistant Minister for Labour and Human Resource Development (Mr. Maizis): Bw. Naibu Spika wa Muda, jina "Kihoro;" "Horo" inamaanisha kuzungumza. Kwa hivyo, tunamkaribisha sana Mr. Kihoro kwa Hoja hii ya leo.

Nachukua fursa hii kuchangia Hoja hii ya Bajeti ya mwaka wa 2001/2002. Kwanza kabisa, nimestaajabika sana kwa waheshimiwa Wabunge ambao wameongea mbele yangu, kwa kulaumu Serikali wakati wowote wanapopata nafasi. Wanazungumza juu ya Serikali; hati imeshindwa kutekeleza miradi ya maendeleo. Tunajua ya kwamba miradi ya maendeleo hutegemea makadirio ya Bunge. Kama hamna pesa, hatuwezi kutekeleza miradi yoyote. Kwa hivyo, ni lazima wajue ya kwamba kiasi cha pesa Kshs270 billioni hakiwezi kutekeleza wajibu wote tunaotaka katika Kenya. Kwa hivyo, wakitaka tutekeleze miradi yote ya maendeleo, ni sharti wakome kutusi Serikali na wakome kuwaambia wale wenye kupatia Kenya msaada, habari mbaya. Tukipata pesa maridhawa - zaidi ya Kshs270 billioni - nafikiri tutatekeleza wajibu huo. Si vizuri, na si ungwana kamwe kugombana sisi kama viongozi.

Ningependa kuchangia kidogo katika nyanja ya kilimo. Tunavyojua, ukulima ni uti wa mgongo wa uchumi wetu wa Kenya, hata kwenye bara la Afrika. Sisi hatuna madini ya kuchimba. Hatuna mapato zaidi ya ukulima. Kwa hivyo, ningependa Serikali itilie maanani sekta ya kilimo. Sijasikia kwa makadario haya juu la jambo la AFC. Tungetaka wakulima wapewe mkopo ili waistawazishe mashamba yao barabara. Vile vile, kuna mikopo ambayo ilitolewa kwa wakulima kupitia kwa AFC. Ningetaka Serikali ifutilie mbali hiyo mikopo ili tupate kuboresha uchumi tena. Najua ya kwamba tumekuwa na ukame kwa miaka minne na hatuwezi kudhibiti na kukabiliana na hali mbaya ya uchumi tena, ijapokuwa kama Serikali ingefutilia mikopo ya AFC, mambo yangukuwa mazuri.

Si vizuri kwa Serikali kupambana na hilo jambo kwa kunyakua ng'ombe na trakta kutoka kwa wakulima, au vifaa vya ukulima kama jembe ambavyo ni tegemeo lao. Ni vizuri kuwasemehe madeni hayo, hasa wakati huu tunapotarajia kupata msaada. Vile vile kuna msaada kwa njia ya mbolea; ya kutilia kwa mashamba yetu. Tunapewa msaada kutoka nchi ya Japan, kwa kusaidia wakulima kukuza mimea yao na kuweka rutba katika mashamba. Lakini maofisa wa Idara ya Kilimo wanatuzuia mbolea ile inayotoka Japan. Tungetaka Wizara hiyo itusaidie kufunza wakulima jinsi ya kutafuta mbolea kutoka kwa wanyama wetu huko nyumbani.

Tungependa mabwawa makubwa yaliyoharibiwa na mvua ya *El Nino* yaangaliwe. Nikisema hivyo, ninamaanisha bwawa kubwa ya Kerita kutoka kwangu ambalo liliharibiwa na mvua ya masika ya *El Nino*. Mpaka

leo, haijarekebishwa, na kwa hivyo, wakulima takriban 4,000 pamoja na mifugo yao, na wanyama kama samaki, wametaabika sana. Kama Serikali ingeweka maanani urekebishaji wa mabwawa hayo katika sehemu zote nchini, ingekuwa vyema.

Hata sisi tuna njaa, ijapokuwa tunaishi katika sehemu zenye mvua. Tunataka vile vile kusaidiwa kwa sababu hiyo ni miradi ya kudhibitsha uchumi wetu. Kuna watu ambao walikuwa wakivua samaki katika harakati ya kujenga uchumi. Lakini kwa sababu vidimbwi viliharibiwa kabisa na mvua ya *El Nino*, hatuwezi sasa kukadiria karo za shule, au pesa za kununua dizeli ya kuweka kwenye trakta za kulima. Kwa hivyo, ningependa Wizara ya Kilimo na Wizara ya Fedha kutilia maanani sana urekebishaji wa vidimbwi hivyo au mabwawa hayo.

