

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Tuesday, 26th June, 2007

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

### PRAYERS

**Mr. Speaker:** Hon. Members, it is the beginning of Question Time and I want to inform the House that I will end Question Time at 3.20 p.m. because the acting Minister for Lands would like to make a Ministerial Statement.

### QUESTIONS BY PRIVATE NOTICE

#### COLLAPSE OF KAINUK BRIDGE

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

(a) Is the Minister aware that the bridge connecting West Pokot District and Turkana at Kainuk collapsed two weeks ago, causing untold suffering to the Turkana people?

(b) What urgent measures is the Minister taking to repair the bridge?

**The Minister for Roads and Public Works (Mr. Nyachae):** Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the bridge connecting West Pokot District and Turkana at Kainuk collapsed three weeks ago.

(b) As an emergency measure, my Ministry has installed a bailey bridge, which was opened to vehicular traffic on Wednesday, 20th June, 2007, while arrangements are made to rehabilitate the permanent bridge.

**Mr. Rotino:** Mr. Speaker, Sir, I would like to thank the Minister, at least, for saving the situation in Turkana and Southern Sudan. A lot of heavy cargo is transported across that bridge. That is the only bridge that connects us to Turkana and Southern Sudan and the bailey bridge cannot accommodate more than 40 tonnes.

Mr. Speaker, Sir, could the Minister ensure that the bailey bridge is removed and a permanent bridge is constructed immediately?

**Mr. Nyachae:** Mr. Speaker, Sir, the hon. Member is right that the bailey bridge, which we have installed is temporary. We are now carrying out structural plans for a permanent bridge. This will take a little longer than the hon. Member expects. We cannot construct a small bridge like the one which was there before because, when that bridge was constructed, we had not anticipated the heavy traffic which now goes to Southern Sudan.

Mr. Speaker, Sir, we have now gone back to the drawing board to work out new specifications and then construct a new bridge.

We have issued a notice to instruct that any vehicle carrying more than 40 tonnes should not be allowed to use that route. They will have to go through the Uganda route until such a time

when we will have constructed a proper bridge. Right now, I am afraid, the people of Southern Sudan will be more inconvenienced than Kenyans.

**Capt. Nakitare:** Mr. Speaker, Sir, the Minister for Roads and Public Works has to understand the inconvenience that is being caused to business people who are transporting heavy commercial goods to rebuild Southern Sudan. The entire road from Kitale to Lokichoggio is not meant for heavy commercial vehicles.

What plans does the Minister have to make sure that the road from Kitale through Lokichoggio to Juba is made to the standard of a free way where the economies of Kenya and Southern Sudan can enjoy?

**Mr. Nyachae:** Mr. Speaker, Sir, if the hon. Member was listening to the earlier answer, I said that we are faced with a situation we never anticipated. We had not foreseen a situation where Southern Sudan would require to use our roads. Now we know that the people of Southern Sudan want to use that road because it is more convenient to them. We have to go back to the drawing board, not only on the issue of the bridge, but also on the issue of the roads.

This is going to take time. The available funds are very limited. I will not divert funds which have been allocated for internal roads, which are also highways, to the road that goes to Lokichoggio and Southern Sudan. I will have to look for new funds for that particular road. I cannot give an answer as to when I will get the funds.

**Mr. Rotino:** Mr. Speaker, Sir, I am pleading with the Minister to make a trip to this area. All the bridges that were constructed along that road from Kitale to Lokichoggio have collapsed.

Could the Minister consider redoing all the bridges? At the moment, there is a lot of heavy rain in that area and many of the bridges are just collapsing. In my constituency, three bridges have already collapsed. Traffic has been diverted to other routes, which cannot accommodate the heavy commercial vehicles.

When re-designing the Kainuk Bridge, could the Minister consider re-designing all the other bridges along that road, so that they can accommodate heavy commercial vehicles, even before the road is done?

**Mr. Nyachae:** Mr. Speaker, Sir, I would not ask the hon. Member to pray to God to reduce the rains because we need the rains. The hon. Member should appreciate that there are only three bridges in his area which are giving his people a headache. At the Coast Province, and in parts of the Rift Valley Province, so many bridges have been washed away by the rains. This is happening all over the country. We cannot blame God for giving us the rains.

Mr. Speaker, Sir, let us do what we can for now. Everybody is reaching his or her destination no matter how inconvenienced they are. We are reaching our destinations. Let us plan and do these roads and bridges as and when we have the funds. You are soon going to discuss the Vote of the Ministry of Roads and Public Works here.

Look at the money that has been allocated to my Ministry and show me where I will get more money from to start planning for the additional bridges.

#### PARTICIPATION OF PUBLIC SERVANTS IN NARC(K) ELECTIONS

(**Mr. Bett**) to ask the Minister of State for Public Service:-

(a) Is the Minister aware that some public servants offered themselves and were elected at the on-going NARC(K) elections in violation of the Civil Service Code of Regulations?

(b) What steps has the Minister taken to enforce the Code of Regulations and rid the Civil Service of political activists in the light of the above?

**Mr. Speaker:** Mr. Bett is not here? The Question is dropped.

*(Question dropped)*

## ORAL ANSWERS TO QUESTIONS

*Question No.130*

### KILLING OF MESSRS. BUKE AND TOROTORA

**Mr. Bahari** asked the Attorney-General:-

(a) whether he is aware that the late Guyo Abdi Buke and Somo Kinto Torotora were shot and killed by Kenya Army personnel in Garba Tulla on 24th July, 1999;

(b) whether he is further aware that Inquest No.21 of 2001 at CMC, Meru, concluded that the Officer Commanding Station (OCS), Garba-Tulla and several army officers be investigated further; and,

(c) what action he has taken to ensure that investigations are carried out and the culprits dealt with in accordance with the law.

**The Attorney-General** (Mr. Wako): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) Yes, I am now aware.

(c) The investigations are ongoing although they have encountered some delays and difficulties.

**Mr. Bahari:** Mr. Speaker, Sir, this answer is very disappointing. A court sat and gave directives in 2001 and the Attorney-General is saying that he is "now aware". In part (a), he says: "Yes, I am aware". In part (b), he says: "I am now aware". This means that I am the one who is making him aware. The court gave directions for further investigations to be carried out.

Could the Attorney-General tell us why he has not carried out those investigations properly since April, 2003?

**Mr. Wako:** Mr. Speaker, Sir, I have said that the investigations have encountered some factors and difficulties which, although I am not aware, the Provincial Criminal Investigations Officer (PCIO) was attending to. I appreciate the hon. Member's concerns.

One of the difficulties - I do not know whether you are aware - was the fact that there was a fire at the Meru Law Courts Registry in 2005. The other difficulty was that the officers who were initially investigating this matter at Garba-Tulla Police Station, stated that when they embarked on the investigations, they went there, but the possible witnesses refused to record statements. They demanded to first be paid by the Government before they could co-operate in the investigations.

The PCIO ordered that the investigations be handed over, from Garba-Tulla Police Station, to Isiolo in 2006.

That order was made on 1st November, 2006. Investigations are ongoing. Some of the military personnel who were involved in that joint exercise which resulted in the killings are not here. They are on a mission in Sierra Leone where they are deployed. I am sure that when they come back, investigations will be expedited. I understand that they will soon be coming back from Sierra Leone.

**Mr. Rotino:** Mr. Speaker, Sir, I think the Attorney-General is not taking this issue very seriously. These people were shot dead in 1999. How long does it take the Attorney-General to conclude a case of this nature if he is serious in what he is doing? If he does not have enough staff he should request for more staff to be employed.

**Mr. Wako:** Mr. Speaker, Sir, matters of inquests are not handled by the Attorney-General. From my explanation, it should be very, very clear that the matter is still within the domain of the

investigators who are the police. Since 1999, at least an Inquest No.21 of 2001 has been held and the Questioner knows this very well. In spite of the difficult terrain in that area, witnesses gave evidence.

The magistrate said that certain army officers must be further investigated. There was fire at the court which destroyed some files. We also have lack of co-operation being extended to the investigators in the matter. We do not know yet who is responsible for that lack of co-operation. That is why the PCIO took the very good decision in November last year to transfer the investigators from that police station to Isiolo. At least something is happening all the time under the domain of the police.

Once the investigations are complete and we can pin down somebody with crucial evidence, then I will come in to prosecute.

**Mr. Bahari:** Mr. Speaker, Sir, this is a very disappointing answer, to say the least. It shows cover-up from word go. These people were killed in a *Manyatta* in town and some of them were working in Garba Tulla School which is less than a kilometre away. The matter has not been concluded even up to now. I must say that the Attorney-General is aware of this issue because I have correspondence from the human rights organisations in the area which have been sent over to him. What measures will he take to ensure that this process is speeded up and the affected persons compensated accordingly?

**Mr. Wako:** Mr. Speaker, Sir, I have already taken action. I have asked the Provincial Criminal Investigations Officer to send senior officers there to carry out these investigations. I have been asked by the Provincial Criminal Investigations Officer to request the Questioner to ask the people in that area to co-operate with the investigating officers so that, that angle can be finalised. As I stated earlier, they refused to co-operate because they wanted some payment.

If the Questioner can help the police in that area, it will be good. In the meantime we are seeing to it that the people involved in a joint exercise, who are now in Sierra Leone, will be questioned on the issue when they come back. I understand they are coming back very soon. They are doing a very good job in Sierra Leone as you know.

*Question No.284*

INCREASE OF CASES OF  
CERVICAL CANCER

**Mr. Speaker:** Very well! I think the hon. Member for Butula is still away. I will defer the Question to Thursday, next week.

*(Question deferred)*

*Question No.166*

UPGRADING OF MUKUYUNI POLICE  
POST TO POLICE STATION

**Mr. Ndambuki** asked the Minister of State for Administration and National Security when Mukuyuni Police Post will be converted to a Police Station.

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

(a) The Mukuyuni Police Post is not a police post as such but a patrol base which is under the Makueni Police Station. The police patrol base is currently housed in a building which has been

leased by the Government from a Mr. Gideon Wambua Nguli. The patrol base will be upgraded to a police post provided that an administration block and enough police houses are put up together with adequate land for other facilities as per police specifications.

**Mr. Ndambuki:** Mr. Speaker, Sir, I thank the Assistant Minister for the answer. I had a discussion with the Assistant Minister and I have told him that we have constructed new offices for the divisional headquarters. We are moving the District Officer and his staff from where they are being housed to another place. That is where we also intend to put up the police station. The land is enough and the buildings are many. I do not really understand what the Assistant Minister is saying when we have facilities as per the police specifications. The distance from that police post to Makueni where the OCPD is based is far away. Alternatively you can go to Kilome which is even further away. Kilome is currently in Kibwezi District. So, Kaiti Constituency has been left with no police post. I would like to know the difference between a police post and a patrol base.

**Mr. Munya:** Mr. Speaker, Sir, we are prepared to upgrade this patrol base to a police station when the facilities are provided. We will need an administration block as I have specified and some houses for the police to sleep in. A patrol base is a place where police officers operate from, but it is not a permanent structure. It is put there temporarily when there is a crime upsurge in an area. It can be removed any time. A police post is a gazetted permanent structure that cannot be moved.

**Mr. Muriithi:** Mr. Speaker, Sir, I am surprised to hear the Assistant Minister say that they will construct some houses for police officers to sleep in. I am sure they are not employed to sleep. In my constituency we have two police posts---

**Mr. Speaker:** What happens to the police officers? They never sleep forever?

*(Laughter)*

**Mr. Muriithi:** Mr. Speaker, Sir, my question to the Assistant Minister is this: When will he start constructing permanent buildings and upgrade police posts in the entire country, leave alone patrol bases?

**Mr. Munya:** Mr. Speaker, Sir, normally our procedure is that we co-ordinate with the area OCPD to look at the structures that have been put in place to see if they are of the standards that we require. So, if the hon. Member has a specific police post that he requires to be gazetted as a police post he can come forward and we will look at it.

**Mr. Ndambuki:** Mr. Speaker, Sir, as I have said, by this coming month the DO will have moved and the administration block will be there. Could the Assistant Minister go there and have a look at it and gazette it because by the time Kilome moves to Kibwezi we will not have a police post?

**Mr. Munya:** Mr. Speaker, Sir, even if we have an administration block it will not be enough. We need some houses where the police can sleep. So, if the hon. Member is prepared to do that work, we are ready to gazette it as a police post. If he does not have any resources to do that, we can wait until we have enough resources to do that ourselves. Certainly, if he were to put up those facilities as we had discussed, we are ready to gazette the police post.

**Mr. Muriithi:** On a point of order, Mr. Speaker, Sir. Can they refrain from using the word "sleep" and say "where they can probably relax"?

*(Laughter)*

**Mr. Munya:** Mr. Speaker, Sir, even policemen sleep. I do not think they are barred from sleeping when they are not working. They usually plan their work so that some are on duty while

others are sleeping, resting or relaxing if that is what the hon. Member likes. Use of semantics is not the issue here.

**Mr. Ndambuki:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to say that we have to construct houses for police officers to stay in when they are being paid allowances? They have their own houses and they are being paid house allowance. Is he in order?

**Mr. Munya:** Mr. Speaker, Sir, I am in order because, in order for a police post to be gazetted, there must be some structures for them to sleep in. An administration block by itself cannot qualify to be a police post. There must be houses where they can sleep. That is why, right now, it is a patrol base. Once we get money we can do that then we will be able to upgrade it. Right now we cannot gazette it as a police post until those structures are put in place.

*Question No.336*

RESOLUTION OF BOUNDARY DISPUTE  
BETWEEN LAMBWE/CENTRAL  
DIVISIONS RESIDENTS

**Mr. Kajwang** asked the Minister of State for Administration and National Security:-

(a) when the Government will resolve the boundary dispute between the residents of Lambwe and Central Divisions in Suba District;

(b) why the Government hived a large chunk of Lambwe Settlement Scheme (Ruma Location) and put it under the administration of Central Division, thereby creating unnecessary turmoil in an otherwise peaceful environment; and,

(c) when Ruma Location will be converted to Lambwe Division.

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

(a) There has never been any boundary dispute between the residents of Lambwe and Central Division in Suba District. The creation of Lambwe Division was presented to the District Development Committee and approved in a meeting of 3rd November, 1995.

(b) The decision to hive Lambwe Settlement Scheme/Ruma Location to Central Division was done during the early re-organisation of administration unit after sorting and considering the views of the public. That is why there is no turmoil or any sign of dissatisfaction among the members of the public.

(c) On the reversion of Ruma Location to Lambwe Division, this can only be done if the residents of the area can appeal to the Government. The same goes through the due process of administrative boundary review. So far, we do not have such appeals emanating from the sub-locations, locations and sub-divisional development committee forwarded to the DDC.

**Mr. Kajwang:** Mr. Speaker, Sir, the answer is contradictory in several respects. One, it says that the matter was presented to the District Development Committee (DDC) in 1995, which then decided that a bit of the settlement scheme should go to Central Division. But in 1995, there was no district called Suba. Which DDC addressed that issue? That hiving was done at the creation of Suba District!

Mr. Speaker, Sir, I would like the Assistant Minister to know that if there was no dispute, I would not have asked this Question. This Question is coming from the people. They are saying: "We are a settlement scheme and we have been hived off from the settlement scheme and put under the administration of another division." Those people want to belong to Lambwe Division, which is a settlement scheme. What can we do so that the Government could know that the people of Ruma Location, who originally were in Lambwe Division, are dissatisfied with where they are

now, and they want to move? What can we do?

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

**Mr. Speaker:** Mr. Syongo, what is it?

**Mr. Syongo:** Mr. Speaker, Sir, this is a Question that is obviously provocative!

**Mr. Sungu:** Let him declare his interest!

**Mr. Speaker:** Order, Mr. Sungu!

Proceed, Mr. Syongo!

**Mr. Syongo:** Mr. Speaker, Sir, Ruma Location and Central Division are in Gwassi Constituency. There is no dispute, whatsoever, that exists on that land. In any case, if there was any dispute, we have mechanisms at the local level where such disputes could be addressed.

Mr. Speaker, Sir, is it in order for my neighbour to bring a Question such as this one, without bringing it up at the DDC where it can be resolved if there is truly any conflict?

**Mr. Kajwang:** Mr. Speaker, Sir, that is very embarrassing because the Question is directed to the Government that is in charge of administrative boundaries, and not to my neighbour whom we have a dispute with!

**Mr. Speaker:** Order, Mr. Kajwang! This House is getting a little busy about this issue. Are Lambwe and Central Divisions in the same constituency?

**Mr. Kajwang:** No, Mr. Speaker, Sir! Lambwe Division was created during the creation of Suba District. But Lambwe Division was largely Lambwe Settlement Scheme, as the Question proposes.

