

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 17<sup>th</sup> June, 2009

The House Met at 9.00 a.m.

*[The Temporary Deputy Speaker  
(Prof. Kamar) in the Chair]*

PRAYERS

PAPER LAID

The following Paper was laid on the Table:-

The Report of the Public Accounts Committee on the Government of Kenya Accounts for the year 2005/2006.

*(By Dr. Khalwale)*

NOTICES OF MOTIONS

ADOPTION OF 2005/2006 PAC REPORT

**Dr. Khalwale:** Madam Temporary Deputy Speaker, I beg to give notice of the following Motion:-

THAT, this House adopts the Report of the Public Accounts Committee on the Government of Kenya Accounts for the year 2005/2006 laid on the Table of the House today, 17<sup>th</sup> June, 2009.

ESTABLISHMENT OF DROUGHT MANAGEMENT AUTHORITY

**Mr. Chachu:** Madam Temporary Deputy Speaker, I beg to give notice of the following Motion to the Ministry of Development of Northern Kenya and other Arid Lands:-

THAT, aware that northern Kenya and other arid lands face perennial drought of a cyclic nature; mindful that this occasions severe negative economic, social and environmental effects; noting that currently responses to drought are reactive due to lack of proactive measures; concerned that the country lacks a legal framework designed to mitigate these problems; this House urges the Government to establish a Drought Management Authority responsible for drought preparedness and response, including forecasting, impact assessment and management policy, drought preparedness and mitigation.

## ORAL ANSWERS TO QUESTIONS

*Question No.204*

## DETENTION OF MILK DELIVERY LORRIES IN GITHUNGURI

**The Temporary Deputy Speaker** (Prof. Kamar): Is Mr. Baiya not here? Let us move on to the next Question.

*Question No.006*

## RETIREMENT BENEFITS FOR MR. LEKULA LESUDO

**Mr. Lekuton** asked the Minister of State for Provincial Administration and Internal Security:-

(a) why Mr. Lekula Lesudo (P/No.180239) has not received his retirement benefits since he retired on 19<sup>th</sup> February, 1980; and,

(b) when the payment will be made.

**The Temporary Deputy Speaker** (Prof. Kamar): Minister of State for Provincial Administration?

**The Assistant Minister, Ministry of State for Provincial Administration and Internal Security** (Mr. Ojode): Madam Temporary Deputy Speaker, the Assistant Minister for Provincial Administration, Mr. Lesrima is on the way. I would request that we wait for him to come and answer this Question.

**The Temporary Deputy Speaker** (Prof. Kamar): We will come back to that Question. Next Question, Dr. Otichilo.

*Question No.013*

## COMPLETION OF LUANDA TOWN BUS PARK

**Dr. Otichilo** asked the Deputy Prime Minister and Minister for Local Government:-

(a) when he will complete the construction of Luanda Town bus park which was initiated by the Government; and,

(b) if he could assure the House that he has allocated money for the completion of the bus park during the 2009/2010 financial year and that he will order the demolition of the illegal stalls opposite the bus park.

**The Temporary Deputy Speaker** (Prof. Kamar): Deputy Prime Minister and Minister for Local Government? We will come back to this Question later

Next Question, Mr. Kiuna.

*Question No.132*ENFORCEMENT OF MARKETING STANDARDS  
FOR AGRICULTURAL PRODUCE

**Mr. Kiuna** asked the Deputy Prime Minister and Minister for Local Government what steps the Ministry is taking to enforce the marketing standards for agricultural produce, particularly packaging regulations of 2005 in all council markets with regard to potatoes.

**The Temporary Deputy Speaker** (Prof. Kamar): It touches on the same Minister. Let us move on to Question No.064.

*Question No.064*

CONSTRUCTION OF EMBOMOS-KURESOI ROAD

**The Temporary Deputy Speaker** (Prof. Kamar): Is Dr. Kones not here. Let us move on to the next Question.

*Question No.223*

UNDERSTAFFING IN MAJI MAZURI SCHOOLS IN KOIBATEK

**The Temporary Deputy Speaker** (Prof. Kamar): Is Mr. Lessonet not here? Let us move back to Question 204.

**Mr. Baiya:** Madam Temporary Deputy Speaker, before I ask my Question, I would like to apologise for being late.

*Question No.204*

DETENTION OF MILK DELIVERY LORRIES IN GITHUNGURI

**Mr. Baiya** asked the Minister of State for Provincial Administration and Internal Security:-

(a) under which circumstances police arrested and detained motor vehicles which were delivering fresh milk to the factory in Githunguri on 21<sup>st</sup> May, 2009; and,

(b) what action he will take to compensate the Githunguri milk farmers for the loss and ensure that such incidents are avoided in future.

**The Assistant Minister, Ministry of State for Provincial Administration and Internal Security** (Mr. Ojode): Madam Temporary Deputy Speaker, I beg to respond.

(a) On 21<sup>st</sup> May, 2009, police officers at Githunguri Police Station area were conducting a crackdown on motor vehicles suspected to be unroadworthy in contravention of the provisions of the Traffic Act. The crackdown, was led by gazzeted motor vehicle inspectors. During the crackdown several motor vehicles were briefly detained and inspected, amongst them the following motor vehicles: KAU 192P – Mitsubishi lorry driven by Joseph Kimani; KAU 193P – Mitsubishi lorry driven by Samson Njoroge.

(b) The motor vehicles were inspected on the spot after the owners refused police escort to deliver the milk before inspection. They were both found defective. The reports of the inspection

were as follows: KAU 192P was found to be unroadworthy vide certificate of examination test of vehicles No.VT 14788 dated 21<sup>st</sup> May, 2009. A copy is here for ease of reference.

*(Mr. Ojode laid the document on the Table)*

The driver, Mr. Joseph Kimani was released by the police on a cash bail of Kshs3, 000 to appear in court on 25<sup>th</sup> May, 2009. He was charged with the offence of driving an un-roadworthy motor vehicle on a public road contrary to Section 55(1) as read with Section 58(1) of the Traffic Act, Cap 403, Laws of Kenya. The case is coming up for hearing on 17<sup>th</sup> June, 2009 before the Senior Resident Magistrate's Court in Githunguri. The owner of the lorry, Mr. Evans Mwangi was also charged equally with the offence of permitting an un-roadworthy motor vehicle on a public road, contrary to Section 55(1) as read with Section 58(1) of the Traffic Act, Cap 403 Laws of Kenya. The police released him on a cash bail of Kshs8, 000.

Motor vehicle registration number KAU 193P was found defective vide Inspection Certificate No.VT14787 dated 21<sup>st</sup> May, 2009. The Report is also hereby tabled for ease of reference by my colleague.

*(Mr. Ojode laid the document on the Table)*

Madam Temporary Deputy Speaker, the driver was released on a cash bail of Kshs3, 000 to appear in court on 25<sup>th</sup> May, 2009 on a charge of driving a defective motor vehicle on a public road, contrary to Section 55(1) as read with Section 58(1) of the Traffic Act, Cap 403 Laws of Kenya. The owner of the motor vehicle, Mr. Evans Mwangi was equally charged with the offence of permitting a defective motor vehicle on a public road, contrary to Section 51(1) as read with Section 58(1). He was also released on a cash bail of Kshs8, 000 by the police.

All the cases are coming up for hearing on the 17<sup>th</sup> June, 2009 before the Senior Resident Magistrate Court, Githunguri. Both vehicles were released immediately after inspection, to deliver the milk.

(b) There are no plans at all to compensate the farmers. The lorries in question were only held for a period of inspection which was not more than one hour and then released. Their cases are pending before court.

No report of spoilt milk has been brought to the attention of the concerned authorities. If the milk indeed got spoilt, which is denied, then the drivers of the said lorries are to blame wholly as they rejected the offer by the police officers to have the milk delivered first to the Githunguri Plant before inspection could be carried out.

Thank you.

**Mr. Baiya:** Madam Temporary Deputy Speaker, Sir, I wish to thank the Assistant Minister for the effort to answer this Question. However, he has given a wrong answer to evade the issue at hand. The vehicles in question belong to the Githunguri Dairy Farmers Cooperative Society. They were collecting and delivering milk to the Plant. The police arrested the first vehicle at 6.00 a.m. and it was released at 11.00 a.m. on my personal intervention.

Is it in order for the Assistant Minister to mislead this House that the police were doing this in pursuit of the law when they arrested and detained vehicles carrying fresh perishable produce? They also refused to release them until I intervened.

Madam Temporary Deputy Speaker, the charges were trumped up. The Assistant Minister does not have the information that one of the vehicles that had been arrested; a

Mitsubishi registration number KBA 339G was released promptly by the courts because the charges were trumped up.

**Mr. Ojode:** Madam Temporary Deputy Speaker, I totally disagree with the hon. Member. When the crackdown on un-roadworthy vehicles was being done by the police, the police officers requested the drivers to be escorted all the way to the Plant but they declined. That is the report I got. After refusing, the police officers insisted that they had to check those vehicles. That is why I have tabled the charge sheet for the Questioner to go through. That is what happened.

Madam Temporary Deputy Speaker, when the drivers refused to be escorted to the Plant, the police officer could not do anything but to inspect the vehicles and charge them for using un-roadworthy vehicles. If, in any case there is---

**Mr. Baiya:** On a point of order, Madam Temporary Deputy Speaker. I have just explained to the Assistant Minister that I personally went there and asked the police officers why they were detaining vehicles that were carrying milk. The senior managers of the cooperative were also there pleading with the police to release the vehicles.

Is it in order for the Assistant Minister to insist that the drivers refused, when their seniors were also there and they eventually escorted the milk?

**Mr. Ojode:** Madam Temporary Deputy Speaker, the Questioner is a lawmaker in this House. You cannot go to police officers and ask them to release un-roadworthy vehicles simply because you are a lawmaker. In fact, he is the one who should have insisted that these vehicles were un-roadworthy and should be taken for inspection and the drivers charged. Is he in order?

*(Applause)*

**Dr. Eseli:** Madam Temporary Deputy Speaker, we all know that when the traffic police go on the rampage, even a brand new vehicle from the showroom will be found defective. Could the Assistant Minister explain if indeed it is right that---

**The Assistant Minister for Foreign Affairs (Mr. Onyonka):** On a point of order, Madam Temporary Deputy Speaker. Is it in order for the hon. Member to say that our police officers go on the rampage? I think that is unparliamentary language.