Hatuna sahanati kwetu. Tunasikia watu wanachanga pesa mahali mbali mbali ili kutengeneza zahanati nyingi. Sisi tumejaribu kwa njia ya harambee kujenga zahanati. Lakini sisi hatujapewa msaada kutoka Wizara ya Afya, ili wauguzi wale wako kule waweze kutibu watu wetu. Tunaomba sana Wizara ya Fedha itupatie pesa ili tuweze kujenga zahanati na tuweze kutibu watu katika mashambani.

Tungependa Serikali kupitia makadario hayo, kuanzisha District Roads Committees (DRCs), ili tupate kutengeneza barabara zetu za kuingia vijijini. Hakuna haja kusema ya kwamba tumepata Uhuru miaka 37 iliyoipita na barabara zetu ziko mbaya.

The Assistant Minister for Labour and Human Resource Development (Mr. Maisz): Tunajikokota tukitumia punda, wengine trakta na wengine miguu kusafiri. Tukikarabati barabara tutaweza kuwatumikia wananchi hasa kusafirisha mimea yao kutoka mashambani mpaka sokoni jinsi mwenzangu alivyosema. Huko kwetu ni vigumu kusafiri katika barabara ukienda mjini hasa wakati wa mvua ya masika. Tunakwama kule mashambani kwa sababu barabara zetu hazipitiki. Kwa hivyo, ni lazima tuhakikishe kuwa barabara zetu ziko katika hali nzuri ya kutuwezesha kusafiri katika miji. Baadala ya kunung'unika na kusema kwamba Serikali imeshindwa kufanya hivi na vile, ni wajibu wetu katika Jumba hili kuangalia jinsi pato la binafsi litainuliwa ili pato la taifa liweze kufika kiwango ambacho kinaweza kutusaidia kuandaa makadirio ya kutimiza mahitaji ya wananchi.

Ninaunga mkono.

Mr. Omingo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to the Budget Speech. First and foremost, it is encouraging to realise that the Minister for Finance acknowledged that we have a negative 0.3 per cent growth. It makes very little sense that Kenyans who put more than ten hours a day to work have a negative 0.3 per cent growth while our neighbours, for example Tanzania, whom we know for a fact do not work that hard have a growth rate of 4.7 per cent. Our immediate neighbours who are landlocked have a growth rate of over 7 per cent. The Minister also outlined the root causes of this poor performance of our economy. He agreed that poor governance and corruption are some of the causes. We are yet to see whether the Minister has put machinery in place to eradicate this cancer because the same Government is corrupt. The only way to remove a cancerous portion of your body is to chop it off. We are waiting to see how they will chop off that portion of corruption from the Government.

The Minister talked about alleviating poverty through the Poverty Reduction Strategy Paper (PRST) which is a good plan. The agricultural sector is really the backbone of the economy of this nation and yet STABEX funds have been allocated to people who do not deserve them. These funds were meant to be used in improving the performance of the coffee sector, but they have been allocated elsewhere. A farmer will deliver coffee worth US\$100 and after deductions and counter-deductions, he is supposed to pay back to the people he supplied coffee to as if he is being punished for growing coffee. It is a shame! This is the same farmer you want to participate in the development of this nation. We must, as a Government and a nation, stand up to be counted and perhaps, take courage and have breakfast with the nose of a lion like a fly does in order to stop this massive corruption.

We pretend that we do not know the amount of sugar we require for consumption in this nation. I am glad the Minister indicated that he will gazette the people who are supposed to import industrial sugar. This will ensure that we do not have cases where the cheeky "blue-eyed boys" of the Government import ordinary sugar in the name of industrial sugar, thus killing our sugar industries in Western Province. I believe the Minister is sincere, and on that regard I feel he should be commended.

Insecurity is another issue. How do you expect "Uncle Sam" to invest his dollars at the Coast when you must create imaginary clashes towards election time? How do you expect a tourist to come here and enjoy a holiday in a place where pickpockets are actually walking on the backs of these tourists? The security system has broken down and yet we have a Government in place and a Ministry in charge of internal security. Funds are provided to this Ministry through this Budget and yet the Minister says that insecurity is occurring due to breakdown of law and order. Is the Government serious? Somebody cannot invest in this nation if he cannot even reap the results.