**Mr. Speaker:** But the question is---

**Mr. Kajwang:** Mr. Speaker, Sir, while re-organising the settlement scheme---

**Mr. Speaker:** Where is Lambwe Division? Is it in Mbita Constituency or in Gwassi Constituency?

**Mr. Kajwang:** Mr. Speaker, Sir, Lambwe Settlement Scheme has a part called Ruma Location---

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

**Mr. Kajwang:** Could you give me a chance to explain?

**Mr. Speaker:** Order, hon. Members! Is Lambwe Division in Gwassi Constituency or in Mbita Constituency?

**Mr. Kajwang:** Mr. Speaker, Sir, let me just explain that. Lambwe Settlement Scheme was in the larger Suba District. But when Suba District was created, a portion of Lambwe Settlement Scheme was hived off and renamed Ruma Location and put in Central Division. What the people of Lambwe Division, who are in Ruma Location, are saying is that, they should be in their original settlement scheme. They should not be put together---

Mr. Speaker, Sir, in fact, Central Division is called Kapsingiri. They do not want to be with the people of Kapsingiri. They would rather be in the settlement scheme. That is the dispute which is in my constituency. Maybe, the Assistant Minister could give us a mechanism that can give the people of Ruma Location a chance. Whether it is a referendum---

**Mr. Speaker:** Order, Mr. Kajwang! Mr. Kingi, is this a dispute between hon. Members or between the people on the ground?

**Mr. Kingi:** Mr. Speaker, Sir, I started by saying that, as far as we are concerned, there is no dispute in Lambwe Division. But we have also said that, if the residents of Ruma Location want to be transferred from one division to another, they should take up the matter with the locational development committee. The matter will then go to their divisional committee and, finally, it will end up at the DDC. The DDC will then inform us that the wish of the people of Ruma Location is to be transferred from where they are now, to another location. If that can be done, we will have no problem transferring that location from where it is to the next point. But, as far as the dispute

between the two hon. Members is concerned, maybe, you can help us sort it out!

*(Laughter)*

**Mr. Mukiri:** Mr. Speaker, Sir, administrative boundaries are a thorny issue. The process that the Assistant Minister has given us is too tedious and long. Recently, the Electoral Commission of Kenya (ECK) gazetted some wards. They were following very old boundaries, some of which were very unfair to some people. What policy does the Ministry have at the moment to harmonise administrative boundaries? The process he is giving us is quite long.

**Mr. Speaker:** Mr. Mukiri, I think you are hijacking the Question on Ruma Location into the Ministry of Local Government. Could you assist on the issue of Ruma Location, Lambwe and Central divisions? Do you have an idea of what it is?

**Mr. Mukiri:** Mr. Speaker, Sir, I am talking about a policy issue. This, may be a local issue, but I am talking about the general harmonisation of administrative boundaries within the country. The procedure that the Assistant Minister is giving is very tedious. It is coming from the location all the way to the DDC. We have complained about that. Before we did that, there were other actions that were taken by the Government. What policy do they have to harmonise boundaries?

**Mr. Speaker:** Mr. Kingi, do you have any idea about that?

**Mr. Kingi:** Mr. Speaker, Sir, the policy is that we have leaders on the ground. It is the leaders who can help us harmonise the boundaries. Of course, we have locational leaders who will deal with the locations. We have divisional leaders to sort out divisional disputes. If there is any kind of dispute or a wish to have one location moved to another division or one ward transferred to another constituency, it is the leaders who should consult and then forward that information to us.

**Mr. Speaker:** Last question, Mr. Kajwang!

**Mr. Kajwang:** Mr. Speaker, Sir, if the Assistant Minister was in doubt as to whether there is a dispute or not---

At least, you have seen the dispute between me and my neighbour! That should show you that there is a dispute! But the real issue is this: The Assistant Minister has said that we could complain through the locational development committee and then go to the divisional development committee.

Mr. Speaker, Sir, you will realise that Ruma Location is a minority in Central Division.

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

**Mr. Kajwang:** Mr. Speaker, Sir, could you protect me?

**Mr. Speaker:** Order! How does a location become a minority in itself? Do you mean a certain community? If so, why are you not candid?

**Mr. Kajwang:** Mr. Speaker, Sir, let me say this, so that I am candid. The people who were settled in Lambwe Settlement Scheme and who were also settled in Ruma Location are not the original residents of Suba District. They are people who have come---

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

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

**Mr. Syongo:** Mr. Speaker, Sir, is it really in order for Mr. Kajwang to mislead this House? We all have little problems in our constituencies. We, sometimes, look for sympathy votes. But trying to generate inter-clan conflicts and animosity is not the best way to win votes. Ruma Location is settled by various clans from all over the place, including the original Suba community. They exist in that location. But by merely transferring Lambwe Division will not solve the issue! The Suba people in Ruma Location will also complain!

**Mr. Speaker:** Order, hon. Members! It does appear to me that this issue is very localised. Localised issues should not find their way to the National Assembly.



*(Applause)*

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

Order, Mr. Kajwang! I said, in the past, that when you want to be local, you know where to go! Do you know what I meant?

**Hon. Members:** Yes! Yes!

**Mr. Speaker:** Exactly! And what I am saying is that these are parochial issues. They should be dealt with parochially!

*(Applause)*

**Mr. Kajwang:** Mr. Speaker, this matter is not parochial. I do not bring parochial Questions to this House!

**Mr. Speaker:** It is!

**Mr. Kajwang:** Mr. Speaker, Sir, this is a matter of life and death for the people of Ruma. I want the Assistant Minister to set up, if he wants, a commission which he can call Administrative Boundaries Review Commission, to look into this problem. It may then report to the Government. If he could only say so, we would be very happy. But, at least, the people of Ruma would have a place to ventilate their frustration, so that there is a proper report.

**Mr. Speaker:** I am sure the Assistant Minister can parochially deal with that! Mr. Kingi, can you not?

*(Laughter)*

**Mr. Kingi:** Mr. Speaker, Sir, I do not see the need to set up a commission for purposes of this exercise because there is a policy in place to deal with such issues. As I said, the people of Ruma Location can petition their leaders so that, eventually, recommendations from the locations can come to us. The recommendation might tell us where the people of Ruma would like to be transferred to from the present constituency or division. We will do it. It is not an issue that we need to go there ourselves to resolve. In any case, provincial boundaries are not supposed to separate or divide people. They are only for the ease of administration and provision of services to the people.

**Capt. Nakitare:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister aware that there was this boundary issue between Mr. Munya and his colleague in Tigania? It was a thorny issue that affected a community. I do not think the issue of Mbita Constituency is parochial. Is the Assistant Minister in order to call ---

**Mr. Speaker:** Order, Capt. Nakitare! Can you, please, sit down?

These parochial problems have the knack of actually causing loss of lives. Let me tell the House the following: There is really nothing great in bringing parochial issues to the National Assembly. I think hon. Members must learn to live with different communities in their constituencies and accept them as a reality and a fact of life. You have to live with them.

**Mr. Kajwang:** Mr. Speaker, Sir, just one---

**Mr. Speaker:** Sorry, the issue is finished!

**Mr. Kajwang:** Just one last thing---

**Mr. Speaker:** He has already given us enough!

**Mr. Kajwang:** Mr. Speaker, Sir, arising from what you have just said---

**Mr. Speaker:** Next Question by Mr. S.C. Koech!

**Mr. Kajwang:** Mr. Speaker, Sir, arising from what---

**Mr. Speaker:** Order! I beg the two of you; Mr. Syongo and Mr. Kajwang, to go and talk to the people nicely. I am sure they will have respect for both of you and you will come out with a good solution.

*(Applause)*

**Mr. Kajwang:** Mr. Speaker, Sir, I brought a Question to this House and the answer given to me, must at least satisfy some basic standards. This is a serious matter! I represent a certain constituency---

**Mr. Speaker:** Order, Mr. Kajwang! Will you sit down? You may represent and, you actually do represent people, but it does not mean that we will sit with this parochial issue the whole afternoon. Mr. Sammy Koech also represents people and he must be heard!

**Mr. Kajwang:** Mr. Speaker, Sir, I am entitled to bring this Question to this House! You cannot call it parochial! It is---

**Mr. Speaker:** Order, Mr. Kajwang! You are lapsing to the old bad habits. Please, relax! Relax now! You will not take that microphone by force, all right? You are just one of the many hon. Members whom I have to serve. Mr. Sammy Koech is also one of the hon. Members who is entitled to be heard!

Mr. S.C. Koech, please, proceed!

*Question No.305*

DETERIORATION OF EDUCATION  
STANDARDS IN KONOIN  
CONSTITUENCY

Mr. S.C. Koech is not in? The Question is dropped!

*(Question dropped)*

*Question No.302*

UPGRADING OF RUKURIRI-KYENI  
MAKUTANO-KATHANJURI-KARURUMO ROAD

**Mr. Wambora** asked the Minister for Roads and Public Works:-

(a) whether he is aware that Rukuriri-Kyeni Makutano-Kathanjuri Karurumo Road is an important link in the economy of Kyeni Division of Runyenjes Constituency; and,

(b) when the road will be upgraded to bitumen standards.

**The Minister for Roads and Public Works** (Mr. Nyachae): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Makutano-Rukiriri (D467), Rukiriri-Kyeni (E653) and Kyeni-Karurumo (D470) forms an important link in the economy of Kyeni Division of Runyenjes Constituency.

(b) Part of the Road D467 is being upgraded to bitumen standard under the Embu-

Kianjokoma Project from Mtondori to Kianjokoma. The remaining loop of D467 from Kianjokoma-Makutano-Rukuriri-Runyenjes is under design.

**Mr. Wambora:** Mr. Speaker, Sir, I wish to thank the Minister for his reply. However, I would like to draw his attention to the part "b" of his reply. He says the remaining loop of Road D467 from Kianjokoma-Makutano-Rukuriri-Runyenjes is under design. I think there is confusion here.

The Kianjokoma-Irangi-Rukuriri-Runyenjes Road is under design. This road covers a very small part of Kyeni Division. The part I have asked about; Rukuriri-Kyeni-Makutano-Karanjuri up to Karurumo, is actually not under design. I am, therefore, asking him to consider including that part for design.

**Mr. Nyachae:** Mr. Speaker, Sir, the hon. Member is asking us to design another road which we have neither planned nor sourced funds for. However, that does not mean that when the time comes we will not design that road as well. At the moment, the road I have mentioned is the one under design.

**Mr. Karaba:** Mr. Speaker, Sir, we have very many roads whose construction was started at one time in the 1980s and now the construction is stalled. I have a road from Kagio-Baricho-Kerugoya whose construction stalled in 1987 and yet, other roads have been embarked on for construction. What policy does the Ministry have for roads whose construction started and then stalled? Why can they not be completed instead of starting construction of new roads in the country?

**Mr. Nyachae:** Mr. Speaker, Sir, it is true that construction of roads stalls if the contractors fail to fulfil their obligations. That does not mean that we do not follow procedures of dealing with the contractors and that, we just pick another one and impose him upon them. Therefore, we embark on a road because it is a new programme. We have to wait until the issues relating to, the roads whose construction stall, are solved. I think the hon. Member should appreciate the fact that when we sort out the issue relating to the stalled roads, we will then proceed either with the same contractor or, if he is incapable, get a fresh contract awarded.

**Mr. Wambora:** Mr. Speaker, Sir, I do not want to sound as if I am ungrateful to the Minister because he has done me a very good favour by designing a road in my constituency. I know that the road is now under design. I am talking about the [Mr. Wambora] Rukuriri-Kyeni-Makutano-Karurumo Road, which passes through the divisional headquarters of Kyeni. Could the Minister consider, at least, putting that road under the Roads 2000 Programme? I know that the programme is being implemented in my constituency.

**Mr. Nyachae:** Mr. Speaker, Sir, the hon. Member is asking me to put that road under the Roads 2000 Programme. The roads which are under the Roads 2000 Programme are not decided by the Ministry. They are decided by the stakeholders in the district. Therefore, if he wants that particular area to be covered by the Roads 2000 Programme, then let them decide there and send us their recommendations. We will accommodate it under the Roads 2000 Programme. However, let him bear in mind that if he wants it to be under the Roads 2000 Programme, then it is not going to be bitumen for the time being.

**Mr. Speaker:** Very well!

Next Question!

*Question No.140*

UNLICENSED SALE OF GAME MEAT

**Mr. Speaker:** The Member for Bahari! He is absent and the Question is, therefore, dropped! Is there anybody from the Ministry of Tourism and Wildlife here?

**Hon. Members:** The Minister is here!

**Mr. Speaker:** Mr. Minister, I am sorry about this! The hon. Member is not there. We have been missing you for three weeks now.

**The Minister for Tourism and Wildlife** (Mr. Dzoro): Mr. Speaker, Sir, thank you, for dropping this Question because, first of all, this is a very important Question and I took time to gather the information that the Member of Parliament needed to know.

Mr. Speaker, Sir, I cannot say much, but thank you now that you have dropped it. However, he can ask the Question some other time.

**Mr. Mwandawiro:** On a point of order, Mr. Speaker, Sir. Given the importance of the Question and that the hon. Member who was to ask it comes from Coast Province, could I ask it on his behalf now that we have very similar problems with regard to this matter and also that the Minister is ready to answer it?

**Hon. Members:** Yes, go ahead!

*(Applause)*

**Mr. Speaker:** They have no authority. I have dropped it! Actually, I just wanted to see the Minister, because this House has missed him. Now that I have seen him, I am happy.

*(Laughter)*

Next Order!

**The Minister for Tourism and Wildlife** (Mr. Dzoro): On a point of order, Mr. Speaker, Sir. With all due respect, whenever I am out, you are aware because you have my letter. Anyway, I am glad that you have recognised my presence.

*(Laughter)*

**Mr. Speaker:** Order! Mr. Minister, you should be thankful to the Chair because it has been defending you.

**The Minister for Tourism and Wildlife** (Mr. Dzoro): Thank you, Mr. Speaker, Sir.

**Mr. Speaker:** Very well! Welcome back to Parliament.

*(Question dropped)*

## MINISTERIAL STATEMENT

### INVASION OF FARMS BY RESIDENTS OF EMALI/KIBWEZI DISTRICT

**The Minister for Environment and Natural Resources** (Prof. Kibwana): Thank you, Mr. Speaker, Sir, I wish to make a statement regarding charges that the Acting Minister for Lands has incited local residents to invade farms around Emali/Kibwezi District. Mr. Speaker, Sir, last week, an incident occurred within the former Nzai Farm whose initial land titles were LR.No.9730 and LR.No.9731. Part of the above mentioned land was transferred to Maj. (Rtd) S.M. Muiu, the late hon. Mulu Mutisya and Mr. James Mutua in 1980 and 1981.

The land in question is situated in Makueni Constituency. Several people were arrested during the course of a police operation causing a fracas on the farms. The said land was originally trustland inhabited by the people of Mbitini and Mukaa locations. The Colonial Government

transferred it to Mr. N.N. Powell and Mr. Peckover. In 1970, Mr. Peckover who had now been given both parcels of land, that is, LR.No.9730 and LR.No.9731 was deported. Ultimately, the land was purchased by the Agricultural Development Corporation (ADC).

*(Loud consultations)*

**Mr. Speaker:** Order, Members! Could we, please, hear this?

**The Minister for Environment and Natural Resources** (Prof. Kibwana): The original owners of the land approached the first President of Kenya to buy the above mentioned land. A committee was appointed under the supervision of the Government, whose treasurer was the District Commissioner (DC), Machakos, Mr. Benson Kaaria. It collected money from the local people. The chairman and secretary were the two Members of Parliament of the area. The money collected for the purchase was then banked at the Kenya Commercial Bank (KCB) under the name of Mukambi Ranching Co-operative Society and deposited in a current account.

However, Mr. Speaker, Sir, when on 10th January, 1979, the secretary of the above mentioned society, hon. Kasanga Mulwa, wrote to the ADC requesting that the purchase be finalised, Mr. Charles Okumu, the then Assistant General Manager wrote, on the 7th February, 1979, telling the Government to reserve the said land as Government land and retain it in the national interest and that it was not for sale. The above mentioned co-operative society had made a prior request through a lawyer, Mr. G.M. Kakuli, on 2nd November, 1976. Even at that early stage, the ADC indicated that the farm could not be sold.

However, in 1980 and 1981, there was a Presidential directive to the ADC that the farm be now sold to some individuals and not the original owners whom the Government had encouraged to pool funds to buy the land since very valuable pedigree Boran cattle were being raised for research purposes.

On 23rd February, 2007, the ADC wrote to my Ministry pinpointing that the ADC wanted to retain the farms in question as Government National Ranches, but because of the directive, it was forced to sell the farm.