**Dr. Eseli:** Madam Temporary Deputy Speaker, I do not believe the word "rampage" is unparliamentary language. I can even give you further information that they indeed go on the rampage. In case the Assistant Minister is not aware that they go on the rampage, let him stop being an Assistant Minister. He will find out what "rampage" means from the police.

**The Temporary Deputy Speaker (Prof. Kamar):** Dr. Eseli, I do not want to find you out of order! Can you ask your question?

**The Assistant Minister Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Nguyai):** On a point of order, Madam Temporary Deputy Speaker. Is it in order for the hon. Member to universally accuse all police officers by saying that, "we all know when they go on rampage"? Could he withdraw and apologise?

**Mr. Ethuro:** On a point of order, Madam Temporary Deputy Speaker.

**The Temporary Deputy Speaker (Prof. Kamar):** You are out of order! He is responding to a point of order.

Dr. Eseli, please, continue!

**Dr. Eseli:** Madam Temporary Deputy Speaker, I think the Assistant Minister is taking this issue out of context. I am sure he has experienced the rampage I am talking about.

The Questioner has asked about a specific vehicle that belongs to the cooperative society. The Assistant Minister has not given the answer. He has gone on to give us answers on two vehicles registration No. KAU and not KAB that the Questioner asked about.

**Mr. Ojode:** First of all, I would want to correct the notion that police officers go on rampage. The law requires the police to do a crackdown on un-roadworthy vehicles---

**The Temporary Deputy Speaker** (Prof. Kamar): Mr. Assistant Minister, there is a clarification on another vehicle, can you clarify that?

**Mr. Ojode:** Madam Temporary Deputy Speaker, I am coming to that. The fact that a vehicle has a new registration number does not necessarily mean that it is not defective. So do not look at the registration number. The fact that a vehicle has got a new registration number plate does not mean that it is not defective. There are many vehicles with new registration which are defective.

*(Loud consultations)*

Madam Temporary Deputy Speaker, could you protect me from the hon. Members so that I can reply to this question?

**The Temporary Deputy Speaker** (Prof. Kamar): Let him answer that question first.

**Mr. Ojode:** Madam Temporary Deputy Speaker, the fact that the vehicle has a new registration number plate does not necessarily mean that it cannot be defective.

**Mr. Kathuri:** On a point of order, Madam Temporary Deputy Speaker. Is the Assistant Minister aware that what he is telling us is inconsistent because, for a vehicle to be registered, it must be inspected? The vehicle has a warranty. Is he in order to tell us that a vehicle can be registered today and become defective tomorrow?

**Mr. Ojode:** Madam Temporary Deputy Speaker, I have said that the fact that you have a new registration number plate does not necessarily mean that the vehicle cannot be defective. The hon. Member knows that there are second-hand vehicles which are being imported into this country.

**Mr. Baiya:** Madam Temporary Deputy Speaker, the Assistant Minister has failed to explain or give an account of how this vehicle, KBA 339, was released on trumped up charges. He has failed to give any explanation. That is the first point. Secondly, is it not law in this country that a vehicle carrying perishable goods should not actually be arrested until the products have been delivered effectively?

**Mr. Ojode:** Madam Temporary Deputy Speaker, we offered to escort those vehicles because of what they were carrying but the driver declined. Under those circumstances, my officers had to carry on with their work. I also laid on the Table the charge sheet. I will request the hon. Member to go through the charges and if there is any---

**The Temporary Deputy Speaker** (Prof. Kamar): Thank you, Mr. Assistant Minister. Hon. Member, if there is any reason that makes you doubt that they should not have been escorted, you will present that issue another time.

Next Question!

*Question No.006*

RETIREMENT BENEFITS OF MR. LEKULA LESUDO

**Mr. Lekuton** asked the Minister of State for Provincial Administration and Internal Security:-

(a) why Mr. Lekula Lesudo (P/No.180239) has not received his retirement benefits since he retired on 19<sup>th</sup> February, 1980; and,

(b) when the payment will be made.

**The Assistant Minister, Ministry of State for Provincial Administration and Internal Security** (Mr. Lesrima): Madam Temporary Deputy Speaker, I beg to reply.

(a) The Ministry is not able to trace Mr. Lekula's file to establish why he has not been paid retirement benefits since he retired in February 1980.

(b) Immediately the missing documents are found, we will use them to open a temporary file to enable us process the payment. In order to expedite the payments, we require the following documents; a copy of his identity card, a copy of his appointment letter, DP 24 revised, a copy of his confirmation letter, latest payslips which shows his last salary, computation pension option form to show bank particulars, various payslips - at least five, WCPS pension scheme recoveries, promotion/upgrading letters, if any, and Income Tax clearance certificate. A letter has already been sent to the Provincial Commissioner, Eastern Province, requesting for provisional file to facilitate the process as a matter of urgency.

**Mr. Lekuton:** Madam Temporary Deputy Speaker, the issue of Mr. Lekula who has not been paid his pension for the last 29 years is a sad affair to our country. The Assistant Minister is asking me to provide information which the Government should have. How do you expect an old man who is over 70 years old to have all those documents which should be in the files of the Government of Kenya? They are turning the responsibility to the common man instead of helping him. I am asking the Assistant Minister a very simple question: What happened to the documents of Mr. Lesudo when he was supposed to be the custodian of those documents?

**Mr. Lesrima:** Madam Temporary Deputy Speaker, the payment of pension is done by the Treasury. The Ministries simply forward the documents as requested. I am assuming, at this moment, the documents were never forwarded to the Treasury. The documents I have are from---

**Mr. Imanyara:** On a point of Order, Madam Temporary Deputy Speaker. Is it in order that an Assistant Minister should stand while answering a Question and say that he is assuming when he is supposed to establish facts before answering the question?

**Mr. Lesrima:** Madam Temporary Deputy Speaker, ideally, this Question belongs to the Treasury and I have no problem in referring it there so that we start from there rather than from the Ministry.

**Mr. Mbadi:** Madam Temporary Deputy Speaker, the Assistant Minister talked about the file having been destroyed. How sure is he that the documents he is referring to were not forwarded by this person?

**Mr. Lesrima:** Madam Temporary Deputy Speaker, the question was not very clear.

**Mr. Mbadi:** Madam Temporary Deputy Speaker, my understanding is that when you forward documents to the Ministry, they should be kept in your personal file. If the file has been destroyed, how sure is the Assistant Minister that the individual concerned did not forward the documents to the Ministry before the file was destroyed?

**Mr. Lesrima:** Madam Temporary Deputy Speaker, I have a letter from the Provincial Commissioner saying that the file was destroyed. I do not understand under what circumstances a file which was supposed to be kept until the person is paid pension was destroyed more than 15 years late. I am not able to explain that fact. I am requesting for copies of the documents, if the

hon. Member can get them from my brother- in-law, so that I can create a new file, forward it to the Treasury and request them to pay the pension.

**The Temporary Deputy Speaker** (Prof. Kamar): Mr. Lekuton that is a fair request. Could you ask your last question?

**Mr. Lekuton:** Madam Temporary Deputy Speaker, we cannot take such issues very lightly because this man is going blind and he has no penny in his account. The Assistant Minister has asked me to provide all these information. However, I will request the Chair to defer this Question and if it is okay, the matter be referred to the Ministry of Finance.

**Mr. Lesrima:** Madam Temporary Deputy Speaker, 29 years ago is a long time. It is extremely unlikely that the Treasury as it is constituted today has the capacity to recreate the file. We want to help this person get his pension. He has already assisted me with part of the information. I am requesting that if he has more information, that he supplies it to me. If he does not have more information, we will forward whatever I have and try to pursue the Treasury, the Pension Department, to pay.

**Mr. Koech:** On a point of order, Madam Temporary Deputy Speaker. Twenty nine years is a long time ago. I have listened to the Assistant Minister. He expects the hon. Member to provide him with information yet he has the DCs', chief and the assistant chiefs whom he should be using to get all the information that he needs.

**Mr. Lesrima:** Madam Temporary Deputy Speaker, a number of DCs' who were working in 1980s are probably not alive. Let us be very practical. Let us just have the information. If he does not have the information, I will use the information he has already give me to try and persuade the Treasury to pay.

**The Temporary Deputy Speaker** (Prof. Kamar): Hon. Members, I think what the hon. Assistant Minister is asking for is fair. Let us see if this issue can be resolved. I would like to direct the hon. Member who asked the Question to provide the information that he has. Surely, the identity card for that person must be somewhere. This issue should be resolved.

**Mr. Lekuton:** Madam Temporary Deputy Speaker, they have the identity card of this gentleman. That should be all the information that they need.

**The Assistant Minister, Ministry of State for Defence** (Mr. Musila): On a point of information, Madam Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Prof. Kamar): Do you want to inform the Assistant Minister?

**The Assistant Minister, Ministry of State for Defence** (Mr. Musila): Madam Temporary Deputy Speaker, I would like to inform my friend, the Assistant Minister, that if the Government employed this man, who retired 29 years ago and destroyed his file, it is incumbent upon it to ensure that he is paid his retirement benefits. The onus to pay the retirement benefits is not on the former employee but on the Government.

*(Applause)*

**Mr. Lesrima:** Madam Temporary Deputy Speaker, I take that point of information from my former Provincial Commissioner, Mr. Musila and, indeed, the man who modified the pension law to enable civil servants to receive their pension as they leave office.

I hope that the proceedings of this House will be utilised, respected and honoured by the Treasury as evidence necessary to pay pension to Mr. Lekula who retired 29 years ago.

An hon. Member: On a point of order, Madam Temporary Deputy Speaker.



**The Temporary Deputy Speaker** (Prof. Kamar): Hon. Members, we cannot take any more points of order on that Question. I would like to inform hon. Members that we spent ten minutes calling out Questions and there was no Questioner to ask or Minister to answer them. As you are aware, this is the Second Allotted Day for the Committee of Ways and Means. We are just ten seconds to the beginning of Order No.8. So, please come on time next time! I will, therefore, defer all the remaining Questions and Ministerial Statements for the same purpose.

Let us move on to Order No.8!