When you walk in the Coast Province you will be surprised because a hotel with a guest capacity of 1,000 is occupied by only 12 guests. I had the opportunity to be at the Coast last month; it was pathetic. Insecurity is rife, then there was the Likoni violence whose aftermath has not been cushioned by the Government in terms of providing the security that we are talking about. The Government must again stand up to be counted on the issue of tribal clashes. When we tried to introduce a Motion here on Truth and Reconciliation Commission and to establish the cause of the clashes so that we can forgive the perpetrators, the Government shot it down. This means that they want the clashes in Trans Mara and Pokot Districts to continue so that a certain person can achieve a particular objective. It is a shame!

Nobody will invest in this country with the current high interest rates. We know the causes of these high interest rates. One of them is non-performing loans. It is the "big boys" who have borrowed these loans which amount to millions of shillings. Although the "list of shame" was published, the same gentlemen are still enjoying non-performing loans. A poor Kenyan cannot access credit because one Minister or the other has borrowed Kshs130 million from a particular bank with no guarantee or security. Earlier on, my colleague talked about domestic borrowing being the cause of high interest rates. However, we know that this high inflation was created by the Government when it printed money in 1992. Consequently, the Government must mop up this excess liquidity from the market and hence the cost of borrowing becomes high.

If the Government was as brilliant in managing the economy as it is in political fraud, Kenya would be a super power today economically. The Government is so cunning in terms of wooing people to join them politically. If they would also, in the same token, introduce gimmicks that will jump-start the economy, Kenya would be super power today. It is a shame that their priorities are up-side down. In some places where the royal blood flows, you will find that the roads there are beautifully carpeted and yet you will hardly find a car moving in those roads. However, in areas where there is agricultural produce, you will find tea leaves and other products rotting in the farms. You pretend that you can alleviate poverty when you cannot provide basic infrastructure. They are aware, but they are pretending not to know, but time will tell. The Government is so corrupt that it is like a tap permanently turned on. However, you should realise that the portion you are tapping will one day turn sour, then you will listen.

How do you expect someone to invest billions of shillings here and yet you are regulating electric power. We had *El Nino* rains which caused a lot of damage. Instead of prioritising in terms of building dams to store up water or desilting the existing dams, we are watching and waiting to buy generators from where we have vested interests. We should build factories in places where the tea can be transported easily. A factory is supposed to be built in my constituency, but its construction has not taken off because of political bickering. As a result, tea leaves are rotting in the farms and yet you are pretending and saying you are alleviating poverty.

On education, the Minister says that he revised the curriculum for education but yet still today education is unaffordable to most poor families. I think the Government had promised to eliminate illiteracy and diseases but yet nothing has been done. Especially there was a Sessional Paper, but I cannot remember it, that said we need to provide water for all by 2000. Today, it was minus water for all by 2000! What a shame! We need to concentrate on middle-level colleges. We concentrated on universities perhaps to please a few individuals, but it is boomeranging on us because we cannot provide employment to those university graduates. Therefore, the Government should put emphasis on middle-level colleges where people can be self-sufficient upon finishing their college education.

Mr. Temporary Deputy Speaker, Sir, donor funding is part of our problem. The question is: "Is it the donors who are shifting the goal posts or the Kenya Government or are shooting themselves in their feet and pretending that it is the donors who are not co-operating?" How do you score into your own net and start grumbling that the referee is not fair to you? We need to stand up and be counted and time will tell for the ills we are doing, even if it means 40 years down the line, we shall pay for them because we refused the Reconciliation and Truth Commission which we were to bring to Parliament.

Mr. Temporary Deputy Speaker, Sir, the Poverty Reduction Strategic Paper (PRSP) is very beautiful in its content but, unfortunately, again, the implementors are wanting. The same people who write beautiful papers are corruptors as well.

With those few remarks, I beg to support.

