

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

**Tuesday, 26th June, 2001**

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

## PRAYERS

## PAPER LAID

The following Paper was laid on the Table:-

A Report by the Departmental Committee on Finance, Planning and Trade on the Monetary Policy Systems of the United Kingdom, United States of America and South Africa.

*(By Mr. Mkalla)*

## ORAL ANSWERS TO QUESTIONS

*Question No.192*

### RURAL ELECTRIFICATION IN BUNGOMA

**Mr. Sifuna** asked the Minister for Energy when the Government will provide electricity to the residents of Siritanyi, Muanda, Mateka, Bumula, Myanga and Kimaeti under Rural Electrification Programme as recommended by Bungoma District Development Committee (DDC) in the year 2000.

**The Assistant Minister for Energy** (Mr. Leting): Mr. Speaker, Sir, I beg to reply. The Government will provide electricity to the residents of Siritanyi, Muanda, Mateka, Bumula, Myanga, and Kimaeti under Rural Electrification Programme, when sufficient funds are secured, and in accordance with the Bungoma DDC priority ranking.

**Mr. Sifuna:** Mr. Speaker, Sir, we were requested by the DDC, during the year 2000, to treat the provision of electricity as a priority in our respective constituencies. We did so and the Government promised to provide electricity under the Rural Electrification Programme to these areas. Up to now, nothing has taken place. Could the Assistant Minister tell this House when these funds will be made available?

**Mr. Leting:** Mr. Speaker, Sir, it is true that the Bungoma DDC had submitted a very long list of their

priorities for rural electrification. It is also true that the Ministry was intending to do some work in that area. But since then, there have not been sufficient funds for the project. Up to now, we cannot promise as to when these projects will be implemented.

**Mr. Shitanda:** Mr. Speaker, Sir, there is an element of Rural Electrification Levy on every electricity bill that we pay. Could the Assistant Minister be bold enough and tell us how much money, out of these funds, will be allocated to this particular project, instead of saying that he does not know when funds will be made available?

**Mr. Leting:** Mr. Speaker, Sir, it is true that we have levies being collected. I can give you the figures. The 5 per cent levy on rural electrification programme became effective in July, 1998. Since then, up to April this year, we have collected Kshs1.7 billion. The irony of it is that all this money goes back to the existing projects for maintenance and operations.

Mr. Speaker, although we collect the above stated amounts, the claim from the Kenya Power and Lighting Company (KPLC) is Kshs2.7 billion. So, whatever we collect goes back to maintain what is on the ground. So, we are not left with any monies for new projects in the rural areas.

**Mr. Sifuna:** Mr. Speaker, Sir, the Government is extending electricity supply from Bungoma to Mt.

Elgon. Could the Assistant Minister tell us why they cannot provide electricity to the people of Siritanyi and Muanda before extending the same line to Mt. Elgon? Furthermore, we have electricity at Siritanyi but the Government provided it to one particular person!

**Hon. Members:** Who is that person? Tell us more!

**Mr. Sifuna:** He was an employee of KPLC but he is now working with KenGen. Why did the Government find it prudent to provide electricity to one person and left out all the other applicants who had applied for electricity at Siritanyi area?

**Mr. Leting:** Mr. Speaker, Sir, it is true that electricity was extended to three projects in Bungoma. This is because the money we had was [Mr. Leting] sufficient to cover those three projects. We had to spend about Kshs2.1 million.

**Mr. Sifuna:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead the House that they had funds to provide electricity to only three people? I am one of the applicants from the area. Yet, they left me out plus other people. Is he in order?

**Mr. Leting:** Mr. Speaker, Sir, the money we had was enough for the deserving cases. So, we will include you in the next phase.

**Mr. Speaker:** Next Question, Mr. Katuku!

**Mr. Kiunjuri:** On a point of order, Mr. Speaker, Sir. Mr. Katuku is in Mombasa attending a Public Investments Committee meeting. He requested me to inform you that he would like his Question to be deferred.

*Question No.159*

COMPLETION OF KIBAUNI WATER PROJECT

*(Question deferred)*

**Mr. Speaker:** Next Question, Mr. Maitha!

**Mr. Maitha:** Mr. Speaker, Sir, I have not received a written reply. However, I beg to ask the Question.

*Question No.161*

CLINICAL OFFICER FOR FAZA HEALTH CENTRE

**Mr. Maitha** asked the Minister for Medical Services:-

(a) whether he is aware that Faza Health Centre has no clinical officer and that it is being run by enrolled nurses;

(b) whether he is further aware that the health centre has not received any drugs for the last one year; and,

(c) what urgent measures he is taking to rectify the situation.

**The Assistant Minister for Local Government** (Mr. Hashim): On a point of order, Mr. Speaker, Sir. I think it has been the practice in this House that, before a Member asks a Question which is related to a certain constituency, the relevant Member of the area should be given that courtesy and respect.

I do not object to the Question being asked but I insist that the procedure of courtesy and respect should always be practised.

**Mr. Speaker:** Order, hon. Members! It has been the tradition of this House that, as a matter of courtesy, you should contact your colleague, if you are going to ask a Question about his or her constituency. But that is courtesy and courtesy is something that we grow. It is not enforceable. So, I will not enforce it. But I will urge hon. Members to "cultivate courtesy" to each other.

Proceed, Mr. Minister to answer the Question.!

**The Assistant Minister for Public Health** (Mr. Mukangu): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Faza Health Centre has no clinical officer.

(b) I am not aware that the health centre has not received drugs for the last one year.

(c) The Ministry is in the process of recruiting clinical officers and one will be posted to the health centre once the exercise is completed.

**Mr. Maitha:** Mr. Speaker, Sir, first of all, let me apologise to the hon. Member. But let me assure him that it is not in bad taste. He is an Assistant Minister and he cannot ask Questions in this House!

*(Applause)*

**Mr. Kamolleh:** On a point of order, Mr. Speaker, Sir. Is the hon. Member for Kisauni in order to say that he is actually asking this Question because hon. Hashim cannot do it? We know very well that he is doing so to boost the image of the Democratic Party. Could he come out clean? Is he in order to say that?

**Mr. Maitha:** Mr. Speaker, Sir, I think the Chair is aware that we even have got the Coast Parliamentary Group where we discuss and agree on issues. So, he cannot pretend that he comes from heaven! In fact, I have asked Questions in this House on projects in his constituency and he has not objected!

**The Assistant Minister for Local Government (Mr. Hashim):** On a point of order, Mr. Speaker, Sir. This is a very serious matter. Mr. Maitha has been practising Democratic Party politics in the region and he is now using the excuse that Assistant Ministers cannot ask Questions--- Could he, please, be advised to stop that habit?

**Mr. Speaker:** Order, hon. Members! I think the only reason why each one of you is paid every month is because you are politicians. Your only occupation, as far as I know, is that of politicking. So, proceed, Mr. Maitha!

*(Applause)*

**Mr. Maitha:** Mr. Speaker, Sir, although I do not have a written reply---

**Mr. Shidiye:** On a point of order, Mr. Speaker, Sir. We have a Back-Bencher from Lamu District who should have asked this Question. Could Mr. Maitha be asked to withdraw this Question? I believe that the other Member of Parliament from Lamu District should have asked this Question.

**Mr. Speaker:** Order, hon. Shidiye! I have already made my ruling. It must be obeyed and I will ask you to cultivate your various courtesies to each other. That failing, I will watch with disbelief as you become discourteous to each other.

**The Assistant Minister for Local Government (Mr. Hashim):** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** Overruled! Proceed, Mr. Maitha!

**Mr. Maitha:** Mr. Speaker, Sir, although I have not been given the written answer by the Assistant Minister--- Maybe it is being withheld because of the wrangling. The Assistant Minister has accepted that this particular health centre is being run by enrolled nurses. He has also admitted that he is not aware that this health centre has not received drugs for the last one year. I have got a list here showing the amount of drugs supplied to that health centre by a Non-Governmental Organisation (NGO). So, that health centre has got drugs by courtesy of a Muslim NGO. When will the Government post a clinical officer there and supply drugs to this health centre? This facility is situated in a rural area where people are suffering!

**Mr. Mukangu:** Mr. Speaker, Sir, as I said earlier, we are recruiting more clinical officers. I would like to promise the hon. Member that by 1st July, we will have posted a clinical officer to that particular health centre. Secondly, Faza Health Centre is supposed to get its kits from the MOH at Lamu. So, if there is any problem, I am going to investigate as to why they have not been getting their kits as usual.

**Mr. N. Nyagah:** Mr. Speaker, Sir, I would like to understand why the Government has been sitting on its laurels all this time, and that it required an Opposition Member of Parliament to raise this Question in the House for action to be taken. How many clinical officers graduate every year from the medical schools to warrant this kind of a situation within the country?

**Mr. Mukangu:** Mr. Speaker, Sir, as is our normal procedure, we advertised vacancies for about 300 to 400 clinical officers, but although there are many graduate clinical officers who have not been employed, we all can understand the kind of constraints we are facing as a Ministry. However, we are trying our level best to make sure that we facilitate employment gradually.

**Mr. Maitha:** Mr. Speaker, Sir, now that the Assistant Minister understands that there is a problem at Faza Health Centre, which is at the far end of this country and there is no Minister for Health who has visited Faza Health Centre since Independence, could he take responsibility to visit that area and assist the people of that area, because they do not have a speed boat or a generator?

**Mr. Mukangu:** Mr. Speaker, Sir, we will consider that.

**Mr. Speaker:** Next Question!

*Question No.281*

POLLUTION OF BATHI RIVER

**Mr. Gitonga** asked the Minister for Public Health:-

- (a) whether he is aware that sewage water from Kimende Trading Centre drains into Bathi River; and,  
(b) what measures he is taking to arrest the situation before an outbreak of water-borne diseases ensues.

**The Assistant Minister for Health (Dr. Wako):** Mr. Speaker, Sir, I beg to reply.

- (a) I am aware that the stones and the waste water from Kimende Trading Centre drains into Bathi River.  
(b) The Ministry has issued notices to all the commercial premises and homes to immediately construct soak pits for the waste water so as to stop pollution of the river. We will also monitor the quality of water supply and educate the people on basic hygiene practices as a means of preventing the outbreak of water-borne diseases.

**Mr. Anyona:** On a point of order, Mr. Speaker, Sir. I think this Question came up here last week or the week before, and the Assistant Minister denied any knowledge of this problem. Then, through the House, it was required that the Assistant Minister and the hon. Member go to the site and find out the correct position. Clearly, what has come out is that what the Assistant Minister was telling us was not true. Could he then be required to apologise for having misled the House in the first place?

**Dr. Wako:** Mr. Speaker, Sir, it is true that last week the Question came up, but it was about sewage, and we there is no sewage waste which is going into the river. It is also true that actually our officers said that the waste was not going into the river, because they went and checked, but, unfortunately, they did not know much. So, this morning we went to the area with the hon. Member and he actually showed us the actual situation on the ground. So, I apologise.

**Mr. Gitonga:** Mr. Speaker, Sir, I am glad that the Assistant Minister has at least known the truth and apologised for misleading the House. If **[Mr. Gitonga]** this waste water, and all the effluent from the trading centre, is going into Bathi River, what are the short-term and long term solutions to this problem?

**Dr. Wako:** Mr. Speaker, Sir, the immediate solution to the problem is the construction of soak pits which our public health officers have already enforced by writing to all those who are having commercial houses and homes around the River Bathi. As a long term solution, we require an area where we can actually dump that waste. Therefore, we have asked the leaders to discuss that issue because there is scarcity of land in the area.

**Mr. Ndwiga:** Mr. Speaker, Sir, this situation occurred in Embu and we lost more than 100 Kenyans due to laxity on the part of public health officers. Does it take an Assistant Minister to go to the site so that action can be taken? What are his public health officers on the ground doing?

**An hon. Member:** Collecting money!

**Dr. Wako:** Mr. Speaker, Sir, it is true that it does not require Ministers to go to the ground for action to be taken. But, unfortunately, we are actually writing to all the local authorities to ensure that the sewer should not go into any river. As for the Kimende area, we were with the officers, but at one point the sewer just disappeared. It is from the hon. Member's information that we were able to trace it to the end.

**Dr. Oburu:** Mr. Speaker, Sir, the Assistant Minister has said that they have written letters to the residents urging them to dig pit latrines besides taking other measures. Is the Assistant Minister satisfied that his only powers are limited to writing letters? Is there no law to be applied so that those people can comply with it?

**Dr. Wako:** Mr. Speaker, Sir, we have the Public Health Act which gives us powers to take these people to court. But what we have done is to write to them quoting the law, that if they do not comply, then we will take them to court.

**Mr. Gitonga:** Mr. Speaker, Sir, as you may understand, this is not the first time such an incident is occurring. Recently, we had an incident in Embu where people died because of this sort of thing. Now that the Assistant Minister has admitted that he was misled by his officers, is he going to take any action against those officers who deliberately misled him to come and mislead this House?

**Dr. Wako:** Mr. Speaker, Sir, we shall take some disciplinary measures against those officers.

**Mr. Mutahi:** On a point of order, Mr. Speaker, Sir. I require your guidance on this matter. Hon. Ndwiga has just talked about 100 people dying in Embu and the Assistant Minister has given instructions to the Kimende traders to dig soak pits which might take two to three days before that is done. Could the Assistant Minister take the initiative of closing those businesses until that time the Ministry will be satisfied that the soak pits are dug?

**Mr. Speaker:** I do not know whether the Assistant Minister will go and close it himself.

**Dr. Wako:** Mr. Speaker, Sir, we have consulted with the OCS, the DO and other leaders, and by Thursday this week, that directive has to be complied with. A public baraza will be held in the area.

**Mr. Speaker:** Very well! Well done Dr. Wako!  
Next Question!

*Question No.173*

MAINTENANCE OF TRAFFIC LIGHTS

**Mr. Kiunjuri** asked the Minister for Local Government:-

(a) whether he is aware that Nairobi City Council has failed to maintain traffic lights within the Central Business District;

(b) whether he is further aware that, as a result, there is unnecessary traffic jam in the area; and,

(b) how many qualified electrical technicians are in the employment of the Nairobi City Council.

**The Assistant Minister for Local Government** (Mr. Sirma): Mr. Speaker, Sir, I beg to reply.

(a) I am aware. Under the Kenya Urban Transport Infrastructure Project, work on the rehabilitation of 20 signal lights intersection will commence soon. The rehabilitation will entail replacement of equipment and a new central control centre.

(b) I am aware.

(c) Nairobi City Council has 30 qualified technicians.

**Mr. Kiunjuri:** Mr. Speaker, Sir, it is unfortunate that the Kenyan Government is losing billions of shillings every year because of citizens not being able to reach their places of work every morning and leaving very early in the evening. We lose over two hours on the road, and that means money. A similar Question was asked in the House last year by hon. Dr. Kulundu and the answer given was that the work was to start in the last financial year. Now the Assistant Minister is telling us that money has been set aside. Could the Assistant **[Mr. Kiunjuri]**

Minister mention any item in the current Financial Estimates from the Budget Speech on the item where they have set aside money for rehabilitation, replacement of our equipment and the new control centre, and exactly how much money they have set aside?

**Mr. Sirma:** Mr. Speaker, Sir, I cannot quote the exact amount of money, but under the Kenya Transport Infrastructure Project, in the Ministry of Local Government, we are in the process of doing rehabilitation. One of the core projects is the rehabilitation of traffic lights within the City Centre.

**Dr. Kulundu:** Mr. Speaker, Sir, it is true that last year, this Ministry gave me a more or less the same answer they have given hon. Kiunjuri. Could the Assistant Minister tell us when specifically, these traffic lights will be installed in the Central Business District? He does not even seem to know the amount of money set aside for this rehabilitation. When will these works commence and how much have you set aside for the project?

**Mr. Sirma:** Mr. Speaker, Sir, immediately funds are released, the project will start.

**Mr. Kiunjuri:** On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to give a reply that does not have a head or tail? He is talking of money that has been set aside, but he does not know how much has been set aside and when the works will commence. Now that he deceived us last year, could he tell us exactly how much money has been set aside and when the works will commence?

**Mr. Sirma:** Mr. Speaker, Sir, it is a priority project and it will start immediately.

**Mr. Speaker:** Do you know how much money has been set aside?

**Mr. Sirma:** Mr. Speaker, Sir, as I had earlier stated, I cannot give the exact figure immediately, but the hon. Member could still check with us.

**Mr. Kihoro:** On a point of order, Mr. Speaker, Sir. Are you satisfied with the answer given by the Assistant Minister, because the same Question came up last year and it was not addressed, and the same Question has come back again before the House and the answer that has been given needs elaboration? He cannot even tell us how many traffic lights there are in Nairobi. Can he?

**Mr. Speaker:** How many are they, Mr. Sirma?

**Mr. Sirma:** Mr. Speaker, Sir, if it is to the interest of the House I will bring the number.

**Mr. Speaker:** I think this is a very interesting Question, because traffic lights make it possible for traffic to flow, and therefore, business to flow. I thought the Assistant Minister would be able to know how many they are, how many are broken, how many need repair and what the Ministry intends to do about them. So, would you like to re-check? I am just being kind, because I had passed this Question. I am sure you may want me to give you another opportunity to answer the Question.

**Mr. Sirma:** Mr. Speaker, Sir, I will bring the figures.

*(Question deferred)*

**Mr. Speaker:** Very well!  
Next Question, Mr. Kamanda!

*Question No.296*

JUJA ROAD RECONSTRUCTION

**Mr. Speaker:** The Question is dropped.

*(Question dropped)*

### QUESTIONS BY PRIVATE NOTICE

DISRUPTION OF HARAMBEE BY BOMET POLICE

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

(a) Is the Minister aware that a Harambee in aid of Kapkelei Secondary School was disrupted by Bomet Police on 22nd April, 2001?

(b) Could the Minister explain why the Harambee, which was organised by the area Member of Parliament, was disrupted?