*Question No.013*

COMPLETION OF LUANDA TOWN BUS PARK

*(Question deferred)*

*Question No.132*

ENFORCEMENT OF MARKETING STANDARDS  
FOR AGRICULTURAL PRODUCE

*(Question deferred)*

*Question No.064*

CONSTRUCTION OF EMBOMOS-KURESOI ROAD

*(Question deferred)*

*Question No.223*

UNDERSTAFFING IN MAJI MAZURI  
SCHOOLS IN KOIBATEK

*(Question deferred)*

**COMMITTEE OF WAYS AND MEANS**

*(Order for Committee read)*

**MOTION**

THAT THE SPEAKER DO NOW LEAVE THE CHAIR

*(The Deputy Prime Minister and  
Minister for Finance (Mr. Kenyatta) on 11.6.2009)*

*(Resumption of Debate interrupted on 16.6.2009)*

*(Second Day of Budget Debate)*

**The Temporary Deputy Speaker** (Prof. Kamar): Yes, Mr. Lessonet!

**Mr. Lessonet:** Thank you, Madam Temporary Deputy Speaker, for giving me this opportunity to contribute to the Budget Speech. I take this opportunity to congratulate the Deputy Prime Minister and Minister for Finance for the Budget he read to us last Thursday. This is the kind of Budget Kenyans have been looking forward to, since Independence. The Deputy Prime Minister has succeeded to devolve resources or send funds down to the constituencies. He also appreciated the fact that the centre of interest in these funds at the moment is the constituency, against over 259 districts, most of which we might not associate ourselves with as Members of Parliament.

Madam Temporary Deputy Speaker, I would like to also take this opportunity to highlight sections of that Budget which I think are of interest to Kenyans. The Deputy Prime Minister and Minister for Finance allocated Kshs30 million to every constituency towards the development of a centre of excellence in terms of a secondary school. It is true that, that money will assist us to improve on education in our constituencies. This money will enable every constituency to have an Alliance High School, a Lenana School or a Kenya High School of its own.

I would like to also take this opportunity to advise my colleagues who are here that when they invest the Kshs30 million in a school, they should pay attention to where they will build the school. I think it will not make sense to build a Kshs30 million school on a two-acre, five-acre or even a 15-acre piece of land. I hope hon. Members will build such a school on a minimum of a 50-acre piece of land, so that they can avail all the facilities to their constituents. If this is done, hon. Members will avail rugby, hockey and football pitches. They will also avail a modern swimming pool, so that their students will appreciate the facilities which are provided in the National Schools of Kenya. For example, Nairobi School and Alliance High School have over 100 acres of land each, and that is why they are centres of excellence.

So, hon. Members, make sure that you do not build such institutions on a five-acre or ten-acre piece of land. This is because if you do that you will not achieve the desired objectives in terms of creating centres of excellence.

Madam Temporary Deputy Speaker, the Deputy Prime Minister and Minister for Finance also allocated us Kshs20 million per constituency towards the establishment of a health centre. I applaud him for that, because in one way or the other, he has succeeded to remove the burden of Constituencies Development Fund (CDF) funding of health facilities. At least, each constituency will have a well built and equipped health centre with this amount of money.

The Deputy Prime Minister and Minister for Finance has also made a major leap by allowing us, as Members of Parliament, to control the monies which have been misused most of the time by our engineers. We appreciate that we have the technocrats in the name of road engineers, who have been managing the Kshs17 million meant for repair of roads in our constituencies. I applaud the Deputy Prime Minister and Minister for Finance for allowing those funds to be under the control of Members of Parliament. This is because, most of the time, when the roads are not done well, it is not the engineers who take the blame, but the Members of Parliament. With the funds coming down to us, we shall make sure that the roads in every constituency are properly done. However, there is still a role which, of course, we expect the

engineers to play. As Members of Parliament, we are not experts. I am sure we do not intend to employ engineers in CDF offices. That role will still be played by the road engineers. We expect them to agree with us on the roads to be done and do the bills of quantities. The engineers should also give us the estimated cost for repair of each road. We shall play this role in partnership with the engineers.

Madam Temporary Deputy Speaker, the Deputy Prime Minister and Minister for Finance also allocated Kshs22 billion, which translates to about Kshs105 million for every constituency, to be distributed through the relevant Ministries using the CDF framework. That is something which we still do not understand very clearly. Does he mean that these monies will come through the CDF boards or they will be divided using the ratio which we normally use in the CDF? That is a substantial amount of money and we still do not know how we will access it or use it in our constituencies.

Madam Temporary Deputy Speaker, the Deputy Prime Minister and Minister for Finance increased the CDF allocation from Kshs10 billion to Kshs12 billion. However, I want to indicate to this House that he actually short changed the CDF kitty because, normally, we calculate the monies to the CDF using a ratio of 2.5 per cent of the ordinary revenue. In this year's Budget, the ordinary revenue is Kshs523 billion. When you take 2.5 per cent of it, it requires him to actually give the CDF kitty a sum of Kshs13 billion, but he only allocated it Kshs12 billion. This means that he succeeded, just like in the previous Budget, to allocate less Kshs1 billion to CDF kitty. Of course, I am very sure that he wants to adhere to the law, but we do not want him to continuously break the law. An Act of Parliament requires him to allocate 2.5 per cent of the ordinary revenue to go to the CDF kitty. We, as Members of Parliament, might not complain so much this time, considering that he has removed the burden of building health centres from our shoulders. He has allocated Kshs20 million for construction of health centres. He has also allocated another Kshs30 million for setting up of a centre of excellence in every constituency. We normally use CDF funding for such projects.

In the past, Budgets have been excellently presented in this House. However, there has always been a question of implementation. If we are to look at a post-mortem of the Budget of 2008/2009 Financial Year, we will be surprised because enormous resources were unutilised and they were returned to Treasury. In my own estimate, about Kshs100 billion was unutilised and returned to the Treasury. We may want to know why these funds were returned to Treasury. Kenyans are anxious for development. Kenyans are anxious for roads and electricity projects. Why is it that funds are returned to the Treasury? We want him to ensure that during this financial year, he achieves over 95 per cent utilization of the Budget he read here. Otherwise, if he reads an excellent budget, but one year down the line, we find that the absorption rate of the funds is just 60 per cent to 70 per cent, then we will not really achieve much for this country. We are very optimistic that these funds will actually be devolved and come down to the constituency level.

With those few remarks, I beg to support.

**The Assistant Minister for Livestock Development** (Mr. Duale): Thank you, Madam Temporary Deputy Speaker. I stand here to support the Motion. From the onset, I want to congratulate the Deputy Prime Minister and Minister for Finance, Mr. Kenyatta, and the entire team at the Treasury for giving this country a devolved and people-driven Budget.

Madam Temporary Deputy Speaker, this is a Budget that encourages and stimulates the rural economy of this country. The rural economy is where we find 90 per cent of the Kenyan population. For the first time in the history of this country, we have a Budget that has distributed

resources in an equitable way to every corner of this country. For the first time, we will be able to recruit and post nurses across the country. It is for the first time that the people of Dujis whom I represent here will share the same resources with the people of Othaya, Langata, Mwingi North and other places represented by people in high offices. It is for the first time we are implementing and putting in place the so called devolved resources. The Minister has set the pace. He has become the first Kenyan to think ahead of everybody before the new constitutional dispensation is achieved.

He has shown that Kenyans must be equal and that all belong to this country. He has devolved resources to the constituencies in terms of health, education, infrastructure, livestock, school bursaries and water. It is now for Members of Parliament as leaders of this country to redistribute those resources on an equal footing. I want to tell my colleagues that we should not get excited about the devolved resources at the constituency level. We know about 70 per cent of the Members of the Ninth Parliament did not make it back here specifically because of how they used the CDF resources. Now that these resources have been increased fivefold, I want to urge my colleagues that it is the high time we walked the talk. We should have a technical team above the CDF committee that will make sure that roads we plan to build and the educational infrastructure we plan to put in place are all co-ordinated by the both the Member of Parliament, the CDF Committee and the technical team at the respective Ministries.

I want to say it again that for the first time he has allocated close to Kshs15 billion to the *Kazi Kwa Vijana* programme. I know that in the 2008/2009 Financial Year, a similar amount was allocated to the same programme. However, my worry is, and the challenge to the Government is: How do we implement that Kshs30 billion allocated to the *Kazi Kwa Vijana* programme? We must have a modality to make sure that the Kshs30 billion allocated to this programme will have an impact on the livelihood of the Kenyan youth. We expect it to have a bearing on the poverty index. He has again, for the first time, realized the importance of the Jua Kali sector. We commend him for that.

I also commend him for allocating Kshs500 million to the Youth Enterprise Development Fund (YEDF) and the Women Enterprise Development Fund (WEDF), respectively.

Madam Temporary Deputy Speaker, I come from a region where 80 per cent to 90 per cent of the people are Muslims. As much as we want to distribute the resources to the youth and women of this country, we must look at the religious and cultural backgrounds. I want to tell the Deputy Prime Minister and Minister for Finance that unless and until we use the Islamic way of banking, in terms of advancing loans to the Muslim youth and women, then less than 2 per cent will be achieved.

For the first time, the Deputy Prime Minister and Minister for Finance has walked the talk and has put in this Budget the road between Garissa, Modogashe and Isiolo where the donor community has spend close to US\$55 million. I am happy that today, the Kenya Government, through the Budget, has confirmed and committed the other bit. We must think in terms of equity; that when we built a road to Eldoret or Othaya and Bondo where the President and the Prime Minister hail from, then you must also build a road to North Horr, Dujis and Wajir North.

Madam Temporary Deputy Speaker, Sir, I want to say that for the first time, the Deputy Prime Minister and Minister for Finance has invested over Kshs3 billion in the irrigation sector in order to increase the food security of this country. We cannot depend on rain water for sustainable agriculture. In order to achieve food security, we must find a way of putting more money in irrigation. I hope that the Minister for Agriculture, Mr. Samoei, will look at some areas like my constituency which has a potential for 20,000 hectares for irrigation farming.

Mr. Kenyatta and his team have done a delicate balancing act in terms of spurring the growth of the economy, but I have two fundamental questions to the Deputy Prime Minister and Minister for Finance; how realistic are his revenue projections? In the next one year, I want to see the realistic aspect of his revenue projections. My biggest worry and the worry of many private sector business people in this country is the long term effect of the Government local borrowing of close to Kshs109 billion. We know the effect of local borrowing. We are talking of inflation and other effects. We must invest in key sectors.

The Deputy Prime Minister and Minister for Finance did not give enough resources to the Ministry of Livestock Development. If you look at the dairy sector, this country produces about 4 billion litres of milk yearly. If you translate that into the price of one litre, it translates to about Kshs160 billion annually. We are shouting, crying and talking about the tourism sector which gives this country about Kshs60 billion. We are talking of Vision 2030 and investment in the livestock sector in this country which controls about 70 per cent of the people in Kenya, living in disease-free zones. The Deputy Prime Minister and Minister for Finance did not show any allocation for that.