Mr. Sajjad: Mr. Temporary Deputy Speaker, Sir, thank you for giving me an opportunity to speak on such an important issue. I congratulate the Minister for Finance for having presented a very balanced Budget; a Budget which is in the interest of the common mwananchi and which is supposed to initiate industrial development. However, as far as industrial development is concerned, I think the Minister could have done much more than what he did for the industries. Imagine an industry based in Mombasa producing glass and its requirements consist of 70 per cent out of which 35 per cent is power and the other 35 per cent is fuel. In Kenya,

we are heavily surcharged for power. Fuel has excessive duty. How can an industry based in Kenya survive when in Egypt power and fuel costs are about 20 per cent of the cost in Kenya? An industry manufacturing the same item in Egypt can supply it to Kenya. There is no duty because Egypt is in COMESA and so finally that product lands in Kenya and has to pay much less. I would request the Minister to look into the possibility of the reduction of power and fuel costs to large consumer industries.

Mr. Temporary Deputy Speaker, Sir, talking about COMESA, I hear people complaining about industrial sugar. I do not think industrial sugar is the topic. The culprit is the sugar from COMESA which is allowed to come into this country at zero duty. Industrial sugar is charged 25 per cent duty while sugar from Egypt, Sudan, Zimbabwe and Malawi enters this country at zero duty. As a matter of fact, the Sudanese have opened their own office in Kenya and are selling their sugar here at a much lower price. How do we expect our sugar-producing factories to survive when they have to pay Excise Duty? I think the Minister has to look for ways and means of supporting the local industries so that they can survive the competition posed by products from COMESA countries.

The third point which we have not addressed is infrastructure. We have really not looked at this point. Take the example of the Mombasa-Nairobi Highway, where a truck has to take two to three days to reach Nairobi, and yet, the transport costs are very high. How will we spur industrial development, if we do improve infrastructure and security? I would like to say that some investors are currently relocating their industries to Egypt, Tanzania and Uganda because of the high cost of energy, fuel oil, transport *et cetera*. I would like to request the Minister to support the local industries so that they can compete with goods from COMESA countries so that they can survive.

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

Mr. Kihoro: Thank you, Mr. Temporary Deputy Speaker, Sir. The voices from the Government side are full of wisdom; post-Budget. It is important to consider the time when we actually have the debate on the Budget so that all parties in this House, including the Government side can have a serious input and advise the Government. A post-Budget discussion is of no consequence. By the time the next Budget is read here in June, next year, all will be forgotten. We will have the same Budget repeated here and we will be left to point out the same things we are saying here today. Therefore, this Budget should have been proposed, submitted and the Minister should have heard the views of this House before he prepared it. That is the reason why even Mr. Sajjad can rise on that side of the House, criticise the Government and make very good recommendations.

I have heard very wonderful speeches today from KANU, maybe, enriched by the NDP co-operators. If only the Government could take heed to what is being said in this House, especially about the agricultural sector, that this is a country which, today, is on its knees--- This country has been brought down on its knees by "Nyayo" economists who fail to practise correct economics which should be beneficial to our people.

Whoever has spoken here has talked about how agriculture has been ignored. The Ministry of Agriculture and Rural Development has been allocated Kshs5.3 billion in the Budget, and yet, this is a Kshs225 billion Budget. That is very little money. What is this money meant to do? Is it to be used to pay the employed staff, or pay the staff who will be retrenched? I would like to point out that 11,000 Kenyans will be retrenched, and I know that part of that will come from the Ministry of Agriculture and Rural Development. This Government is not interested in preparing a Budget that will deal with the issues as they are. I know they have a problem.

Mr. Temporary Deputy Speaker, Sir, the Governor of the Central Bank of Kenya (CBK) stated in early May that the Government has spent Kshs24 billion this year. How can a pauper have a Budget? If the Government spent Kshs24 billion in four months, then it will spend Kshs72 billion in 12 months, and yet, it has a Budget of Kshs225 billion. How can it have a Budget? I would like to say the rest of the money goes into payment of salaries of public servants. These are things that the Government should do. You will end up having a situation whereby, four days after the Budget Speech, the House, full of wisdom, says that this is the wrong Budget.

Mr. Temporary Deputy Speaker, Sir, the previous Budget has brought this country to a negative economic growth this year. There was a time when there was an 8 per cent economic growth per year based on the Gross Domestic Product (GDP). Today, you find that we have a negative growth rate. This is very real to very many farmers in this country who, after producing 50,000 metric tonnes of coffee, end up with negative proceeds from their coffee. That means that for a whole one year, the farmer has worked, invested in labour, chemicals, fertilizers, transport and what he has produced can only give him a negative income at the end of the season. The farmer knows it. Now, the Government has too registered a minus economic growth rate. Let me thank the Government for having the courage to say, for the first time, it has registered a negative economic growth. But the Government has brought it on itself.