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

(a) I am aware that an illegal public meeting, and not a Harambee organised by the Member for Sotik, was stopped by police in Bomet.

(b) A Harambee in aid of Kapkelei Secondary School did take place on 28th April, 2001 and there was no disturbance.

**Mr. Kimeto:** Mr. Speaker, Sir, the hon. Assistant Minister is misleading the House by saying that I held an illegal public meeting. Could this House order this Assistant Minister to go down to Kapkelei and get the facts because he is cheating us? I organised that Harambee and I had applied for a permit---

**Mr. Speaker:** Could you use the microphone?

**Mr. Kimeto:** I had applied for a permit to hold a Harambee on 22nd. On part "b", the Assistant Minister has said that the Harambee took place on 28th. Could he tell us who was the guest of honour on that date?

**Mr. Samoei:** Mr. Speaker, Sir, there could [Mr. Samoei] not have possibly been a Harambee in the same school on 22nd and 28th. As I said earlier on, there was a Harambee in aid of Kapkelei Secondary School on 28th April, this year. The guest of honour was the very able Minister for Vocational Training, Mr. Isaac Ruto. The meeting---

**Mr. Nderitu:** On a point of order, Mr. Speaker, Sir. The question is very simple, and please stop defending these guys!

*(Laughter)*

**Mr. Speaker:** Order! Order! Mr. Nderitu, first of all, you have no business to cast aspersion on the Chair. Secondly, we have no "guys" here. You better be serious yourself and respect the House, the Chair and the Members in the House.

Proceed!

**Mr. Nderitu:** Mr. Speaker, Sir, I respect this House and the Chair very much; with all my blood and bones. But it pains me when Ministers give answers which are hanging. The question was: Who was the guest of honour on the 28th?

**Mr. Speaker:** But he has answered! Where were you? Order! Do not answer, Mr. Assistant Minister.

**Mr. Munyasia:** On a point of order, Mr. Speaker, Sir. Did you hear Mr. Kimeto say that the Assistant Minister was cheating this House? That is unparliamentary language. Could he be asked to withdraw the word

"cheating"?

**Hon. Members:** He did not hear!

**Mr. Speaker:** Order! Order! The ears of Mr. Speaker are each one of you. So, if you hear on my behalf, I have heard. Mr. Kimeto, did you say as alleged by the hon. Member there?

**Mr. Kimeto:** I said the Assistant Minister is misleading this House by telling a lie.

**Mr. Speaker:** Order! Order! Mr. Kimeto, we are taking your Question very seriously and I think you should also take it seriously. If the hon. Member has pointed out to the Chair the use of unparliamentary language, I think for ease of transacting the business on your Question, you should apologise for the use of that word and we proceed. Would you, please, do that quickly?

**Mr. Kimeto:** Mr. Speaker, Sir, I wish to apologise if I used the word "cheating". But I believe the Assistant Minister misled this House.

**Mr. Speaker:** Order! To whom had I given the Floor? Nobody! You are looking for the Floor, Mr. Wamae, and you have it!

**Mr. Wamae:** Mr. Speaker, Sir, this is a very serious Question. The area Member of Parliament has said there was a Harambee on 22nd and he had a permit. The hon. Assistant Minister said that, that was an illegal meeting. How are we going to reconcile this issue? In any case, we do not need permits, all we need is to notify the police and then proceed with the Harambee. Could the Assistant Minister prove to this House that there was no Harambee on 22nd?

**Capt. Ntwiga:** On a point of order, Mr. Speaker, Sir. Now that the Chair has ruled that there are no "guys" in this House and Mr. Kimeto has apologised, could you order Mr. Nderitu to apologise for calling us "guys" in this House?

**Mr. Speaker:** Mr. Nderitu, you have heard "my ears."

**Mr. Nderitu:** Mr. Speaker, Sir, I apologise.

**Mr. Speaker:** Very well! Mr. Assistant Minister, proceed to answer his question.

**Mr. Samoei:** Mr. Speaker, Sir, I quite agree with Mr. Wamae that Members do not need permits to be able to hold public meetings or Harambees. The facts of the case in question is that there was a Harambee in aid of Kapkelei Secondary School on the 28th. There was no Harambee on the 22nd, instead there was a public meeting. The hon. Member did not comply with what the law requires of him, to be able to hold a public meeting.

**Mr. Kimeto:** Mr. Speaker, Sir, I know for sure that the Harambee which was presided over by the Minister was held on 21st April and I want to be taken seriously. I had arranged the Harambee to take place on 22nd and the Minister held his on 21st and not on 28th. I would like to request Mr. Speaker to check who is misleading the House; between me and the Assistant Minister. The Chair should find out from Kapkelei Secondary School whether the Minister held the Harambee on 21st and if mine was not on 22nd. Could that be done to enable us to know exactly who is misleading the House? Secondly, we had anticipated to raise Kshs4 million and very many people had come for the Harambee on 22nd and not on 28th. Since the police disrupted the Harambee, could this House order the Assistant Minister to give us Kshs4 million which we had anticipated to raise on 22nd in aid of Kapkelei Secondary School and not on 28th as he mentioned?

**Mr. Samoei:** Mr. Speaker, Sir, since it is important that we get the facts of the date correct, I wish to request the Chair to give me time until tomorrow when I will respond. As for the anticipated money, I have no comment.

**Mr. Anyona:** On a point of order, Mr. Speaker, Sir. You have rightly stated that the sole business of Members of Parliament is to politick. The Assistant Minister says that the hon. Member could not hold the Harambee meeting because it was a public meeting and that at public meetings politicians politick. Since the Assistant Minister claimed that the hon. Member did not meet the legal requirements in order for him to hold that meeting, and in the light of your ruling, could he explain the legal requirements he talked about, so that hon. Members can be free to politick?

**Mr. Speaker:** Actually, that does not require my ruling; it is common sense. What else does a Member of Parliament do in his constituency? Mr. Assistant Minister, what do you do in your constituency?

*(Laughter)*

Mr. Assistant Minister, I will defer this Question to give you time to bring a comprehensive answer to it. Will tomorrow be alright or do I give you up to Thursday?

**Mr. Murungi:** On a point of order, Mr. Speaker, Sir. There has been confusion involving both hon. Members of this House and the Assistant Minister himself regarding the question of permits for Harambee

meetings. I think we passed a law here in 1997, which kept the police out Harambee meetings. That law provides that, if you want to hold a Harambee meeting in your location, you should notify the chief of that location of it and that if you want to hold a meeting at the divisional level you should notify the District Officer (DO) of it. How do the police come in to cancel Harambee meetings on grounds that there are no permits for them? The police are neither chiefs nor DOs. Also, no licence is required for hon. Members to hold such meetings.

Could the Assistant Minister clarify this issue and issue a circular to the police on this matter, so that they can stop harassing Members of Parliament?

**Mr. Samoei:** Mr. Speaker, Sir, the police and the Provincial Administration (PA) know very well that members of the public do not need permits to hold meetings. It is this House which makes laws. As it stands today, the law requires persons intending to hold public meetings or Harambee meetings to notify the police of the same; that is within the law.

**Hon. Members:** No! Not for Harambee meetings!

**Mr. Samoei:** Mr. Speaker, Sir, the Public Collections Act is still in place. That Act provides that any person, who wishes to collect money from the public, should obtain permission from the PA.

**Dr. Ochuodho:** On a point of order, Mr. Speaker, Sir. We need your protection from the Assistant Minister, who is misleading the House. I have gone through the relevant Act, which is popularly known as the "IPPG Act", ten times. The Act provides that for hon. Members going on meet-the-people tours, or holding meetings to raise funds for benevolent purposes, need not notify the police at all. You are only required to notify the police if you intend to hold a public rally. So, could you protect the House and the country from being misled by the Assistant Minister?

**The Assistant Minister for Local Government** (Mr. Hashim): On a point of order, Mr. Speaker, Sir. A Harambee is a very serious matter. I do not think there can be a gathering without security. The police are there to ensure the security of the people. So, we cannot keep away the police from such meetings.

**Hon. Members:** Aah!

**Mr. Speaker:** Order! Order! Hon. Members, the Assistant Minister needs time to find more facts on this matter. So, I will give him that time. However, I would like to explain that Mr. Kimeto, as an elected Member of Parliament, is entitled to discharge his duties until he ceases to be such.

Mr. Assistant Minister, as you look into those issues, I hope that you will note the sentiments of Mr. Speaker, which are that, hon. Members, in discharge of their duties in their constituencies, should not be unduly harassed.

*(Applause)*

#### POWER SUPPLY DISCONNECTIONS IN NAIROBI

**Mr. Sungu:** Mr. Speaker, Sir, I beg to ask the Minister for Energy the following Question by Private Notice.

(a) Is the Minister aware that the Kenya Power and Lighting Company is currently disconnecting power supply to numerous households in Nairobi under the guise of installation inspection, whereby numerous meters have been fraudulently declared tampered with?

(b) How many such meters have been replaced since this exercise commenced?

(c) What is the total cost of those meters?

**The Assistant Minister for Energy** (Mr. Sasura): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the Kenya Power and Lighting Company (KPLC) is carrying out inspection of all electrical installations and electricity installations not only in Nairobi but countrywide, in accordance with the provisions of Sections 85, 95 and 97 of the Electric Power Act and the Consumer Installation by-laws. Accordingly, from time to time, the KPLC makes inspection of electricity installations in houses, offices and in all other places it has installed electricity.

(b) Installation of electrical installations and electricity metering installation is a continuous exercise. Since November, 2000, a total of 6,015 meters have been replaced countrywide as follows: 1,182 meters were identified as faulty; 4,833 meters were identified as tampered with.

(c) The 4,833, which were established as tampered with were replaced at a total cost of Kshs15,948,900.

**Mr. Sungu:** Mr. Speaker, Sir, what is happening in Nairobi and elsewhere in the country is blackmail of power consumers by the KPLC because of the monopoly the company enjoys in the electric power sector. The KPLC is actually replacing old meters that have been in existence since the 1960s. The fact that those meters are



old is taken to mean that they must be faulty. The issue is that the Company is forcing consumers to pay for those meters. This is grossly unfair. The inspections are carried out in the absence of the consumers, during which power supply to consumers is disconnected. Under the KPLC Act, it is illegal for the KPLC to disconnect electricity to consumers without a 60-day notice. Could the Assistant Minister explain why the KPLC has continued to hold Kenyans to ransom because of the monopoly it enjoys in the sector?

**Mr. Sasura:** Mr. Speaker, Sir, the said meters have been categorised into faulty and tampered with meters. The KPLC does not disconnect electricity supply to any consumer without notice. As we know, most of the consumers lock the gates to their premises whenever KPLC staff go to work on the meters.

**Dr. Sungu:** On a point of order, Mr. Speaker, Sir. I am a victim of this mess by the KPLC. Numerous overseas electricity consumers, who own houses in Nairobi, have even sent me electronic mails over the matter. It is not true that the KPLC does not disconnects electricity to consumers without notice. The company disconnect electricity on the spot, without the presence of the consumer. Is the Assistant Minister in order to mislead the House on the matter?

**Mr. Sasura:** Mr. Speaker, Sir, under Sections 21 and 22 of the KPLC Act, electricity supply to consumers is not supposed to be disconnected without notice. If that has happened, it is wrong, and will be rectified. However, it is not true that the KPLC is replacing all electricity meters in the country. We are only replacing faulty meters and those meters which have been tampered with, which are very dangerous to consumers and the public.

**Mr. Mwenda:** Mr. Speaker, Sir, I have also been a victim of this mess by the KPLC. Whenever the KPLC removes the electricity meter for your house, you are forced to go to Electricity House and sign a blank liability form so that once the Company instals a new meter on your premises and decides to add Kshs100,000 to your electricity bill, you are forced to pay. This is a very serious matter. Actually, this has been happening all over Nairobi. My question is: When did the KPLC realise that its meters have not been functioning properly?

In my case, the Company issued me with a statement which suggested that I had been tampering with the meter for over a year. At the end of every month, a KPLC staff member takes the readings of that meter. Why had the company not established that the units of electricity I used per month had increased, if that is not blackmail?

**Mr. Sasura:** Mr. Speaker, Sir, to be very honest, it is not true. How can the KPLC give a customer a blank form to sign and then bill him at that point? I do not agree with that because the customer has a right to refuse to sign a blank cheque or a paper without knowing its contents.

**Mr. Kamolleh:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House when, in fact, last month I was given a blank document to sign? Is he misleading the House because where he comes from there is no electricity?

**Mr. Speaker:** Order! Mr. Assistant Minister, you cannot tell hon. Members that they have the choice to refuse or not to refuse to sign. Just to refresh your mind again on a question that was raised by the hon. Member, you said customers have an option not to sign. If the KPLC refuses to turn on the power, what do you do?

**Mr. Sasura:** Mr. Speaker, Sir, I said the customer has the option to refuse to sign a blank paper. That is what the hon. Member said. How can somebody sign a blank paper? It is not true. Secondly, let me just clarify this point; that faulty meters that are being disconnected by the KPLC, are replaced at the company's cost. Hon. Members have not told this House whether they have tampered with their meters or their meters were faulty. In fact, if their meters have been tampered with, they are supposed to be taken to court.

**Mr. Gitonga:** Mr. Speaker, Sir, I think the Assistant Minister is misleading this House. Personally, I am a victim of this fraud.

**Hon. Members:** All of us!

**Mr. Gitonga:** Very many hon. Members are! We have been given blank forms to sign. If you do not sign, you do not have electricity to do anything in your own residence. But also the KPLC has started another method of reading these meters. They are reading meters at the beginning of the month. By the middle of the month, their customers receive their bills before they receive their salaries. So, by the end of the month, your electricity would have been disconnected. Why do they not read the meters after the middle of the month, so that customers receive their bills towards the end of the month when they have money to pay?

**Mr. Sasura:** Mr. Speaker, Sir, to put the whole matter to rest, according to the KPLC Act, no meter is supposed to be disconnected without a prior notice. That notice is meant for the customer to correct the situation or have a reinstallation done and bring a certificate of completion to the KPLC so that the company accepts installation notice. So if any customer's meter is disconnected without any notice, then they should bring this to the attention of the authorities. It is wrong if meters are checked, without the presence of the consumer.

**Mr. Speaker:** Can we finish now? I have more one question. Who will ask?

**Mr. Sungu:** Mr. Speaker, Sir, thank you.

**Mr. Speaker:** Have I given you a chance to ask a question? That is the end of that Question!

**Mr. Sungu:** Mr. Speaker, Sir, please, allow me one minute to ask my question!

**Mr. Speaker:** Order! Mr. Sungu, why do you plead so much? I give you three seconds to do so!

**Mr. Sungu:** Mr. Speaker, Sir, meters are actually labelled "KPLC property" and yet consumers are being asked to pay for them. Could the Assistant Minister tell us why this is being done? I have calculated the money they will raise from these meters. For example, in Nairobi alone, the KPLC will raise Kshs3.3 billion from meters. Is this a way of raising revenue for the KPLC? In that case, why do you not privatise the KPLC?

**Mr. Sasura:** Mr. Speaker, Sir, once the meter has been installed, it becomes the property of the KPLC because it is the KPLC that purchases it.

**Mr. Speaker:** Dr. Kulundu, I will defer your Question to tomorrow.

#### REJECTION OF ANTI-HIV/AIDS DRUG

**(Dr. Kulundu)** to ask the Minister for Public Health:-

Why has the Government rejected a free offer of Nevirapine from Boehringer Ingelheim Pharmaceuticals which would greatly reduce HIV transmission from mother-to-child during pregnancy?

*(Question deferred)*

#### SHORTAGE OF PARAMEDICS IN SAMBURU

**Mr. Leshore:** Mr. Speaker, Sir, I beg to ask the Minister for Medical Services the following Question by Private Notice.

(a) Is the Minister aware that there is a shortage of paramedics in Samburu District, especially nurses?

(b) What action is he taking to ensure that people in Samburu District are getting adequate medical services, especially in Samburu East.

**The Assistant Minister for Health (Mr. Mukangu):** Mr. Speaker, Sir, I beg to reply.

(a) I am aware that there is a shortage of paramedics, especially nurses, in Samburu District. I am also aware that this shortage is countrywide.

(b) To ensure improved delivery of medical services to Samburu East and other areas affected by the shortage, arrangements are in place to employ more nurses and clinical officers to be deployed in these particular areas.

**Mr. Leshore:** Mr. Speaker, Sir, since the Assistant Minister is aware that there is a clear shortage of paramedic staff in Samburu District, could he be specific and tell us how many nurses the Ministry will employ in its current budget?

**Mr. Mukangu:** Mr. Speaker, Sir, in this particular financial year, the Ministry will employ 600 nurses.

**Hon. Members:** For Samburu District?

**Mr. Mukangu:** Mr. Speaker, Sir, this affects the whole country.

**Mr. Munyasia:** On a point of order, Mr. Speaker, Sir. Hon. Leshore has asked the Assistant Minister a specific question. How many nurses will be employed in Samburu District? He said about 600 nurses. Will these nurses be deployed in Samburu District? Could he be specific and answer that question?

**Mr. Speaker:** Mr. Assistant Minister, Sir, the second part of the Question talks about Samburu District and, especially Samburu East.

**Mr. Mukangu:** Mr. Speaker, Sir, currently, we are recruiting paramedics. We really do not know exactly how many nurses or clinical officers will be sent to Samburu District. But we will do it, according to the needs.

**Mr. Leshore:** Mr. Speaker, Sir, I think I was very generous before because I wrote to the Permanent Secretary telling him that all health centres and dispensaries in Samburu District have a shortage of these paramedics. Could the Assistant Minister go back and bring a proper answer to this Question because Samburu East is an area infected by malaria and many other diseases? Could he go back and find out how many paramedics will be employed, specifically for Samburu East?