Madam Temporary Deputy Speaker, last night on television we saw the Kenya Wildlife Service (KWS) rangers in their choppers, chasing pastoralists and their livestock all the way from Tsavo East National Park to Meru National Park. We must think of the people of Kenya. We must think of the livestock sector. I want to urge the Minister for Forestry and Wildlife and the Director of KWS to look at pastoralists in a more humane way, especially at this time of the drought. We do not want our people to lose their livestock. At this particular period, we want the KWS, the game parks, the Government ranches, the ADC ranches of Galana and that the people of Tana River, North Eastern Province, upper eastern, the pastoral communities of Kajiado and Samburu to be given a chance.

With those few remarks, I beg to support.

**Mr. Mbadi:** Madam Temporary Deputy Speaker, thank you for giving me this opportunity to contribute to this important Motion. Since Thursday last week when the Deputy Prime Minister and Minister for Finance read the 2009/2010 Budget, there have been many reactions, compliments, praises and a few critics. One thing that we have to accept is that no Budget in the world, whether it is organizational or personal, is ever 100 per cent perfect. What is important is acceptability. A Budget that enjoys wider acceptability passes the test of being good.

I want to contribute to this Motion touching on two critical areas. The first is the expenditure side and then I will conclude by touching on the revenue side. The expenditure side is the strong point of this Budget. I know that it would be very easy for people to ask the Deputy Prime Minister and Minister for Finance to try and cut on the Recurrent Expenditure. Theoretically, it is easy but practically it is quite a task. By reducing the proportionate share of the Recurrent Budget as a total of the entire Budget from 74 per cent to around 70 per cent is good enough. We must say that even though the total Budget is standing at an all time high of Kshs867 billion, but by shifting more resources to Development Expenditure, it is focusing more on medium and long term developments, which I think as a country is where we should go.

Madam Temporary Deputy Speaker, a lot has been said about devolving funds. I really do not know whether to praise this because what did we expect? The main political parties in this country in 2007; the Orange Democratic Movement (ODM), the Party of National Unity (PNU) and the ODM (K) had some kind of devolution in their manifestos. I am being told that also NARC (K) but I do not know whether they had a manifesto that had devolution. Maybe the

Secretary of NARC (K) who is seated next to me here will brief me. I am being told that they had proposed to devolve 65 per cent of the resources to the grassroots. The ODM was very ambitious. We had 60 per cent. The PNU and the ODM (K) had proposed 7.5 per cent of the ordinary revenue to be devolved. If we realize devolution of about 6 per cent or 7 per cent, I do not know whether to celebrate that. But it is still a move in the right direction. It is the first time that we are seeing some kind of devolution.

I want to caution my colleagues that it is still too early to celebrate because what has really been devolved? If you look at the total Constituencies Development Fund (CDF) allocation of Kshs12 billion, it is about 2.5 per cent, which is the bare minimum. So, why should we celebrate that? The roads fund that has been rechanneled through CDF is still the same money that we were receiving. The only difference now is that it is going to the CDF account from the National Management Board. Maybe hon. Members will have a bigger role to play in terms of its management but the money is still the same. We used to give priority to the roads that were supposed to be worked on but the only difference is that the engineers were taking us for a ride. This time round, we shall have a way of handling them.

Madam Temporary Deputy Speaker, I want to appreciate that the Minister devolved some funds directly to the constituencies. We have mentioned about the Kshs20 million for health centres and Kshs10 million for building markets. I would appreciate that this is a positive thing. As a country, we must continue to insist on more devolution if we have to realize equitable distribution of resources in this country.

Something pains me when I hear hon. Members say that we need to strengthen the structures of CDF. I really do not know what they mean. The structures are there and if you are flouting them then you have decided to do so but as far as I am concerned, and I am fairly a good Accountant in this country. I know that the structures are in place. We have the Locational Development Committees which are supposed to come up with priority projects. The role of the CDF Committee is just to harmonize.

After all, the person with the authority to incur expenditure (AIE) is not even the hon. Member. He is the District Development Officer (DDO). We have the district accountant who is a compulsory signatory. If these people cannot bring checks and balances, even if you bring someone else, that person will still not bring the checks and balances. So, the Constituencies Development Committee (CDF) has enough checks and balances unless the officers want to collude.

Madam Temporary Deputy Speaker, we have the fund managers and they are people with qualifications in accounts and economics. So, I do not see where the issue of structures lacking is coming from. Again, on the issue of hon. Members appointing cronies and friends to manage the CDF, people must accept that in 2007, I was the most popular person in Gwassu Constituency and that is why I was elected..

*(Applause)*

So, I have more friends in that constituency. If the committee members have to come from the constituency, they must be my friends. You do not expect me to work with my enemy. I will give you an example, ladies and gentlemen. In a neighbouring constituency in the last Parliament, one hon. Member decided to appoint two of his competitors; one as a chairman and the other as secretary to the CDF. He was brought down. There was a court case and that person is not sitting

in this Parliament. So, it is dangerous for you to have people who can sabotage you in the CDF. We are accountable! We have up to 2012 and we will be answerable for our actions.

*(Applause)*

As it stands, I must appoint the people I can work with and people who share the same vision as myself because I am given that mandate. I must have campaigned and convinced my constituents that I understand their aspirations. That is why they elected me. By the way, even the projects, as I mentioned, come from locations and the locational committees were elected, at least, in my case. There was open election and the priorities they forward are what I implement with my committee. So, there is no contradiction. But the only request I will put to the Ministry of Planning, National Development and Vision 2030, and probably the CDF Committee, is to consider some small allowance to the locational development committees to motivate them to be active so that they can also help us in implementing the Budget.

*(Applause)*

I want to move a little fast because my time is running out. On the expenditure, there is something that I want to mention. I know people have talked about the fuel guzzlers for Ministers and Assistant Ministers. Surely, I do not know why in this country anything that goes to our leaders must be criticized. If you ask me, there is nothing completely wrong with Ministers having good cars they can use to access all parts of this country because unless someone wants to import some cars – I am not stating this as a fact but I want the Minister to confirm or deny this rumour because it is gaining momentum that the company that is dealing in Passat had lost business in this country and there is a move to revive it by importing vehicles for the Government officers. That is why even the purchase of the cars has been centralized in the Treasury. When we are devolving, why are we centralizing the purchase of cars? So, I would like the Minister, when he is responding, to categorically deny this fact. I am not stating it as a fact, so do not ask me to substantiate. It is something that is gaining momentum; let the Minister come and clarify.

Madam Temporary Deputy Speaker, I want to talk briefly about the revenue and that is where I have a big concern. From the revenue side, the taxes have not been raised. That is okay. In fact, the Minister should even think of widening the Income Tax bracket so that our people can have more money in their pockets but expecting to get money from external sources at this time which is uncertain is taking a lot of risk. Secondly, I see the Ministry resorting to a lot of domestic borrowing. This is not good for our economy because it is going to crowd out the private sector from accessing credit. This in essence, is going to affect the expansion of the private sector and by extension, will result in low employment creation or job opportunities. I would urge the Minister in future to think of matching our expenditure with mostly, our ordinary revenue. Relying on external funding which is uncertain and dependent on political and economic reforms is taking a lot of risk.

With those few remarks, I beg to support.

**The Assistant Minister, Ministry of State for Defence** (Mr. Musila): Thank you, Madam Temporary Deputy Speaker, for giving me this opportunity. I want also to join my colleagues in congratulating the Deputy Prime Minister and Minister for Finance for what now

appears to be a revolutionary Budget. The Deputy Prime Minister and Minister for Finance touched on many issues and because of shortage of time, I just want to comment on a few.

The first issue is food security. We are nearly 50 years since we got our Independence and we still cannot feed our people. Therefore, I think it was a good move. But I want to remind the Minister that many of his predecessors have stood here and told us that they were going to ensure that the country is self-sufficient in food production but this has not happened as of now. So, I want to urge the Deputy Prime Minister and Minister for Finance to ensure that what he said about this country being sufficient in food production; enough food to feed its citizens would be realized. I think we will measure his performance by the realization of this promise. We are now faced with a serious drought. Some parts of this country have not received rains for the last three years and the people in those areas, particularly in ASAL districts are dependent on handouts from the Government and other well-wishers. This is unacceptable for people to be given food for free because they cannot grow their own, just because the Government has failed in its policies to provide water to the people to grow their food. Therefore, I hail the Minister's suggestion that we are moving from rainfed agriculture to irrigated agriculture. I think this is the way forward.

I want to urge the Minister to ensure that water funds are channelled to store or to develop water storage facilities, particularly in rivers which are dry and there are many in this country. If we can go on storing and conserving water in these areas, even if we fail to get rain for the next five years, we would still be able to grow our food. Therefore, I urge the Minister to ensure that funds are available for water conservation, particularly in ASAL districts.

Madam Temporary Deputy Speaker, the Minister also touched on education and I want to congratulate him for this idea of giving money to constituencies to recruit teachers on temporary basis, awaiting to be recruited permanently by the Teachers Service Commission (TSC). I think this is a wise move because our schools have continued to suffer because of shortage of teachers. I do not for once agree with the Kenya National Union of Teachers (KNUT) when they say that teachers should not be employed on temporary terms. It is a prudent measure to hire these young people while awaiting for their turn to be employed permanently. Therefore, this will go a long way in improving our educational standards.

The information communication technology (ICT) is a very brilliant idea but ASAL schools will be greatly disadvantaged because they have no access to electricity. Therefore, they cannot adequately benefit from the ICT projects.

Madam Temporary Deputy Speaker, the Minister mentioned providing solar panels to schools. That must be accelerated because it has been on the cards for a long time and still, I have not seen a single solar panel in Mwingi District and yet, it is one of the districts that is classified as Arid and Semi-Arid Lands (ASALs). Therefore, if our schools are to benefit from Information Communications Technology (ICT) projects, then we must ensure that all the schools have access to electricity power so that they can have computers.

Also of importance, Madam Temporary Deputy Speaker, is that the Government appears to be putting a lot of emphasis on the development of primary schools. We have put a lot of money in primary education. But we have not put, in the same measure, money in secondary education. Where are all those kids going to end up after they finish Standard VIII? Therefore, I urge the Minister to look at it again and ensure that we put sufficient funds to the development of secondary education so that, all the kids who finish Standard VIII will find places in secondary schools.



Finally on education, Madam Temporary Deputy Speaker, problems affecting the school feeding program need to be addressed. I have talked about food shortages. In many areas, people have no food and the school enrolment is dropping because the children have nothing to eat. In some districts, the school feeding program is going on in some schools but not all. Therefore, I urge the Minister to look for additional funds to supplement the funds that are being used by the World Food Program (WFP) to ensure that all primary school kids are provided with lunch, so that they can learn effectively.