The Nyayo economics cannot work in this country. Why can the Government not consult before the Budget on how we can revive agriculture? 80 per cent of our people are in agriculture and they are suffering in the

production of coffee, tea, cashew nuts and livestock husbandry. The Government talks about revival of the agricultural sector and "industrialisation". Industrialisation is a long word, but certainly meaningless. This is because we do not have the raw materials to industrialise by the year 2020. The year 2020 is a good sounding number to mention, but that is how far it goes. How do you industrialise without the industrial technical knowledge and cheap power?

We have a new Minister for Energy. I know he has been put there so that in six months' time, when we switch on power and there is no electricity, he will become a whipping boy on that side. In six months' time, I know the Minister for Energy will be a whipping boy and he will cross over to this side screaming. This Budget should be revisited. We should not wait for 12 months to do this. I know the Government has very little money to plan on and it is already over-committed. If it is anything to go by, the Government will spend Kshs72 billion out of a Budget of Kshs225 billion only on repaying interest on loans. People will say they are not doing their work, but how can they do their work when they have no supporting mechanisms to, at least, stop the slide of this economy into oblivion?

I know many hon. Members have gone for tea break and will not come back until after four days, after this Budget Speech debate period is over. But how will people in this country survive another 12 months? The STABEX funds, which are more than Kshs15 billion, are being sat on by some people on the KANU side, who know how to find ways and means of proposing ways in which that money can be spent. That money is being spent by the "big boys". They will release Kshs1 billion to the Kenya Tourist Board and Kshs800 million to the Kenya Wildlife Service. I can see that Mr. Uhuru Kenyatta and Mr. Njonjo will eventually get this money. The Government will talk about electrification, but why can it not talk about distribution of this money among the poor coffee and tea farmers? If the money is distributed to the livestock farmers, I will never complain. If some of this money was spent in rehabilitating the Kenya Meat Commission (KMC) factory at Athi River, I would never complain. This is how this money should be spent so that the livestock farmer in this country can have a market for his cattle, whose meat can be exported to Saudi Arabia from where we import oil. But the Government does not want this. The Bura Irrigation Scheme should be rehabilitated. I can see the Member of Parliament for Bura Constituency here. The Bura Irrigation Scheme should be rehabilitated so that we can have cotton in order to rejuvenate Kicomi Textile Factory.

I hope the Kisumu Molasses Factory will be resuscitated. At one time, it was a noble project which should have reduced oil importation into this country by nearly 15 per cent. The new Minister for Energy should take that very seriously. Any penny anywhere should be put into that project, to make sure that we reduce our oil cost by 15 per cent. That way, we will mix the Middle East oil with gasohol from sugar-cane factories if they exist!

Mr. Temporary Deputy Speaker, Sir, talking about the Budget at this time of the year, after what has happened to agriculture in the country; from sugar-cane farmers to coffee, cashewnuts in Mombasa--- Even Mr. Sajjad is complaining! He used to be a famous sugar dealer, but there is no hope now. It is important that we resuscitate our agriculture, so that we can broaden the base of our economy. We should broaden the base and involve our people. The only people involved in a cash economy in this country are those who were left by colonialists! Why do we not expand it in a way that we can involve the 30 million people? This should not be a Budget about money. It should be a Budget about people! The Budget Day in this country now remains a colonial legacy. It is just a colonial legacy. Most of the budgeting is done 365 days of the year! That is when they raise the prices; that is when they steal and that is when---

With those few remarks, I beg to oppose.

Mr. Kajembe: Thank you, Mr. Temporary Deputy Speaker, Sir. The Budget Speech was good in the way it was presented in the papers and the way it was read in this House. But it will be difficult to implement some of the recommendations contained in the Budget. I am saying that because, when you take into account the port operations in Mombasa today, you will realise that the Port tariffs are still higher, compared with those of Dar-es-Salaam and Tanga. The trend of vessels heading to Tanzania is there. We are losing business to our neighbouring country. Very high taxation has been imposed on our port tariffs.

If you go to the Port today, the management staff are very competent, well trained and can run the Mombasa Port. But there has been a problem of turnover in the management of the Kenya Ports Authority (KPA). There have been numerous changes of the management from time to time. There are reshuffles every time. To make the Mombasa Port stable, so that it can attain international standards, there is need to leave the management staff to do their work for a longer time.