**Mr. Mukangu:** Mr. Speaker, Sir, when the recruitment exercise is complete, we will be able to table the list for Samburu East.

**Mr. Kikuyu:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead this House? The Ministry cannot recruit paramedics if they do not know where they are needed. How can he say the Ministry is recruiting [**Mr. Kikuyu**] nurses when he does not know how many will be required, unless this is another excuse for corruption.

**Mr. Mukangu:** Mr. Speaker, Sir, the recruitment is done according to the needs of each province. When the recruitment exercise is over, we will know exactly how many officers are required in Samburu East.

**Mr. Speaker:** Order! I think common sense tells us that provinces are actually geographical positions within the territory called Kenya. Provinces do not exist on paper, they exist on earth. Samburu District forms part of one province. So, I think the best thing is: I will give the indulgence to the hon. Member. Mr. Assistant Minister, go and do your job. They have asked you how many nurses are required in the district and constituency. Go and find out and come and tell the House what mechanisms you have put in place to employ them. Therefore, I will defer this Question to Thursday.

**Mr. Mukangu:** Mr. Speaker, Sir, I will do that.

*(Question deferred)*

**Mr. Speaker:** Next Order!

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

**Mr. Speaker:** Order! Time is up!

**Mr. Muchiri:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** What is it?

**Mr. Muchiri:** Mr. Speaker, Sir, on Thursday last week, you gave instructions that Question No.097 be put on the Order Paper, but it is not there. Even on the programme for the whole week, the Question is not appearing! Are your instructions being complied with or they are being disobeyed?

**Mr. Speaker:** They must be obeyed! So, that ends there. Question Time is over!

**Mr. Kiunjuri:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** Order! Order! Question Time is over. It is time for us to go to the next Order.

**Mr. Kiunjuri:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** What is it, Mr. Kiunjuri?

## POINT OF ORDER

### DISCRIMINATION IN PARKING ZONES

**Mr. Kiunjuri:** Mr. Speaker, Sir, apartheid is being introduced into this House whereby some hon. Members cannot be allowed to be dropped by their drivers outside the House, considering that during the rainy season, we cannot be able to walk on foot from the entrance reserved for Members to park their cars behind the building and enter the House. Secondly, with the army barrack inside the precincts of Parliament, yesterday evening, I met eight people standing near my car and I was forced to wait for two hours for them to move away because I did not know them. Thirdly, it has not been the tradition of this House to discriminate against some hon. Members. We eat meals, take tea and sit together with these Ministers.

*(Applause)*

It is an issue of serious concern because even the Leader of the Official Opposition and a Presidential candidate, like hon. Kijana Wamalwa, are being subjected to the same kind of indignity.

**Mr. Speaker:** Order! Order, Mr. Kiunjuri! First of all, when you say that it is the tradition of this House--- I would like first of all to remind hon. Members that, the House Business matters should not take the time of this House. Secondly, the responsibility of keeping the security of Parliament, and your own security, rests with me; the Speaker of the House. All of you, at one time or the other, have had occasion to come to me and say: "Mr. Speaker, can you protect us from this and that?" This issue was addressed by the Commission today, it will be addressed by Mr. Speaker and his Deputy. There is no possibility, for example, of having 210 hon. Members

parking their cars in the Front parking space outside here. It is a physical impossibility. It is not possible.

With regard to the history and tradition of dividing hon. Members per class, I have not written the sign board that reads "Flag Cars Only". I am not the one who wrote it. I found it there!

**An hon. Member:** We also found it there! But it was written by our colonial masters!

**Mr. Speaker:** Order! Order, hon. Members!

**Mr. Mbitiru:** It is very colonial!

**Mr. Speaker:** Let it be colonial, Mr. Mbitiru. But there is nothing you can do to make that parking space bigger than it is, colonial or independent! You must live by reality as it is! Anyway, the short and the long of it---

*(Loud consultations)*

Order! Order, hon. Members! the short and the long of this is that the issue of parking--- There are other issues. Parking is the least bit of my concern here in Parliament. My major concern is the security of Parliament as a national institution. Secondly, you can be a Minister also. Work hard enough!

**An hon. Member:** We have been working hard! It is not possible for all of us to be Ministers at the same time!

**Mr. Speaker:** Sorry, I apologise. I am really sorry. Let us not distract the fact. I apologise for that remark. But the issue is that, I wish Members to understand that this is a national institution called Parliament. The cream of the Kenyan society sits here everyday or at least, most of the week they are here. The security of the cream of the society must be ensured and, particularly, when they are congregated together like they are doing now. There are other security implications which I cannot tell you right now, and which have prompted the Speaker to make certain moves. I will continue to make them to ensure that we uphold the following:-

(a) The security of this institution;

(b) The security of hon. Members of this institution, either when they are meeting here or in their various places of use; and,

(c) The security of the property of Members and that of Parliament. Members already know that some cars have been burgled within Parliament Buildings.

**An hon. Member:** By security officers!

**Mr. Speaker:** Order! So, I have a big responsibility my friend. I have to discharge it in your own interest and in the interest of the nation. In the course of putting these things together, no doubt, a few of you will be unhappy about it. We are not averse to your suggestions because this is your House. Give us your suggestions to improve what there is already in place and make it better because you want to be secure in the end.

Again, the issue of strangers moving into the precincts of Parliament and terrorising hon. Members is being addressed. There are a lot of strangers coming here during the day and even at night. All these issues must be addressed. There cannot be a Parliament in the world where you walk in and walk out like a shop. There must be basic security requirements. So, please, help me to help you. I am ready to receive all your suggestions; I am not closing my mind.

Next Order!

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

**Mr. Munyao:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** Order! Time out! Look at the clock!

**Mr. Munyao:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** What is it, Mr. Munyao?

**Mr. Munyao:** Mr. Speaker, Sir, I rise to support what you have said. But allow me to say one or two things. Despite the fact that this House and the Chair have been doing what you have said, somehow we do relax. Could the Chair assure this House that the security measures that will be put in place from 10.00 a.m. to 6.00 p.m. will be maintained for 24 hours? Moreover, I am worried about what happens in the galleries because, for example, some people keep on writing notes although that is against the Speaker's rules. I have witnessed photography taking place in the galleries.

Mr. Speaker, Sir, we want you to maintain the security of this Parliament. We support you on that but you should assure us that it is going to be maintained for 24 hours throughout the year, not for a few days and then we forget everything.

**Mr. Speaker:** Order! Order, hon. Members! I am normally a very honest person and I am going to admit here, before all of you have assembled here today, that occasionally there have been some untold events taking place in this House and we have taken some strict measures and one or two days later we return to the old bad days. That is very bad. I am saying now that, I want to go the full throttle. In the interest of this House, and in your own interest, I do not intend to go back and I do not intend to relent. With your full support and sympathy, I intend to do the best to ensure that Parliament remains Parliament and must remain Parliament and that, even our own Members' Bar, does not become another ordinary bar in Kariakor. It must be a place reserved for hon. Members and a place of dignity; to make sure that it is safe to be here so that those things that harm the whole institution and the country do not happen here. This is the heart of the country! Can you imagine what would happen if all of you were blown up? God forbid! So, please bear with me. I do assure this House that it will not be a show for two days only because I will not relent. I intend to continue until everybody out there knows that there are rules to be observed in Parliament. You just do not walk in, walk out and go and sleep on the sofas or on the pathways or do things like that. That will remain my guiding principle. I assure the House that I will do the best I can. But in doing so, we must also, as an administration of the House, take into account the hon. Members' suggestions, which I now ask that you channel them to me through the office of the Clerk so that we can take cognizance of your suggestions.

As a matter of fact, tomorrow at 12.00 Noon, I will be meeting with all party leaders, specifically on this issue. The Commission has already discussed these issues and given their own **[Mr. Speaker]** suggestions and, hopefully, tomorrow I will get the suggestions of party leaders. I have already asked them to get in touch with their Membership so that they can give me their suggestions. I will add some ten minutes after the end of the sitting of the day, in order to make up for the three requisite hours because it was necessary to take that time away so that, that is explained to you.

Next order!

*(A number of hon. Members stood up  
in their places)*

Order, hon. Members! Order, Mr. Michuki! Mr. Michuki, you have an opportunity tomorrow to meet me.

**Mr. Michuki:** On a point of order, Mr. Speaker, Sir. I waited for you to ask me---

**Mr. Speaker:** Order! Mr. Michuki, it is true that I sent an apology because the Parliamentary Service Commission was meeting today, and I could not leave. But we have an opportunity tomorrow to discuss about that at 12.00 Noon.

Next order!

## COMMITTEE OF WAYS AND MEANS

*(Order for Committee read)*

### MOTION

THAT, MR. SPEAKER DO NOW LEAVE THE CHAIR

*(The Minister for Finance (Mr. Okemo) on 14.6.2001)*

*(Resumption of Debate interrupted on 20.6.2001)*

*(Fourth Day of the Budget Debate)*

**Mr. Speaker:** Who was on the Floor? Mr. M.A. Galgallo had three minutes left for him. He is not present, and so he has waived. Yes, Mr. Mbitiru.

**Mr. Mbitiru:** Thank you, Mr. Speaker, Sir, for giving me this chance to contribute to the Budget Speech. I would mainly like to deal with both sections of the whole process, that guarantees the management of the economy of this country.

Without adequate security, this country can never move a step forward. Security is the country, and it is the one that determines the direction in which we move and guarantees our future and the ability for any person to

come into any given country and invest. According to the Minister for Finance, our economy shrank, but did not grow. He used the expression: "The economy grew by a negative 0.3 per cent." But we know that the economy shrank. But we have not been able to take some time and reason with ourselves, and ask: Why did our economy go down? What guarantees our economy?

For the last one year, Laikipia has been invaded by so many criminals. It has been invaded by cattle rustlers, and many thugs who position themselves on our highways. All that zeroes in on the security of the whole country. At the same time, we cannot move around in Nairobi because of lack of security. Why was the other day, in Korogocho, a whole contingent of police officers called in to fight a few criminals who were wielding AK-47 rifles while the police officers had G-3 rifles which are very outdated weapons? At the same time, this country is spending billions of shillings in purchase of security equipment.

I have some information here that I would like to share with hon. Members, some of which I have already shared with several of them. Our country is spending over Kshs10 billion every year on security equipment, mainly communications equipment, vehicles and helicopters. For example, the Government purchases communications gadgets for both the National Security Intelligence Service (NSIS) and the CID. We have several companies in this country that have very lucrative businesses of supplying this country with security equipment, which are obsolete. Some of those companies do not even exist in this country. I have in mind companies like Saudi Corporation that in 1997/1998 was awarded a contract worth US\$54 million. Again, that contract was reviewed upwards, and the company was also given US\$36 million which totals to about Kshs8 billion. They were to provide security equipment to this country. Another company by the name Kenya Intelligence Communications Systems, or Alcatel of France, during the same period, was awarded contracts worth Kshs9 billion. Those companies were supposed to provide security equipment to this country. There were other companies like M/S Philips Communications and M/S Moco. There are about 12 of them, and I have papers with me here, indicating every other contract accorded to them in order to provide security equipment to this country, totalling to about Kshs46 billion in the year 1997/1998. How much of that money had been used in the areas specified? Was that equipment supplied to the relevant departments, either to the Department of Defence, the Kenya Police Force, the NSIS or the CID?

The security equipment worth Kshs46 billion supplied during one financial year would have modernised the security system in this country, but what are we seeing? Our police officers are walking almost naked; with tattered clothes and shoes, and with very heavy guns and a two-way communications system, and yet we are spending billions every year to finance ghost projects. We have other money that has been paid out; about Kshs15 billion to build a factory to manufacture bullets and guns. Why is the country spending so much money on those contracts? Where were these contracts signed?

Mr. Speaker, Sir, year in, year out, every Minister for Finance and his Permanent Secretary, sign amendments and variations to contracts that were signed behind the authority of this House. The contracts were meant to supply certain communications equipment to this Government, but today--- I want the Minister for Finance to clarify to me about those contracts and he should lay on the Table, all the documents and indicate the exact amount of money for all the companies that have been contracted. This is because the Minister for Finance even wants to purchase more equipment for security purposes as it is contained in his Budget Speech on page 20. Can he assure this House the same contractors who did not supply security equipment, or who supplied obsolete equipment to this country, will be blacklisted and will not be involved in any further contracts related to security equipment? In any case, I have documents to show that this country has always been paying money to the external loanees. In fact, our national debt is Kshs109 billion, equivalent to the services provided by the Consolidated Fund, out of which 50 per cent is spent on security equipment. This money has been paid out since 1993 to buy those machines that are used to fight Kenyans when they hold demonstrations. Is this right? This equipment which is used to quell demonstrations is normally purchased at Kshs1 billion and yet it is supposed to cost Kshs250,000.

**Dr. Kituyi:** On a point of information, Mr. Speaker, Sir. I wish to inform Mr. Mbitiru that in the whole the 20th Century history, dictatorships in their terminal phase put too much trust in security equipment and harassment of citizens.

**Mr. Mbitiru:** Thank you, Mr. Speaker, Sir. This country collects a lot of money through the Consolidated Fund and almost 50 per cent of it is used to pay for services related to security. This is despite the fact that our policemen out there are too demoralised to do anything. They have no equipment to use in discharging their duties. Simple arithmetic---

**Mr. Waithaka:** On a point of order, Mr. Speaker, Sir. Is the Member on the Floor in order to say that this money was purportedly used to buy security equipment and that it was paid to certain companies abroad? We must get it very clearly whether the money was used for purported security purposes and purchase of equipment or

if it was actually stolen - if I may use the word - from this country.

**Mr. Speaker:** You may not use that word; it is unparliamentary. Will you withdraw that word?

**Mr. Waithaka:** Was the money misappropriated?

**Mr. Mbitiru:** What I am saying is very clear, that every year the Government of Kenya spends about Kshs15 billion to pay for contracts to certain mafia organisations outside this country, to supply equipment to this country. However, this equipment is never supplied. Even when they do supply it, it is usually obsolete.

When you read the statement on the finances that have gone towards purchase of security equipment over the last ten years, it makes the Goldenberg scandal look like chicken feed. We are talking of figures in excess of Kshs150 billion which have been spent to purchase this equipment. Every Minister for Finance who is appointed signs amendments and variations of those contracts. Why is this so? Why is Parliament not involved in the approval of these contracts? If the House is the custodian of the Consolidated Fund and is the one that authorises the allocation of funds to any Ministry or Government department, why is it that all the security equipment issues are never deliberated in this House?

The whole of last week there were cases of theft in Laikipia on a daily basis. In fact, some gangsters in a Pick-up vehicle staged a robbery during the day, just as it happened in River Road the other day. Why are taxpayers paying all this money to this Government and yet the Minister cannot even tell us what that money will be used for? What is happening? Is the Government in control of the Civil Service? I can see that there are some officers here from the Treasury. Could they tell us exactly where they sign these contracts and variations? Every time a new Minister or PS is appointed to the Ministry of Finance they have to sign an amendment. We want to know why, for instance, Sound Corporation was paid some US\$54 million which is about Kshs80 million during the 1997/98 financial year. It was also paid US\$336 million in the same financial year. Why were they paid that amount of money? What were they supplying to this country?

Mr. Speaker, Sir, in the same year, the Kenya Intelligence Communications Services represented by a company from France called Alcatel was paid US\$115 million. Where is this money going to and yet every day we keep saying that our country is going down? Philips

Radio Communications System was paid Kshs6 million to supply security equipment during the same financial year.

**Mr. Speaker:** Mr. Mbitiru, your time is up! Where is Mr. Arap-Kirui? There is nobody here from the Ministry of Finance and Planning.

Mr. Angwenyi!

**Mr. Angwenyi:** Thank you, Mr. Speaker, Sir, for giving me a chance to contribute to the Budget Speech. A budget gives to a nation the direction of the plan of action that the Government will take. Over the last few years, we have heard a theme that our economy will grow in a sustained way. As we sit here today, our economy has been declining in a sustained way. When the Minister for Finance was giving his Budget Speech he said that the theme of this year's Budget is: "Effective Resource Allocation for Growth and Poverty Reduction." How is that theme different from the one of the previous year's theme which was: "Poverty Reduction Through Sustainable Economic Growth?" How different are those two from the one for 1999/2000 which was: "Fiscal Restraint and a Balanced Budget?" Did we have a balanced Budget? Have we had sustained growth?

How different are those themes from the one for the 1997/98 financial year which was: "Enhanced Economic Reform for Faster Growth?" The theme throughout the last five years is for sustained economic growth. What we have experienced over the last five years is sustained economic decline. Our economy has declined to the rate of -0.3 per cent because of several factors. The first one is insecurity which started in 1997. We destroyed our tourism industry and, therefore, contracted our economy. We have not improved anything on security. We cannot pretend to be achieving economic growth when we have not addressed the issue of insecurity in this country.

These days you cannot walk freely on the streets of Nairobi, including Moi Avenue which is the centre of the City. You cannot conduct your business freely in the streets of our towns and even in the countryside. Insecurity has increased over the last five or so years. It is being perpetrated not only by thugs, but sometimes by security agents like the Administration Police (AP) who have now become a menace to this country. The APs are not providing security in this country; they are a menace. Last week APs raided homes in my constituency and raped old women. They were apprehended by members of the public, but were released immediately they were handed over to the DC. That is the type of insecurity that we are creating in this country. I will not be surprised if next time these APs raid the homes of Ministers and rape their family members because they have gone haywire and the Government is not taking any action to control their activities.

The other factor which has led to the decline in our economy is corruption. We have been shouting about corruption since the Goldenberg issue. What is the Government and this Parliament doing to eradicate corruption?

In fact, we are not doing anything. If anything, we are abetting corruption in this country. If a corruption case is taken to court, it takes years to be resolved while the corrupt individuals continue to enjoy the fruits of their activities and yet they have hurt the economy.