Under the current Government policy, the ADC owns other parcels of public land reserved for research purposes and they cannot be sold. Legally, titles LR.No.9730 and LR.No.9731 are still Government land. There are many parcels of land between Emali, Sultan Hamud and Nairobi which were given out by the Government to senior officials and other persons which are not in any controversy because the right procedures were followed. My Ministry is sensitive to the rule of law issues. My Ministry cannot also condone lawlessness.

The local residents in Makueni have become restive because the three persons occupying the said land are selling the land to persons outside the area after the Government offered to buy the land for the original trustland owners. My Ministry is concerned that an unnecessary conflict situation is brewing.

Mr. Speaker, Sir, I have been threatened by one of the occupiers of the mentioned farms. Since these threats are persisting, I will report to the police.

In dealing with this land issue, as well as any other, as the country's Acting Minister for Lands, I undertake to operate within the law and natural justice.

I thank you, Mr. Speaker, Sir.

**Mr. Speaker:** Order, Members! Before I give any hon. Member an opportunity to seek any clarifications, I hope that we are mindful of the sensitivity of land issues, particularly as we go towards the elections and in these political times. So, I think everybody ought to be a little careful with what we are going to do about this matter.

Mr. Ndambuki!

**Mr. Ndambuki:** Thank you, Mr. Speaker, Sir. According to the Statement which the

Minister has just read--- He gave the history of what happened. He also said that there was a Presidential directive for that piece of land to be sold to the people. I agree that the land should have been sold to the people who had collected money. However, at that time, the money was returned to the members. I would like the Minister to clarify whether these people, who now own the land, bought it or not. If they bought it, why is it that they are being taken like they grabbed the land?

Mr. Speaker, Sir, secondly, I would like the Minister to tell us how he intends to repossess land from the people who really bought it, so that it can be given to those who had applied for it earlier on.

Mr. Speaker, Sir, thirdly, it is known that sometime in either 2002 or 2003, the Minister led a group of people to raid that land. It is common knowledge that he has been fighting with the owners of those parcels of land. For example, Mzee Mulu Mutisya is no longer there. It is only his sons who are there. So, they do not know how Mzee Mutisya acquired it and for how much. Could the Minister tell us what exactly is he after in those two parcels of land?

**Mr. Speaker:** Mr. Minister, do you have a personal interest? Please, be honest!

**The Minister for Environment and Natural Resources** (Prof. Kibwana): Mr. Speaker, Sir, as I have indicated in this Statement, the Agricultural Development Corporation (ADC) had very clearly said---

**Mr. Speaker:** Order, Mr. Minister! We may be confusing two things. We may be confusing the hon. Prof. Kivutha Kibwana and the Acting Minister for Lands. This is why I am asking you, as hon. Prof. Kivutha Kibwana, do you have a personal interest in this land?

**The Minister for Environment and Natural Resources** (Prof. Kibwana): Mr. Speaker, Sir, I have absolutely no personal interest as hon. Prof. Kivutha Kibwana. This is not the only place where we have indicated that research land has been taken away by anybody. It is, therefore, a public utility and, the Government is interested in examining that situation. There are many ADC farms that the Government, for example, in Malindi, has looked at afresh because there were irregularities when this was being done. I have no personal interest. These are things that we are pursuing countrywide.

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

**Mr. Speaker:** Order, hon. Members! The time is up! However, if I were the hon. Prof. Kivutha Kibwana, and taking into account what he had done in the past before he assumed the role of being the Acting Minister for Lands, I would, probably, have asked another Minister, or even my Assistant, to make this Statement. It is difficult to separate the two in the various roles they play. I hope it is not coming that way.

Next Order!

## COMMITTEE OF WAYS AND MEANS

*(Order for Committee read)*

### MOTION

THAT MR. SPEAKER DO NOW  
LEAVE THE CHAIR

*(The Minister for Finance on 14.6.2007)*

*(Resumption of Debate interrupted on  
20.6.2007)*

*(Third Day of Budget Debate)*

**Mr. Speaker:** Who was on the Floor the last time? Mr. Onyancha, you had eight minutes! Can I just have a look at the interest generally? You can show your interest by standing up so that I know the general interest on the debate.

*(Messrs. Serut and Wambora stood  
up in their places)*

The indication so far is only two. Very well! Mr. Onyancha, you had eight minutes!

**The Assistant for Gender, Sports, Culture and Social Services (Mr. Onyancha):** Thank you, Mr. Speaker, Sir. Last time, I had just finished congratulating the Minister for Finance for putting up a Budget that would be called a pro-poor Budget. The Government has done well in coming up with the economic growth of 6.1 per cent. I think we need to congratulate the Government for this. However, I indicated that the Kshs3.2 billion that has been allocated to the Ministry of Gender, Sports, Culture and Social Services is really not sufficient because of the many issues that are supposed to be catered for in the administration of sports. An amount of Kshs3.2 billion could suffice, if only it was given to the sports sector. However, as you know, Kshs3.2 billion caters for gender, culture and social services matters.

So, we are appealing, in view of the fact that sports is being diversified now, and only this morning alone, we sent about 300 athletes to Algiers for the All Africa Games--- This really requires a lot of money. The Ministry has also come up with the Sports Rewards Scheme. So, this calls for a lot of funding to the Ministry so that we can develop sports stadia and sports, in general.

We know that we have challenges in running the Ministry of Gender, Sports, Culture and Social Services. We have certain federations that are not helping us improve on sports matters. I want to laud the initiative by one renowned sportsman in this country, Mr. Kipchoge Keino, who is also associated with the National Olympic Committee (NOC). He has come up with a proposal that we should have an arbitration committee to deal with matters such as the one that is facing the Kenya Football Federation (KFF). This will ensure that we address those matters without necessarily running to courts. We, therefore, think that we make a good case for more funding in terms of sports matters.

Mr. Speaker, Sir, we also wish to commend the Government for setting aside Kshs2 billion of the Women Enterprise Development Fund. I am sure that the Kshs2 billion that is meant for women will go a long way in alleviating problems that the women of Kenya are facing in the countryside.

I only hope that it will be disbursed quickly and that, as a Ministry, we should bring a legal framework and a structure so quickly so that we do not go as slow as what has been reflected in the disbursement of the Youth Enterprise Development Fund by the Ministry of State for Youth Affairs. So, we want to move faster on this and disburse those funds for women so that they can start using them.

On issues of education, the Kshs112 billion that has been given to the Ministry of Education is quite a big figure. However, there are challenges in the Ministry of Education as well. The fact that the Ministry has shown positive indications to employ over 11,000 teachers is a step in the right direction. We want to appeal that this should not just cease within this financial year.

We should be able to work out a programme where we shall annually be able to improve on this figure so that we have more teachers coming in. Since we have free primary school education, the numbers are now swelling at the primary school level and also, at the secondary school level.

Mr. Speaker, Sir, the issue of bursaries is also good enough. This little matter of disbursement - who should be disbursing the bursary - should not arise because through the Constituencies Bursary Committees, we think that the money is still being disbursed properly and the people are benefitting a great deal.

The Ministry of Education has also, through this Budget, provided some subsidy, through tuition, to students in secondary schools. This should also be commended. We hope that, come January, the Government will provide the money that has been budgeted for so that we have this subsidy going to the parents through tuition.

Mr. Speaker, Sir, we also laud the Government for, finally, putting aside money to pay teachers in the agreement that they had with the Kenya National Union of Teachers (KNUT). Teachers are now being paid well and on time. All that we are asking is that they reciprocate also by providing a lot of support as they teach so that we have quality education within our areas.

Perhaps, what the Ministry of Education may also wish to address is the issue of quality in our schools. We cannot have quality education if we do not have adequate inspectors overseeing what the teachers are doing in the classroom situation. So, we are appealing to the Minister for Education to increase the number of inspectors so that we can keep track with quality standards in our education system.

Mr. Speaker, Sir, this Budget has also addressed the issue of pensioners by giving them a tax relief. The Government could not have done better than it has done. We commend the Government for doing so. We also appeal that whenever there is a salary review for our workers, we should also consider giving an increment to our pensioners. In that way, the people who served the public for many years and are now resting at home will enjoy the benefits of serving the public. So, we laud that tax relief for pensioners.

Mr. Speaker, Sir, money has been given to pyrethrum and coffee farmers. We commend the Government for paying the arrears that were outstanding in the pyrethrum sector. But there is still a problem in the tea sector, especially on the way it has been managed by the Kenya Tea Development Agency (KTDA). I am aware that a Motion has been brought to this House. It is a party Motion. It is a Ford(P) Motion. It is supposed to address issues in the tea sector. When we gave KTDA powers to supervise our tea factories, that did not mean abdication by the Ministry of Agriculture. So, we appeal to hon. Members to support that Motion, so that we can bring some air of relief in the tea sector.

Mr. Speaker, Sir, farmers are complaining and yet, we have directors who have been appointed to the tea sector and who are really under-performing. We have factories such as Ogembo Tea Factory which are ---

**Mr. Speaker:** Sorry! Time up! That is the law!

**The Assistant Minister Minister for Gender, Sports, Culture and Social Services (Mr. Onyancha):** With those few remarks, I beg to support.

**Mr. Speaker:** Thank you! Dr. Oburu! Then, I will come to Mr. Wambora and Mr. Serut in that order.

**Dr. Oburu:** Thank you, Mr. Speaker, Sir. I stand to contribute to this important subject. The Minister gave a very elaborate Budget Speech. He outlined measures which, in his view, have actually improved the economy of this country. May I start with the first one, which is the free primary education.

Mr. Speaker, Sir, lthe free primary education, although it has been praised as a good measure - and I also believe it is - was done without proper planning.

The introduction of free primary education should have been accompanied by plans to



increase the number of teachers and spaces available in schools for our children. That was not done and, as a result, we have many children who are learning under trees in this country. But even though they are learning under trees, the shortage of teachers has resulted in public schools performing much worse in terms of examination results than they used to do before the introduction of free primary education.

Mr. Speaker, Sir, the economy is supposed to have improved. But if the economy has improved, it should be reflected in terms of the change in the quality of life of ordinary Kenyans. The prices of basic commodities, since the NARC Government came into power, have increased threefold. The prices of paraffin, sugar and flour have increased. Those are basic commodities that contribute to the improvement of peoples' basic life. Food is a basic need and without it, peoples' lives cannot improve in terms of quality.

Mr. Speaker, Sir, on the front of corruption, it is claimed that the indices of corruption have improved. In this country, there appears to be a blame game between the Office of the Kenya Anti-Corruption Commission (KACC) and the Office of the Attorney General. KACC investigates case. They throw and bang them on the door of the Attorney-General. When inquiries are made as to why those cases have not been prosecuted, the Attorney-General throws them back and says: "Proper investigations have not been done! We cannot prosecute on the basis of poorly-investigated issues". KACC wants to be given prosecutorial powers. How can an investigator be given prosecutorial powers?

Mr. Speaker, Sir, if you give an investigator prosecutorial power, then you are making him almost alone. He can decide to investigate shoddily and nobody checks it. Then he bangs you in court. Once he has banged you in court, your name is smeared. Whether you will be cleared or not is another matter all together. That cannot be given. The solution here is that the Attorney-General should do his job and KACC must do its job. Parliament has done its job and both of them have been given sufficient powers to perform their duties.

Mr. Speaker, Sir, the approach of the Kenya Revenue Authority (KRA) in collecting revenues--- We want to commend them. They have done a good job. They have improved the collection of revenue. But the approach to revenue collection is so dogmatic. It is just aimed at collecting revenue. It is not meant to facilitate the growth of the economy. Collection of revenue alone, without giving facilitation to traders, should actually not be an end in itself. In countries where trade facilitation has been incorporated in the revenue collection, they have made more strides in the development fronts, than countries which just make revenue collection an end in itself. That makes it very difficult for people to do business. If you go to Mombasa, you will notice some measures of improving revenue collection that were introduced in this country. I understand that system is called *Simba*. You will find that the Port is piling with containers because there is inability to clear them. There is combing of all goods that come in without considering that the business community needs facilitation in order to thrive and, therefore, expand the economy.

Mr. Speaker, Sir, we have been told that the deficit will be met from the sale of public properties. The Minister has said that he is going to receive Kshs36 billion from the sale of public properties. Selling public properties should not be the aim of privatisation.

Privatisation should be aimed at improving the management of public services and delivery of those services to the people. But when you sell assets which have been acquired through the sweat of Kenyan people over the years, to private individuals, you are not adding value. It is, therefore, even futile to include such a thing in the Budget and make it look as if it is permanent feature which will come. If you sell it this year, how are you going to fill that gap in the next year?

Mr. Speaker, Sir, this is tax which is likely to be abused. Many traders will now use that tax to overflow sugar into the country under the pretext that it is going to the industry and then it ends up in the shelves in the supermarkets. The Government has no machinery to control where that sugar will go once it comes into the market. If the Minister wanted to exempt those people because

he claims that some of the industries are re-locating to Uganda or Tanzania because of that levy, he should have given the Kenya Sugar Board a compensation for the loss of that revenue which is meant to help the sugar-cane farmer.

Year in, year out since Mr. Kimunya became a Minister, he has been very unfair to the sugar-cane farmers. Last year, he introduced very draconian measures against the sugar industry. This year again, he is coming up with a measure to waive loans advanced to pyrethrum and coffee farmers. What is happening to the sugar-cane farmers? Why have they not been given a waiver like it was given to the pyrethrum and coffee farmers? In fact, the Agricultural Finance Corporation (AFC) is selling people's property and yet the Minister is only favouring those particular products which are grown where he comes from. That is unfair and we want the Minister to have a look at it.

Mr. Speaker, Sir, the introduction of 20 per cent levy on treated or mineral water is another thing which the Minister should not have dared to do. If you want to limit the drinking of that water by putting heavy tax on it, then he should have done that if Kenyans had access to portable water all over the country. But we know that the Government has not even moved any nearer to satisfying a quarter of the people's needs for portable water. Therefore, by making that water expensive, it is going to increase water-borne diseases in areas where we use mineral water whenever we have guests at home. This is a very unfair tax which should be opposed by all means.

When the Minister was introducing the 20 per cent taxation or Excise Duty on imported second-hand motor vehicle spare parts, that is another tax which the Minister must be knowing something else he intends to do rather than to help the ordinary *mwananchi*. It is not the spare parts which cause accidents in this country. We are aware that the cause of accidents in this country is poor roads, over-speeding and behaviour of the taxi-drivers and those driving public vehicles.

Mr. Speaker, Sir, Mr. Michuki did very well when he was the Minister for Transport. At that time, accidents went down very drastically.

**Mr. Speaker:** Your time is up!

**Dr. Oburu:** Thank you, Mr. Speaker, Sir.

**Mr. Wambora:** Mr. Speaker, Sir, I wish to take this opportunity, from the outset to support the Budget Speech read by the Minister for Finance. It was a well-thought out Speech. It highlighted several very substantial achievements realised during the Kibaki Administration. The economic growth of 6.1 per cent last year, indicates the success of the economy and the success of the Government's pursuance of micro-economic policies.

Mr. Speaker, Sir, it is clear that areas like hotel occupancy, manufacturing, wholesale and retail trade, transport and communication have performed exceptionally well. For the first time we have performed better than our neighbours; Tanzania and Uganda, who have been doing better than us. That shows that another five years of this administration will see unprecedented economic development. It will take us even nearer to the national vision of 2030. It also takes us nearer to the Millennium Development Goals (MDGs).

Mr. Speaker, Sir, I wish to touch on four sectoral priorities of this Budget which are close to my heart and I believe that it will make a difference in the development of this country. As I have done in the past, I want to start with the most important. That is infrastructure. I will start with the roads. Indeed, the 67 per cent increase in the Budget towards the rehabilitation of infrastructure and especially roads, is a very good indicator of where we are going. That is the right way to go because there is no country which can develop without quality infrastructure. So, I feel the Minister captured that very well. It was actually an increment of 46 per cent from Kshs2.5 billion to Kshs62.1 billion.

Despite the increased allocation in the Budget for road construction we still have to face some challenges. I can identify three of them. One of them is the central tendering procedure and a lot of red-tape. Giving of tenders for roads still continues to take a very long time, especially the donor-funded projects. The Ministry has to do something about this. Secondly, we are not

experiencing much private sector participation in the construction of roads, despite the Minister's promise during last year's Budget that the Government will concession several roads. To date, that has not happened. That is why we have slowed down in this field. That should now take place. We need to see concessioning of roads and infrastructure long-term bonds floated in the stock exchange so that the ceding of road construction can move faster.

Thirdly, there is a challenge of poor maintenance and rehabilitation of roads. Here, we cannot even compare ourselves with our neighbour, Tanzania which is less endowed. From the time Tanzania came up with a roads authority to look at roads construction, that is when they left us very far behind in terms of road maintenance. We should not even try to re-invent the wheel.