Madam Temporary Deputy Speaker, I also want to applaud the Minister for providing funds to employ nurses to work in the health institutions in the constituencies. For the last few years, constituencies, through Constituencies Development Fund (CDF), have developed many dispensaries. They have completed and furnished them but they have remained idle due to lack of staff. I am happy because in my constituency, Mwingi South, I have no less than 15 such institutions. They were funded by CDF - which is Government money. They were completed and furnished, but they have been unable to function. Now, through the Minister's action of hiring nurses, I am sure my people are going to benefit from his initiative and I thank him.

Madam Temporary Deputy Speaker, the Minister talked about a very important issue of exempting duty for investors in the exploration of oil, gas and geothermal power. But the Minister missed a very important point. He did not mention anything about coal exploration, which is in plenty in my Mwingi South Constituency. It is high time he did that. I hope he will note that when he comes to respond tomorrow. We would like to hear him tell us why the Government is ignoring that important mineral called coal, which is far much cheaper than oil in generating electricity. We would like to see the Minister giving incentives to investors who wish to invest in coal, so that it can be mined in large quantities to generate electricity. That will go a long way in improving the living standards of my people. It is the only mineral that is found there. The Ministry of Energy has been dilly-dallying in the area, saying that it is investigating for the last ten years. So, I think it is high time the Deputy Prime Minister and Minister for Finance took action.

Madam Temporary Deputy Speaker, I want to talk about pensions. This House, every now and then, urges the Ministers of Finance to hasten the payment of pensions. This morning, there was a Question of a pensioner who has not been paid his pension dues for the last 29 years. The Government can have no justification for delaying pensions for pensioners and, therefore, the Minister ought to have mentioned something about what his Ministry is doing to ensure that the Government releases pension dues to pensioners on time and, where it is not released, it is done in accordance with the amendment to the Pensions Act that was passed by this House some years ago.

Also of interest, Madam Temporary Deputy Speaker, was to note that the Minister did not increase pension dues for pensioners. Those are people, some of whom are earning as little as Kshs500! Those are people who have no recourse and who cannot do anything. They cannot go on strike but they have been ignored by the Government! Those are people who provided service to this nation during those difficult years and yet, they are languishing at home in poverty! Therefore, I would like to urge the Minister to consider increasing pension dues to all pensioners who earn a minimum of Kshs10,000, so that they can be able to live decent lives like other Kenyans.

Madam Temporary Deputy Speaker, that is a very important issue. I think that the Minister, perhaps, by bad luck, omitted it. I wish that he can record, note and ensure that our pensioners are not ignored all together.

Madam Temporary Deputy Speaker, I beg to support.

**Mr. Mbau:** Thank you, Madam Temporary Deputy Speaker, for giving me a chance to also add my voice to this national debate, which carries a lot of weight. It gives the manner in which the resources of this country are going to be expended for the next one year and, probably, beyond. First of all, I want to record my congratulations to the Deputy Prime Minister and Minister for Finance for coming up with a hat trick in the manner in which he devolved the national cake to every corner of this Republic, to ensure that we achieve the objectives that many politicians and leaders have been clamouring for, for a long, long time. For many years, Kenyans have been yearning for a new Constitution. It has all along been a question of ensuring that resources are distributed across the country in a fair and determinable manner.

Madam Temporary Deputy Speaker, I want to underline that in a situation where Kenyans pay taxes for maintenance of development activities in this country, it becomes imperative that Kenyans also get to know the principles and parameters that are used to apportion and distribute the taxes and values accruing from those taxes to them. I want to appreciate that the Minister for Finance was able to identify five critical and fundamental principles which he used as yardsticks to ensure that resources go to every part of the country. That is why, indeed, every hon. Member who has stood to contribute to this debate, and the members of the public at large, have made very positive commendations and attributes to the Minister.

Madam Temporary Deputy Speaker, the principles include ensuring that the Budget achieves a fair and stable macro-economic environment in which every willing and hard-working Kenyan can derive his or her livelihood and returns in a fair manner, without wanting to be guided by other people. It is a question of ensuring that the environment is conducive for those who want to do business and those that want to engage in productive activities.

There is also the question of ensuring that infrastructure is not only controlled by the Central Government but by the constituencies. Each constituency will now receive a minimum of Kshs105 million to take care of its infrastructure. This is a great idea because it will ensure that business and other productive activities are undertaken.

Madam Temporary Deputy Speaker, Sir, the question of equitable distribution of the national cake is a great principle. However, it is important when we talk of equitable distribution of resources to also think about equity. "Equity" implies ensuring the concept of "one man, one vote." It is true that whereas we have 210 constituencies in this country, their representation is not equitably equal. For instance, when we talk about setting up a centre of academic excellence in each constituency, cases will be found where in certain constituencies, you will have only one secondary school in existence as of now because of their population. You will also find so many secondary schools in constituencies where the population is, 200,000 or 300,000 people. Therefore, you will have difficulty in deciding how to expend the Kshs30 million that has been allocated. I urge the Ministry to consider very seriously, the question of equity because it is important. Every Kenyan must feel fairly treated.

When we talk about accountability, we are also talking about the need to ensure that the proposals that have been formulated in this Budget are not only seen to be good, but Kenyans also have a way of determining, measuring or knowing what has been proposed is being pursued and implemented. The accounting officers should ensure that this House gets quarterly reports of compliance with regard to what Ministries and Government departments do towards achieving the objectives of the Budget. Can we, as a House, know on a quarterly basis, whether the funds allocated to the various Government departments are expended in a *pro rata* basis? We should

also be informed about the amount of revenue collected as taxes. We do not want to be told in June, next year “that we expected to achieve this, because of lack of capacity or inefficiency, we only achieved this.”

Madam Temporary Deputy Speaker, there is a statement that was included in the Budget requiring the absorptive capacity of using resources from donors to be enhanced from 50 per cent to 80 per cent. Mr. Mbadi talked about money being returned to the Treasury at the end of every financial year. The Deputy Prime Minister and Minister for Finance ought to have ensured that we do not just talk of pledges and promises made by donors. He should factor in the Budget the funding or grants that we are sure of. I remember during the last Budget, there was talk about this country setting up a fertilizer factory. I have not heard one being constructed. So, talking is too good, but we would like to see action being taken. I am more concerned about action and activities taking place and not just mere talk.

We would like the Deputy Prime Minister and Minister for Finance to tell us whether it is possible, by mid this year, through compliant reports, to know if certain Ministries have been unable to utilize 50 per cent of what was allocated to them. Could we have a mechanism of reallocating such resources to Ministries and departments that would have superseded expenditure beyond 50 per cent? That way, we will not deny funds to Ministries and Departments that have the capacity to make use of the resources made available to them.

Madam Temporary Deputy Speaker, I beg to support.

**The Minister for Gender and Children Affairs** (Ms. Murugi Mathenge): Thank you, Madam Temporary Deputy Speaker. I also join my colleagues in commending the Deputy Prime Minister and Minister for Finance for the Budget Speech. It is truly a Budget that we should all be proud of and support. We should also work hard.

I would also like to tell all Members of Parliament that this is a challenge to us. All of us should for once deliver service to the citizens of this country and stop politicking. We have to work extremely hard when we are allocated a lot of money to ensure that we deliver services to our citizens

First, I would like to commend the Deputy Prime Minister and Minister for Finance because for the first time, he has given the old people of Kenya; people who have given us what we are proud of today, something that they can be proud of. He has ensured that they can put food on their table by allocating them some money. The Deputy Prime Minister and Minister for Finance has given Kshs200 million to ensure that the old citizens of this country have something to put on, eat and meet their basic needs.

Madam Temporary Deputy Speaker, I also want to commend the Deputy Prime Minister and Minister for Finance for thinking about persons with disabilities. These people are ignored in most Budgets. Nobody has been thinking about them. However, in this Budget, the Deputy Prime Minister and Minister for Finance has set up a fund of Kshs200 million which will go a long way to prove that being disabled does not mean being unable to serve the country. I would like to assure him that we will ensure that the money is utilised by the disabled for their own welfare and that of the people of this country. However, the Deputy Prime Minister and Minister for Finance should have thought about the widows of this country when he allocated us this money.

Widows of pensioners only get pension for five years after their husbands have died. After that, they are left on their own. I would like him to ensure that these widows are considered for pensions until their dying day because, indeed, they would have contributed to their husbands

when the husbands were working. I feel they are entitled. Under the law on widows, they may not be considered because they have that little pension from their husbands.

Madam Temporary Deputy Speaker, this is a good Budget because it has touched every person in Kenya. It has touched the schools. We are supposed to establish two schools of academic excellence in every constituency. So, this is a challenge for all of us to ensure that we have very good schools in the provinces, districts and constituencies.

I have heard some hon. Members express misgivings about the Women Enterprise Development Fund, and wondering what we are going to do with the people who belong to the Muslim community, because of the interest factor of this Fund. I would like to assure them that we have looked into this aspect. We are very grateful that we have had an additional Kshs500 million to ensure that every woman in Kenya can apply for this money. We will be able to increase the capacity to upscale their skills in entrepreneurship. Through this Fund, we are also going to ensure that our women can also be taught how to manage funds. This is one of the areas where we have had a lot of shortfall. Women have not been able to manage their funds, because they have not been subjected to borrowing. I can assure all Members of Parliament that with the increment on the allocation to the Women Enterprise Development Fund, every Member of Parliament is now entitled to a further Kshs1 million at the constituency level, which is interest-free, and which will help women to start learning new skills on value addition, food production or whatever else they are producing, and also teach them how they can upscale their skills.

Madam Temporary Deputy Speaker, for the first time in Kenya's history, the Ministry of Finance has really thought about Kenyans. The Ministry has given Members of Parliament a lifeline. In the past few years, the media has been painting us very black. So, as Members of Parliament, we now have a lifeline to build our names. As said, this is a challenge to us to show Kenyans that we are not here just to make noise but we are here to deliver services to our fellow Kenyans. With this Budget, we have no reason not to deliver these services.

The Deputy Prime Minister and Minister for Finance has allocated money for the public health sector to build dispensaries. So, we are now able to take care of the health of our people in addition to the CDF that we have. We should commend the Minister for this, and we are going to ensure that this is done.

Thank you, Madam Temporary Deputy Speaker.

**Mr. Pesa:** Thank you, Madam Temporary Deputy Speaker, for giving me time to contribute to this very important Motion. Indeed, Kenyans have been very delighted since the Budget was read last week, although there could be minimal reservations, which we need to talk about in this House.