Mr. Speaker, Sir, the other aspect which is affecting our economy is the banks' interest rates. As we sit here today, we have non-performing loans to the tune of Kshs122 billion. Two-thirds of our Budget is in form of non-performing loans. Why do we have those non-performing loans? We have these non-performing loans because the interest rates are sky-high. You work, as we have been working in this House, and when you retire at the end of next year, if you will have to retire, you will get your retirement benefits and invest in buying a house at an interest rate of 15 per cent. After a period of two to three years, the interest rate goes up to 42 per cent and you cannot afford to service that loan. You will lose the property as well as all your savings that you will have made while in this House. The interest rates, from the fundamentals of economics, are a major macro-economic policy issue. The Minister did not tell us what interest rates we expect in this country. I hope this House will pass the "Donde Bill" so that it can bring sense to fiscal management in this country".

The other problem that is causing decline in the economy of this country is the lack of investor confidence in our Government. Investors are not investing in our economy because they have no confidence in our Government and our economy. The Government needs to take measures to restore investor confidence in our economy, so that we can have plenty of investments and create jobs and growth. How do we do that? We will do this by meeting the conditionalities that we have agreed upon with our development partners. We must do that quickly if we mind the welfare of Kenyans.

Mr. Speaker, Sir, we experienced drought which affected us a lot, but it seems as if we are not learning from it. If we were learning from this drought, we would have started establishing abattoirs in the North Eastern Province, northern Kenya and the pastoralist areas. We should have revived the Kenya Meat Commission so that we avoid a recurrence of the devastating loss of cattle that we have had among our pastoralists during the last two to three years.

If I were the Minister for Finance, I would have revived the economy and improved security in this country. I would have put in place all the conditionalities required for growth. I would put in place the Kenya Anti-Corruption Authority (KACA) Bill, the Anti-Corruption and Economic Crimes Bill and the Public Service (Code of Ethics) Bill, and through that, I would get an inflow of Kshs77 billion. I would privatise Telkom Kenya Ltd and the Kenya Commercial Bank, and through that I would realise Kshs35 billion. I am not the Minister for Finance, but maybe in future I will be one. I would also send on a two-year leave 60 per cent of our civil servants because they have nothing to do in their offices, so that I can save money to invest in organisation and management and development and through that, I would realise Kshs25 billion.

How would I use this amount? I would allocate Kshs10 billion to development in agriculture and Kshs5 billion to recurrent expenditure in agriculture in order to revive this economy because it depends on agriculture. I would also invest Kshs20 billion in new roads and create jobs for our people in the rural areas. I would invest Kshs4 billion in tourism and, maybe, pay part of Mr. Matiba's debt with the Barclays Bank of Kenya, so that I can get this country growing and encourage our people to invest in tourism. I would invest Kshs40 billion in education; I would use Kshs20 billion to provide for the salary increment that the Government has denied our teachers despite our agreement with them, and use Kshs20 billion to provide equipment, textbooks and other facilities in schools. I would invest Kshs20 billion in health for better pay for our personnel in the health sector. I would invest Kshs4 billion in the Judiciary and pay the judicial officers enough so that they do not get corrupted and enable them to investigate corruption cases such as the Goldenberg saga. I would invest in the Police Force another Kshs2 billion to give the officers a better pay so that they do not get involved in corruption.

With those few remarks, I beg to support.

### COMMUNICATION FROM THE CHAIR

#### CORRECTION: DISCRIMINATION IN PARKING ZONE

**Mr. Speaker:** Order, hon. Member! Just before I recognise another hon. Member, I just want to put in the correct perspective some utterances made by the hon. Member for Laikipia East Constituency, Mr. Kiunjuri, when he rose on his point of order. Some of it was completely untrue, but it escaped my mind at that time. I must make the position quite clear.

He said, among other things, that the Leader of the Official Opposition is not allowed to park his vehicle in front of this Chamber. The fact of the matter is that, that is false. The Leader of the Official Opposition parks in front of this Chamber, and so do six of his fellow party leaders. So, I urge hon. Members to speak the truth always,



particularly when they are addressing the Chair on the management of the House. That is how the matter rests.

**Mr. Karume:** Ahsante sana, Bw. Spika, kwa kunipatia nafasi hii ili niseme machache kuhusu Bajeti ya mwaka huu.

Wakati Bajeti inaposomwa siku hizi, watu hujiuliza kama mambo ambayo Waziri wa Fedha huyasema yatafanyika au hayatafanyika. Ukiangalia Bajeti ya mwaka jana, utaona kwamba mambo mengi ambayo yalisemwa hayakufanyika. Ukitembea katika Kenya nzima na uangalie ni barabara gapi ambazo zimewekwa lami, utapata kwamba ni chache tu. Bajeti husomwa hapa na sisi huipitisha, lakini hatujui pesa zake zinaenda wapi.

Watu wengi wanasema kwamba hii Bajeti ilikuwa nzuri sana, lakini mimi ninaona kwamba hii Bajeti haikuwa nzuri. Waziri wa Fedha alisema kwamba wafanyakazi wa Serikali wapatao 11,000 watafutwa kazi. Je, hii Bajeti ni nzuri wakati inaposema vile wafanyakazi 11,000 watakvoyofutwa kazi kabla hawajafikisha miaka ya kustaafu? Zamani kila mwaka Bajeti ilieleza vile makampuni na Serikali wangeajiri wafanyakazi wapya kama asilimia 10. Mwaka huu, badala ya kueleza vile wafanyakazi asilimia 10 watakvoyojiriwa, Waziri, katika Bajeti yake, alieleza vile wafanyakazi 11,000 watakvoyofutwa kazi. Hawa watu wakifutwa kazi, watoto wao hawatasoma na watakuwa na taabu nyingi. Hii ni Bajeti ya aina gani? Bajeti ambayo tungesema ni nzuri ni ile ambayo ingetueleza vile Serikali imejenga viwanda vipya na kwamba Serikali inahitaji wafanyakazi lakini si ile ambayo inatueleza vile Serikali itakavyowaachisha wafanyakazi wake kazi.

*[Mr. Speaker left the Chair]*

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

Mwaka jana wafanyakazi 25,000 wa Serikali walifutwa kazi na mwaka huu Waziri alitambua kwamba wafanyakazi 11,000 watafutwa kazi. Watoto wengi wamemaliza elimu ya chuo kikuu na wamerudi nyumbani kukaa na wazazi wao kwa sababu hawawezi kujisaidia hata kidogo. Watu wengine wanafutwa kazi na wanarudi nyumbani kwa sababu uchumi wetu umeharibika. Huu uchumi umeharibiwa na ufisadi. Pesa nyingi zimeibwa kutoka nchi hii, na kupelekwa katika nchi za nje. Hiyo ndiyo sababu unaona kila kitu kimeharibika. Kwa hivyo, kwa maoni yangu, Bajeti hii haifai hata kidogo!

Tukiangalia upande wa usalama, yeyote asimamaye anaongea mambo ya usalama. Hapa Kenya, hata Mbunge, Waziri au nani, hajui atakaa namna gani. Nchi inakaa kama iko katika hali ya hatari, lakini hakuna hali ya hatari! Hata ukinihalika kwako saa mbili za usiku, siwezi kuja kwa sababu sijui nitaenda nyumbani namna gani. Ni kama kuna **[Mr. Karume]**

hali ya hatari. Lazima tukubali kwamba karibu kila kitu kimeharibika. Ni juu ya Serikali kufikiria wananchi wa Kenya watakaa namna gani. Lazima ifikirie itafanya nini kwa sababu nchi imeharibika sana.

Bw. Naibu Spika wa Muda, ukiwapigia polisi simu usiku, watakwambia, "hatuwezi kuja kwa sababu hatuna petroli", au, "hatuna magari!" Watu wamekuwa wengi zaidi na wanajenga vituo vidogo vya polisi karibu na kwao. Lakini Serikali haitoi hata ndururu! Imekuwa lazima kwa wananchi kufanya Harambee kuwajengea polisi nyumba. Ukiangalia sasa, wananchi ndio wanasaidia Serikali badala ya Serikali kuwasaidia! Hiyo ndiyo kazi ya Serikali.

Bw. Naibu Spika wa Muda, watu wana taabu. Ukiangalia wakulima, hawapati chochote! Mambo yameharibika kabisa! Kuna pia mambo ya ufisadi. Wakati mmoja utafika--- Ukiangalia NSSF, ambayo ni mahali pesa za wafanya kazi, pamoja na zile wanaongezewa na waajiri wao hupelekwa ili wapewe wakistaafu baada ya miaka 50 wakajisaidie; pesa hizo huchukuliwa na watu wachache. Unasikia mtu ako na shamba lenye dhamani ya Kshs10 milioni, na anaenda kwa NSSF na anasidiwa kuliuzwa kwa Kshs1 bilioni, halafu wanagawana hizo pesa! Halafu mtu akistaafu, awe ni mama au mzee, anaenda kwa NSSF na anaambiwa, "kuja kesho, mwezi ujao, mwaka ujao", na mpaka mwishowe, anakufa kabla hajapata pesa zake! Hayo ni makosa ambayo yanafanyika hapa Kenya. Sifikiri kuna nchi nyingine ambayo inaweza kufanya mambo kama hayo. Ni taabu kubwa. Tuna taabu zaidi katika nchi hii. Ni juu ya Serikali kufikiria juu ya ufisadi. Tumezungumza mambo ya ufisadi kila siku, lakini hakuna kitu ambacho kinafanyika. Wakati umefika kwa Serikali kufikiria itafanya nini, ili wananchi wanufaike.

Kama tulivyosikia, hata sisi, Bw. Kibaki na wengine tulienda kule Burnt Forest kufanya Harambee. Pahali tulipofanyia Harambee, palikuwa na maafisa wa polisi zaidi ya 200. Wanafunzi, walimu na wazazi walifukuzwa eti kwa sababu ni sisi tulienda. Kazi isiyo na maana inafanywa na ile kazi iliyo na maana inaachwa.

Bw. Naibu Spika wa Muda, maji ni kitu cha maana sana katika nchi hii. Ingekuwa vizuri ikiwa Wizara ya Fedha ingetoa fedha, ili kila mahali kuwe na maji. Watu wa Kenya wanafanya kazi na sio goi goi hata kidogo! Wakipata kazi, watajaisaidia, watakuza mboga na kila kitu. Lakini sasa, maji yako wapi? Huko Kiambaa, kuna

mradi mkubwa sana wa maji, lakini umeendelea sasa sijui kwa miaka mingapi! Hakuna chochote ambacho kimefanyika. Mwaka uliopita, tuliambiwa barabara ya kutoka Ruiru mpaka Kiambaa itawekwa lami. Lakini hata sasa, wacha hata lami, hata changarawe hakuna! Kwa hivyo, ni vizuri Serikali ifikirie ni mambo gani itaanza kuwafanyia wananchi.

Ukiangalia wakulima, hawajui wako wapi. Wanaokuzi miwa sasa wameshindwa. Wamefilisika kwa sababu sukari inatoka ng'ambo bila kulipiwa ushuru, ili isaidie watu wachache. Mambo hayo yasipokoma, hatujui tutaeeleka wapi. Wanafunzi wengi wanaomaliza masomo kila mwaka hawapati kazi. Unafikiri watawumilia mpaka lini? Katika Serikali, kila mtu ni kujiangalia ili asipoteze kiti chake. Lakini wananchi wa Kenya hawana chochote. Hakuna mtu ambaye anawalilia. Viongozi wengi ni kujililia na siku itafika ambapo watu watasema: "Enough is enough!" Tumekuwa tukizuia ili wakati huo usifike. Lakini siku hiyo itafika hata mfanye namna gani! Watalaliwa mpaka lini? Hawawezi kulaliwa milele! Tulipigana na mbeberu ili tujitawale, ili tuwe na haki! Ukiangalia zile biashara kubwa kubwa na nzuri, ni za Wahindi ambao ni wageni! Si za wenyeji wa hapa! Wanaajiri Wahindi wasioweza kuzungumza Kiingereza au Kiswahili. Wanaletwa kutoka kule kwao Bombay na sehemu zingine za India na wakija hapa, hupewa vyeti vya kufanya kazi. Wengine wanapewa vyeti vya kuwa wananchi wa Kenya. Lakini vijana wetu ambao wamesoma, wako na digrii na vyeti vingine, wako nyumbani na hawana kazi. Tulikuwa tunapigania Uhuru wa nini? Wakenya walipigana ili wajitawale, wapate mali na watoto wao wapate kazi. Hiyo ndiyo sababu tulipigana. Haya ni mambo ambayo yanataka kufikiriwa zaidi. Yakiachwa yaendeleo hivyo, yataleta taabu zaidi.

Tukiangalia viwango vya ushuru, wenye mikahawa ya utalii wanafunga huko Mombasa. Watu wanafutwa kazi kwa sababu ya ushuru unaolipishwa na shida za kuleta wageni hapa nchini.

Ahsante sana.

**Mr. Musila:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. Most of the things that the Minister talked about hinged on matters relating to the Poverty Reduction Strategy Paper (PRSP). As you recall, since October, 2000, a lot of work has been done in preparing the PRSP. Indeed, the Minister continued to tell the House that he was going to ensure that he provided resources like water and others, to areas where the people identified.

Mr. Temporary Deputy Speaker, Sir, having gone through the Budget Speech that the Minister read, and having looked at the PRSP, and having also had an opportunity to look at the Estimates of Development Expenditure, I am afraid to say that all the things that the Minister said here, cannot and will not be implemented; for the simple reason that any Budget Speech must be supported by budgetary provisions, in order for implementation to take place. I am afraid, I have a feeling that the amount of work done to prepare the PRSP on poverty reduction was a waste of time!

I am also afraid to say, for the first time ever since I came to this House, I will not support this Budget Speech. This is because even the Minister himself is not anywhere in the House today. There is no Assistant Minister from the Ministry here to listen to the contributions made by Members to this Speech. This means that the Minister himself is not paying attention or thinking that this is an important matter. This is because he is nowhere to listen to what the Members are saying.

Mr. Temporary Deputy Speaker, Sir, I would like to go back to this Poverty Reduction Strategy Paper (PRSP). I said that we had meetings at the School of Monetary Studies at national level. We deliberated on measures that we needed to take in order to address the issue of poverty. After that, many meetings were held in provinces where we still deliberated on measures to be taken to reduce poverty. Later on, all hon. Members were called to their respective districts and spent days deliberating on measures that were to be taken in order to alleviate poverty. As a result, this document was prepared. I am now convinced that this was a public relations exercise perhaps to please donors. This is because I understand that one of the conditions they had set was that before they release any funds, this Paper had to be produced. What is the point of producing a paper and presenting it to Parliament and also reading a speech laying a lot of emphasis on this Paper when, in fact, you do not provide a budget to implement the programme?

Mr. Temporary Deputy Speaker, Sir, by saying this I want to give an example. In this PRSP, it states:-

"People living in arid and semi-arid areas trek long distances to find water for themselves and for their cattle. The Government will rehabilitate dilapidated water schemes and facilitate the construction of more dams and boreholes especially in arid and semi-arid areas."

That is the second priority for the Kenya Government. When one looks at the Development Budget and goes on to the area where funds have been allocated for water, I am sorry to say that, throughout the country, the allocation of money towards water programmes has been reduced this year and yet the Minister says in his Speech and I quote: "Those of you who attended the consultation process will attest to the facts that the suffering of our people must be stopped now."

Going to my own district, Mwingi, last year, for construction of water supplies, it received Kshs1 million. So, now, after the Minister's Budget was read here, I clapped because he said he was going to allocate more resources for this cause. I said: "The problems of my people are now over." So, I rushed to look at the Development Estimates but found that the allocation for this year is zero. So, the Minister is not serious in telling us that he is providing resources to address issues on poverty reduction and, at the same time, when we go to the Budget, he does not allocate the resources. So, I do agree, unfortunately, with those hon. Members who felt that this Budget Speech was a public relations exercise. A lot of things are said here which, if implemented, would enable our people to come out of the problems they are in now. However, I am sorry and I would like to challenge the Minister, when he comes to reply, if ever he will get the message since he is neither here nor is he represented here, to tell this House where is the money is that he promised the House in his Budget Speech he was going to use to make sure that the suffering of the people in this country are reduced as a result of this Budget.

Mr. Temporary Deputy Speaker, Sir, I would like to touch on the issue of roads. The Minister admitted in his Speech that last year that the Government raised Kshs7.6 billion from Fuel Levy in order that it could maintain roads and yet we know very well that ever since the District Road Committees and Kenya Roads Board were set up, this House has been wanting to know what the Government is doing with the money collected from Fuel Levy, which roads have been maintained during this current year. In fact, the Minister for Roads and Public Works has been completely unable to tell this House what has happened to the Kshs7.6 billion. Indeed, we are aware that this year the Government has rushed to send funds to some constituencies to do roads. So far, each constituency has received Kshs1.5 million for roads for this financial year. That amounts to Kshs310 million and yet the Minister collected Kshs7.6 billion. The Minister says that this year he is going to collect Kshs8 billion. He also says he is going to direct the money to roads. I would like to urge the Minister to show us programmes that are envisaged in this exercise in order that we may know that the Kshs8 billion will be spent. One question is that this Kshs8 billion is not reflected in the Estimates. How is this Kshs8 billion going to be spent when it is not reflected in the Estimates? Is the money going to be collected and how is it going to be accounted for, if it is not in the Estimates?

Mr. Temporary Deputy Speaker, Sir, finally, I would like to talk about retrenchment. We all know that last year the Government retrenched over 25,000 people. The Government said that these people will be paid Kshs40,000 each as the so-called "golden handshake". However, as of now, they have not been paid their money and the Minister now comes round and says he is going to retrench another 11,000 people. We must get an assurance from the Minister, that before the retrenchment exercise is carried out, all those workers who were retrenched last year will be fully paid their dues. We do not support the issue of Kshs40,000 because no one should be paid that meagre amount after loyally and efficiently having served this country for years. We think that this must be revised, especially now when we are talking of retrenching another 11,000. In the last few weeks, this House passed a Motion that nobody should be asked to go home before he receives his dues and this must apply equally to these people who are supposed to be retrenched now. Before anyone is retrenched this time round, the Government must make sure that, that person is fully paid all his or her dues otherwise there should be no retrenchment before these dues are paid.