All we have to do is just copy what Tanzania is doing in terms of repairing the roads. The worst example is the road from the airport to the town centre. It was repaired in a very poor way by just sealing the potholes. The road became very uncomfortable and yet it is supposed to be our showcase road. I would urge the Minister to do to Mombasa Road what he is doing on Thika Road where the maintenance of the road involves scraping everything and resealing afresh. That is how all the roads in Kenya should be repaired and maintained and we shall have better roads.

Mr. Speaker, Sir, let me move on to the second infrastructural sub-sector; that is the energy sub-sector. This is a sector which has performed very well in the last one year. Indeed, exceptionally well. They seem to be meeting their target of 120,000 new clients for electricity. I appeal to the Minister for Energy to keep it up and maintain that pace. But something must be done in that sector. KenGen must now go full thrust to ensure that they make use of our water resources; the water falls. We have so many water falls in the country. Even in my constituency, Runyenjes, there are several water falls. There are about four or five water falls which KenGen can make use of. I will approach the Managing Director of KenGen so that I can take engineers on a trip to my constituency to ensure that this potential in my constituency is utilised. I am already exploiting one using the Constituencies Development Fund (CDF). I would like assistance as well, on the other three.

The other sub-sector is Information and Communication Technology (ICT). Again, I wish to commend the Government and Minister for Information and Communications for a job well-done. I think the national fibre optic network is coming up very well. The East African Marine Systems Project is also commendable and it should be speeded up. But in this sub-sector, what we were promised last year was not done, that is, the sale of shares of Safaricom Limited as well as those of Telkom Kenya Limited. We hope we shall see the sale of the shares of these two companies, so that the private sector can accelerate development in that sub-sector.

The second sub-sectoral priority area is the human capital development. Here, I am talking about health care services, where there is a budgetary increase. But the challenge in this sub-sector is the need for the Minister for Health to make use of those projects that have been constructed through the Constituencies Development Fund (CDF), especially dispensaries and health centres. Quite a number of them have not been taken over by the Ministry, and it is really a pity because we are denying people satisfaction of their basic requirement.

The other priority in the human capital development is education, which, I think, is doing exceptionally well. With a budget of Kshs119 billion, I think the sky is the limit. We are happy with the free primary education and free tuition in secondary schools, starting from January. We are also happy with the maintenance of the bursary fund and increment of the number of teachers. But, again, I wish to appeal to the Minister for Education to ensure that in addition to free tuition in secondary schools, free books are provided to the students, especially, those from the poor families. The Ministry should also fund the selected centres of excellence. A year ago, we were told to select two centres of excellence in every district, and we did so. However, nothing has been done to develop them in terms of education. The other priority sectors are agriculture and rural development, where the budget has gone up from Kshs24.9 billion to Kshs29.8 billion. This

emphasis is in the right place, but we remain with three challenges in this sector. One of the challenges is value-addition. We need value-addition incentives to ensure that the private sector and farmers can do value-addition to their products for export, so that they can get better proceeds for their produce. Kenya mostly relies on rain-farming as opposed to irrigation-farming. Irrigation farming is very limited in Kenya and, yet, this is what the agriculture sector should encourage, so that we can do farming all-year-round. The other challenge is in the area of the administration of the Coffee Development Fund. The farmers are not making use of this Fund because the interest rates are very high and the repayment period is very short. So, I wish to ask the Government to consider lowering the interest rate, so that the farmers can borrow money from the Coffee Development Fund. It should also increase the lending period in order to make it easy for the farmers to utilize this Fund and repay the money comfortably.

Finally, I wish to touch on two areas which I think are very important; these are, the women and youth. The Government has allocated Kshs2 billion in the coming financial year for the Women Enterprise Development Fund and Kshs1 billion for the Youth Enterprise Development Fund, which was availed in this Financial Year. I hope the Government will implement these funds and allocate more money to them.

I beg to support the Motion.

**The Assistant Minister for Planning and National Development** (Mr. Serut): Thank you, Mr. Speaker, Sir. I want to join my colleagues who have already lauded the Minister for Finance for presenting the Printed Estimates for the year 2007/2008.

The Minister allocated a lot of money to the Ministry of Education, Ministry of State for Provincial Administration and Internal Security and Ministry of State for Defence. This money has been allocated to give services to Kenyans. Looking at the Ministry of Education, a lot of money has been allocated under the Recurrent Expenditure; about Kshs96 billion. But my concern, as the representative of the people of Mt. Elgon, is that this money might be of no use to the people of Mt. Elgon, specifically, in 30 primary schools and four secondary schools. The reason is that these schools were closed down in June, 2006, because of the insecurity which has persisted in that region. However, the Government has not been able to contain that insecurity. As I speak, those schools have not been re-opened and, therefore, pupils and students are not in school. The teachers in those schools are earning salary. My question is: Why are they earning salary when they are not teaching?

*[Mr. Speaker left the Chair]*

*[Mr. Deputy Speaker took the Chair]*

Mr. Deputy Speaker, Sir, another dimension has been introduced in the same area. Whereas the Government is collecting taxes from the people of Mt. Elgon, because of the insecurity which has continued in that area, there is now a rag-tag group among the so-called Sabaot Land Defence Force, which has taken over that particular area and it is collecting from people what it refers to as protection fees. The people of Mt. Elgon are asking: "Where is the Government? Why are we being asked to pay protection fees?" The group is asking as much as Kshs70,000 from those who are working and a minimum of Kshs1,000 from peasant farmers for their protection.

Mr. Speaker, Sir, my people are worried and they are living in fear. This is because, recently, that group was able to snatch six firearms from our security agents. It is going to a month now since that happened, yet, the Government seems to have no programme to retrieve those guns from that group. Since the Minister of State for Provincial Administration and National Security is here, I would like him to know that four AK-47 rifles and two machine guns are in the hands of this group. This has created a lot of fear. The teachers and pupils are not ready to go to school,

because they fear that since a certain group is armed, it could attack them at any time.

Mr. Speaker, Sir, I am requesting the Minister, through his agencies, to move as fast as possible to retrieve those guns, have those fellows arrested and schools re-opened.

Mr. Deputy Speaker, Sir, I want to congratulate the Minister for the taxation measures that he has come up with. I want to congratulate him also for dealing with poverty in this country indirectly, not by reducing the prices of food commodities, but by relieving the poor the burden of paying fees, improving the infrastructure and allocating enough money to the Ministry of Health.

The Minister has now actually mandated the Ministry of Health to distribute drugs directly to the health centres. This has relieved most people, especially, those from my constituency. They are very happy, and I want to thank the Minister for that.

However, we have a problem with the Ministry of Lands. Last year, it was given Kshs400 million to purchase land in order to settle the squatters in this country. As I speak, one of the causes of insecurity in Mt. Elgon is the issue of land.

Mr. Deputy Speaker, Sir, in the coming financial year, we are being asked to pass Kshs1.2 billion to settle squatters. However, the Ministry has not reported to this House how it spent the Kshs400 million. Who were the beneficiaries? We were not told. Kenyans have been asking about this: "This money was passed, yet we are still squatters where we were. We have no report. What is the Minister for Lands doing with the money?" As such, we urge the Government to be very transparent and come up with settlement programmes. He should tell Kenyans what he did with the Kshs400 million, who are being settled and who they are earmarking for settlement, in case, they will purchase any land with the money they are requesting this House to pass.

Mr. Deputy Speaker, Sir, many of my colleagues have applauded the issue of rural electrification. But the problem with the Rural Electrification Programme is about the contractors who are given the work to do. Some of them are either doing sub-standard work or delaying the work. I believe that is because there is no close supervision from the Kenya Power and Lighting Company (KPLC). The question is: What is this particular company doing to ensure that these contractors do proper work and finish it in good time? The Minister for Energy should look into this issue because there is a lot of money being pumped into the Rural Electrification Programme, but there is very little being done on the ground.

Another issue which has generated a lot of debate is about the exemption of the monthly pension for senior citizens. As I speak to you, many issues have been raised by the public. Why has the Minister decided to narrow it to senior citizens who are above 65 years and not from those who are 50 years? Those who retire at 50 are also given their full benefits and yet they have been left out. Kenyans are asking: "How many senior citizens above 65 are there?" According to them, they are very few and they are seeing the Government to be very unfair because the number of pensioners we are talking about is negligible. We call upon the Minister to look into exempting all those who have retired at the age of 50 years and above, and let them benefit from this relief.

Another issue which has generated a lot of debate is about the 120 per cent increase in taxation on plastic bags. Imposing this tax does not stop Kenyans from buying their basic commodities. This will not remove these particular products from the market. I say so because the producers and the sellers who are packing their products in plastics are passing this particular tax to the consumers. The poor people are being taxed indirectly through this taxation.

I think if the Minister wanted to do away with plastics and really cared about the environment, he would have banned plastics from this country. Let him bring a Bill here and we will do away with plastics, but not through taxation.

Mr. Deputy Speaker, Sir, there is the issue of 20 per cent Excise Duty on used motor vehicle spare parts. The reason why this country allowed the importation of used motor vehicles is because people are poor. The reason why we allowed the importation of used spare parts is because we wanted those who had bought used motor vehicles to access spare parts. By increasing or

introducing an Excise Duty of 20 per cent, all the Government is doing right now, through the back door, is to tell Kenyans that they have no right to ownership of motor vehicles. I do not see any sense in one purchasing a used vehicle and then he has to go for new spare parts. If one is not able to purchase a new vehicle, I do not think he or she will be able to buy new spare parts. Therefore, on behalf of Kenyans, I am requesting the Minister to reconsider removing this Excise Duty of 20 per cent.

**Mr. Kajwang:** Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. I want to pick on only two issues which I think I have a serious problem with. The Minister properly spoke about promoting agricultural productivity and rural development for poverty reduction. That is a beautiful statement. It actually says: "That these reforms would be targeted towards encouraging value addition in agro-processing and making agriculture the catalyst for our economic transformation and prosperity." That is also a good statement. But, the taxation measures that he has proposed negate this preposition. He says that we need value addition and we need to promote agro-processing. First of all, I do not need to emphasise that this is the engine of our development and that it will create employment for our people. However, what are the proposals he made in taxation?

Mr. Deputy Speaker, Sir, one of the things we can add value on is the production of alcohol, which is also referred to as ethanol in scientific terms. We only have two factories which deal in that. We have the Muhoroni Agro-Chemical Factory, which has been producing ethanol since it was created. I want to underscore the fact that it is called an "agro-chemical" factory because it is an agro-processing plant. The other one was started recently and is called "The Molasses Factory," which also got its name from a by-product of the processing of sugar. These two industries employ many of our people and create wealth because the ethanol they produce is sold abroad and locally. What is the result of this? There are some industries which produce wine. They produce wine using our produce from our firms. However, those industries are also agro-based when they produce wine, whatever they produce it from.

Some countries produce wine and that is what sustains them. If you go to Spain and France, you will find that the basis of their growth was on agro-processing and wine. Portugal has also benefitted from this. However, looking at the taxation measures that the minister proposed, he has said that he is increasing the taxation on wine from Kshs54 per litre or 65 per cent to Kshs85 per litre or 65 per cent. Whether the wine is produced in the country or in a foreign country, it does not matter. As for the spirits that are produced in this country, he proposed to increase the tax of portable spirits from Kshs200.40 or 65 per cent to Kshs280 or 65 per cent.

What I am trying to say is that we are taxing the industry that employs our people and that creates wealth. We are not only taxing it, but we are increasing the tax to 65 per cent. We are, in fact, discouraging the production of ethanol and wine. There are many industries in this country. However, I know of only one that actually uses the portable spirits and wine as raw materials. They buy the spirits whose taxes have now been increased to Kshs280 per litre. They also buy the wine whose tax has now been increased from 54 per cent to 82 per cent. They mix them and create something called fortified wine. The fortified wine tax has now been increased by almost 200 per cent. Essentially, what we are doing is to kill that industry. What we are doing is to tell Keroche Industries in Naivasha, which employs many people, to stop production. This is because its product will cost 200 per cent plus from its original price. Imagine that this kind of drink which is called fortified wine is for the low class in our society. These are the people who cannot afford spirits and wine. It is available to a certain class of our people.

Mr. Deputy Speaker, Sir, I do not want to go to the morality of it; whether people should drink it or not. That is not our job as a Parliament. However, if there are some people who want to drink and they can afford a certain drink, and their competitors are producing it and they are not as taxed as they are, we are saying that their competitors should sell and then they should close down.

Essentially, this proposal is intended to benefit Kenya Breweries Limited (KBL) and to kill Keroche Industries. Yet, we all know that the KBL is an international company. First of all, it is a multinational, while Keroche Industries is a local industry promoted by some poor Kikuyus who started from very low positions and now they have grown into a big industry.

What are we trying to do? We are trying by the stroke of the pen, to kill one industry and build another one. Just to show the consistency of the Minister for Finance in killing this industry, last year, it was proposed that the fortified wine would be increased by 40 per cent. The policy was targeting one industry only because there is no other one which produces this fortified wine. What are our people going to drink if they want to drink something good and hygienic, but not too costly? Last year, the Minister reduced the taxes. In fact, he zero-rated non-malted beer. He told us that it was intended to provide our people, who could not afford the malted beer, with something to drink as an alternative. However, the fortified wine is in that same class, but we are increasing its tax by 200 per cent and zero-rating the non-malted beer. What are we saying? We are saying that by the stroke of the pen we are promoting KBL and killing the local industry. For how long shall we work for multinationals in this country? For how long shall we suffer from neo-colonialism in this country? There will come a time when we must support our own people who invest in industries in this country. These are the people who build big industries from scratches. We should not kill the initiative of our own people.

Mr. Deputy Speaker, Sir, at one time, it was the banking industry. Another time, it was the insurance industry. Now, it is the beer and wine industry. We are killing our own entrepreneurs and our own industrialists and promoting multinationals in this country. It is 44 years since Independence. Let me tell you that it does not matter who does it--- There is no tribalism in it. What is in it, is only one thing; that either you are a multinational or an indigenous person in this country. Something must be done, so that our people can also have access to a drink that they can afford. We should not enact laws for individual industries, so that we kill them and, at the same time, promote multinationals.

The second item which I wanted to address, if you add me one minute, is the plastics taxation measures. First of all, the Minister says that he is banning a certain type of plastics. I checked the word "banning" from the dictionary and I found that it means "prohibiting." I do not think it is the job of the Minister or the Government to ban anything, even if it is bad unless it hurts health like cocaine. But they will have to bring the issue to the House and explain to us why they must ban it. This word "banning" is a Provincial Administration language which was banning night and day meetings. This is not the time for banning things. It is the time to tell us why. Somebody must be creative enough. If the Minister for Environment and Natural Resources was in here, I would have asked him to be more creative than merely banning. What could they do? You merely put a levy and use it to collect the waste. By doing so, we will be creating employment also. We need to create employment as we produce and collect the waste.

Thank you, Mr. Deputy Speaker, Sir. I support.

**The Minister of State for Administration and National Security** (Mr. Michuki): Thank you, Mr. Deputy Speaker, Sir, for granting me this opportunity to be able, first of all, to thank the Minister for Finance for producing what I consider to be one of the best Budgets that this country has ever had. As you know, I also used to prepare a Budget and, therefore, I have that knowledge.

I say so, because of a number of reasons. The first reason is that the Minister has not introduced new taxes, contrary to what we have just heard here. What the Minister had done is to introduce adjustments that will benefit the various sectors of the economy as listed in his Budget Speech. They are all there. They are about eight. It is to benefit agriculture, tourism, health sectors, *et cetera*.

Secondly, I must commend the Minister and his team at the Kenya Revenue Authority (KRA) for the very efficient manner in which they have been able, in consecutive years, to collect

increased taxes from existing rates without raising them.

Mr. Deputy Speaker, Sir, the third reason why I support the Minister for Finance is that our Budget continues to increase and to shift emphasis from Recurrent Expenditure to Development Expenditure. The total gross Budget is Kshs693 billion. Of this amount, we are only financing about Kshs181 billion from revenues obtained from the sale of parastatals, and our own local sources. Some hon. Members have stood up here to criticise the advent of deficit in the Budget. A deficit is a very good thing, if only the money borrowed does not go into consumption. The Minister has successfully reduced the Recurrent Expenditure by 13.3 per cent, and increased the Development Expenditure by 10 per cent. So, we are moving in the right direction in terms of allocating resources that add value to the economy by creating what we call "capital formation". The Budget will also do that.

I also want to appreciate the provision that has been made for security in the country. Our aim in this country is to ensure that we reach the international standard in the staffing of our Police Force. As of now, whereas the international requirement is that there should be one policeman for every 450 citizens, we have now reached a ratio of one policeman to 550 citizens. The figure of 250,000 policemen mentioned in the Budget Speech is to facilitate the attainment of that international standard.