Madam Temporary Deputy Speaker, inequity has caused this country a lot of pain since Independence. Many corners of this country have been ignored. They have not been benefitting from the taxes that they pay, because of poor management of our resources. This time round, the Minister has, at least, indicated that this is a very important element of our development agenda. He has actually factored funds for various constituencies which, of course, cover the entire Republic. I do not think this is actually what we had in our party manifestoes when we campaigned for election last time. It is still short of what we promised our electorate. Actually, he has given us only 7 per cent for the constituencies, whereas looking at what we had promised Kenyans in the various party manifestoes, some were talking about allocating 60 per cent of the Budget for development in the constituency or grassroots level. I remember that ODM had promised 60 per cent, while NARC(K) promised 65 per cent. So, 7 per cent is not what the majority of Kenyans had aspired for, but it is a move in the right direction.

However, this should not make us ignore what Kenyans are actually looking for; that is what we have in Agenda Four. If this Parliament fails to deliver a new Constitution to Kenyans within this framework, definitely, even the Deputy Prime Minister and Minister for Finance, who has done a very good job, may not succeed in his endeavour. Therefore, Agenda Four, according to me, requires more funds than what has been factored in the Budget. I hope that this will be reconsidered, especially when we get funds from other sources like donors, which I am sure are not wholly factored in the Budget. We cannot do without constitutional changes or without the reforms in the police force. We cannot do without reforms in the Judiciary. These are areas that are very important for the development of this country.

Madam Temporary Deputy Speaker, I know that we are talking about *Kazi kwa Vijana* at the moment. Down at the constituencies, something has to be done. The way the *Kazi kwa Vijana* programme is being implemented is quite haphazard. You find that there is no order in which work on various roads, for instance, is supposed to be done. I believe that in every sub-location, we have youths. Therefore, District Commissioners (DCs), District Officers (DOs), chiefs and assistant chiefs, who are currently in charge of this Fund, should ensure that the local resident youths are given the jobs, so that money can go to those areas. According to me, this programme is not being well organised, especially in my constituency, which is Migori.

Madam Temporary Deputy Speaker, we are talking about the increase in the CDF allocation. I think this is not an increase. It is reallocation. The Minister has taken money which was being controlled by road engineers at the district level and factored it to the CDF. The only good element we have in this is how we are going to manage this money. This is where we challenge Members of Parliament, who have actually been blamed in the past for just making noise, and not working, to go out there and ensure that these devolved funds serve our communities in our various constituencies. As Members of Parliament, we are not experts in all areas. We need to build capacity down there. Our Constituencies Development Committees (CDCs) need more training. Our PMCs may, really, not know what they are supposed to do. This is where, as a Member of Parliament, I have had a lot of problems. They are supposed to guard that money to ensure that it is used by the contractor for the project for which it is factored in. But in many cases, because they do not understand their role, they struggle to share that money with the contractors. This is why I am saying that we must build the capacity.

Madam Temporary Deputy Speaker, a Member of Parliament cannot go to the grassroots to identify the project that he must facilitate in the constituency. We need to have the input of the locational committees, which is provided for in the CDF Act. We do not expect those people to work for free and leave their jobs at home. The Minister should consider---

*(Loud consultations)*

**Mr. Washiali:** On a point of order, Madam Temporary Deputy Speaker. We want to listen to the contributor on the Floor, but Members on the Government side are consulting in very high tones. Are they in order?

**Madam Temporary Deputy Speaker** (Prof. Kamar): Order, hon. Members! Consult in low tones!

**Mr. Pesa:** Madam Temporary Deputy Speaker, I think they are discussing on how they are going to implement this Budget, but they are too loud. Thank you for protecting me.

I was talking about the other committees that have to be used at the grassroots level to ensure that the money is used properly. There is need to train those people, so that they can know

what their roles are in the development agenda. Apart from that, our locational committees need some motivation in terms of tokens from that money. You do not expect us to identify the students to give bursaries through those people, while they get nothing in return. We should give them lunches and some allowances for leaving their work in various areas. Some funds should be factored in to ensure that those people are given some money.

I know that there is money for monitoring and evaluation. But it is not enough to take care of those people. With regard to the Bursary and CDF Committees, I would like to ask the Minister to consider motivating those people, so that they can do their work. They should not be tempted to share the money with the contractors or give us the wrong recommendations in terms of bursaries that we give to our students.

I want to thank the Minister for campaigning for me in my constituency. When I was campaigning the other time, one of the things that I talked about was improving the standards of education in Migori. Unfortunately, after I was elected, Migori was split into Rongo, Nyatike and Uriri. I am a teacher by profession. I put up very good schools in uriri and Rongo when I was a teacher. Unfortunately, those schools are no longer in Migori. That means that we are now orphans in terms of education. The Kshs30 million that we are getting to put up a centre of excellence in the education sector is quite welcome in my constituency. I want to assure you that, if you give me two years and then come to Migori, you will see that, that money will be well utilized. That is my desire and I will fulfill it.

Madam Temporary Deputy Speaker, with regard to the employment of teachers on contract basis, that is necessary because we are lacking teachers all over. I do not think we can oppose that proposal as Parliament. Those are trained teachers. At one stage, those teachers will have to be employed. Why can the Ministry of Education not plan to absorb those teachers after teaching on contract for one or two years into the Teachers Service Commission (TSC)? That will make the Kenya National Union of Teachers (KNUT) rest. KNUT is complaining because it does not see the job security of those teachers. Those are trained teachers who are capable of teaching. They are teaching at the moment. We need to enable the Boards of Governors (BOGs) to ensure that those teachers are absorbed and made use of in our various schools which are, at the moment, lacking teachers.

Madam Temporary Deputy Speaker, I want to congratulate the Minister for the Kshs20 million that he has given to each constituency to put up a health centre. Again, that was my initial plan when I campaigned in 2007. Actually, we have a health centre in Migori, which is the District Hospital at the moment. It is more or less a referral hospital. I think with that money, we can have a place where our patients can be properly treated, if that money is utilized properly. I hope that the money will be utilized properly in my constituency.

We are talking about 20 nurses per constituency, which has been factored in the Budget. Of course, we cannot say much about this. This is most welcome. You remember that we have put up health centres and dispensaries in our various constituencies using the CDF money. But we lack staff in those health facilities. I hope that will go a long way in ensuring that the health centres which have been build are taken care of. We also need training centres in most of our constituencies to cater for those people.

With those few remarks, I beg to support.

**The Minister for Public Health and Sanitation** (Mrs. Mugo): Thank you, Madam Temporary Deputy Speaker, for giving me this opportunity to contribute to this important Motion about the Budget Speech.

*[The Temporary Deputy Speaker  
(Prof. Kamar) left the Chair]*

*The Temporary Deputy Speaker  
(Prof. Kaloki) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, first and foremost, I want to congratulate the Minister. I want to quote one of our top educationists in this country who sent me a message after that Budget Speech. She wrote: "Concrete impressive Budget, expertly delivered!" I believe that is what it was. Therefore, I congratulate the Minister and his team for giving this country light at the end of the tunnel.

This Budget is aimed at poverty reduction, something that Kenyans have cried for. I believe that if it is properly implemented by all of us, it will definitely go a long way in reducing poverty and bringing service closer to the people.

On the onset, I want to thank the Minister for giving the health sector quite a bit of money this time round, compared to what was there before and, in particular, the public health and sanitation sector. In the past, this sector has been neglected in a very big way. Public health is very cheap, if a country chooses to go that way, than curative health. It saves "man and woman power" to deliver services because they are in good health. It is also cheaper than all the drugs and treatment that has to be given in hospitals.

Having said that, I am particularly very happy with the Kshs20 million per constituency, which has been allocated to build a model health centre. I want to assure my hon. colleagues that, that is a joint effort between the Ministry and the Members of Parliament. We do not, as the Ministry of Public Health and Sanitation, intend to own that process. While we will give the lead and the guidance, we would like Members of Parliament to take ownership of those projects. We are proposing to come up with a model health centre for all the constituencies. We will present that model to the Departmental Committee on Health. The Committee will add or subtract what it will think the Ministry might not have got right. Once we agree, that is the model that we will use. I want to appeal to Members to be part of the team that will decide where the model health centres will be situated in the constituencies.

We have Medical Officers of Health (MOHs) in the districts and there are health committees in place. We, as Members, would like to lead and take part in that committee. That Committee, together with the Medical Officers of Health (MOHs) and Members' input on where you think in your constituency is the appropriate location of this health centre, we will put it up. We have to put in mind the catchment area.

My MOHs have an idea of all the dispensaries we have in this country. They know all the health centres which are most crowded. They know where the catchment is highest. I hope those are the areas that the hon. Members will support that we put up health centres.

Mr. Temporary Deputy Speaker, Sir, after putting up the health centre there, I would also enlist on that committee, led by the Member of Parliament and the MOH to inspect the quality of the building. We want the construction to be done on time. I think we will have time limit to make sure we finish within the financial year. Before any payment is made, I would like to know from the MP and his development team, together with the MOH as their secretary, whether they are satisfied. It is only then, that payments will be made.

I am trying to say here that these projects are cost-owned. They are owned by the constituency. We are only facilitating. We are the leaders of the constituencies. When we have that organization, I believe we will be able to deliver what the MPs and the communities want.

Mr. Temporary Deputy Speaker, Sir, on the employment of the nurses, we will also localize it as much as possible. We have been toying with the idea of employing nurses for a long time. The money has been available for a whole year, but the interviews have not been concluded. We all know the Public Service Commission (PSC) cannot handle the employment of the whole nation. There are certain levels such as those of nurses, where we will ask them to allow us to do as quickly as possible.

My instructions to the officers are that we localise employment of nurses. First of all, we must get the talent at the local level, unless we do not get enough nurses from those areas. I want to reassure the House that this stimulus package which the Deputy Prime Minister and Minister for Finance aimed at is to benefit those regions. Constituencies will benefit with the support of MPs.

I would also like to commend the Minister for focusing on marginalized groups. These are groups which are most hit by poverty. These are women and youth. I would like to commend him for putting a lot of money in that sector. We want to call for training and empowerment of our youth and women. I am happy to hear the Minister for Gender and Children Affairs promise that there will be capacity building for women. We also want capacity building for youth. I have seen in my constituency, there are funds for youth. Sometimes, we have been conducting empowerment workshops like one which is going on this week. These provide business opportunities for youth through the CDF money. We should be able to do this training. The Ministry of Youth and Sports can use some funds to organize training for youth. This will ensure that they make use of these funds, reduce poverty and increase employment as the Minister for Finance intends. I believe that is why he has put this money there.