Thank you, Mr. Temporary Deputy Speaker, Sir.

**Mr. Mwiraria:** Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to join my colleagues who have said that this year's Budget Speech was a public relations exercise. I can even go further and say, with the exception of a few paragraphs, that this Speech is not worth the paper on which it is written. I think this is the first time a Minister for Finance has stood here and told the House "sweet things" which he thought we ought to hear but which he did not mean.

Mr. Temporary Deputy Speaker, Sir, the Minister does outline the problems which the country is facing. He attempts to give solutions but, unfortunately, what he says are his solutions in the Budget Speech are not contained in the Estimates of Expenditure which we shall be considering later on.

Mr. Temporary Deputy Speaker, Sir, I would like to dwell on a few paragraphs because it would be a waste of time to dwell on many of the paragraphs in the Minister's Speech. The Minister admits that wananchi asked for agriculture to be given the first priority when the Poverty Reduction Strategy Paper was being prepared. He said in his Budget Speech:

"Our priority for crop development would be on building effective and efficient participatory extension system."

He further went ahead and said:

"Accordingly, the Government will increase the budgetary allocation for extension services."

If you look at the Ministry's budget on extension services, you will find that the budget for the coming financial year is less than what the Ministry had in the previous year.

In the same paragraph on page 11, the Minister says that the Government will also spend about 40 per cent of the Roads Maintenance Levy equivalent to Kshs3.2 billion to maintain and upgrade rural access roads. If you look at both Development and Recurrent Estimates, you will find that the total provision for both major and minor roads is only Kshs2.2 billion, and yet, here, the Minister gives the figure of Kshs3.2 billion. I do not know whether the Minister did not expect us to look through his Budget Speech and the Estimates he has provided to the House. I do not want to waste a lot of time on this aspect. The Minister says that he will increase money on control and eradication of livestock diseases. If you look at Sub-Head 106, you will realise that the amount of money which was provided last year was Kshs902 million, and the amount of money which will be provided in the coming financial year will be Kshs681 million. Why does the Minister want to give inaccurate information to an honourable House, in documents he knows we have and we will read?

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Mwiraria, I think it is a shame that neither the Minister nor the Assistant Ministers are here to listen to the comments so as to reply to them. Really, they ought to be here.

**Mr. Mwiraria:** Thank you, Mr. Temporary Deputy Speaker, Sir. I share the view that neither the Minister nor the Assistant Ministers are here to hear what we are saying.

Let me turn to another subject which has been of great interest to this nation. This is the issue of interest rates. Our Minister for Finance has persistently stated that interest rates should be regulated through market rates.

I would like to inform this House that hon. Members of the Finance, Planning and Trade Committee had an opportunity to visit Britain, the United States of America (USA) and South Africa to find out how market rates operate there. Those of us who even read news know that when the American economy growth rate started declining early this year, the Chairman of the Federal Reserve Bank lowered the Federal rates four times so as to lower the interest rates.

In South Africa, they use the rebate rate which is equivalent to our discount rate to influence interest rates. The same case applies to Britain. In other Commonwealth countries like New Zealand, they have started to set targets on inflation. I would like to inform this House that Kenya is the only country which seems to believe that they can leave everything to market forces. One can understand why they want to leave things to market forces. It is because some of the leading Kenyans in this country have funds abroad which they bring into the country to earn high interest rates, when it suits them, through Treasury Bills.

Mr. Temporary Deputy Speaker, Sir, the other area where I think the Minister does not discharge his responsibilities as the Minister for Finance is where he allows himself to borrow Treasury Bills in the market on terms dictated by the banks. Instead of the Minister dictating the terms at which he will borrow on Treasury Bills, it is the banks which dictate those terms. Unfortunately, Kenya has a very small banking sector, which acts as a cartel. I would like to point out that the banks fix interest rates. They have a lot of money today, which they do not have any use for, and yet, they lend it to the Minister at prohibitively high interest rates, and he takes it happily.

One of the most depressing problems in my constituency is land grabbing, particularly in the settlement areas, where farmers live on *shambas*, which belong to the Settlement Fund Trustee. They buy this land with loans and most of it has been taken away and sold to wealthy people in Nairobi. As a consequence, all public land which was set aside for public utilities such as secondary schools, health centres, dams, churches and markets has been taken away. The latest acquisition is the grabbing of the KANU Office in Ngushishi in Timau. The piece of land was grabbed on 19th, June, this year.

**The Minister for Agriculture** (Dr. Godana): Is it public land?

**Mr. Mwiraria:** Mr. Temporary Deputy Speaker, Sir, the KANU Office was built on public land, which has been taken away. Well, I do not know whether KANU has reached a stage where, as we say in Kimeru, "when a hyena is speared and its intestines come out, it starts eating them." This appears to be the case in this instance.

Mr. Temporary Deputy Speaker, I totally oppose this Budget Speech.

**The Minister for Agriculture** (Dr. Godana): Thank you very much, Mr. Temporary Deputy Speaker, Sir. Some of the hon. Members who are criticising KANU now, as the hon. Member who has just sat down, indeed, are the ones who trailed the blaze or blazed the trail.

I rise to support the Motion before the House, and at the outset wish to commend the Minister for Finance, and his team at the Treasury, for finding the wherewithal to produce, in very difficult circumstances, an impressive Budget.

Mr. Temporary Deputy Speaker, Sir, we have just come through one of the most punishing droughts in living memory. Sadly, the economy registered a significant negative growth rate for the first time ever. Even so, as a nation, we managed to prove that there is resilience in our economy and national life despite the stand of donors, many of whom felt that if they withheld the funds they produced on the basis of which we planned our

development programmes and, indeed, our entire Budget for the financial year just ending, we would come to our knees. We did not.

Mr. Temporary Deputy Speaker, Sir, I commend the Minister for Finance and his team at the Treasury because in such difficult economic circumstances, the easy option which Ministers for Finance pursue is to increase taxes across-the-board. I think the team at the Treasury deserves our congratulations for managing to engineer skilfully away from that traditional across-the-board imposition of the burden on the entire population. In particular, the working population in this country and, indeed, manufacturers have been given quite some incentives and reliefs. We also welcome the clear commitment to revamp the economy as is spelt out in the Policy Statement before the description of the revenue measures in the Budget Speech. We hope the commitment to provide finances and build the necessary policy instruments to ensure a restoration of our infrastructure, stable macro-economic environment, investor confidence and assurance of security as well as good relationship with the donor community will be maintained. We have no option but to do so.

Similarly, we welcome the enhanced supervision of the financial sector of the economy, financial institutions, mortgages, insurance companies, banks and so on, which the Minister for Finance has committed himself to in the Budget. We look forward to the instruments which have to be passed by this House to concretise those measures to enhance Central Bank's supervision of the financial sector. In such difficult economic times, it is utterly important that the depositors in our various multi-financial institutions are assured that their meagre savings are safe from unscrupulous banking management teams.

Mr. Temporary Deputy Speaker, Sir, turning to some of the details of the Budget, as the Minister in charge of agriculture, let me say, firstly, that I took up my position with a positive mind. I have no illusions about the gigantic challenges that face us. This is a sector which is the backbone of our national economy. In principle, I welcome the commitment by the Minister for Finance as the final pursuer in terms of giving money to various departments. In particular, I welcome his recognition that if we are to meet the target of poverty eradication as set out in the PRSP, the agricultural sector will have to play a critical role. I say this, noting that over the last one year, the agricultural sector declined by a frightening 2.46 per cent. The challenge for us is to reverse that decline not just for the larger economy but, indeed, for the agricultural sector. If we can reverse that decline and convert it into a positive growth in the agricultural sector for a number of years, then we can see light ahead in terms of getting out of the poverty trap.

I want to state that serious and far-reaching review and rationalization programmes are already under way in the agricultural sector. Some of them call for very hard decisions not just in Kilimo House, but by the Government at large and all stakeholders. For me, I have found it quite shocking to learn, for instance, that in some of the notorious areas where there has been serious erosion of the performance of the agricultural sector, such as the coffee sector in Central Kenya and Mt. Kenya region, a multiplicity of institutions, ranging from the co-operative societies to the Coffee Board of Kenya, have justified all kind of excuses for milking out the proceeds of sale of the farmers' produce to the point where some of the co-operative societies end up paying only 24 per cent or less, of what they realise in coffee sales to the producers; that is, back to the farmers. In effect, local elites in these regions have managed to convert themselves into vampires, sitting on oversize co-operative societies, justifying all kinds of intermediary institutions as auctioneers, agencies or consultants on the Coffee Board of Kenya and so on, and the deductions have become more than bearable. We hope, when we bring the instruments that will require that we reduce this structure into something matched so as to save more resources for the farmers, we will find requisite support on the Floor of the House, especially in those areas where many of the Members of the House come from; that is, those who have been making a lot of noise about the death of the coffee sector.

**Mr. Murungi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Minister to say that Members of Parliament from the coffee-growing areas have been making noise? We are hon. Members; we do not make noise.

**The Minister for Agriculture** (Dr. Godana): Mr. Temporary Deputy Speaker, Sir, hon. Members, particularly from the coffee-growing areas, have been very loud in pointing out what they consider to be the unfair deal, which farmers in the areas have got. I have just confirmed that the peasant farmers have got a very raw deal and I have said that the people responsible are the elites to which hon. Members from those areas belong. If we are to reverse this, we will need the co-operation of that elite, led by none other than Members of Parliament sitting in this House.

Finally, Mr. Temporary Deputy Speaker, Sir, on a negative side, I am bit saddened that although the team at the Treasury did commit themselves through the Policy Statement contained in the Budget Speech to a better deal for the agricultural sector, that has not been managed in terms of actual allocations.

**Mr. Kibicho:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Minister to allude that the coffee industry has collapsed because of activities of Members of Parliament, while he knows that

COTEPA---

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Kibicho, he has only two minutes left and he did not say that.

**Mr. Kibicho:** We have to put the record straight, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Order! He did not say that, I was listening. Continue, Dr. Godana!

**The Minister for Agriculture** (Dr. Godana): Thank you very much, Mr. Temporary Deputy Speaker, Sir. I do not think Members of Parliament from the coffee-growing areas should be very allergic about some of the critical comments that will have to come from this side of the House. As hon. Members know very well, the Sessional Paper on the coffee industry is already before the House and I suppose we will start debating it as soon as this Budget is over. We will have to have the political courage to call a spade a spade, and if we have failed in the past, say, yes, we also are to blame.

I am saying that the elites in this country, particularly from those areas, cannot escape the blame. I am saddened that, for instance, the extension services for the massive Ministry of Agriculture; livestock, crops, disease control and so on; has been allocated only Kshs500 million, which works out to some Kshs7 million between the 70 districts or so. I think we will have to find money and the Treasury will have to go back to the drawing board, even if it is to conjure up some new scheme through the Supplementary Estimates. It is not feasible for us to re-establish robust and effective extension services with this kind of meagre resources.

With those few remarks, I beg to support.

**Mr. Murungi:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to make brief comments on the Budget Speech. First, if you look around, the House is almost half-empty. I think we, as Members of Parliament, should take the Budget much more seriously.

**The Temporary Deputy Speaker** (Mr. Imanyara): It is more than half-empty!

**Mr. Murungi:** Mr. Temporary Deputy Speaker, Sir, the Budget is an important policy document which has grave implications for this society. In future, I think Members of Parliament should take the Budget much more seriously than we are taking it now.

Having said that, I must also point out that this Budget is for the KANU Government. If there are any mistakes in the Budget, KANU must carry the cross. It is not our role in the Opposition to write the Budget. Therefore, it was quite misleading for the Minister to say that this Budget was a collective product of the people of Kenya. It is quite wrong for him to say that the Budget was prepared through an inclusive process, and that it, therefore, contains the aspirations of all the people of Kenya. We, in the Democratic Party of Kenya (DP), were not consulted; we did not give our views to all the stakeholders.

**The Minister for Agriculture** (Dr. Godana): On a point of information, Mr. Temporary Deputy Speaker, Sir.

**Mr. Murungi:** Mr. Temporary Deputy Speaker, Sir, I do not need any information. Dr. Godana knows a lot about international law, but very little about the Budget.

*(Laughter)*

It is our role, as the Opposition, to criticise the Budget. It is also our role to provide alternative ideas, Government and President for this country. So, it is from this standpoint that I wish to make a few comments on the Budget.

Mr. Temporary Deputy Speaker, Sir, even as the Minister was presenting the Budget, Kenya's "economic flag" was flying at halfmast. We are in the midst of the severest recession that this country has experienced in its entire history. In 1997, KANU said in its manifesto that it would revive the economy and ensure that the Gross Domestic Product (GDP) increased to 8 per cent. However, while presenting the Budget, the Minister talked of negative growth of 0.3 per cent.

The concept of negative growth is misleading; it is no growth at all. Growth is upward movement. We are talking about a backward movement of 0.3 per cent. Even the 0.3 negative growth rate given by the Minister is misleading since this country's population growth rate stands at 2.7 per cent.

So, in real terms, Kenya has registered a negative growth rate of 3.1 per cent. This is a great failure on the part of KANU and the Government. One cannot explain why the Tanzanian and Ugandan economies are growing at between 5 per cent and 6 per cent. KANU must apologise to the people of Kenya for exposing them to very great pain and suffering, and for mismanaging this country's economy. By all indices, Kenya is at a very advanced stage of economic stagnation and social decay.

Mr. Temporary Deputy Speaker, Sir, we do not believe that it was the *El Nino* or the drought or the donors who are at the centre of this problem. Our problem is KANU, which is responsible for all the suffering being experienced in this country. The problem is corruption and failure by the KANU Government to govern, which is the root cause of this country's economic stagnation.

We have seen the growing inability of this Government to meet the basic necessities of the majority of our people, especially those in the rural areas. We have seen the growing inability of the Government to protect the basic human rights of our people. We have seen the Government being unable to guarantee even the very basic security or protect the rights of our people. The entire northern Kenya is ruled by bandits and cattle rustlers.

**The Assistant Minister for Finance and Planning** (Mr. Lomada): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to condemn the Government wholesale for whatever has happened to this country when he knows that the Government has tried its level best to ensure that Kenyans get what they deserve? He is not in order!

**Mr. Murungi:** That is not a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Murungi, I also need to point out that it is out of order for the Minister and his Assistant Ministers to remain outside when hon. Members make contributions here that need to be responded to when they reply to this Debate.

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

In other countries, the Budget is a basic policy document; it is a document for equitable, logical and rational distribution of national resources. However, over the years, the Budget in Kenya has become a mere ritual. It has become an annual ceremony during which the Minister for Finance makes beautiful speeches which do not, in any way, affect the lives of our people. In this country, the Budget is not an instrument for development. It is a mere pretext for fooling around, looting, stealing and plundering of national resources.

There is a wide credibility gap between what is written in the Budget and what actually takes place on the ground. On the ground, resources are distributed not through the Budget but through politics. Resources are distributed on grounds of political loyalties, cronyism and, sometimes, outright corruption. Although Section 99 enshrines the doctrine of parliamentary supremacy in financial matters over the Executive, in reality, we are talking about the Executive's supremacy over Parliament.

Mr. Temporary Deputy Speaker, Sir, over the years, the Executive has used various strategies to undermine the Budget once it has been approved by this House. The first is, really, illegal and unconstitutional. Although the Constitution prohibits any withdrawal of funds from the Consolidated Fund without the approval of Parliament, we have had cases where Permanent Secretaries wrote letters and funds were withdrawn directly from the Treasury without any reference to Parliament. I have the Goldenberg issue in mind. Just last year, we passed a law here which requires that all roads funds previously administered by the Ministry of Roads and Public Works and local authorities be taken over by the Kenya Roads Board (KRB). However, without any constitutional or legal authority, the funds were distributed by the Ministry of Roads and Public Works. I think we should amend the Constitution so that if any civil servant withdraws funds from the Consolidated Fund without the authority of Parliament, he is imprisoned for life. Also, all his property should be forfeited to the State, so that civil servants can take us more seriously.

We also have cases of outright deception in the Budget. We have projects being included in the Budget which we have no intention to implement. In the Budget for 2000/2001, Kshs60 million was allocated for small-scale irrigation projects in Meru Central District. We have checked with District Agricultural Officer and established that not a single cent of that money was received in that financial year. So, that provision was a mere decoration of the Budget. It was meant to fool the people that small-scale irrigation was to be carried out in Meru Central District. So, this kind of deception must stop.

Mr. Temporary Deputy Speaker, Sir, we also have situations where there is imbalanced expenditure between one State function and another. The Minister for Agriculture has just been talking about the small allocation for agricultural extension. In the current Budget, the Minister for Finance has allocated Kshs10 billion to the Presidency, Kshs7 billion for Defence, only Kshs3 million for agriculture and Kshs1 billion for trade. Something must be seriously wrong with the people who planned this Budget. What is in the Presidency to deserve Kshs10 billion when the entire agricultural sector gets only Kshs3 billion? I thought we should take trade much more seriously.

We also have situations where we have unexplained Budget cuts, re-allocation of resources and under-utilisation of allocated resources. After we approve the Budget here, civil servants go and re-write their own budget, which they bring here for approval through the Supplementary Estimates. If Budgets are going to be helpful in any way to this country, there is only one solution: Get KANU out of power.

Thank you, Mr. Temporary Deputy Speaker, Sir.