Many people, who are not aware, think that the police are not working. We do not hold Press conferences every day to announce what we have done, because we do not want to politicise security matters. These are matters of life and death. I want to assure this House that a lot of measures are being taken, and they are all in place, despite all that is happening, particularly where killings have taken place in very macabre circumstances. Most of those who have undertaken that killing have met the police, and the police have also retaliated. The security strength of any country lies in its own people. The police will come in to help. The people must be able to accept that community policing must work, in which case they must continue to pass on information to the police.

The Minister's Speech also highlights various areas that have come out of a Speech made by His Excellency the President to our Ambassadors and High Commissioners at their conference this year. The political, social and economic pillars of this society--- The areas that require to be financed in order to promote the objectives of the year 2030 are in tourism, agriculture, micro-finance, wholesale and retail businesses and quite a number of others, up to six sectors. I have no doubt in my own mind that we should be able to achieve this, if we do not actually lapse as we did during the first two years of this Government because of political bickering.

After that bickering ended, we have been able to achieve economic growth of six per cent in two years in succession. That is what we should aim at, because, although as a country we have political independence, we do not have economic independence. Let us not pretend that we do, because we do not. This is where we should all unite and fight poverty, ignorance and all those aspects that are not complementary to better life. It is in this way that we shall be able to say that we have delivered. It is in this way that we shall have met our mission as leaders of this country. It is all very well speaking very nicely here.

What is the agenda of those who oppose what the Government is trying to do? What is their agenda on roads? What is their agenda on water, health and on all those sectors of agriculture? What is it that is not being done that they are seeking to do? Would any one of them stand up here and tell us what he seeks to do that is not being done? Therefore, I want to conclude by saying that the Government is on course, and we shall deliver. We will, because of what we have done, get another five years to complete our work.

With those remarks, I beg to support.

**Prof. Oniang'o:** Thank you, Mr. Deputy Speaker, Sir, for giving me the opportunity to support this Motion, and contribute to the Budget Speech. I will start by congratulating the



Minister, Mr. Kimunya. This is his second Budget and I believe that he is trying his best to do as much as he can with the amount of money that he has. I will just point out the areas that I think he, really, needs to be complemented on. I hope that the Women Enterprise Development Fund will be managed properly, so that, truly, the women who deserve the money can get it. Regarding the Youth Enterprise Development Fund, we are now trying to prepare the youth groups and see how they can benefit from these funds. I also hail the Minister for exempting pension from taxation. Indeed, I believe, he tried. Having said so, I still have issues.

Mr. Deputy Speaker, Sir, this is the fifth Budget since we came to Parliament, and the final one for this Parliament, and I continue to have problems with the Budget-making process. Having said so, let me add that I think for the first time, this year, many of us actually went to pre-Budget meetings, and were able to understand better how the Budget-making process takes place. So, indeed, I would call it a participatory process. So, I believe that we are moving ahead with doing so. However, at the same time, even though taxation has gone up, resulting in an increase in revenue collection, we still have too many priorities. So, the money tends to be spread too thinly.

The Budget has, for instance, stepped up support towards agriculture but we would like to reach a situation where farmers will be exempted from taxation for, at least, many years, like India does. India is able to do so. Farmers end up being amongst the poorest in our society, and yet if they go on strike for even one season, we will all starve to death. So, it is very important that we look at these issues and try to consolidate the gains that we have realised.

Mr. Deputy Speaker, Sir, I just want to say that the issue of corruption is not going to leave us until we are able to recover the money that has been lost through Anglo Leasing and Goldenberg. That is money of Kenya which has actually disappeared. It has to be recovered and we have to be shown that has been recovered. I believe that this Government is able to recover that money, just like Nigeria has recovered money that was lost through corruption. So, sitting here and telling us that it is not possible, is not acceptable.

**Mr. ole Ntimama:** They are not willing!

**Prof. Oniang'o:** So, when it comes to corruption, I think I take issue with this Government, and we have to do something about it.

Mr. Deputy Speaker, Sir, something else I expect to happen is, whereas we call the Budget "pro-poor", the following day consumer prices are up! The poor buy the same bread, milk and sugar that the rich buy. So, when we are saying: "Look here, this is a pro-poor Budget" and the following day consumer prices and transport costs go up, we are not doing a service to the many Kenyans who live below the poverty line. So, as we know, Kenyans are now smart and they can see these things. So, you cannot really cheat them.

The Government needs to tell us that, truly, this is a pro-poor Budget and that they are doing service to the Kenyans, many of who are really suffering and who still have to see the gains of a growing economy. I believe it may be growing for some people, but it is not growing sufficiently for many Kenyans and yes, I am willing to give it time, but we should not just go on patting ourselves on the back. Kenyans complain because we expect better things.

In fact, I normally say that somebody who does not complain is not a Kenyan. It is for us to complain because we know we can do better and we want a better Kenya. So, the Government should take it in that sense.

Mr. Deputy Speaker, Sir, they talked about governance. I have been to Government offices and I want to say this: As somebody who used to trek to Government offices before and now, I see a huge difference! There is a Public Relation (PR) office and desk and this is truly a Government which wants to serve the people. You can change systems and a few individuals will be good, but we still have people who are just terrible public servants; who are bureaucratic and who hold back businesses. When we say we are cutting down the stages of obtaining a licence, it is not the same everywhere. So, we would like the Government, once again, to look into these issues.

Mr. Deputy Speaker, Sir, I want to talk about the conditions of the police. I am happy the Minister is here. I was brought up by a policeman father and it is a service I value. That is where I got my discipline from. But the police live in deplorable conditions! We can increase their number, but if we do not address the issue of where and how they live, how they are compensated when they are killed in the line of duty or how they get their pension when they retire, it is not fair to expect them to guard us and ensure security for us when, in fact, we do not accord them even decent housing and decent conditions. I would like the Minister, next time, to look into these issues and to come to a very, very personal level of what happens to the police even as we see them out there. When they are miserable and living in deplorable conditions, we cannot really ensure that they are going to guard us properly.

I want to talk about the issue of housing. I know the Minister is trying so hard to do something about mortgage and taxation. But when you go to America, mortgage interest rates are about 5 per cent. When it is 5 per cent, it is actually very, very high, because the Government made it possible and took it very seriously that each and every one of their citizens should aim at owning a house. But here, the cost of concrete---

Mr. Speaker, Sir, you know, we use concrete, cement and building material prices go up and many Kenyans cannot afford to own a house. I hope that this is an issue which can be looked into. We should also look at the prospect of making construction materials cheaper so that Kenyans can actually own houses, because everybody hopes to own a house in their lifetime.

Mr. Deputy Speaker, Sir, the other area I want to talk about is transport and transport costs. This should be a highly subsidized item. Again, those of us who travel, if you go to New York, you wonder who had a vision to build the underground train. Right now, I do not know how people in New York would be moving around if they did not have the underground train, which is really so affordable. This country is growing in population, the city is bursting with human beings.

Mr. Deputy Speaker, Sir, you see Kenyans leaving their homes at 4.00 a.m. in the morning, when it is not even safe, and walking for a whole hour to Industrial Area to look for casual labour. This area of public transport should be heavily subsidized. That way, we can call it a pro-poor Budget. So, we want to give this Government a chance to continue to address these issues. I do not know whether they will come back.

Mr. Deputy Speaker, Sir, when it comes to the issue of plastics, I am told that if you go to Rwanda, once you reach the border, they check your car. If you are carrying plastics, you leave them at the border as you go into Rwanda because they have banned plastics. So, let us be bold; ban plastics and cigarette smoking. We are a country where people come to enjoy whatever they want. Kenya is a country which is ready to take off and be a "Singapore" of Africa. I believe it is possible for us to do that.

Mr. Deputy Speaker, Sir, we should also hold the private sector to account, not just in terms of corporate-social responsibility, but in terms of off-loading some of the work that the Government does currently, such as road construction. When we went to a pre-Budget meeting seminar, I was shocked that about 50 per cent of money allocated to roads goes back to the Treasury, yet we do not even have enough tarmacked roads. We have all these corrupt road contractors, I do not know who else is corrupt, and our roads are still deplorable. I know that we have enough money to give us more tarmac roads, and once you give people good roads, you leave it to them and the economy can now begin to grow.

As we talk about the Budget, for many Kenyans it is a ritual. But we hope that, right now--- The previous speaker, who is a Minister; hon. Michuki, said that this is the best Budget since Independence. I do not know whether it is. Yes, it was a good Budget, but we want to make sure that, truly, for the first time, we can get a pro-poor Budget. When we have a pro-poor Budget, we know---

With these few remarks, I beg to support.

**The Minister of State for Defence** (Mr. Karume): Asante sana, Bw. Naibu Spika kwa kunipatia nafasi hii ili niseme machache kuhusu Bajeti ya mwaka huu. Namshukuru Waziri wa Fedha kwa kutusomea Bajeti ya maana sana. Hii ni Bajeti ya maana kwa sababu imewasaidia watu wasio na uwezo, na hiyo ndio maoni na upendo wa Serikali hii inayoongozwa na Rais, Mhe. Mwai Kibaki.

Vile vile, namshukuru Rais wa Jamhuri ya Kenya kwa hii kazi ya maana aliyofanya kwa muda mfupi. Nasema "kwa muda mfupi" kwa sababu alipochukua usukani, kila mtu aliye hapa katika nchi ya Kenya anajua mambo yalikuwa namna gani; tunajua barabara zilikuwa namna gani. Wakati huo, hakuna barabara ilikuwa inatengezwa na kuwekwa lami na zile zilizokuwa na lami hapo mbeleni, zilikuwa zimekwisha kabisa na zikawa za mchanga na *murrum*. Lakini kutoka Serikali hii ichukue uongozi, ikiongozwa na Mhe. Kibaki, tumeona kuwa katika karibu kila wilaya kuna barabara moja au mbili zinatengenezwa na kuwekwa lami. Hii ni kuonyesha vile Serikali inafanya kazi ya maana.

Bw. Naibu Spika, nikiambuka, kama ni mambo ya *health*, hapo mbeleni kama ungalienda katika hospitali ya *rural area*, hata huko kwetu Kiambu, hungepata dawa. Hata kama pengine umetakiwa ulale kwa hospitali hata *blanket* haikuwa. Na ukitakiwa uwe na karatasi ya kuandikiwa dawa, ilikuwa mpaka uende kununua karatasi yako mwenyewe uje nayo uandikiwe dawa kwa sababu hakuwa na chochote. Hii inaonyesha vile Serikali hii imefanya kazi.

Ukiangalia mambo ya maji wakati huu, hata ukienda West Pokot au North Eastern, utakuta Serikali inachimba *boreholes*, *dams* na mambo mengine kama hayo. Hii ndio sababu hata hii Bajeti unaona ikienda namna hiyo kwa sababu ya uongozi tulionao wakati huu.

Ukiangalia mambo ya ukulima, yalikuwa yameharibika sana wakati huo. Hata kahawa ilikuwa imekwisha, mahindi yalikuwa yakikuzwa na kununuliwa kwa bei ya chini na wakiyauza hata hawakulipwa hapo hapo. Wakati huu inanunuliwa kwa bei ya juu na wanalipwa. Hata KCC ilikuwa imekwisha na ikanunuliwa tena na Serikali; sasa ni ya wakulima, na watu wale walio na ng'ombe wanunuliwa maziwa kwa njia bora. Hiyo ni kuonyesha vile Serikali imefanya kazi, ndio sababu hata tunasema mambo ya Bajeti yanaendelea sawa sawa.

Bw. Naibu Spika, kwa hivyo, mimi kwangu ninashukuru Serikali hii kwa kazi bora ambayo imefanya, na kwa sababu haikukuta kitu hata kidogo. Kwa hakika, ingawa tunajua kuna watu wengi sana ambao hawana kazi, *especially younger people*, lakini Serikali imejaribu na watu wengi wamepata kazi. Ukiangalia upande wa utalii, ulikuwa umekwisha. Watu walikuwa wanafutwa kazi, mikahawa ilikuwa imefungwa kule Pwani, na sasa mahoteli yamefunguliwa tena na yameandika wale watu ambao walikuwa hawana kazi, na mengine yanajengwa wakati huu kwa sababu ya vile Serikali inafanya kazi na vile inaendelea. Kwa hivyo, tunasema ni vizuri na tunajua hata wananchi hayo ndiyo maoni yao. Tungeombea hii Serikali irudi tena miaka mingine mitano ili mambo yatengenezwe sawa sawa. Tunaona kwa kweli, hata wageni wameanza kurudi hapa kuleta *investments* zao, kwa sababu wanaona vile Serikali inafanya; ni Serikali ya haki na wanaona vile mambo yanaendelea.

Hii ndiyo sababu watu wameanza ku-invest pesa katika Kenya. Hayo ndiyo mambo tunayofikiria, na tunataka kuendelea na Serikali kwa sababu tunaona vile imeangalia watu wote.

Vile vile, Serikali hii ilianzisha Wizara mpya, ya *youth*, ya kusaidia vijana, kwa sababu vijana wetu wengi hawana kazi. Hawawezi kufanya biashara kwa sababu hawawezi kupata mikopo kwa benki, kwa sababu hawana *security*; hawana *title deeds* za mashamba au za nyumba ili wajaribu kuomba *loans* kutoka *banks*. Hii ndiyo sababu Serikali imeanzisha hii Wizara mpya ya kusaidia wananchi. Ni vizuri tufikirie *young people* katika nchi hii ili tuone wamepata kazi, kwa sababu walikuwa hawapati kazi kwa sababu viwanda vile vilikuwa vimekwisha, na bila viwanda si rahisi kazi kupatikana.

Bw. Naibu Spika, ningetaka kusema machache kuhusu mambo tunayozungumza kuhusu Katiba kila wakati. Ningesema kwa maoni yangu tumejaribu kupata Katiba karibu miaka 15.

Tumejaribu kwa muda mrefu, tunajaribu, wananchi, wakati mwingine, wanaikataa. Kwa mfano, mwaka wa 2005, tulijaribu tukazunguka nchi hii kuzungumza na wananchi wakati wa *referendum* tukiwauliza wananchi wakubali *tu-change* Katiba ili tuwe na Katiba mpya. Wananchi walikataa; walisema hawakutaka mambo ya Katiba. Hata hawakutupatia ruhusa tukirudi kwa Bunge kuwa na *minimum reforms*. Hawakusema hata hiyo. Walisema hawakutaka Katiba.

Bw. Naibu Spika, sasa unaona kuna maswali mengi; unaona wengine wanasema eti ili tuwe na *minimum reforms*, au marekebisho machache, inatakiwa tuendele mpaka mwezi wa pili mwaka ujao.

Ningetaka kusema watu wa Kenya, kwa miaka zaidi ya 40, wamezoea kufanya uchaguzi *after five years*. Miaka mitano inakwisha Desemba na uchaguzi ni wa Desemba. Yule mtu anaota na mambo ya mwezi wa pili ajue haiwezekani. Sisi tulichaguliwa na wananchi na wakatupatia miaka mitano, na inakwisha Desemba. Hii mingine tunataka tunaongezewa na nani? Hatuwezi kufanya namna hiyo. Kwa maoni yangu, ningetaka uchaguzi uwe kama vile ambavyo umepangwa ili tumalizane nao. Hata hii *minimum reforms*--- Hii haraka ya miezi sita, kama tumeshindwa katika miaka kumi, miezi sita itatusaidia na nini, hata ikitengenezwa iwe namna hiyo? Italeta faida gani? Hakuna vijana wataandikwa kazi kwa sababu marekebisho yamefanywa. Mimi ninasema hata hiyo ikae.

Tukienda uchaguzi, wale wachache ambao watarudi, maana wengi hawatarudi, pamoja na wale *fresh* watakuja kuzungumza mambo ya Katiba mpya. Ukweli ni kama tumeshindwa kwa zaidi ya miaka kumi. Tumezungumza mpaka wananchi, mwaka wa 2005, walitumbia hawakutaka hayo mambo ya Katiba, na hawakutupatia ruhusa ya kuendelea. Haya mambo tunayosema kuhusu *minimum reforms*, na tuliandikwa kazi na wananchi, yanatoka kwa nani? Ni maoni yangu mwenyewe kuwa ni vizuri, kwa sababu hakuna kitu itatusaidia, tufikirie hii miezi sita imebaki tufanye *development*, tujenge nchi pamoja na wananchi, tufanye kazi pamoja ya kujenga nchi yetu tusifanye mambo mengine yasiyo na maana kwa sababu hayatatusaidia hata kidogo.

Jambo lingine ambalo ningetaka kusema ni kwamba sisi tukiwa watu wa Kenya na Afrika, tunajua mila zetu. Kama viongozi wakikosana walikuwa hawachimbani. Walikuwa wakienda kwa wazee, wanazungumza na kumaliza mambo hayo. Lakini sasa nchi hii imekuwa kama haina heshima. Hata mtu mzee anatumkana yule mwingine kijana; kijana anatumkana mzee, na yamekuwa mambo ambayo hatujaona hapo mbeleni.