I would also like to ask him to look at the procurement regulations because the procurement rules have hampered our efforts. We might not use this money even when it is released to the Ministries because of the slowness in the procurement.

Considering there will only be one this year, we have to move with speed. So, on the issue of procurement for stimulus package, I would ask the Minister to make sure that it is a bit relaxed. They should watch it closely to ensure that it is not misused. It will be useless if we had this money, but we cannot access it immediately.

Mr. Temporary Deputy Speaker, Sir, as a Minister, I want to tell this House and the country, that I am completely comfortable with the reduction of the engine capacity of our vehicles. We need to save money for other needy areas. I know the people have become a bit impatient, but we will surrender them. We can only change the car when this money is released from the Treasury to the Ministries. We also need this House to authorize purchase of new cars with less engine capacity as recommended by the Minister.

Mr. Temporary Deputy Speaker, Sir, I support.

**Mr. Kambi:** Thank you, Mr. Temporary Deputy Speaker, Sir for giving me this opportunity to contribute to this very important Motion.

I also want to join my colleagues in congratulating the Minister for Finance for a very wonderful budget. In the political circles, both local and international, they say this is the best Budget ever seen in sub-Saharan Africa. It is one of the best budgets.

Mr. Temporary Deputy Speaker, Sir, this Budget touched on every sector of this economy. It touched on every person living in this country. I should congratulate the Minister for



saving money from the motor vehicles being used by Ministers. However, the 1.8 engine capacity he talked about in the Budget Speech is for petrol engine. If you compare that capacity with the diesel capacity they are using now, it is better that we use the diesel engine capacity. This is because maintaining a petrol engine is more expensive than a diesel engine.

The Minister wants to cut costs, but the price of petrol today is higher than that of diesel. We need an amendment to allow the Ministers to use the current vehicles they have which are diesel-engined.

Mr. Temporary Deputy Speaker, Sir, the Minister empowered the people economically through the CDF. The CDF was given a lot of money. It is upon us, as leaders, to stop playing populist politics and deliver services to the people. We have responsibilities and it is high time we accepted them.

Many people have been complaining that MPs will misuse these funds. That is not the correct position. If you go to every corner of this country, they are talking about the CDF fund. We also have the LATF fund, but the common *mwananchi* is not aware of its existence. He knows that there is CDF. He will come to your house to make sure that you get bursary and the necessary requirements.

Mr. Temporary Deputy Speaker Sir, I also want to congratulate the Minister for prioritizing infrastructure development. No country can grow economically if her infrastructure is not working.

Mr. Temporary Deputy Speaker, Sir, if you went to any part of this country, you will either find a road that has been completed or one that is under construction. This is a good sign. The Minister also touched on the district roads. Members of Parliament have been having problems for a long time. This time round, the Minister decided to solve these problems once and for all.

There are also funds from the Fuel Levy Fund. These funds have been distributed equally to the 210 constituencies in this country. However, you cannot show the people what that Fund has done. This money will now be under the supervision of Members of Parliament. It is my hope that we are going to construct our roads and other infrastructure using this money. I hope we are going to utilize these funds well.

Mr. Temporary Deputy Speaker, Sir, I also want to congratulate the Minister for putting a lot of money in education. I remember the first President of this country said that we fought for our Independence because we wanted to remove ignorance, disease and famine. If you look at this Budget, about Kshs30 million has been allocated to every constituency to put up schools. This is a good gesture. As I said, the plight of every Kenyan was touched. For the first time, the disabled were given a revolving fund. If these funds are going to be well managed, we are going to say goodbye to poverty.

Mr. Temporary Deputy Speaker, Sir, the Minister also allocated some money to reforms. In 2007, we went to an election and we almost lost our country. The time for us to reform our country's laws is now. We must have the reform today, not tomorrow. The Minister allocated about Kshs2 billion for reforms. Hopefully, by the end of this financial year, we are going to have a new Constitution that Kenyans have been yearning for.

The Minister said that we can have everything but without light, we would be a country in darkness. He allocated a lot of funds to the energy sector. Investors are going to invest in Kenya to drill oil and gas. This is going to help our people. People in the rural areas are no longer going to use charcoal. That way, we are going to conserve our forests. People will use gas which is cheaper.

Mr. Temporary Deputy Speaker, Sir, the Minister also allocated funds to the health sector. However, the problem we have in this sector has not been lack of facilities but lack of staff to man health centres. I remember, we were told that we have 2,000 health facilities but only 400 had staff. The allocation of these funds to this sector is a good gesture because staff will be recruited. In rural areas, there are so many diseases but hospitals are very far. The few that are there do not have the necessary facilities.

The Minister talked well but failed to consider one area. That is the area of corruption. He failed to tell us how he is going to deal with corruption that exists in this society. He should have told us a better way of dealing with corruption. We have resources but if we do not deal with corruption, they are useless. By the end of the day, the resources will not reach the common *wananchi*.

Mr. Temporary Deputy Speaker, Sir, he also talked about food security. It is high time we started doing irrigation in our country. A country like the United Arab Emirates (UAE) does not even have clean water. It only has sea water. However, they are using that water. We also have an ocean but we have not come up with ways of making that water useful for both irrigation and domestic use.

The reforms we are talking about today have cost this country dearly. The only problem is that national resources have not been distributed equally. I am happy that for the first time, we have seen a devolved Budget. This is a Budget whose resources will reach every person. It is upon us, as leaders, to face the challenge and make this country a better country.

Thank you.

**The Minister for Public Works** (Mr. Obure): Thank you very much Mr. Temporary Speaker, Sir, for giving me the opportunity to support this year's Budget.

I want to thank the Deputy Prime Minister and Minister for Finance for presenting a well thought out Budget. This Budget has given the majority of Kenyans hope and inspiration. In fact, I wish to go on record and state that this is probably the best Budget Speech I have had the opportunity to listen to.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, it is important to note that the Budget was prepared and presented at a time when the entire world economy is threatened with a very serious recession. It was read at a time when our own economy is facing very severe challenges brought about by both external and domestic factors. The Minister correctly identified the major challenges facing this country, namely; poverty, unemployment, inability to produce sufficient foods for our people and the imbalances created because our resources have not been equitably distributed in the past. We appreciate that these are huge problems and challenges. However, we cannot just sit and wait.

Mr. Temporary Deputy Speaker, Sir, we appreciate that the Deputy Prime Minister and Minister for Finance has taken the first step, an initiative to try and tackle some of these problems through the various policy measures he announced. In the face of a depressed economy and the threat of adverse effects of the global financial crisis, the reality we are facing today because our exports earnings are on the decline and our tourism is going down, I feel that the most logical option and the best way forward, in my view, is to allow more public spending. We should have more resources invested in spending through public projects in order to stimulate the economy and trigger more economic activities all the way down. I think this is the best option.

The option of investing more resources in the expansion of infrastructure to open more roads everywhere in the country, build dams and bridges and even foot bridges for the very poor, set up irrigation schemes, build hospitals, schools, and provide energy to our people. In short, increasing public spending to create more jobs. This is the answer we have to provide for the situation we are facing today.

Somebody may ask: "Where are we going to get the resources to put into public spending?" In my view, the answer is that we will borrow. In the past, we have not. We have been afraid of borrowing. This fear, in my opinion, is misplaced. I see nothing wrong in borrowing money to spend to create more job opportunities. Creation of jobs in the economy can only be beneficial because it allows for more wealth creation. I think this is desirable for us as an economy. Throughout the Deputy Prime Minister and Minister for Finance's Speech, one can see deliberate efforts to allocate more resources for the development of infrastructure. You can see that there is also a deliberate effort to try and spread this down to the constituencies and try to balance out what we have talked about; the imbalance in regional development which has created a lot of social discontent and upheaval. This effort is commendable. That is one of the reasons why I support this year's Budget proposals presented by the Deputy Prime Minister and Minister for Finance. However, even as we support this Budget, the real test lies with our ability to implement the proposals which we loudly support. The implementation of these proposals has been our major weakness in the past. All of us politicians are at fault because we have not pushed hard enough. The civil servants are the main culprits because they are the ones who are charged with the task of implementing Budget proposals. They have failed this country miserably in the past. We need to start by changing our attitudes. Let us change our attitudes as a nation and embrace a more positive spirit so that we can work together and move forward with resolve. We can do it. It is possible and it is doable. This is the only way we can benefit from the beautiful proposals that the Deputy Prime Minister and Minister for Finance has put forward. Ministries and Government Departments must enhance their capacities to handle projects and complete them within the time allowed. It is a big shame that Ministries and Government Departments have to return money to the Treasury because they have not been able to use it. This is a shame because it only increases the poverty we are trying to fight among our people.

Mr. Temporary Deputy Speaker, Sir, there are other factors which we need to look at, as a Parliament, in order to allow Ministries and those others who are charged with the responsibilities to implement projects and move forward with speed. One of them is the law relating to procurement of goods and services. While the law intends to enhance transparency and openness in matters of public procurement and purchases, the law is also very cumbersome. The regulations and processes are very lengthy. As a result, they do not allow Ministries and Departments to complete the processes and undertake projects within a given financial year. Since they are cumbersome, we need to look at them once again so that we can amend them to facilitate quick transactions and enable us to move forward at the pace we would like to.

The other issue I would like to raise relates to regional trade. This is trade between our country and the neighboring countries. In my view, that is one open way in which we can enhance our economy. We need to improve our competitiveness, *vis-à-vis* our neighbouring countries. We can only do so if we are connected by road, air and by other means to our neighbouring countries. You will recall that Kenya was one of the countries that was on the forefront in fighting for Southern Sudan to be autonomous. Having achieved that objective, we have not succeeded in tapping the opportunities that have arisen. The opportunities are being taken advantage of by other countries because we do not have a direct good road network

between ourselves and the Southern Sudan. We need to improve the road that goes through Lodwar, Lokichoggio to Nadaper in order to connect with Southern Sudan. We need to urgently do the road to Ethiopia and Somalia because in the face of competition from other countries of the world, this is the only way forward, increasing our competitiveness within the region.

I support the Budget.