**Mr. Waithaka:** Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to contribute to this debate.

First and foremost, as has rightly been said by my colleagues, a Budget is a policy document that details how a Government of the day will levy taxes and provide services for its citizens. When somebody blames the Government and a Minister in the same Government rises on a point of order to say we should not blame the Government wholesale, I think that would be tantamount to trying to escape from responsibility. This is because it is the Government that prepares the Budget to tax us. Therefore, it must provide services to its citizens. If this Government cannot provide services to us, then it has no business running the affairs of this country. Who else do you want us to blame? The Government is the one that prepares the Budget so that it can tax us. Since we pay taxes to this Government, it must provide services. If the Government does not provide services, who else will do so? It is sad that when we mention these things in Parliament, hon. Ministers on the other side of the divide complain that we should not blame the whole Government because of a few corrupt individuals.

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is my friend of Muungano wa Mageuzi "B" in order to address the Government directly, instead of doing so through the Chair?

**Mr. Waithaka:** Mr. Temporary Deputy Speaker, Sir, we are discussing the Budget Speech and I was actually trying to refer to some points of order raised by hon. Members from the Government side. I am not addressing the Government directly, but through the Chair. However, I do not think there is either Muungano wa Mageuzi "A" or "B" as the hon. Member alludes.

Mr. Temporary Deputy Speaker, Sir, the Kenyan Budget, over the years, and especially this year, is a Budget by the minority. By this I mean that the KANU Government was not elected by the majority of Kenyans to tax the majority. But this is a Budget by the minority to tax the majority and give services to the minority. That is why you even hear leaders in this country going around and telling our people: "If you do not come back to KANU, you will not get services from the Government." But I have never heard a leader telling them: "If you do not come back to KANU, we will not collect taxes from you." Why should you collect taxes from the majority and provide services to the minority? Ours is a Budget by the minority, to tax the majority and to provide services to the minority. That is my definition of this kind of Budget.

Mr. Temporary Deputy Speaker, Sir, this is what has been happening. If you look at what has been happening in some districts, especially where I come from, you will find a DO in charge of a division travelling all the way to the DC's office to look for money to run the division. But since there are no allocations for that division from the Office of the President, because it is a division in what is called the "Opposition zone, he does not get the money. He is told by the DC that they do not have money for that division. He is advised to go back to his division and see what he can do for his division. The poor DO will go back to the division and when the wazee apply for consent, either to charge their property to get loans from banks, or to sell their land, he will charge them an illegal fee. They do not even get a receipt. This Government now allows a DO to levy more taxes on already overtaxed people simply because he is in an Opposition zone.

Mr. Temporary Deputy Speaker, Sir, people in Opposition zones are paying taxes twice; first, to this minority Government, and second, to DOs. That notwithstanding, you will also find an OCS of a police station travelling all the way from his station to see the OCPD for money to fuel Land Rovers or Mahindras, if any. He is told by the OCPD that there is no money and that he should go back to his station and see what he can do for those people. When he goes back there and a report is made by a complainant to his police station, the OCS will ask the complainant to provide money to fuel the Land Rover. It is a pity that our people cannot be assisted if they do not have money. You have even to give the police money to arrest a criminal. Why is this Government taxing our people twice, through this Budget and other dubious means? Why should DCs, DOs and OCSs levy taxes on our people? This is a worrying situation. We are at pains even to support this kind of Budget because we will pay a lot of money to this Government.

For example, in South and North Kinangop divisions in my constituency, an applicant to a Land Control Board must pay Kshs3,000 for his application to be registered. When the buyer goes for the consent from the Land Control Board, he must also pay Kshs3,000. If you are charging to the bank, you will have to pay Kshs3,000 more. The bank cannot pay. For one single application for a consent from the Land Control Board, our people are paying Kshs6,000. These are extra taxes. It is a shame to this Government and this issue must be addressed seriously.

**The Assistant Minister for Finance and Planning (Mr. Lomada):** On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member is making very serious allegations. Could he substantiate them?

**The Temporary Deputy Speaker (Mr. Manyara):** Order! Mr. Assistant Minister, you will have plenty of time to respond to all those allegations when replying.



(Applause)

**Mr. Waithaka:** Mr. Temporary Deputy Speaker, Sir, if the hon. Assistant Minister thinks those are very serious allegations, then he should prevail upon the Government to investigate.

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Mr. Waithaka, please, address the Chair.

**Mr. Waithaka:** Mr. Temporary Deputy Speaker, Sir, if the allegations are serious, I think it is upon the Government to investigate.

Because of these disparities, corruption in this country has reached an alarming stage. There are so many people with a lot of money from illegal deals, especially road contracts. Sometimes you find that those people have made so much money that they and their children will not even spend it all in their lifetime. This is one of the causes of indiscipline in our schools. Some people have so much money that their children do not see the need to work hard in schools. Why should they work hard and yet they have all the money they need and they cannot even spend it all in their lifetime? That is why we have incidents of students burning others in schools. There is a lot of indiscipline in schools and other learning institutions in this country. The issue of corruption must be controlled by all means because it will affect all fabrics of our social life. Even in schools, it is because of corruption that we have so many problems.

Mr. Temporary Deputy Speaker, Sir, I am also happy today to make this contribution when the Minister for Agriculture is in the House. If we are serious in reviving our economy, then we must address the issue of agriculture seriously. This is because we cannot talk of reviving the economy and eradicating poverty if we do not address the agricultural sector. But when it rains in some constituencies, especially in Kinangop, a lot of milk goes to waste because private creameries like the Aberdares and Brookside, among others, cannot buy all the milk produced in Kinangop. Consequently, we have to pour down our milk!

**An hon. Member:** Shame!

**Mr. Waithaka:** During the dry season, we import powdered milk. Why should we import powdered milk when we have a factory to prepare powdered milk at Kiganjo? That factory is in a very sorry state. I wish the new Minister for Agriculture could visit it. Our farmers should not pour down **[Mr. Waithaka]** their milk because private companies cannot cope with the supply, especially from Nyandarua District. This issue must be addressed. We are wasting a lot of money by pouring milk down. There is no Government which claims to be sane that would actually behave that way. I am happy with the people of Ukambani because of what they did the other day. I do congratulate them for that. People organised a Harambee to build granaries to store their maize because they had harvested a lot of maize. However, in certain areas where milk is being produced, we are pouring it down. Some of the private companies, instead of telling us that they cannot buy our milk, are saying that our milk is not good. So you have to pour it down because you cannot take it back home for consumption because you do not know whether it is safe for human consumption. This is a lie because these companies do not have the capacity to take more milk. The Government needs to investigate this because we cannot afford to waste food and then, thereafter, go around the world begging for food.

Thank you.

**Mr. Maore:** Thank you, Mr. Temporary Deputy Speaker, for giving me this opportunity to make a few comments on the Financial Statement for this year. I wish to also express my cynicism and pessimism about this annual ritual of the Budget. During the nine years that I have been in this House, there is not a single year when the Minister for Finance has had his Budget Speech rejected by the House or mutilated beyond his anticipation. What brought this figure of -0.3 per cent, reflecting a negative economic growth, if what has been focused every year, cumulatively, is actually what is approved by the House? You will find that the Government is full of people who have developed a syndrome called "blame somebody else". When things do not go well, they do not focus on the internal mismanagement and mechanisms that have gone wrong, but they start thinking about *El Nino*, donors, the Opposition and lack of rain. You cannot tie the fortunes of a country on the vagaries of weather. It is important to avoid the story of do-not-worry, or the be-happy attitude adapted by the Government and carry out business as usual. Politics has taken an upper hand when it comes to a stage where the Government should pay more attention to the economy.

Mr. Temporary Deputy Speaker, Sir, a hungry and poor nation becomes a nightmare for any politician who uses his or her head well. When you have poverty levels rising above 50 per cent of the population, that is what you should describe as a national disaster. When you have a national disaster, you should put in disaster mechanisms, emergency measures which would be able to address those issues. In this year's Budget, there are no emergency measures when it comes to taxation and any economic reforms that are capable of turning the economy around to make it grow by 3.2 per cent, in order to reach the target set by the Minister of 2.4 per cent. That is why

I am saying that the focus of the 2.4 per cent is going to remain a mirage. It will remain a mirage because it is hinged on the expectation that the donors are going to release the withheld funds, when it is very well known that there is no hurry and there is no intention of genuinely bringing in the new Economic Crimes Bill or the Kenya Anti-Corruption Authority Bill, with their anticipated strength. There is also no intention by the Government to bring the Code of Ethics Bill into to this House to deal with the public service conduct. Although they know that the money is not going to come, they are still factoring it in the Budget. I do not know whether this is hypocrisy, deception, mischief or intrigue. It could mean all of them.

Concerning the issue of retrenchment, we are having a Government which has its priorities upside down. They moved into very strategic departments, like agriculture, lands, health and other professional areas and retrenched a lot of people and then increased the number of the most lazy and useless fellows like the assistant chiefs, the chiefs and the DOs. For instance, in Nyambene District, we have 16 district officers and four Members of Parliament. If you could distribute those 16 district officers, each with a Land Rover, a clerk and an administration police officer throughout the district, you would have a huge infrastructure that nobody in Nyambene would benefit from because the only thing those officers do is take the oppression closer to the people. If you visit to the nearest district lands office, you will find that it has a skeleton staff. We are asking the Government to put its priorities right. It is no wonder, it has been obsessed with politics only.

Mr. Temporary Deputy Speaker, Sir, in this year's Budget, there is an issue of Kshs600 million allocated to the Ministry of Education for the purpose of funding a bursary scheme. This scheme has year in, year out, turned out to be a slush fund for the heads of schools and the top officers in the Ministry of Education. If you can divide Kshs600 million by 200 constituencies, you will find that there will be almost Kshs3 million for every constituency. With Kshs3 million in every constituency in this country, many children from poor families can have their fees paid or their tuition subsidized by the Ministry. But what you get is unimaginable.

For example, most children in secondary schools in my constituency have either to pay their school fees or stay at home because they cannot afford to pay. This money ends up in Jogoo House or Treasury and then the Government officers end up stealing this money because the money never reaches the intended users. In future, it would be important for the Government to require the Ministry to submit audited reports of accounts covering the money sent out to the districts, with the list or appendix of the beneficiaries, so that we do not have ghost students being listed as having benefited when they actually did not benefit.

Another issue which was raised by the Minister for Finance is that of insecurity. The role of any Government worth its salt is to provide security for its citizens and to protect life and property. Today the country is overwhelmed by stories of robberies, mugging, carjacking, cattle rustling and even ethnic clashes. The Chair will not be surprised to find that the Government is looking the other side when the streets of Nairobi have been invaded by muggers and street children, and wananchi are not free to do anything during the day or night. If you lose Nairobi, the Government will say it lost nothing because if you move from Tana River to Mandera, Wajir, Garissa, Isiolo, Samburu, West Pokot, Turkana, *et cetera*, the same thing has happened. If you look at the map of Kenya and the places I have mentioned, there is not a single area where you can drive from one corner to the other because of insecurity.

Mr. Temporary Deputy Speaker, Sir, when the KANU Government holds Cabinet meetings, I wonder how many times the issue of insecurity features. It is very important to address the issue of insecurity that is in the process of getting out of hand. If you want to revive the economy, restore stability and confidence in this country. Some of the biggest investors in this country who have been controlling commerce, trade and industry are running out of the country because of insecurity. Let them also enjoy what the ordinary Kenyan goes through everyday. But at the end of the day, the figures that the Minister was talking about; taxes and collecting revenue, are untenable. Where are they going to collect revenue from when half of the businesses in Kirinyaga Road and River Road - the formal businesses - are closing down and the informal sector is taking over, in the form of exhibitions that are running from January to December, 365 days a year?

Another issue that should be able to concern everybody is the story of the environment. Our environment is depleting at an alarming rate. The Minister for Finance should think about what to do in next year's Budget and, if possible, remove duty on LPG and kerosene, so that people do not destroy the environment which would take centuries to restore. When all is said and done, we have supported the Budget every year, and nothing happens. So, in most cases, I have always declined to support or oppose because it would not make a difference.

Thank you, Mr. Temporary Deputy Speaker, Sir.

**The Assistant Minister for Lands and Settlement** (Mr. Sudi): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the Budget Speech. As I stand here this afternoon, I wish to air my views concerning the Budget Speech and to thank hon. Members for their sympathy, following the accident which I was involved in last year. I thank everybody through the Floor of the House.

The Budget Speech which was read out last week by the Minister for Finance does not address very much what is affecting the common mwananchi, like the infrastructure and the poverty eradication programme. Those are the issues that touch the mwananchi and we should go back and analyse them very well.

One of the issues which is found in the Budget Speech was: How do we manage the poverty eradication programme as far as our people are concerned? For example, in my constituency, there are so many areas in which the Government can assist in order to help wananchi. There is a lot of economic potential in my constituency. The Budget Speech does not address the situation of roads in Marakwet, which could assist in harnessing the economic potential of my people. The roads in Marakwet were supposed to be tarmacked, particularly the one from Iten to Kapsowar, and linking the neighbouring districts. In the books, it is indicated that they have been completed and yet, they are nowhere near that. I wonder where the money went to and, yet it was said that the major road had been completed. The state of our roads is bad as of now.

Also, regarding health facilities in Marakwet, there is one which was supposed to be completed. According to the records from the Ministry, the hospital had been completed and handed over to the people, but if you go down there, you will not get anything worthwhile talking about. That is why I stand here to say that the Budget Speech never addressed the problems affecting the common mwananchi, yet Kenya is a very rich country. We do not need money from outside. We can utilise the money that we have within our area.

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

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

Mr. Temporary Deputy Speaker, Sir, another issue that was addressed by the Budget Speech is [**The Assistant Minister for Lands and Settlement**]

that, at the moment, Kenya should be one nation. We do not need to have so many political parties which are promoting varied interests which are individual-based. We need a unified society so that we come up and solve the problems that are affecting the common man. We are so busy addressing individual problems through political parties. Political parties are not a solution to the Kenyan problems, and when we are talking about the Constitution of Kenya, we should talk about what is affecting the common mwananchi. The Constitution of Kenya was borrowed from our colonisers and it is not representing our aspirations and needs.

There are many weaknesses in our current Constitution. As you know, the Constitution was discussed outside this House before we got Independence. Our able MPs went to Lancaster House and drafted the Constitution and came back. Our colonial masters gave us that Constitution, so that we could be independent and it remained the property of this House. Yet now, we are employing people who are "eating" a lot of money, and yet it is Parliament which is supposed to do that job. That money being used by the current Constitution of Kenya Review Commission was supposed to assist Kenyans.

I am saying that the current Constitution is faulty, and that is why we are losing many lives through the habit of smoking cigarettes and drinking alcohol, which is also causing a lot of havoc. Recently, there was an interesting suit against one cigarettes-producing company, filed by an American and he won the case. He was awarded over US\$ 3 billion. That money alone is enough to assist a certain constituency in Kenya, but of what use will it be to him when he is dying? Yet, our people are dying everyday from tobacco-related ailments like cancer, which is being caused by tobacco. Why are we licensing all the industries which are manufacturing tobacco? Instead of addressing the issue of reviewing the Constitution of Kenya, we are looking at one particular person. Look at the case of the Kenyan brewers and the alcoholic content which is causing liver Cirrhosis to our people who are supposed to be our voters. There is no difference between Safari Cane brew, which is bottled locally, and the chang'aa which is brewed in our rural areas; yet, the Government is just watching. Chang'aa drinkers are harassing our people down there, yet we are getting chang'aa in the name of Safari Cane just because that firm is doing its business at the expense of our people.

I am urging this august House that we go back and sit down together to analyze what is to be changed or amended in the Constitution so that it is tailor-made to suit the ordinary mwananchi. One of the issues mentioned in the Budget Speech is that we, as MPs representing our people, should sit down and analyze the problems which are affecting them. We do not need extra support from outside because we have enough resources. That money normally ends up in people's pockets. The Budget will not be complete unless the roads in Marakwet are made passable and electricity supplied to that area. A lot needs to be done in that area.

With those few remarks, I beg to support this Budget Speech.

**Dr. Ochuodho:** Thank you, Mr. Temporary Deputy Speaker, Sir. Looking at the Budget Speech is very stressful because, once, Kenya prided itself of being the best in the region. What have we seen? We have not only been by-passed by Uganda in terms of economic performance, but even Tanzania. For the first time in Kenya's Independent history, our economy has declined to the rate of -0.3 per cent, while Africa's average is 3 per cent. When you look at the KANU Manifesto, before KANU harmonised with the NDP, it talks of 8 per cent economic growth in terms of forecast. Now that KANU has failed to reach even that 8 per cent that it undertook to reach, why does it not just resign and let us run this Government? It has not only failed to achieve that 8 per cent, but for once it has started registering a negative growth rate, instead of even retaining the little that we had. What more reason does KANU have to continue being in power?

In 1997, 52 per cent of our people lived below the poverty line. Right now, 56 per cent live below the poverty line. In the next four years, perhaps, if I can have an extrapolation, 60 per cent of our people will be living below the poverty line. It is getting worse. Even in the worst case, where you do not have the capacity, we should have been able to maintain a given position, as poor as it was. Instead, we are getting worse, day in, day out. We bring in "Dream Teams" and yet the economy keeps worsening. We must find out what is wrong with this Government.

I have a feeling that even before the next general elections, when we will have a new Government in place, the economy will get worse. Potential investors are already adopting a wait-and-see attitude. They are waiting to see if they will have a little more confidence in the Opposition once they take over. If it is the same people they see here that will continue being in charge, the economy will worsen. It has worsened over the past and I believe nobody can challenge me in that regard because the Government's own figures show that over the years, we have become increasingly poorer than we were before. I must say that I have one joy. If---

**The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Affey):** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to continue vilifying the Government when he is supposed to speak from this side of the House? In the first place, he is speaking from the wrong side.

**The Temporary Deputy Speaker (Mr. Musila):** Continue, Dr. Ochuodho.

**Dr. Ochuodho:** Thank you, Mr. Temporary Deputy Speaker, Sir. If the hon. Member had cared to listen, I said that we will take over in a proper way. We will run the Government well and the economy will start growing and not regressing.