Kwa hivyo, ningewauliza viongozi tujue kwamba watoto na wananchi wanatuangalia. Sisi ndio viongozi wa nchi hii. Vile tunawaonyesha, wengine wanafuata mambo kama hayo. Kwa hivyo, ningewauliza tuache mambo ya kuharibu majina ya watu - kwa sababu kuna wengine wanatumkana watu katika magazeti. Mtu anajua vile anasema fulani hayuko namna hio, lakini kwa sababu anataka kumharibia sifa, anafanya mambo kama hayo.

Kwa hivyo, tujue sisi ndiyo viongozi wa nchi hii. Tukiwa katika Serikali, tukiwa katika *Opposition, we are leaders*, na Kenya ni yetu. Kama uko katika *Opposition* au kama uko katika Serikali, hii Kenya ni yetu. Katika hii Kenya ni sisi sasa tunaangaliwa na watu wengine tuiendeshe vile tutaiendesha; wakati Mungu atakapotuchukuwa kutoka nchi hii, wengine watakuja. Tungeweza kuiendesha nchi hii vile ilivyokuwa ikiendesha hapo mbeleni na wale walioifanyia kazi mbele yetu.

Mimi nikiwa Waziri wa hii *Ministry ya Defence*---

**Mr. Deputy Speaker:** Bw. Karume, wakati wako umekwisha.

**The Minister of State for Defence** (Mr. Karume): Basi, Bw.

Naibu Spika, ninaunga mkono.

**Mr. J. Nyagah:** Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this very important subject of the national Budget. I wish, like other hon. Members, to thank the Minister for the efforts he has put in preparing this Budget. I thank him for addressing

important and critical issues that face this nation. However, I have a few suggestions, proposals and comments that I wish to make on how we could improve the situation.

Mr. Deputy Speaker, Sir, first, let me make a few general remarks. The poor will not get a chance to benefit in a way that the Minister had hoped. The packaging industry will be greatly affected by the increase in tax and the ban on plastics that has been introduced. I agree that there is need to conserve the environment. I would have liked to see what other countries do. We should have given the industries sufficient time to adjust. For example, we would have said that this rule will be effective from 1st January, 2009. That would have given factories and manufacturers of plastics sufficient time to buy new machinery in order to meet that very necessary requirement of reducing the environmental problems that we are facing. The prices of most products like milk will be affected by the introduction of that very sudden rule. Manufacturers should be given sufficient time to embrace that change, so that the process is handled properly.

Mr. Deputy Speaker, Sir, I thank the Minister for the effort he has put with regard to the energy sector. I am happy with the direction we are taking towards providing electricity to rural areas. That is a welcome move. But I am concerned about a possible deficit. What is the Ministry doing with regard to that issue? It is not very clear to me.

Somebody needs to tell us what the Ministry is doing in order to ensure that energy production by Kenya Electricity Generating Company (KenGen) and other power producers is increased in order to meet the demand that this country so desperately needs. As we get the details, I hope that issue will become clearer.

Mr. Deputy Speaker, Sir, I pray and hope that this time round, Parliament will not guillotine Ministries. I pray that we change the rules and do whatever it takes so that we can discuss every single Ministry's budget. It is important that, in our oversight responsibility, we look at every Ministry's budget so that, we, as Parliament, can be seen by our nation to be performing the oversight role that is so critical. If we guillotine, as we traditionally do, key Ministries as we did last year, we are not being fair to Kenyans. We are being unfair to Kenyans.

Please, let us change our Standing Orders and do whatever it takes. Let us extend our working hours so that we can go through Ministry by Ministry from next week.

Mr. Deputy Speaker, Sir, I am bothered by the deficit that has been created, amounting to Kshs109 billion. That is Keynesian economics and I know it makes sense. South American countries

tried it and they suffered. I would have liked to see a deficit grow gradually over a period of time, as we experiment with it. But to move from Kshs35 billion to Kshs109 billion in one go, we have to be very careful. How can we develop such a huge deficit so quickly? I support an element of deficit financing, but we must be careful on how quickly and how big we can create a deficit, particularly in an election year. It is very important that we do not play politics with the Budget in a year like this. Mr. Deputy Speaker, Sir, I would have liked to see more done for the youth. We increased the figure for the Youth Enterprise Development Fund (YEDF) by Kshs250,000,000. If you add that to the Kshs1 billion that has not yet been properly distributed and allocate to 20 million youths, I estimate that each young person will get Kshs62.50. A sum of Kshs62.50 is a big joke! I wish we had set aside a minimum of Kshs5 billion, so that the youth can benefit from the huge deficit budget that we have created. That way, we would have created an impact.

The women were given Kshs2 billion. If you divide the number of women with that amount, each woman will get Kshs100. A sum of Kshs100 is a big joke! I wish we had created a figure that makes more sense, so that our women could benefit from that budgetary support. The concept is good, but the amount is too little. The Orange Democratic Movement (ODM) Government will increase that amount so that it could have an impact. The youth and women will get appropriate funds for their development.

Mr. Deputy Speaker, Sir, I wish to thank the Minister for the effort he has put on the

agricultural sector. In particular, he has put a controversial figure of Kshs641 million to the coffee industry. It is a welcome move to pay coffee farmers who, over a couple of years, had lost their money.

Could the Minister release that money to the farmers quickly, so that they could enjoy that money as soon as possible? That is a move in the right direction. Let us not keep it pending for too long. The farmers that I came across this morning want that money yesterday. It is a very welcome move by the Government.

Mr. Deputy Speaker, Sir, corruption worries me. The bigger the Budget, the more we must be careful that we do not get into possibilities of corruption. I read an article, the other day, about our police helicopters, which are going to be serviced at a cost of US\$3 million. The new ones cost US\$ 8 million. That is what India and Venezuela paid the other day. We should have put sufficient money to buy new helicopters for the police. Spending US\$3 million for the second time--- We spent a similar amount of money in our days in the Government! In our days, we even paid US\$12 million. It is time we scrapped those helicopters that the Minister of State for Administration and National Security wants, and give him new ones instead of overhauling old junks at an inflated price!

**The Minister of State for Administration and National Security** (Mr. Michuki): On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member in order to mislead this House on how much is being spent to maintain police helicopters, when he has not even seen the contract? Should he not see the contract before he makes any conclusions?

**Mr. J. Nyagah:** Mr. Deputy Speaker, Sir, the Minister knows very well that they have agreed to pay Israel Aircraft Industries, who are my friends, US\$12.8 million. They know that Israel Aircraft Industries has gone to the Russians who would have won the contract. They are trying to frustrate them to service those aircraft at an inflated price that will save US\$4 million. Where is the US\$4 million going to? That is my concern! But be that as it may be, I have documents that will support that. If he needs to see---

Mr. Deputy Speaker, Sir, I have letters to the Kenya Anti-Corruption Commission (KACC) that clearly indicate the point I have just made.

That is not important. Let me continue with more constructive items like how the Budget---

**The Minister of State for Administration and National Security** (Mr. Michuki): On a point of order, Mr. Deputy Speaker, Sir. Is it in order for the hon. Member to continue with this saga, when he is not in a position to give the true facts to this House? The contract is for five years on quite a number of helicopters that the Russians can no longer maintain. That industry is out of production.

**Mr. J. Nyagah:** Mr. Deputy Speaker, Sir, is the Minister aware that---

**Mr. Deputy Speaker:** Order, Mr. J. Nyagah! The Minister ought to have stood on a point of information. Indeed, that is very useful information!

Proceed, Mr. J. Nyagah!

**Mr. J. Nyagah:** Mr. Deputy Speaker, Sir, I wish to thank the Government for wishing to repay the Kenden loans. As we know, Kenden collapsed in 1970s. I see that from this year, we will start repaying those loans dating back to 1970s.

I wish to thank the Government for giving Embu Provincial General Hospital some money this year. That is long overdue. We were promised some money three years ago, but it never happened. I hope this year the Arab Bank for Economic Development in Africa (BADEA) money will come through, so that our provincial hospital, which we are proud of, and which the Minister for Co-operative Development and Marketing is the hon. Member for that area can, once and for all, be properly done.

**The Minister for Co-operative Development and Marketing** (Mr. Ndwiga): On a point

of information, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Mr. J. Nyagah, do you want to be informed?

**Mr. J. Nyagah:** Mr. Deputy Speaker, Sir, I do not want to be informed! I am only reading the books that the Minister published. I read these books very thoroughly from 4.00 a.m. in my home in Mbeere!

On external debt, I am happy that there are no Anglo-Leasing type debts. I only have one question on a loan to do with Banque Nationale de Paris to a tune of Kshs633 million. What is it for?

**Mr. Deputy Speaker:** Mr. J. Nyagah, unfortunately, you have run out of time!

**Mr. J. Nyagah:** Thank you, Mr. Deputy Speaker, Sir.

**Prof. Maathai:** Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to contribute to this debate. First of all, I want to thank the Minister very much for having addressed the issue of plastics. We know that thin, flimsy plastic bags have been a menace to our environment. We have discussed this issue and raised it in this House many times. Therefore, I want to thank the Minister for requesting companies to increase the thickness of plastic bags they produce, so that we recycle and reuse them. In the process, we would reduce the amount of plastic bags scattered all over the environment.

As a matter of fact, in many other countries, governments have gone further than just condemning the thin and flimsy plastics; they have literally banned the production of plastics. Our Government has not gone all the way. However, I want to thank the Government and appeal to companies in this country to participate in cleaning the environment. They should support in ensuring that we have a clean and healthy environment in this country.

Mr. Deputy Speaker, Sir, it is not true that companies have not had the time to think about these flimsy plastic bags. We have been discussing it with them even before I came to this House. We have raised this issue here. This issue has also been discussed at the Ministry of Environment and Natural Resources. We have tried to encourage companies to address this issue. As a matter of fact, as far back as the year 2003, I remember visiting one of the very few companies in this country that recycle plastics. From them, it produces garden furniture and poles that can be used instead of wood. Some companies have gone ahead and seen the need to keep our environment clean.

At this time, we are talking about climate change and addressing the fact that fossil fuels; which are products from which we make plastics, are major contributors to the global warming. It is extremely important that companies also play their part. In the environment, we have the principle of polluter-pay. It has already been endorsed by the world. These companies know it. Therefore, instead of complaining, they should be out there, contributing to the cleaning up of all the plastics that we find in the soil, on trees, in rivers, especially in the cities, and literally everywhere in urban centres.

I want to appeal to the companies to take this issue seriously because loss of jobs and machines are, but an excuse. I think we should support the Government in taking this measure which, as I said, is only half-way done. We should ensure that our environment is clean.

Mr. Deputy Speaker, Sir, on job recruitment, I wish the Minister or the Government would ensure that the allocations are done according to constituencies. I am particularly thinking of the armed forces, the police, Kenya Wildlife Service (KWS) officers, forestry services and all these organisations which hire young people for training. If the police force is recruiting rather than tell us so many young people will be recruited, let us divide the number according to constituencies, so that every hon. Member of Parliament can get so many persons. They can then go and allocate that number to their own people. This business of going to a district and picking 20 or 30 recruits allows for corruption. Certain hon. Members are able to take more people into the police force or the armed forces than others. Some of us are, therefore, never able to send anybody to training

programmes. Let us introduce constituency by constituency allocations. This will make the process more transparent and beneficial to every hon. Member of Parliament. It will also help us avoid accusation by our youth that we are not speaking for them. You send them to the recruitment centre where they run and become number one or two, but they would be told they are too short or thin to be recruited.

I would like to commend the Minister for allocating a good amount of money to the Ministry of Health. I want to say that it is extremely important for us to support organisations such as NACADA. This is because one of the most important things that we should really pay attention to is protection of our youth from the misuse of alcohol, cigarettes, drugs and other substances. No matter how much money we, as a Government, spend, if we cannot protect our young people from these hazards they encounter sometimes as early as when they are in primary schools, then we, as leaders, are not doing a good job. The youth are the future. We say this in this House all the time. One way we can protect our young people is by guarding them from misuse of drugs. We sometimes know who introduces these drugs. These young people are not the ones who import drugs into this country. We should invest a lot of money in fighting drugs and alcohol misuse in this country. Some of the problems that we are facing with our young people today, including those who are now involved in killing and harassing *wananchi*, is a result of having allowed them to be influenced by drugs and alcohol when they were very young. We may call them *chokoras* or whatever they are, when young, but when they grow up and do not have jobs, sooner or later, they become a problem in our society.

In this connection, I want to put on record something that I know is not very popular. Nonetheless, I want to put it on record. There is no law in this country that allows anybody to kill another under suspicion. That is a fact! The law allows us to arrest people and charge them in a court of law or investigate until the judges and magistrates are convinced that the person has offended the society by committing a crime. Then they should be accorded the sentence accordingly---

**The Minister of State for Administration and National Security** (Mr. Michuki): On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member in order to mislead this House that there is no law when she ought to make herself familiar with the Police Act on the use of firearms?

**Prof. Maathai:** Mr. Deputy Speaker, Sir, I repeat: There is no law anywhere in this country that allows anybody to shoot another under suspicion!

*(Applause)*

However, the police officers can protect themselves when attacked. If you suspect that somebody is going to attack, you have no right to shoot that person to death. You can arrest and take them to court then allow the law to take its due process. Unless we control our guns, we will reach a point where we can no longer control violence. This is because violence anywhere breeds more violence. I would like to remind hon. Members that in Africa, we saw genocide in Rwanda. Recently, we saw the maiming of citizens in countries, like Liberia where people lost their limbs! They were being asked, "Do you want a short sleeve or a long sleeve?" A long sleeve meant that you lose your whole arm while a short sleeve meant losing the forearm. These were atrocities that were being carried out by people who had pushed the country into a situation where law and order was no longer applicable. When we do not respect law and order, eventually we can push ourselves to a point that we become a society where those who have the guns have the right to do anything to anybody. All I am saying is that, although we all need security, let us not give each other an excuse to shoot anybody unless that person has been put through the process of law.

Mr. Deputy Speaker, Sir, I am very happy with the way we have been handling education in this country. I hope that sooner than later, we shall be able to remove the burden of secondary



education from parents. Most times when I am in my constituency, I am made to realise that school fees is the greatest burden to parents.

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

**Mr. Khaniri:** Thank you very much, Mr. Deputy Speaker, Sir, for giving me an opportunity to contribute to this Budget Speech.

Listening to the Minister for Finance, hon. Amos Kimunya, deliver his Budget Speech two weeks ago, it was very clear to me, and I am sure it was very clear to many other Kenyans, that this is a Government in a state of panic. This is a Government that is desperate. I say this Government is in a state of panic because they have realised that the five-year mandate that they were given by Kenyans is coming to an end and the numerous promises they made to Kenyans have not been fulfilled. They have read their last Budget and in December, 2007, they will be subjected to another General Election. Therefore, they have resorted to very desperate means. I want to tell them that the die has been cast. No amount of tricks are going to change the minds of Kenyans about this Government. Come December, 2007, whether they like it or not, Kenyans are going to throw them out of power. They have been a big let down to Kenyans.

The Kshs2 million allocated to the Women Enterprise Development Fund is clearly a political gimmick. We have seen it before with the Youth Enterprise Development Fund whereby in the last Budget, the Minister allocated Kshs1 billion and yet, up to now, in my constituency, we have not seen a penny of this money. It is the same trick they are now using on women to woo them to vote for them, come the next General Election. It is wrong to vote for monies for particular projects before we put down modalities on how these projects are going to be implemented. This Government is putting the cart before the horse. The Minister concerned should have come to this House with a Sessional Paper so that we deliberate on it and agree on the modalities of distributing the money and how the Fund is going to be run before the Minister for Finance can make allocation to the Fund. Therefore, I think it is just a political gimmick meant to woo women to vote for this Government, come the next General Election.

It bothers me so much that after five years in power, this Government cannot get its priorities right. I wonder what the rationale is of allocating the Ministry of State for Defence 6.9 per cent of the entire Budget and then give the Ministry of Health 5.1 per cent. What is the rationale? In a country where access to medicare is still a big problem---

**Mr. Sambu:** We are not at war!

**Mr. Khaniri:** Mr. Deputy Speaker, Sir, in a country where we are not at war with anybody, how do you explain an allocation of 6.9 per cent of the entire Budget to the Ministry of State for Defence? It is clear to us that these are monies--- Because this is one of the Ministries---

**Capt. Nakitare:** On a point of order, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** What is your point of order? Hon. Members on the Floor are being interrupted! What is your point of order?

**Capt. Nakitare:** Mr. Deputy Speaker, Sir, is the hon. Member in order to mislead the House that the Budget given to the Ministry of State for Defence was a political gimmick?