Mr. Temporary Deputy Speaker, Sir, today, the charges at the Mombasa Port are numerous. When a vessel anchors there, it is charged. Then, there are storage and warehousing charges. The charges at the Mombasa Port are not found anywhere else in the world. In order to make the Mombasa Port competitive

globally, there is need to do what other ports in the world do. The tariffs should be as low as possible. According to the KPA Act, under the Customs Act, they are the only authority to allow cargo to move out and in. For instance, today, if you want to clear your goods from the Mombasa Port, when you reach the main gate, there is a police check, Special Branch check, Customs check and askaris from the KPA itself. There are seven authorities checking on those goods. That causes a long delay in the movement of cargo. This delay leads to congestion at the Port. It is true that the period of the movement of cargo from Mombasa to upcountry and to landlocked countries, like Uganda, Burundi and Rwanda, has been reduced from 14 to seven days. But still we can do it within a very short time.

Mr. Temporary Deputy Speaker, Sir, we have been told in this Budget that services at the Port are being privatised; mooring and stevedoring services. That is good. My only appeal is that when the privatisation process starts, the KPA should be very transparent when they advertise these services. They should give these services to very competent people to run them and, that way, the Port will compete with the other ports in the world.

Mr. Temporary Deputy Speaker, Sir, today, the Mombasa Port does not handle imported sugar. Every now and then, imported sugar is regarded as smuggled commodity and our brothers from upcountry have been talking too much that if sugar is imported, people will lose jobs in the sugar belt area of the country. That is true. But when workers lose jobs at Mumias, Muhoroni and elsewhere, and if there is no imported sugar coming through the Port of Mombasa, also our people in Mombasa lose jobs. So, to keep that balance, it is important that the sugar which is being produced at Muhoroni, Mumias and elsewhere, should also be exported. That way, these workers at Muhoroni and also at the Port are going to remain in employment. I am very much opposed to---

The Assistant Minister for Agriculture and Rural Development (Mr. Sumbeiywo): On a point of information, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Musila): Do you want to be informed, Mr. Kajembe?

Mr. Kajembe: Mr. Temporary Deputy Speaker, Sir, I do not want to be informed. You better rise on another point of order. I am a stevedore by profession and the hon. Member should know that I am so knowledgeable on port operations.

Mr. Temporary Deputy Speaker, Sir, I am very much against the importation of sugar from COMESA

countries. Our Government would have thought like other African countries; that joining COMESA Treaty would harm this country. Currently, we cannot pull out of that Treaty because the Government has signed it. Whether we like it or not, we will import sugar because we are a signatory to the treaty. Some countries within this region refused to join the Common Market for Eastern and Southern Africa (COMESA) because they felt that their industries would be affected.

The Minister stated very clearly that motorists will not pay over-time charges at border points after normal working hours. However, motorists still pay the US\$6 charge at border points. I thought that the three East African Finance Ministers met to harmonise such issues and ensure that there is free movement across our borders. Even after those meetings, motorists are still required to pay US\$6. I would, therefore, like to advise the Minister to consider waiving the US\$6 charge on motor vehicles crossing our borders after normal working hours.

Mr. Temporary Deputy Speaker, Sir, Changamwe Constituency, which I represent in this House, is an industrial area. Industries in that constituency, especially those in the Export Processing Zone (EPZ), are collapsing because electricity costs are very high. The 200 units of electricity the Minister has proposed to exempt from tax in his Budget are very few. About 1,000 units of electricity should be exempted from tax. Two hundred units of electricity can be used by a single bulb in a house. If you use that bulb often you will use more than 200 units.

Mr. Temporary Deputy Speaker, Sir, public schools in this country pay a lot of money for electricity. I expected the Minister to say that public primary and secondary schools would be supplied with electricity for free. I have been saying this in the past. These are things we have promised Kenyans. Every political party says in its manifesto that it will provide free education to Kenyans once it ascends to power. Today, we are not doing that; we are not true to our own manifestos. We should honour our manifestos and give the Kenyan child free education. Giving free education means doing away with school fees and other levies charged by schools.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Imanyara): Order! Order! Hon. Members, it is time for us to interrupt our business. Therefore, the House stands adjourned until this afternoon at 2.30 p.m.

The House rose 12.30 p.m.