I know that the *boda boda* or bicycle trade is very popular in Busia where the Minister comes from. One of the things that I take pride in is that when I became an MP, there was no single *boda boda* bicycle in my constituency. Today, there are about 300 *boda boda's* and it is one major achievement that I am still proud of. I am delighted that the Minister found it necessary to waive duty on imported bicycles. However, I am saddened that 40 years down the line, rather than talking of locally manufactured bicycles, we are still talking of waiving duty on imported bicycles. Where did we go wrong? I do appreciate that we were unable to produce the Nyayo Car, but surely, can Kenya not even produce bicycles that we still have to focus on importation of bicycles? I challenge the Government to find ways of subsidising locally produced bicycles for our *boda boda* operators instead of reducing taxes on imported bicycles. We should even be ashamed to talk of importing bicycles in this age and era.

I also want to take issue with the allocations that are being made for education. Uganda has just come out of a civil war. Even though he has been in power for just about ten years, President Museveni has succeeded in bringing about free compulsory primary education in Uganda. Indeed, they are now striving towards bringing universal secondary education. Forty years down the line, we promised Kenyans that we would eradicate ignorance. How do you eradicate it when about 4 million Kenyans who are supposed to be in school, are not in school? I am very saddened that in that regard, Uganda has performed, by far, better than Kenya. Although we have not been at war, we still have not matched Uganda in that regard. If those in Government think they are capable of running this country well, why do we not get to the same level as Uganda so that our children can go to school without buying uniforms and books, and paying for desks and so on, so that we can talk of universal free primary education?

I am also saddened that there is no provision in the Budget for the second increment of teachers' salaries. Instead, the Government has found it fit to promote the Kenya Union of Post Primary Teachers (KUPPET). Why has this union been registered at such a high speed and who is funding it? The money that is being used to fund this union should have been used to do something better. I have reasons to believe that the Government must be behind it because if it was not, why did they register it so quickly?

**Mr. Munyasia:** On a point of information, Mr. Temporary Deputy Speaker, Sir. I just wish to inform the MP for Rangwe that---

**Capt. Ntwiga:** On a point of order, Mr. Temporary Deputy Speaker, Sir!

**The Temporary Deputy Speaker** (Mr. Musila): Order, Capt. Ntwiga! Mr Munyasia is on a point of information which has been accepted. Will you, please, let him finish?

**Mr. Munyasia:** I was informing my friend here that KUPPET was registered in 1998. So, up to now, if it does not have all the branches in all fields, then it has taken a very slow process. He must be mistaken in saying that it is being funded by someone else.

**Dr. Ochuodho:** Thank you, for that information.

**Capt. Ntwiga:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I want to know whether it is in order for the Chair to allow communication between two Members. Are they addressing the Chair or conversing between themselves?

**The Temporary Deputy Speaker** (Mr. Musila): I do not understand. What are you saying, Capt. Ntwiga?

**Dr. Ochuodho:** Ignore him, Mr. Temporary Deputy Speaker, Sir!

**The Temporary Deputy Speaker** (Mr. Musila): Order! What are you saying, Capt. Ntwiga?

**Capt. Ntwiga:** I want to know whether it is the Chair that is supposed to give the acceptance.

**The Temporary Deputy Speaker** (Mr. Musila): No, it is the person who is being given the information and he did accept it. Look at your Standing Orders.

**Dr. Ochuodho:** I hope he will take time to go through the Standing Orders.

Mr. Temporary Deputy Speaker, Sir, I also want to turn to the issue of the Kshs600 million that has been put aside for bursaries. Going by the number of districts that we have, each district should have been getting about Kshs8 million to Kshs10 million every year. How come that in Homa Bay District the best that we ever get is Kshs4 million? Where is the rest of the money going to? Where is this Kshs600 million on average that the Government seems to put aside every year for bursaries? Could the money be going into people's pockets as Mr. Sudi has said? It cannot be going into the Opposition hon. Members' pockets.

Mr. Temporary Deputy Speaker, Sir, I also

want to address the issue of retrenchment. Thirty thousand jobs have been lost in the past one year at the cost of Kshs8 billion, of which only Kshs1 billion has been contributed by the Government. In the process, we are told the projections are that the Government will save Kshs13 billion over a four-year period. Was it then worth retrenching these workers? You spend Kshs8 billion to save Kshs13 billion over a four-year period, and you are not taking into consideration the socio-economic effects of retrenchment and the training you had already pumped into the 30,000 people. At some stage, if the economy takes up, we will need to recruit people. How much will we spend to train new people? I can bet that it will not be less than the Kshs5 billion difference that we think we are saving over a four-year period by retrenching civil servants.

It is in this regard that I must take issue with the Government. This is a Government that does not respect the rule of law or even things that Parliament has passed. This very Parliament resolved that we should stop the retrenchment exercise, but the Minister is still brave enough to come here before us and tell us that this year, he will retrench so many civil servants. So, it does not matter what we do or say in this Parliament. It is very unfortunate. I hope for once, this Government will start to listen to Parliament and obey the laws of the land.

Mr. Temporary Deputy Speaker, Sir, I must also take issue with the way information technology (IT) use is being handled. I was delighted, as the out-going Chairman of the Computer Society, when the Minister dwelt so much on IT, but at the end of the day, what was there to take away? There was nothing tangible, other than just saying that we think we have moved away from the labour-intensive era to IT-intensive era. But what are we doing in practical terms to make sure we get there? In the nearby countries, for example Seychelles, in every secondary school, the Government provides, at least, five computers. But in Kenya, what are we doing towards that goal? For one, I would have hoped that the Minister would have found it fit this year to remove all taxes imposed on computer products. I know currently there is only 5 per cent tax imposed on computer products. I would have been happier if I had come here, listened to the Budget speech and then the Minister said: "As a result, I am removing the remaining 5 per cent tax imposed on computer software and telecommunications products". But he said nothing like that.

We have even done an estimate. The Minister talked about telecentres in the rural areas. We only require about Kshs1 billion to provide all our secondary schools in the country with, at least, five computers each and train trainers so that they can utilise the technology. Why is the Minister not making available that Kshs1 billion for us to truly move towards the digital economy that he talked about?

I must also take issue with Telkom Kenya liberalisation. Although Parliament was told last year that we would only sell 26 per cent of the Government shareholding in Telkom Kenya, the Government is now talking about selling 49 per cent share. What went wrong? We were never told. Why are we selling 49 per cent share in

Telkom Kenya Ltd which is almost a controlling share, instead of the 26 per cent share? Why are we not thinking about a second network operation (SNO) that will plough in money? Why are we not thinking about a third mobile phone operator? One of the mobile phone operators, I suspect it was Kencell, paid about Kshs4 billion. We could even have got Kshs9 billion if the other communications competitor had been selected. If one mobile phone company will give us Kshs9 billion just through licensing, why are we not exploring those options so that we can raise money instead of taxing Kenyans more?

It is in this regard that I must take issue with failure to lower the VAT rate. Whereas the Minister may feel good that VAT has not been increased, as it were, Kenya charges one of the highest VAT rates in the region. Kenyans are some of the most heavily taxed people in this region, yet our economy is still one of the worst. It is even worse than the economies of countries that are at war. It is even worse than that of Mali, a country which should never have been anywhere close to Kenya. It is in this regard that I want also to say that if this Government liberalised Telkom Kenya properly in this country, within a span of six months, we would create 100,000 jobs.

**The Minister of State, Office of the President** (Mr. Nassir): Bw. Naibu Spika wa Muda, ninakushukuru kwa sababu ijapokuwa mimi ni mfupi, uliniona na ukanipatia nafasi niseme machache. Hata watu wengine wameruka juu kwa uchungu.

Ninataka kuwashukuru maafisa wa Treasury kwa kazi waliyoifanya. Wakenya hawakufikiria kwamba maafisa wa Treasury wangetengeneza Bajeti ya kuwasaidia vilivyo. Taabu ambayo tunayo ni kwamba baada ya kukusanya pesa, hazitumiwi vizuri. Katika Bajeti, utaona kwamba katika Mkoa wa Pwani kuna barabara, shule au kituo cha afya ambavyo vinahitaji kujengwa. Lakini mwaka unamalizika na Bajeti nyingine inasomwa bila kitu chochote kufanywa. Badaye, zile pesa hutumiwa katika sehemu ambazo zimeendelea na si katika sehemu ambazo hazijaendelea. Kuna shule ambazo hazina maji na sehemu ambazo hazina shule au barabara miaka 38 baada ya Uhuru.

Ninafikiri kwamba kuna wafanyakazi katika Treasury ambao wana ukabila. Wanasaidia kujenga barabara katika sehemu ambazo zina barabara nyingi tayari, na hali sehemu nyingine hazina barabara hata moja. Pia, wanapeleka maji kwenye mito wakati kwingine hakuna maji. Bajeti inafaa kuwafurahisha wananchi ili wajue Kenya ni yao. Lakini taabu iliyoko ni kwamba sehemu zenye umaskini haziangaliwi vilivyo, hali sehemu ambazo hazina taabu zinaendelezwa. Mungu amewabariki wengine na kahawa na majani chai na wanaweza kujisaidia, lakini kuna sehemu nyingine ambazo ni kavu kabisa. Sehemu hizo hazifikiriwi na kupelekewa maji, ambayo ni uhai. Kuna mahali kama vile Mombasa ambako hakujajengwa shule ya upili ya Serikali. Kuna watu wengine katika Mkoa wa Pwani ambao hawajapata stima, lakini wao husikia hadithi tu kuhusu stima. Kukusanya pesa si uhodari lakini kuzitumia zile pesa ili Wakenya wote wafurahie ndio uhodari mkubwa. Ni lazima tutafute njia ya kutumia pesa bila ya mapendeleo.

Bw. Naibu Spika wa Muda, wakati huu watu wanapendana sana lakini ukabila unatuharibu. Kila aliyekuwa Waziri hapo zamani, alikuwa akijenga kwake. Ikiwa ni shule, alikuwa akizijenga kwake kwanza, na ikiwa ni kilimo, alikuwa akikiendeleza kwake. Mwenendo huu ni lazima uangaliwe sana. Huu ni mwenendo ambao unafaa kupelelezwa na kurekebisha.

Ninasikitika kwamba juzi Bajeti ilisomwa, lakini haikupunguza bei ya vyombo vya kuvulia samaki. Wavuvi ni Wakenya na samaki huliwa na kila mtu. Maana ya Bajeti ni kutafuta pesa za kuwasaidia wananchi wa Kenya, lakini hizi pesa zinatumiwa katika sehemu moja tu.

Mkisikia watu wa Kenya nzima wanataka majimbo, na wengine wanakasirika na wanataka kula vigae wafe, watakufa tu kwa sababu majimbo yatakuja katika Kenya. Si Nassir peke yake anataka majimbo! Ni watu wengi. Ukila na kipofu na umshike mkono, atakupiga ngumi mpaka utaanguka chini! Sisi ni vipofu na tumeshikwa mkono. Utaona kwamba wale wasemaji wakubwa katika upande wa Upinzani hawana haja. Wako na pesa tele. Ni matajiri na Mungu awabariki na awape zaidi. Hawajali. Lakini maskini lazime aketi na kusikiliza Bajeti ili ajue ikiwa watu wake watapata au hawatapata, ili aweze kutafuta pesa kwa kila njia. Lakini pesa zataka mtu awe na imani. Zataka Wakenya wapendane na ukabila ulaaniwe kila pahali katika Kenya. Tukiachana na ukabila, Mungu mwenyewe--- Wengine wanamwita Yesu, ingawa mimi humwita Mungu na Mtume Mohamed. Alituumba sisi sote pamoja na akasema katika Quran na Biblia kwamba, kila mtu atakuwa na dini yake. Lakini mwenendo wa kubaguana na kupigana hauleti faida yoyote. Hakuna atakayekuwa mkubwa kwa sababu ya kupigana. Hata tukitumia uchumi wetu wote vizuri, lakini kuwe na laana ya Mungu ambayo ni ukabila, hatuwezi kubarikiwa. Tunaweza kuweka pesa katika miradi mbali mbali lakini ikiwa hakuna---

Bw. Naibu Spika wa Muda, nasikitika kwa sababu wenye ukabila katika Kenya ni matajiri. Sijui kama wanataka kufanya pahali pao kuwa tajiri pekee au vipi. Lakini ikiwa wataishi na maskini, kutakuwa na taabu. Kuna maskini wengi sana barabarani katika mitaa ya Kibera, Mathare na hata huko kwetu Mombasa! Lakini ikiwa sisi tuliojaliwa na Mungu na kupata hatuwezi kufikiria njia ya maskini kupata, basi hatutakuwa na raha. Kuna njia nyingi za kupeleka nchi yetu mbele. Bendera haiwezi kupeleka nchi yetu mbele ila ni umoja na

mapenzi yetu.

Nchi kubwa kama Marekani ina vyama vitatu tu vya kisiasa. Lakini leo katika Kenya, kuna vyama 48! Nasema kuna uzuri wa kupeleleza vile tunaipoleka nchi yetu. Vyama kama hivyo vinafanya mtu awe hatari zaidi nyumbani kwao. Ikiwa chama kitasajiliwa, lazima kiwe na matawi Kenya nzima. Hapo, tutasema chama ni sawa sawa. Lakini mwendo tuendao ni mbaya. Yangu ni kuomba watu wa Wizara ya Fedha waangalie namna ya kutoa pesa, ili wapeleke kila mahali kunako dhiki. Mimi nasema kila mtu apewe kiwango chake katika kila mkoa au wilaya, ili aweze kukitumia. Pesa zikibakia hapa, kuna hatari kubwa. Yangu ni kuomba kwamba, katika mwendo tuendao, tuangalie jinsi ya kusuluhisha matatizo yanayoikumba nchi yetu. Wakenya wenyewe, hata ikiwa ni maskini, wanapendana. Huwaoni Wakenya wakipigana njiani. Huskii Mkenya akimtukana Mkenya wa kabila lingine.

Bw. Naibu Spika wa Muda, juzi, nikitoka kwetu Lamu, nilimkuta Mkikuyu akianiamkua kwa Kiamu, nikagutuka sana! Alisema: "Je, Huyambo Mwenye?" "Huyambo Mwenye" maana yake ni Shariff Nassir! "Huyambo" ni Kiamu! Nikafikiri ingawa ni Mwislamu, kumbe ni Kariuki! Kwa hivyo, watu wanapendana. Lakini nyinyi mnaotaka ukubwa, msitutawanye! Mtapata taabu!

Kwa hayo machache, naunga mkono.

**The Temporary Deputy Speaker** (Mr. Musila): Nidhamu! Saa zako zimeisha, Mzee!

*(Laughter)*

**Mr. Muchiri:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. This Government ought to address itself on the issue of insecurity, especially in Nairobi. In the rest of the country, it is unable to provide and maintain security, all the way from Lamu up to Mt. Elgon. Currently, in Nairobi, not a single day passes without somebody being killed, a vehicle being carjacked and business people closing down their businesses, while the Government does nothing. In fact, what the Government has done today is shocking news! Instead of increasing the police officers---

**The Assistant Minister for Foreign Affairs and International Co-operation** (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Member of Parliament for Kasarani in Nairobi to tell us about Nairobi, when the DP is controlling the Nairobi City Council and the City Inspectorate?

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, I am not addressing the issue of the City Inspectorate. I am addressing the issue of the insecurity in this country. The City Inspectorate deals with the Nairobi City Council. In any case, the DP does not have a police force. It is the KANU Government that has got a Police Force and it is unable to control it. I regret that the NDP joined the KANU Government which has been unable to provide services to this country. I am sorry about that!

**The Assistant Minister for Foreign Affairs and International Co-operation** (Mr. Odoyo): On a point of order, Mr. Temporary Deputy Speaker, Sir. Why is the hon. Member attacking our democratic right to make a choice in this democratic country?

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Odoyo, he has a right to say what he wants! Just listen to him!

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, I was addressing the issue of insecurity in this country. All that I am requesting the Government to do is: "Please, reconsider the salaries you gave the police this morning. It is not enough! You are paying the National Security Intelligence Service (NSIS) officers, at least, Kshs20,000 each, when you are paying the police officers peanuts!" They undergo the same training at the Kenya Police Training College and spend the same time.

Mr. Temporary Deputy Speaker, Sir, with regard to Nairobi, the Ministry of Local Government has been unable to control the City. All parts of Nairobi are chaotic. Every speaker in this House has talked about the DP controlling the Nairobi City Council. The residents of Nairobi are not interested whether it is the DP which is controlling the City or not. They are interested in the services that they are supposed to get. Everybody in this City, including me and you, should sit down and ask ourselves: What is wrong with our City?

With regard to the environment in Nairobi, the City Council is charging exorbitant rates, and yet they do not give any services. What services are given to the residents of Kasarani? The answer is nil! We have no sewerage, water or roads and yet, we are paying a lot of taxes.

The other issue is: This Government has been unable to collect the taxes. When you consider taxing the ordinary common person, there is a person that we are leaving behind. There are people who own thousands of acres of land in this country. They do not pay the Government any tax.

There should be levied land tax in this country so that the idle land can be utilised. Imagine there are

some people who do not even own one inch of soil in this country and other people own thousands and millions of acres of land, and yet we were brought on this earth by God to utilise that soil. Some other people have refused others to utilise it and they are not utilising it. Instead, those portions of idle land are being utilised by the snakes and wild animals. It should now be compulsory that each person owning land of a particular acreage must pay taxes to this country.