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

**Mr. Deputy Speaker:** Order, Mr. Khaniri! That is really a frivolous point of order. I appeal to hon. Members to let hon. Members on the Floor to make their contributions without interruption unless you really have a serious point of order.

Continue, Mr. Khaniri! I am sorry about that interruption.

**Mr. Khaniri:** Thank you, Mr. Deputy Speaker, Sir. I did not say that it was a political gimmick. I want to say that I have my suspicion that since this is one of the Ministries that we do not scrutinise here, these billions of shillings that have been allocated to this Ministry is the money that is going to be used to bribe Kenyans to vote for this Government come December, 2007. There

is no justification under the moon or sun that we can vote this amount of money for the Ministry of State for Defence when the country is not at war with another country. It is the Ministry of Health that is supposed to receive this amount of allocation because we need to equip our health centres. We have put up so many health facilities through the Constituencies Development Fund (CDF) and yet the Ministry cannot equip them. They cannot employ personnel to come and serve in these facilities because of budgetary constraints. Why can this money allocated for the Ministry of State for Defence not be shifted to the Ministry of Health so that we can improve medicare for Kenyans?

In his Speech, the Minister told us that the level of poverty has decreased by 20 per cent. He then went ahead to say that it decreased from 56 per cent to 46 per cent. Even a primary school child will know that if it is from 56 per cent to 46 per cent, the decrease is 10 per cent and not 20 per cent. Be that as it may, even if it had decreased by 10 per cent, this decrease in poverty level is on paper. In my constituency, if anything, I want to say here that the poverty level has really increased in the last few years. The Minister should ensure that he transforms these figures that he always gives us here from paper to people's pockets so that they can enjoy this economic growth and the decrease in poverty level that he has always told us.

Mr. Deputy Speaker, Sir, I want this House to reject vehemently the move to waive import tax on imported industrial sugar. This is a sure way of killing the sugar industry. We hear stories that some people who are well connected in this Government have imported sugar which is at the Port of Mombasa. They were making this provision, specifically for those individuals to be able to bring in their sugar. We have to reject this vehemently.

I know the Budget was a populist one, but there are some aspects of it that we should support, as Parliament. I welcome very much the idea of increasing the Budget for the Ministry of Roads and Public Works from Kshs42.5 billion to Kshs62.7 billion. For any country to achieve economic growth, the road network has to be put right. All the other sectors, be it agriculture or tourism, depend on the road network. Therefore, I want to hail the Minister for increasing the Budget for the Ministry of Roads and Public Works. I just want to urge the Minister for Roads and Public Works to ensure that when he is given those monies, he must ensure that there is proper workmanship by the contractors who are given the contracts to do the roads. He should also ensure that there are no delays. I have an example of the Gilgil-Naivasha Road, which has been under construction for the last five years, a contract that was supposed to, initially, just take, I think, 13 or 14 months.

Mr. Deputy Speaker, Sir, secondly, Mr. Deputy Speaker, Sir, I want to commend the Minister for setting aside some funds to recruit 7,000 teachers to replace those who have died or retired and some more money to recruit 4,000 new teachers. This makes a total of 11,000 new teachers to be recruited in the next financial year. We know that in our constituencies back at home, most of the schools are under-staffed and for the free primary education to succeed, we will need to give those schools more teachers. I, therefore, urge that when those teachers are recruited, let it be equitably distributed to all parts of the country.

We do not want to hear of situations where they are recruiting, for example, in one district 100 teachers, but when they go to another district they recruit seven teachers. This must be equitably distributed because all areas, except the urban areas, are experiencing the teacher-shortage problem.

I also want to thank the Minister for providing funds for the recruitment of additional 25,000 police officers so that we can improve on our state security. However, besides recruiting more policemen, we want to emphasise on the issue of remuneration for those officers. Speakers have spoken here before me decrying the welfare of the police officers in this country. They have no housing or insurance. This cannot give them the motivation to provide security in this country.

Lastly, Mr. Deputy Speaker, Sir, we also want to thank the Minister for Finance for exempting the pensioners from paying tax. We know the money they get is too little and it comes

in too late yet those are people who already paid their taxes during their heydays. They should not be subjected in their old age, to paying taxes.

With those few remarks, I beg to support.

**The Assistant Minister for Justice and Constitutional Affairs** (Mr. Mungatana): Mr. Deputy Speaker, Sir, I also want to join Mr. Khaniri in congratulating the Minister for the expansion of the Budget allocation to road maintenance. He intimated to us in his Budget Speech that he has rehabilitated 228 kilometres of roads countrywide. He has further rehabilitated, on periodic road maintenance, 287 kilometres and many others. He had also intimated to us that 116 kilometres of completely new sections have been done. However, what we would want to say as we congratulate the Minister is that we have roads that are very crucial to some districts, like Tana River District. While thanking the Minister for the roads that have been done, critical roads like the Garsen-Hola Road remain undone to date. That is a highly productive area and it needs to be looked at.

I would want to dwell on the promotion of agricultural productivity and rural development for eradication of poverty. When the Minister was presenting his Budget, he intimated to this House that he was keeping in context Vision 2030. He said that the Government intends to implement serious structural reforms in key agricultural institutions so that they can complement the ones that are high performing to improve agricultural productivity in the country and the output, in general.

Mr. Deputy Speaker, Sir, going by that Vision, he said that pyrethrum farmers who are long suffering, he would allocate to them Kshs664 million to clear the remaining arrears. This will go to the Pyrethrum Board of Kenya (PBK). Then he also talked about allocating Kshs641 million which will go towards the payment of debts owed by the Coffee Board of Kenya (CBK) to farmers. What has happened here is that millions of shillings are being allocated to pyrethrum and coffee farmers. Those crops are not found in some of the areas that we come from. For the Coast Province, in particular, we do not have the climate capacity to grow pyrethrum or coffee. That is to say that almost Kshs1.2 billion is being allocated to farmers from other regions. We are not getting this type of money because of climatic incapacity.

The point I am raising is that we have had the coconut tree in the Coast Province from time immemorial. Before Independence, the Europeans used to take coconut farming at the Coast as a very serious activity and we had two laws. There was the Coconut Industry Act, which dealt with the marketing of coconut products and the coconut itself. There was also the Coconut Preservation Act, CAP.332 of the Laws of Kenya, which dealt with the crop husbandry and management of the coconut palm tree.

Mr. Deputy Speaker, Sir, after Independence, those Acts were taken out of our statute books. They were replaced with the Agriculture Act. During that time, the coconut tree was given serious support by the colonial Government. However, those powers were transformed and given to the Minister for Agriculture.

In order for the Minister for Agriculture to give the coconut special treatment, he must declare and gazette the coconut tree as a special crop. That has not been done! We do not have a coconut board. We have been asking for it for a long time. We have been told many times that it is going to be established but it has not. As a result, other crops, like the pyrethrum and coffee, have boards and research organisations. Because of the special authority that the Minister for Agriculture has, he has established an institutional capacity for these crops. We are seeing farmers from other regions being allocated Kshs664 million and Kshs641 million while the coconut farmers are still not getting anything.

Mr. Deputy Speaker, Sir, what am I speaking about? I am speaking about an industry which, according to a recent survey, is worth Kshs3.2 billion at farm level, without any exploitation so far. That is more than cotton and pyrethrum. But it is not given the attention it requires. We have

7.4 million trees and before that, there was a belief that there were only 4,000,000 trees. What are we talking about? Those trees, which do not even have proper husbandry and management, are producing about 21 nuts per tree. We are saying that, with a little institutional capacity, that industry can develop and produce, at least, Kshs20 billion worth of inputs in that area. What I am saying, and I am repeating it again is that, we are following it up in other areas. Time has come to set up a coconut It is a matter of agency been done. However, what we would want to because it is only then the Minister for Finance--- If coconut is gazetted as a special crop, we will start benefiting with the millions of shillings that other farmers in other parts of the country are benefiting from.

Mr. Deputy Speaker, Sir, we want to see that happening before this session of Parliament comes to an end. We want to see the Minister for Agriculture, in consultation with the Treasury, create an institutional capacity for some of our areas so that millions of farmers who are dependant on that crop can benefit. That ranges from Lamu, Tana River and goes all the way to the other side in Kwale. We think that if these measures are put in place, the Minister can also look at our side. Otherwise, these budgetary measures that have been put in place must be supported. They will create the correct environment for development and growth. In particular, we congratulate the Minister for the allocation that has been set aside for teachers. We congratulate the Minister for the work that is going on in that area and we wish him well. But he must remember that we also need money for our farmers. We also need money for our farmers!

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

**Mr. Raila:** Thank you, Mr. Deputy Speaker, Sir. I want to congratulate this Government for being a very fast learner and a studious copier of the Orange Democratic Movement (ODM) agenda.

Mr. Deputy Speaker, Sir, I remember the other day when we said that we will introduce free secondary education. Very quickly, they set up a team to look at the possibilities of introducing free secondary education. The other day, when I said that we will go for a 50-50 representation of women in our administration, the President announced yesterday that he will go for a 50-50 representation of women in his administration. Mr. Deputy Speaker, Sir, the other time, I talked about infrastructure number one, infrastructure number two and infrastructure number three. For the first time in the history of this Government, this Budget increased the development budget from 17 per cent, whereas it had stagnated for too long, at 30 per cent. So, I am happy, at least, that ideas from this side are jolting them to try and do something for this country. But I want it to be noticed that, that is still not original. The Government, somehow, is stuck with the argument of self praise that it has attained a 6 per cent rate of growth. To it, that is something so big. What they are forgetting to tell Kenyans is that, in 2004, they changed the system of computing the Gross Domestic Product (GDP) from the old system to international understands. That, in effect, increased the GDP by 2 per cent. So, if you go by the *Nyayo* mark, it is not 6 per cent but 4 per cent.

Be that as it may, I want to put a few figures here. Our GDP, by the Government's own admission, grew by 6.1 per cent. But in that same period, Tanzania's economy grew by 6.2 per cent and Uganda by 6.5 per cent. Africa's continental average is 6.5 per cent. So, we are still below Africa's average. On the other hand, inflation was 14.5 per cent, compared to 8.1 per cent in Uganda and 7.3 per cent in Tanzania. The public debt stood at US\$10.4 billion, compared to US\$6 billion in Tanzania and US\$1.8 billion in Uganda. The trade deficit here stood at US\$4 billion, as opposed to US\$2.1 billion in Tanzania and US\$0.9 billion in Uganda. What am I trying to say here?

I am trying to say that, what you have seen here is really nothing so much earth-shaking that the Government needs to be shouting too much from the top of the roof all the time!

Mr. Deputy Speaker, Sir, I said that the economy has been growing at the peripheral

sectors. That is the reason why the effect is not being felt on the ground by the common man. The productive sectors are not growing at a very fast pace, particularly to create employment. The manufacturing sector grew by 6.9 per cent. In Tanzania, it grew by 8.6 per cent. The construction sector grew by 6.3 per cent compared to 10 per cent in Tanzania and 11.3 per cent in Uganda. So, what I am trying to tell the Government is this: It still needs to do much more than it is doing now for a serious effect to be felt on the ground by the people.

The increased allocation to infrastructure is Kshs62 billion. I want to congratulate--- We have said, ourselves, that we intend to reduce the recurrent expenditure substantially, to bring it almost to 50-50 with development expenditure. That is when we are going to realise the difference. This is a developing country. At the moment, the recurrent expenditure is still too much bloated, when you compare it to the development expenditure.

Mr. Deputy Speaker, Sir, I want to congratulate them for exempting the monthly pension payments from being taxed. I wonder why they are saying "senior citizens" of this country, and yet you will only be able to benefit at the age of 65, when people are retiring at the age of 55. The pension payment is too small. Why do you continue to deduct somebody who is no longer benefiting from salary increases, when those people have served up to the age of 55? I would like that to be introduced as soon as somebody retires from the service.

Mr. Deputy Speaker, Sir, the other day, I was in Busia Town. I was appalled by what I saw there. Inefficiency is one of the major vices of this Government. In Busia Town, I found a queue of nearly two kilometres of trucks, waiting to pass the border. I was told that it takes, sometimes, three days for a truck to cross the border.

Mr. Deputy Speaker, Sir, does this Government know what they are doing to the economies of the neighbouring countries; Uganda, Rwanda and Burundi? Why do they retain goods destined for Uganda at our own borders for three days? You are slowing down the pace of development of that economy just because of corruption. The Port of Mombasa is congested right now because of the containers that are not being cleared. We are being told that the Government has increased revenue because of more efficient collection of taxes. But at what cost is it being done to the economy of this country? This is at a very heavy cost. Business itself is suffering because of corruption in revenue collection institutions.

I want to associate myself with the sentiments already expressed by my colleagues about the removal of duty on refined sugar. This would have a very catastrophic effect on the sugar industry in this country and must be opposed.

Mr. Deputy Speaker, Sir, the Minister talked so casually about security. When Prof. Maathai was talking here about security, she talked about the extra-judicial killings. The Minister of State for Administration and National Security rose on a flimsy point of order. Extra-judicial killings in this country are increasing by the day. Police are shooting innocent people without any good reason. Why should the police shoot to kill? The police should shoot to apprehend, not to kill. Each time we are told that the suspect was carrying a weapon and he or she was shooting at the police.

The other day they shot and killed a woman in Kisumu's Nyalenda Estate. They said that she was selling *bhang*. The lady was moving away from the police carrying her hands up. She was shot from the back. Later on the police took a *panga* and put it beside her and said that she had a *panga* and was threatening the life of a policeman and that is why they shot her to death. If she had threatened the policeman, why did he shoot her from the back. You can imagine an ordinary woman facing a policeman who is carrying a gun. Is it possible for her to go and look for a *panga* to come and attack the policeman? How ridiculous can the policemen be? That lady was shot by the police and that police officer who shot her is still there in Kisumu. He is the officer commanding the division.

Mr. Deputy Speaker, Sir, the police have perfected the art of killing Kenyans on a daily

basis and the Government is doing nothing. Each time the Minister comes here, he talks to us with a lot of contempt that those people are trying to attack policemen. We want the police to deal with criminals and let other innocent Kenyans be allowed to live in peace.

With those few remarks,---

**The Minister for Co-operative Development and Marketing** (Mr. Ndwiga): Mr. Deputy Speaker, Sir, thank you very much for this opportunity to contribute to this Motion. I want to join the rest of the House in congratulating the Minister for a wonderful Budget which reflects the economic growth of this country. More specifically, I wish to congratulate the Minister and thank him on behalf of the Kenyan farmers. The Budget really focused on the farming community. Listening to my friend, Mr. Raila, I get amused. I actually get shocked when people talk about the net effect of the growth of the economy not trickling down to the ordinary person. What does it mean when you do not have to pay school fees? What does it mean when you have access to the market? What does it mean when the ordinary dairy farmers who yester-year, were selling their milk at Kshs8, now sell it at Kshs18 shillings? What does it mean when you have a good rural road due to the Constituencies Development Fund (CDF)? That is what all of us are meant to do with our money. Access to markets has developed and increased the incomes of very ordinary people on the ground. What does it mean when the maize farmers who used to sell their maize at Kshs400 per bag of maize, now sell the same at Kshs1,300 per bag? The wheat farmers used to sell at Kshs600 but they are now selling at Kshs2,000. Yet, you get leaders who have the audacity to even announce from the Floor of the House that the effects are not being felt on the ground.

Mr. Deputy Speaker, Sir, it is time we took the bull by the horns, went out to the ground and led our people. We cannot sing politics for 24 hours, seven days a week and 365 days a year. That is how we promote poverty in this country. It is time, as leaders, we went out to the countryside and showed our people how to utilise and get the benefit of a growing economy.

Mr. Deputy Speaker, Sir, in this Budget, the Minister zero-rated milk powder. That effect is going to be tremendous for the dairy farmers in this country. It is going to be huge. This year, the Government did put a strategic food reserve. What is the effect? The effect is that from now on, all the milk produced by the Kenyan dairy farmers will get market. As the Minister for Co-operative Development and Marketing, I would like to say that we have ready markets for all the milk that Kenyans can produce. In fact, right now, as I stand here, we do not have even one packet of powder milk in the new Kenya Co-operative Creameries (KCC). It is all gone since the day of the Budget. That is what it means. Who is getting the benefits? The benefit is trickling down to the ordinary dairy farmer.

Mr. Deputy Speaker, Sir, regarding security, I am really saddened by the over-tones of some hon. Members that young Kenyans are being killed. But the policemen who are being killed, are they expatriates? Are they not Kenyans? Every other day, three policemen are killed, but not even one hon. Member stands in this House to condemn the killing of policemen by criminals. But the moment police defend themselves, what do you hear? They say that innocent Kenyans are being killed, they should be arrested. Why can you not ask the criminals to arrest the policemen?