Mr. Temporary Deputy Speaker, Sir, the other issue is that we are talking about eradicating poverty. Poverty cannot be eradicated when we are retrenching people and rendering them jobless. The Government is not protecting the tenants in this country. Each landlord has become the person to decide the rent to be paid for his house. The Ministry of Roads and Public Works has the Rent Tribunal Court which is inoperational. The Ministry is also inoperational. It should employ more rent inspectors to move to every area and ensure that each house has got a rent control certificate. You will find that rent charges are sky-rocketing in this City and I can give a very good practical example. Mr. Temporary Deputy Speaker, Sir, in 1981, the rent for houses in Buru Buru Estate was less than Kshs3,000 but today, the rent is Kshs25,000. Where do we expect the ordinary common man to get Kshs25,000 when, in fact, his salary is Kshs2,000? Yet we are talking about poverty eradication!

Mr. Temporary Deputy Speaker, Sir, we have got very poor people in this country, especially in Kibera, Mathare, Korogocho and other environs. The Government, and especially the Ministry of Local Government, should now consider giving these people water free of charge. Surely, what does the Government lose? The pipes were put in their positions 30 years ago and right now people are still being charged for water instead of giving them water free of charge. The Government should also consider giving water to the residents of Kiambu and Kandara where the water pipes from Ndakaini Dam pass, if we are serious about eradicating poverty.

Mr. Temporary Deputy Speaker, Sir, the other issue is that the Ministry of Education, Science and Technology should reduce the levies they are charging to our students. You will find that we have got thousands of Kenyans who are dropping out of schools because they cannot afford school fees. For example, the other day here, we asked what the recommended charges of the school fees are. Alliance High School is one of the schools where the recommended school fee is Kshs26,000, and yet it is charging Kshs100,000. On what day will the child of that poor person from Korogocho be in a position to enter Alliance High School? The answer is that, that child will never go to that school. If this Government is serious, it must reduce the school fees charges.

Mr. Temporary Deputy Speaker, Sir, the other thing is about development charges. You will find that some schools are charging between Kshs9,000 to Kshs17,000 for Standard One intake. I am asking this question: Where will a young man who got married the other day and is jobless get Kshs17,000 for his child to enter Standard One? The answer is that this Government is encouraging young people not to get married because, today, being married and bearing children has become a problem. So, the answer is that young people have decided to stay single.

Mr. Temporary Deputy Speaker, Sir, finally, let me come to the issue of the Ministry of Agriculture, Livestock and Rural Development. It has let the farmers down in this country. You were here the other day when you heard that farmers in some constituencies owe Co-operative Bank of Kenya Kshs300 million. An ordinary farmer owns coffee and land and he did not borrow money from a co-operative society. So, if a co-operative society owes the money, it should not be the farmer who should be taxed. In other words, what we are being told by the Government is that my father could have taken his cow to KMC, if it was in existence, and he is told that: "Look here, Father of hon. Muchiri, despite you having brought your cow to KMC, it is you who owes the KMC some money rather than vice-versa." I am sorry, and if the Government is not going to write off these loans, the farmers are going to uproot the coffee, tea and literally everything. They will resort to farming the crops they can sell locally in their own markets.

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Muchiri, your time is up. Capt. Ntwiga!

**Capt. Ntwiga:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Financial Statement.

The Ministry of Finance is the "mother" of all other Ministries.

### QUORUM

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is there a quorum in this House?

**The Temporary Deputy Speaker** (Mr. Musila): No, we do not have a quorum. Ring the Division Bell.

*(The Division Bell was rung)*



**The Temporary Deputy Speaker** (Mr. Musila): Order hon. Members! We now have a quorum. Proceed, Capt. Ntwiga!

**Capt. Ntwiga:** Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to thank the hon. Member who raised the point of order for lack of quorum in the House because, as you can see, we now have the Vice-President and Minister for Home Affairs in the House.

I was saying that the Ministry of Finance and Planning is the mother of all Ministries. This is the case because this is the Ministry which collects revenue in the country and allocates revenue to other Ministries in order to undertake Development and Recurrent expenditure for this country. This Ministry is very important because it is the one which is supposed to ensure that the same money it releases to other Ministries is used on the ground. This is because this is what is lacking in this country. After the Minister has tabled the Financial Statement, he does not make a follow-up to find out what happens on the ground. As hon. Members of this House, we have tried to advise him on what should take place on the ground because we are always there in order to ensure that there is proper use of public funds. When the Minister increases tax on fuel and tells this House that he will compel oil companies not to transfer the cost to the consumer, without realising that the companies have already done that, it is the poor man who suffers. It is the poor man who sustains this economy. We are here to advocate for the wellbeing of these people so that the people who live in rural areas can make some contribution towards the economy of this country. This Budget has got no relationship with the Poverty Strategy Paper which has taken most of our time and money. This is so because in the Development Expenditure, the items that are talked about in the provinces and districts are nowhere. I would like future Budgets to address the aspects in the rural areas.

The Government should liberalise power generation because we are endowed with numerous water resources. Since the Kenya Power and Lighting Company (KPLC) has been unable to meet the demands of rural electrification in this country, I would have expected the Budget to touch on how we can tap this water into micro hydro-electric power to serve that area without necessarily taking the power to the national grid. If we do this, we will revive the agricultural sector in this country, have power in rural areas and empower our people to participate in many economic activities, and this Ministry will collect a lot of revenue. This is so because I am not happy with the way this Budget was drawn. The Minister does not elaborate on how he will increase revenue in the subsequent years. He does not bother to know how he will plough back the same money to boost taxpayers so that he can generate more revenue for this country.

Mr. Temporary Deputy Speaker, Sir, if you move around, you will find that the interest rates in this country are very high. I would like to say that it is just a few people in this country who call the shots, and yet, an economy cannot be sustained without involving the common man. The revenue we generate should benefit the majority and not very few people.

Here, I am saying that once we empower these people to get loans at low interest rates, they will be very happy. I would like to say that these people will generate revenue for this country. Therefore, instead of depending on only Kshs200 billion every year, in the next Budget, we would like to hear that the Minister is budgeting on expected revenue of Kshs300 billion. Let us address the issues at hand, and the only way to do this is to revamp or revive the agricultural sector in this country. We will talk and bring good Papers here, but unless that sector is revived, we shall continue having many problems in this country. We shall also continue to tax the poor people or milking them until we get to their bones.

*(Laughter)*

This is very serious. This Budget should address issues which affect the common man at the village level so that the Poverty Strategy Paper can have a meaning. We have to empower these people.

I would like to say that the people in my area depend on tea and coffee industries. When these industries collapsed, my people ventured into matatu business and other forms of business. I would like to say that increasing the price of fuel is being unfair to these people because this affects their incentive.

I would like to talk about something which happens in this country. The coffee sector collapsed because of forming so many societies due to an individual wanting to be a chairman of a certain society. These societies were divided into very unviable units.

I would like to point out that there is a cartel in various bus stages in this country which exploits my people or the people of Kenya who decide to venture into the matatu business. The Transport Licensing Board (TLB) should ensure that these people do not operate on these bus stages. There is a cartel at Accra Road. There is a Sacco called "Name Sacco", and some officers from the National Social Security Fund (NSSF) and National Housing Corporation (NHC) engage in corrupt activities there. I would like to say that they have formed dubious

saccos there to milk or exploit the people. They exploit the people by forming a cartel and milking money from other commuters and operators.

Mr. Temporary Deputy Speaker, Sir, I am happy that the Director of the CID took a step and arrested the officials who had been syphoning money from other people. I would like to say that these officials have been arrested for having stolen Kshs4.8 million from other operators and investigations are going on. This is another form of exploitation, which should be discouraged in this country.

Mr. Temporary Deputy Speaker, Sir, corruption has caused a lot of problems in this country. It is rampant everywhere and you would think that people have been cursed, because they have no incentives. The other day, I went to represent Mr. Biwott in a Harambee in Meru Central Constituency, which belongs to Mr. Murungi. We raised Kshs1.7 million and the Minister had given me his donation of Kshs130,000. Now, instead of the newspapers reporting the amount of money that was raised so as to encourage the people, they reported how Mr. Murungi talked about Mr. Biwott being voted as a President, because they had been corrupted by the area Member of Parliament. We do not understand why that form of corruption should get into our Members.

**Mr. Obwocha:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Are you satisfied that the Member on the Floor has substantiated what he claims to be corruption from another Member of Parliament? He is saying that he went to a Harambee where he represented another Minister and the area Member of Parliament corrupted people. Could he substantiate that claim?

**Capt. Ntwiga:** Mr. Temporary Deputy Speaker, Sir, they should have highlighted about the money which was raised. That should have been the case. But this is another form of corruption within ourselves, whereby a Member of Parliament corrupts the newspapers for his story to hit the headlines.

**The Temporary Deputy Speaker** (Mr. Musila): Order! Order! I think the issue raised by Mr. Obwocha is that you are alleging that corruption took place. That appears to me to be misreporting and you should, perhaps, shed more light. Misreporting is not necessarily corruption.

**Capt. Ntwiga:** It is not misreporting, Mr. Temporary Deputy Speaker, Sir. There are so many forms of corruption in this country and that is one of the highest order I have seen. They should highlight the amount of money that was raised and not what the Members said.

Thank you.

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

**Mr. Muihia:** Thank you, Mr. Temporary Deputy Speaker, Sir. I rise in support of the Motion. As we debate the Finance Bill, it must be taken into [Mr. Muihia]

account that the Minister for Finance tried his best to give us a statement of intent, and if wishes were horses, the Minister for Finance would be riding high. But, unfortunately, the Statement by the Minister for Finance is far-fetched because we will not be able to achieve the required growth this financial year because he pegged a lot of the finances on the contribution by the donor community. Immediately after the Speech, as we talked with the representatives of the donor community, they were emphatic that until and unless corruption in this country is tackled, they will not release the Kshs26 billion that they promised. That is not new money; that is money that has been promised in the previous year. Today, most of the infrastructure in this country has collapsed. I have a road in my constituency; Road D387, which connects Nakuru to Thika through Gatundu. That is an artery of a road that passes through the heart of the tea and coffee growing areas in Gatundu Constituency in Thika District, but it has not been maintained for the last five years. Without enough provision of money to revive the infrastructure; that is, roads, electricity and telephones, how can we develop our country? Corruption can only be tackled by addressing its root cause. Corruption in this country has been encouraged and perpetuated by the Government side of this House. With the current collapse of the economy, I can foresee the Government collapsing before we get to the next elections because of corruption.

I would like to appeal to the Government to sit back and reflect on its actions. Everywhere back home, we have very poor peasants, but not sufficient funds have been set aside for the revival of the agricultural industry. If the problems in the coffee and tea industries are not addressed adequately, those industries will collapse, as did the Kenya Pyrethrum Board (KPB), the Kenya Co-operative Creameries (KCC) and some sugar factories. Of essence, the Government must address the basic issues for the generation of money. Unless we put money in the people's pockets, so that they can have enough money for spending and saving, we can talk here from the first to the last day of the year and, at the end of the day, we will not revive this country's economy. We will register an economic growth of negative 5 per cent. I believe that by that time, this country will have no Government in place.

Mr. Temporary Deputy Speaker, Sir, I would like to congratulate the Minister for Finance for zero-rating the importation of timber. The Government has allowed the destruction of our natural resources. Currently, we have more trees on our farms than there are in our forests. At this rate, the country risks losing all its forests and, sooner than later, ending up being a desert. Laws should be put in place to stop any further excision of forest land to be dished out to politically-correct individuals for their personal gain at the expense of this country's posterity.

As the Minister struggles to convince this House and the country that the Government is working towards

the revitalisation of education, it is noteworthy that the dropout rate from the nursery to the primary and secondary levels is 45 per cent; from Form One to Form Four, we have a transitional loss of 55 per cent. Education has not been addressed. We continue having very many street people. Previously, there used to be street children. Today, there are street people and families. However, I did not hear of any measures being taken by the Government to protect those people or to remove them from the streets back to habitable houses.

For many years, the last housing estate the Government has put up was the controlled slums of Dandora, which has now turned into a haven of thieves and thugs. We need to address the housing problem in this country. We have seen the paltry housing allowances being paid to civil servants. Some Government workers have been allocated Kshs1,500 with which to rent houses because the Government has sold all the houses that have been built over the years. I am sorry that, today, this Government stands accused, and will have to answer in the future. That is why I stand to say "no amnesty for the thieves who have made this country bankrupt." They must all face the law at the right time.

Because I will not be here tomorrow morning, I will end my contribution on that one.

*(The Temporary Deputy Speaker (Mr. Musila)  
and hon. Members stood up)*

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. The House started its business ten minutes late this afternoon. So, maybe, we can make up for those lost minutes.

**The Temporary Deputy Speaker (Mr. Musila):** Very well. I have verified that to be the position. So, let us continue our business for another ten minutes.

*(The Temporary Deputy Speaker (Mr. Musila)  
and hon. Members resumed their seats)*

**The Assistant Minister for Lands and Settlement (Dr. Wamukoya):** Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to contribute to the Budget Statement. I will concentrate on only two important areas. One is critical, while the other is serious.

Mr. Temporary Deputy Speaker, Sir, we all know that there is a lot of poverty in this country. The level of poverty is estimated to be over 50 per cent. This is as a result of failure of the agricultural industry. However, as far as I am concerned, our approach to poverty alleviation is questionable. Last year, for example, the UNDP provided over Kshs140 million towards poverty eradication in this country. We went through the usual motions. We toured provinces and held provincial, district and constituencies or divisions fora. I attended a provincial forum. People who were invited to those fora had special interests. Most of them were invited by one individual. Therefore, suggestions on how to fight poverty were not sought from various groups. Those people were only interested in marketing themselves because they thought there would be a lot of money at stake and that their consultancy services would be wanted. So, they tried to promote their interests. From the provincial level, they went to district fora where, again, selection of people to attend the meetings was done very haphazardly. They invited their own friends to those fora.

Mr. Temporary Deputy Speaker, Sir, at the division level, the situation was even worse. Hon. Members were irrelevant and they were not even invited to attend those meetings. It looks like certain individuals were asked to pick a few poor people to give their views on poverty. They brought mentally-deranged persons and drunkards. They promised them a lot of soda and Kshs100 each if they could give their views on poverty. As far as I am concerned, this was not the best way of tackling poverty.

Mr. Temporary Deputy Speaker, Sir, if we want to address poverty in a given area, let us involve the people because we all know its cause. All we need is to be told to organise our people. For example, those of us who come from sugar-cane growing areas need to sit down with our constituents and discuss the cause of poverty.

Mr. Temporary Deputy Speaker, Sir, poverty comes about because we do not prioritise activities that form the backbone of our economy. For example, we have not fully liberalised the coffee industry. The coffee farmer is still a slave of some co-operative societies and auctioneers. There are so many stages that coffee has to go through before it is sold. And when it is finally sold, farmers get peanuts. We must fully liberalise the coffee industry so that farmers will be involved in the auction of coffee in order to reap maximum benefits from this crop.

Secondly, every industry must grow. It is a pity that the coffee industry does not grow. We must value and add to this industry. We must not export our coffee to Germany where it is milled and processed and then exported back to us as a finished product. It must be processed here because it is our crop. We cannot remain

selling coffee while the world is growing very fast. The tea sector was liberalised the other day, but I still think a lot needs to be done in the tea sector so that the farmer can completely control the proceeds from the tea instead of the brokers who come in between.

Mr. Temporary Deputy Speaker, Sir, may I also say something about sugar-cane. There is a lot of waste in sugar industry because the miller has taken himself as the boss and the farmer who produces sugar-cane is like a beggar. So, with this trend, the sugar-cane can be thrown onto the road; especially when the trailer breaks down with the sugar-cane load, it is left there and people who do jaggery just come and pick it and do whatever they want with it. This is because the miller is only interested in what comes to his factory and that is what he pays for. Things must change in this country if agriculture has to continue being the backbone of the economy. I think the Treasury is very half-hearted. Agriculture gets only 3 per cent out of the Budgetary provisions. This is not enough. In 1972/73, agriculture was getting 11 per cent. What might have happened?

With regard to livestock, I have heard many hon. Members here urging the Government to revive the Kenya Meat Commission (KMC) and what-have-you. When you revive the KMC and the cattle for beef are in Mandera and Marsabit, how are those farmers going to bring their animals to the KMC? The Government should build other KMC factories in the north and in the south, for example, in the Maasai areas. There should be small factories, not big ones like the KMC. The KMC is unmanageable because of its size. I know, for sure, that the KMC cannot be revived easily. So, the Government should construct small refrigerated factories of the KMC in other areas and provide small airports to carry the meat products to somewhere in Nairobi and then export them to other countries. Let us not waste time crying over the revival of the KMC.

Mr. Temporary Deputy Speaker, Sir, with regard to milk, I am happy to hear that the KCC is reviving. What I know is that these small companies, for example, Brookside, cannot manage to absorb all the milk that is coming from farmers because during the rainy season, more milk is produced. Therefore, the KCC is very useful. I agree with the hon. Member who spoke from the other side, that there is no need to import powdered milk when we have the capacity to do it here. We are killing our own economy. In fact, we are serving other economies outside there and then keep on crying here that we do not have jobs for our youth. These jobs are only going to be created when agriculture is properly organised and is operational. This way, we can move on to the agricultural industries which can employ our people. We have to move from the agricultural industries to bigger steel industries so that we can service the agricultural industries. But the way we are working now, I do not see us moving anywhere. I think agriculture has been despised for some reason or the other because of mud, cow-dung and what-have-you. Unless we accept the conditions in agriculture and go back to cow-dung and soil, we will be talking about industries up there that we will never see. Even commerce will not be there.

Mr. Temporary Deputy Speaker, Sir, with regard to tourism, there are a lot of tourists who are coming into this country, but a lot has got to be done.

**The Temporary Deputy Speaker** (Mr. Musila): I am sorry, Dr. Wamukoya, I have to cut you short. Your time is up.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Musila): Hon. Members, it is now time for the interruption of business. This House, therefore, is adjourned until tomorrow, Wednesday, 27th June, 2001, at 9.00 a.m.

The House rose at 6.40 p.m.