Mr. Deputy Speaker, Sir, the policemen have a law that they use which governs the Police Force. Policemen are quite in order to use the necessary force to defend themselves. All of us in this country should stop the blame game and get to terms with what is happening on the ground.

It is time all leaders stood with one voice and condemned criminality and the actions of criminals. You do not want to come to Parliament and defend criminals and say that they should have been arrested. I am quite aware that there is no order from the Government to shoot to kill. That, I happen to know. There is no such order. But the police force has an act which says, only in self defence. When these things happen to the people we know, that is when we get to terms with what is happening and what has happened.

Some of these criminal gangs were bred by the previous Government and they have slowly

mushroomed into very organized gangs. It is time these gangs, wherever they are, be they cattle rustlers in West Pokot and Turkana, or the *Mungiki* in Nairobi and Kiambu, were dealt with. That is the wish of Kenyans. Kenyans want a secure environment, within which, they can do their business, at a time when the economy is blooming. We need to have a blooming economy, so that we can enjoy its effects.

Mr. Deputy Speaker, Sir, on development, I wish also to congratulate the Government for, specifically, concentrating on the Arid and Semi-Arid Lands (ASALs). There is no way a country can grow in one section. We need to develop this country from all corners. I am satisfied that, today, livestock farmers have a ready market. Indeed, what I hear is that the Kenya Meat Commission (KMC) is not getting enough animals to slaughter. This being a new venture, now it is incumbent upon the Government, perhaps, through all the leaders from ASALs, to form marketing co-operatives in ASALs, so that we can breed quality animals and sell them to the KMC. That is what we need to do, instead of talking about poverty and claiming that the effects of the economic growth are not trickling down to the ground. That is not true. We need to grow up in terms of our politics, so that we can give guidance. Instead of complaining, we need to give guidance to our people and this country.

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

**Mr. Deputy Speaker:** I do appreciate that the three hon. Members who are standing, that is, Mr. ole Ntimama, Mr. Mwanzia and Mr. Bett have been here for quite sometime. But let Mr. ole Ntimama have the first shot and then, I will move to Mr. Mwanzia and then Mr. Bett, in that order!

**Mr. ole Ntimama:** Thank you very much, Mr. Deputy Speaker, Sir, for giving me this opportunity to make a few observations on the Financial Statement.

Mr. Deputy Speaker, Sir, from the outset, I would like to say that I am happy about the so-called growth of the economy. This growth of the economy by 6.1 per cent has been so much publicized and celebrated that one would easily say that it could be propaganda. What is on paper is not the reality on the ground. What is on the ground is totally incompatible with the 6.1 per cent growth of the economy.

In fact, the Government has agreed in a report it published recently, that 16.5 million citizens of this country live below the poverty line. They are living on less than a Dollar per day. It cannot be thoroughly compatible. The poverty level in this country has been rising everyday, month and year. We have not been able to fight poverty in this country.

Mr. Deputy Speaker, Sir, if you look at the human economic pyramid, you will see that the apex represents a very small percentage of people who enjoy economic growth. However, the base of the pyramid represents squalor, poverty, hunger and diseases which are still rampant. So, what are we talking about? Nothing has trickled down to those people. Those people in the apex of the pyramid are really enjoying. They have more than they need. Those are the super-rich people in this country and most of their riches are ill-gotten. Most of the riches have been embezzled from our natural resources. It is true that nothing is trickling down to the ground. It is all being enjoyed up there by a very small percentage of people, but nothing is going down. No bread crumbs are going down from the table of the rich to the poor when millions of "Lazarus's" are suffering and dying of hunger. Their children go to sleep without food. So, that is a myth which is incompatible with the real situation on the ground.

Mr. Deputy Speaker, Sir, many hon. Members have spoken about corruption in this House. It is very true that we cannot develop our economy when corruption is still rampant. I have not, and *wananchi* have not, seen anyone being prosecuted and jailed for embezzling our funds. Sometimes that leads some of us to believe that some of these institutions, like the Kenya Anti-Corruption Commission, or even the Judiciary, are probably abetting and condoning corruption. Otherwise, we would, probably, have seen a change in some of these things. However, we are not. All the cases

are being withdrawn and so forth. *Wananchi* have not seen any seriousness by this Government to control corruption and punish the corrupt.

Mr. Deputy Speaker, Sir, it is very true that even the money which is said to be stashed outside this country--- We have heard many times from the Front-Bench here that the money will be returned and that we have employed so-and-so, and we think that the money is coming. Where is the money in billions of shillings starting with the Goldenberg to the Anglo Leasing scandals? Where is the money? Not a cent has been returned. Some of those billions could have gone to develop our infrastructure in this country, for example roads, improve our educational system and do many other things. It is a fact that we are being taken around. But I believe, and know that *wananchi* are seeing some of these things. Very soon, they will interpret what they are seeing and take action. The most appropriate action is to throw out this Government, which is not telling us the truth about some things, and especially corruption. This country will never develop while we still support and condone corruption, as we are doing now.

Mr. Deputy Speaker, Sir, all I see these days are people who are not humble. Some of the big people here in the Front Bench are not humble at all. In most cases, what we see is just a bossy brigade that comes out from their pulpit of arrogance and impunity which they preach to us when they should actually be humble. It is a very bossy brigade that goes out to preach arrogance and impunity when they should actually demonstrate humility.

Mr. Deputy Speaker, Sir, on this question of teachers, let me say very frankly that some of our regions, for sure, have been marginalised since Independence. I do not want to talk about the colonial times. It is a pity that our real Government has marginalised some of our groups. In this teacher situation, for example, Narok District, today is short of 1,600 teachers. These are the people who need to be helped. These are the people who the colonialists did not build schools for. These are the people who need more teachers to be employed for them. The other day, I was shocked to hear the Minister for Education saying that Narok District performed so badly. How do we perform well when we have no teachers and when the inspectors cannot reach the schools because the infrastructure is pathetic? Some of our regions are used to being excluded from the distribution and allocation of national resources. It is unfair. This inequality is turning into inequity because we are ever not being given the right thing. The other day, I saw in the Budget something very interesting, that the Minister for Finance has put aside some funds to develop infrastructure in the Mara Game Reserve. Well, why did they have to delay the development of that infrastructure for the last five years when they know very well that it is the tourism industry that has spurred the economic growth they are talking about here?

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

**Mr. Mwanzia:** Thank you very much, Mr. Deputy Speaker, Sir, for giving me this chance to contribute to the Budget Speech by the hon. Minister for Finance.

Mr. Deputy Speaker, Sir, first of all, I want to congratulate the Minister for articulating the Government's financial policies and expenditure in this Budget. I think this is one of the best Budget Speeches I have ever heard. There is no point of criticising something for the sake of politics. I have read it thoroughly and it actually articulated issues which are affecting the common *mwananchi*. I urge the Minister to implement all that he has promised Kenyans.

Mr. Deputy Speaker, Sir, I also want to thank the Minister for trying to make sure that the Budget is actually domestically financed through raising capital from the local market and not relying very much on external funding. In the past, we know relying very much on external funding has caused a lot of problems.

Mr. Deputy Speaker, Sir, I also want to thank the Minister for the taxation policies which he is trying to bring forward, and especially for not increasing taxation on foodstuffs and other essential commodities. This has been actually the culprit in the last few Budgets. I would have



liked to see the Minister more or less remove VAT on essential commodities like maize meal, sugar and others, and transfer that tax to other taxable bases. I think it has been a good Budget so far.

I now want to dwell on some policies, especially that on rural electrification. I want to thank the Government. For the last two years, it has put in place very good rural electrification policies, whereby it has tried to install electricity in rural areas, shopping centres, secondary schools, boreholes and other public facilities. However, there has been a very big problem with rural electrification.

Mr. Deputy Speaker, Sir, the Government has provided about Kshs8 billion for rural electrification. It has given out so many contracts out there. So many people have paid money for connection, especially through what we are calling "Customer Creation Programme". Contracts have been awarded for the last three or four years, but they are still pending. People out there are still waiting for electricity infrastructure to be put in place, so that connection can be done.

*(Loud consultations)*

**Mr. Lesrima:** On a point of order, Mr. Deputy Speaker, Sir. Hon. Members on the Government side are consulting rather too loudly, especially the Ministers.

**Mr. Deputy Speaker:** Hon. Members on the Government Front Bench, please, consult in lower tones. Let us hear the hon. Member on the Floor.

**Mr. Mwanzia:** Thank you, Mr. Lesrima and Mr. Deputy Speaker, Sir.

I was on the Rural Electrification Programme. I am saying that there is a lot of money lying idle with the Kenya Power and Lighting Company. The company has not implemented the project they have collected money from the people for. We are requesting that the Government, and especially the Ministry of Energy, to push the Kenya Power and Lighting Company, so that we can get connected to electricity. Especially, in my constituency, there are over 25 Customer Creation Projects; we have paid money through the Constituencies Development Fund (CDF). People have paid money but they have not been connected to electricity.

I appreciate the expansion of the Rural Electrification Programme and provision of electricity by the Government. However, I am concerned that the Government is connecting so many people to electricity without increasing the level of production of electricity. In future, we may have shortage of electricity, because we tend to be relying too much on hydro-electricity. I appreciate that the Government has tried to diversify to thermal electricity production. I also commend the Government for encouraging more private investors. I foresee a situation in future where we may have a problem of electricity, because of high consumption of the commodity.

Mr. Deputy Speaker, Sir, another thing I want to talk about is water. The Minister has allocated a lot of money for water. However, if you look at the way this money has been allocated, you will realise that it is very inequitable. There are semi-arid areas like Eastern Province, parts of Coast Province and the North Eastern Province, which have been allocated very little money for water development. There are two ways of getting water. There might be sinking of boreholes.

I commend the Government for having put a lot of effort in sinking boreholes. However, many of the boreholes that have been sunk are yielding very little water, which cannot be used for any meaningful purposes. The Government has sunk so many boreholes in my area. However, very many boreholes have been sunk in the South-Eastern part of Eastern Province, which are yielding very little. A lot of money has been wasted. We are asking the Government to divert most of this money to dam construction, which can hold more water, which can be used for food production through irrigation.

Mr. Deputy Speaker, Sir, we are having a lot of problems with the utilisation of the Local

Authorities Transfer Fund (LATF). I would request the Government to monitor these funds. The funds are not trickling down to the people they are meant to assist. If you go to local authorities, you will see nothing that they have done with these funds. If this money could be incorporated into the Constituencies Development Fund (CDF), it would be better utilised than where it is now.

I also want to talk about the Nairobi Stock Exchange (NSE). The NSE has been like an animal which has been talked about here and there. We need to encourage the NSE to grow. We need to encourage people to invest in the NSE, so that money can be released to the market for capital development, and so that people can borrow and finance our internal industries through local accumulation of funds. I think this is a good thing, which we should do.

Mr. Deputy Speaker, Sir, another thing I would like to say and commend the Government is on the Youth Enterprise Development Fund and the Women Enterprise Development Fund. These are very good funds which have been started by the Government. We have learnt from the Youth Enterprise Development Fund, that the method which was used for distribution of this fund leaves a lot to be desired, especially in my constituency. We did not know how this money was distributed because we were not involved. We also did not know the groups which were selected, and it has brought a lot of problems, especially with politicians and their administrators.

I would like to urge the Government to involve politicians in the implementation of the youth programme. We know who they are and we know those who need the money most. Even with regard to women groups, politicians should be involved in the identification of which among the groups is doing very good work economically, to empower themselves.

Mr. Deputy Speaker, Sir, I have read in the Speech the Minister saying that these programmes are supposed to empower the youth and women. I am now wondering why there is discrimination. Why can the Government also not start a fund for men so that men can also be empowered? There are so many men who have no capital and who are in the rural areas. They also need to be empowered so that they can get funds for development.

With those few remarks, I beg to support.

**Mr. Bett:** Thank you very much, Mr. Deputy Speaker, Sir, for giving me an opportunity to also express my views on the Budget. A budget is a tool to be used in the management of resources by any person, including the Government.

Mr. Deputy Speaker, Sir, allow me to quote from a document titled: "Readings on Inequality in Kenya", distributed by the Society for International Development. It states:-

"Apparently, one cannot totally rule out some political consideration or influence in resource allocations. Given this, it is difficult to disentangle bureaucratic manipulation from political patronage, since the two are closely related. The main casual factors to inequality in Kenya is poverty, scarcity of resources and a weak budgetary system that has characterized past budgeting and planning processes, whereby those responsible for budgeting and planning have had no mechanism to punish line Ministries not adhering to set principles or priorities. It is also the case that there are no provisions for one to force Ministries to select which region to allocate resources more than the others, for this is done according to Ministry's priority and budget considerations".

Mr. Deputy Speaker, Sir, look at this Budget. It is saying that the revenue is Kshs503 billion while the expenditure is Kshs693 billion. There is a clear deficit of Kshs190 billion. That deficit is intended to be covered using privatisation receipts and loans. In other words, selling assets that we have today, in order to get money to finance a budget. To me, that is bad management of resources because you are selling your capital to finance a recurrent expenditure. That time when there will be no more assets to be sold, what will happen to our budgetary process? We will resort to what we have always said, that we do not want to go for donor funding.

Mr. Deputy Speaker, Sir, the Budget is also supposed to be blind to political manipulations, yet when you look at this Budget, there is a lot of political manipulation in it. A budget that goes that way will, indeed, deny resources to a section of the country or to a section of people who may not have voted for that Government. This is, indeed, one item that we must fight in this country.

Where is the trickle down effect of this 6.1 per cent growth? The trickle down effect is the rise in the cost of various commodities that are used by the poor people of this country. You find that the transport costs have gone up; you find the price of sugar has gone up, the price of kerosene has gone up. It cannot be appreciated at all by the people in the villages that the economy has grown by 6.1 per cent. One needs to ask himself, what does the person in Korogocho think about this 6.1 per cent? What does the person in Ijara think about the 6.1 per cent? How about the person in Othaya? What does he think about 6.1 per cent? How about a person in my own village of Cheborgey? What does he think about 6.1 per cent? The answer is one; that is merely a story in the urban centres, and mainly Nairobi. The trickle down effect is not felt by the people in the field.

Mr. Deputy Speaker, Sir, the other area which I want to stress is funding of Ministries that are providing employment, Ministries that are providing food in this country. You cannot allocate 10 per cent of your Budget to the Ministry of state for Defence when there is no war, or sign of war in this country, yet you deny the Ministry of Agriculture, which contributes 24 per cent of your GDP, funding; it provides 80 per cent of your employment; it employs the youth, and there would be no *Mungiki* if we funded this particular Ministry.

You find that we are allocating only 4 per cent to the Ministry of Agriculture, yet we went to Mozambique and signed the Mozambique Declaration that the Ministry of Agriculture in any country must not be allocated less than 10 per cent. But we are allocating less than 10 per cent, and we still expect our youth to be employed. We are allocating more money to the Office of the President, yet the *Mungiki* menace is even taking away what we thought we were going to get in this country. We need to be able to have priorities and set our minds on things that work.

Mr. Deputy Speaker, Sir, we are not also careful on mitigation in the agricultural sector. We are talking of drought, we are talking of floods destroying our crops and all that, yet there is no time we are sitting down, as a country, and asking: How do we, for a long time to come, mitigate issues of drought? How do we, for a long time, mitigate issues of floods? Every year, we have the people of Budalang'i, we have the people Kano Plains suffering from floods, and we have never, as a country, developed a policy on how to mitigate or control such floods, and benefit from such water for irrigation purposes. We only talk when there is a problem of drought and assign money to be misused by Government servants, and all other persons who would want to misuse such money. I would want the Government to be serious on the management of drought and floods. We have in other countries examples and lessons that we can learn from in order to control drought consequences and floods, and benefit from such floods.

Mr. Deputy Speaker, Sir, I see my time is running out, but I want to say that we need, at every time when we are thinking of these Ministries of Agriculture, the Ministry of Livestock and Fisheries Development, Environment and Natural Resources, Lands and Water and Irrigation--- Those are the Ministries which will contribute to the employment pool and reduce unemployment in this country. They will provide for the welfare of our people. We need to address those as opposed to addressing the Ministry of State for Defence, the Office of the President or any other Ministry that may not need such funding. The Ministry of Health requires to be given more funds. The HIV/AIDS pandemic needs to be addressed right from the source of it to the end.

**Mr. Deputy Speaker:** Mr. Bett, have you concluded?

**Mr. Bett:** I have not concluded.

**Mr. Deputy Speaker:** Very well; you will have three minutes tomorrow.

**ADJOURNMENT**

**Mr. Deputy Speaker:** Hon. Members, it is now time to interrupt the business of today. The House stands adjourned until tomorrow, 27th of June, 2007 at 9.00 a.m.

The House rose at 6.30 a.m.