**The Minister of State for Immigration and Registration of Persons (Mr. Kajwang):**

Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. Very many things have been said about this Budget. It has been described as bold, imaginative, to some people reckless and to some, clever. It has been many things and more. The proposal to borrow Kshs109 billion, they call it a “whooping Kshs109 billion”, to support the projects in infrastructure, especially the rail, road, energy, irrigation, water and many other projects that create employment is ingenious. There is a huge deficit of 6.5 per cent of our GDP. I think that there is nothing to worry about. It is not too large. Even if it were large, we need to borrow to deal with the crisis that we have.

Mr. Temporary Deputy Speaker, Sir, balanced budgets are not fashionable in the current economic crisis. In fact, people are now talking about economic stimulus and stimulus packages. That is what is now fashionable from Obama, Gordon Brown, Angela Michael to Uhuru. They are all doing it. In fact, capitalist countries said *laissez faire* are now buying their banks and investing in car-making companies to create or save employment. Nobody is ashamed about this. They are not talking capitalism or socialism, but economic stimulus. That is the language we are talking. What we are staving off is a meltdown and social upheaval. This must come at a cost. The cost of Kshs109 billion is not too high to pay.

However, this Budget is not the many other things that have been talked about. It is, definitely, not fiscal devolution. In fact, it is the centre through line Ministries. What is devolution is the Constituencies Development Fund (CDF) and the Local Authorities Transfer Fund (LATF). However, the money that has been given to the line Ministries to fund two schools, one health centre, one fish pond and many other things is not devolution. Of course, the name “constituency” has been thrown in to make it attractive and sexy, but, definitely, it is not devolution. This is because the same line Ministries are the bottlenecks to growth and development. I hear the Treasury Mandarins, and the word “mandarins” mean “very powerful officials at Treasury”, told Mr. Kenyatta: “Do not raise the CDF allocation because Members of Parliament are corrupt and reckless. Put the money in line Ministries.” What that has amounted to is that in the next financial year, we will find billions of shillings coming back here unused. The employment we wanted to create, the development and growth we wanted to stimulate will not be there because the line Ministries are not in the habit of spending money on development. They are in the habit of spending money where it pays to them.

Let us put the money in the CDF. When we first created the CDF here, we were proposing a 5 per cent allocation. The then Minister told us to just wait a moment. He told us to put it at 2.5 per cent and in one year or two when the economy did better, they would raise it to 5 per cent. We have waited for almost ten years now. The CDF allocation is not being increased because that is devolution. It seems that, that is what the Government is resisting.

We are allocating Kshs140 billion to deal with many things. We want to deal with roads, rail, ports, broadband and the energy sector. That amount of money is not enough. We will not fund our development through taxes. It has never funded any development. Most development is funded by long-term bonds. Let us create bonds to build a railway line from Mombasa to eastern Congo. Make it profitable and we will invest in it. If we wait for budget allocations to build the

railway line, it is a dream that will never come, because they will not be enough. Of course, we want to invest in wind, thermal, solar and hydro energy. Those are beautiful things, but how much money have we set aside for this? We pulled back when we wanted to create infrastructure bonds because we were shy. We also pulled back when we wanted to create bonds for housing because the Treasury refused. However, that is the only way to go about the issue. The only other way to develop the energy sector – because without energy we will not go anywhere – is to develop one nuclear reactor for eastern Africa. It costs US\$1 billion, but we do not have to spend that money. We only need to invite Russia or China to put one nuclear reactor somewhere in Kenya and tell them to sell to us that energy. We will buy it cheaply and cleanly without spending a coin. That is when we can talk about development. We can even run the railway line with energy which will be available.

It is not good to tell me about the Rural Electrification Programme, when in Mbita, which is my own constituency where there are electricity lines and poles, there is no power 20 hours out of 24 hours. Why are we glorifying cables and poles? Nobody will invest in Mbita as long as there is no electricity. The fish fillet and ice making plants are folding because there is no electricity 20 hours out of 24 hours a day. So, unless we develop the energy sector, and we do not have to spend our money--- It is just being imaginative and bold. These are some of the things we should do.

Mr. Temporary Deputy Speaker, Sir, let me talk about my constituency. There is a road called “C19”, from Mbita to Homa Bay and Homa Bay to Kendu Bay. This road has been in the Budget since 2003. Every year, the road is allocated Kshs100 million. Tendering is done and one year later it is withdrawn and they start tendering again. A year later, the tender is withdrawn and they start tendering again. Right now, the fourth tendering has just ended and I understand that they want to do it again. This is bad politics. I will not allow a Government which I associate with, as a Member, to undermine my political and economic development, because some Treasury and Ministry of Roads officials are playing politics. They believe that no road can ever be built in a district called “Suba”. There is no metre of tarmac in that district and yet it is not very expensive. They must tell us where the roads money has been going to in this country for the last seven years. It has been going to one region and other regions have not seen it. Now, we are talking of equity, regional development and social stability. What equity and social stability are we talking about without Suba District being included in this development? We will ground equity on constitutional and statutory review and not on the goodwill of the Deputy Prime Minister and Minister for Finance. This is because there is very little goodwill.

We have not been told what we will do with the huge funds which the Kenya Airports Authority (KAA) will retain. I wanted to hear that an airport is being constructed in Suba District.

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

**Dr. Eseli:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving this chance to contribute to this very important Motion. Indeed, from the time the Deputy Prime Minister and Minister for Finance presented the Budget, there have been a lot of accolades. I fear that some of them might be misplaced.

Mr. Temporary Deputy Speaker, Sir, we all know about subsistence farming. I fear that this is a subsistence Budget in the sense that I am not sure whether this Budget will awaken the giant that is Kenya. One thing that is very simple is, for any development of any nation, you must research and develop your own. How much money has this Budget put towards research and development? It is zero, if any. I think the Ministry of Higher Education, Science and

Technology, should have received a higher budget for research. This research must be targeted. At independence, Jawaharlal Nehru, the Prime Minister of India told them: "Because we are poor, we must research."

We should not leave research to rich countries. They do not need it. We are the ones who need it. We are talking of building health centres and secondary schools, but which materials are we using? Have we done enough research to find cheaper ways and means of producing these things? We say we have devolved funds to the constituencies, but we have devolved corruption! That is what we have done. There is something that has been said which is very unfair to the MPs. It is said that they will be in charge of these funds, but this is not true. These funds are coming through the line Ministries managed by the same officers. I dare say that the roads engineers have presided over the dilapidated roads systems of this country. They all live in Karen, and we know it. Even if we will rely on them now to use these funds, I dare say that Kshs30 million to build a model secondary school, probably will not be enough. As one contributor said, what we have just done, apart from the CDF, we have created a District Commissioner's Fund (DCF). They will dip their fingers and blame the MP. There is something that is totally missing.

I did not hear the Deputy Prime Minister and Minister for Finance say how much money he has given to the Controller and Auditor-General to be able to start what we call a value for money audit or performance audit. If we do not have a performance audit, sorry, we are getting to nowhere. In my constituency, for example, we have been building schools and other infrastructure. A soil brick that I would buy at Kshs3 is now being sold for Kshs60. That is doubles price. I fear that is what will happen with this money. The MP has been romped in and he will be blamed for this. Let us not celebrate. I am sure that this coming financial year, we will see a lot of quarrels between MPs and those civil servants. There will be a lot of fighting because we will not allow them to mishandle that money. If they mishandle it, they will do so at our own detriment. We will lose out if we allow them to mishandle that money. I am sure that is what they will do.

What is difficult about setting up a value for money or performance audit in this country which should be ongoing? If, indeed, vehicles are being withdrawn from Ministers, Assistant Ministers and Permanent Secretaries (PSs), can some of them be given to the Controller and Auditor-General, so that they have vehicles to move round and make sure that this money is properly spent?

This thing about the CDF being increased is a lie. CDF has remained more or less the same. It is 2.5 per cent of the total revenue. What has happened is that they have removed the roads funds and put it through the CDF. The rest is not coming through the CDF. We should be very clear. MPs are celebrating about these things but, indeed, what has happened is that we have been given a rope to hang us. The civil servants will hang us because they will misuse this money and blame us. I hope the Minister will come up with amendments in this House, so that we have a direct say in what is happening. The most we can do is maybe chose the site for the school and health centre. If a Public Works Officer says Kshs10 million or Kshs20 million will not be enough to put up a health centre, then there will be a problem. I know if you give me Kshs10 million to build a market, I will build two. But this one is building one market.

There is a whole problem with the Government procurement system. The cost is so inflated. I said in this Parliament and I will repeat it, the Government is haemorrhaging money. It is haemorrhaging money every day. With this Budget, we have just devolved the haemorrhage to

the constituencies, so that the Government can now haemorrhage money at the constituency level.

Mr. Temporary Deputy Speaker, Sir, we have got the *Kazi Kwa Vijana* money. If we really want this money to assist the youth, we should ask the Ministry of Youth Affairs and Sports to actually take charge of it. But we have devolved it so much that the left hand does not know what the right hand is doing. The youth do not even know what programme is supposed to be where. There is a problem here. We cannot fight poverty by throwing money at it. We do not throw money at poverty to reduce it. That is what this Budget is trying to do. Throwing money at poverty! No! Poverty has got very many reasons it exists. It might not just be because of money, but because they cannot retain the money they get. What have we done to stop this? This Budget has been praised by everybody, but I am sorry to sound different. There is, indeed, a big problem with this sort of Budget. As the hon. Minister has just said here, roads which have appeared on the Budget before have never been done. There is Road C33 running from Tarbo through Sehendu to Endebess. Quite a lot of money was allocated to it, in 2007/2008 Financial Year, but that money disappeared. The road was never done. Right now, it has only Kshs5,000.

There was a big water project, Nzoia West Water Project, money was allocated in 2007/2008 Financial Year, but we do not know where that money went. It is not even factored in anymore. In other words, dear Members, especially Backbenchers, we are still in trouble. We still have to trek to the Ministers office to get anything done. Do not think that this Budget has solved our problems. It has not. We cannot get important things into the Budget. What this Budget has done it to appease the people, so that they do not agitate too much. The Minister loudly said he has put the money into the constituencies and the MPs should be getting involved. Will the MPs be involved? If they will be involved, what is there in law that allows MPs to be involved? If there is nothing in law allowing MPs to be involved, sorry, the civil servants will not allow us to get involved. We know them. They have been trained that way. That is how they have survived all these years. How will they change? Unless, we are assured that now we will be throwing in some of them. So far, the more they take, the higher they climb. The more incompetent, the higher they rise. One of the criteria for rising in the Civil Service is the more incompetent you are, the higher you rise. The more money you steal, the higher you rise. I fear that what we have done here, we have just allowed it to trickle down. We have talked about trickle down of the economy, I do not think we mean trickle down of corruption. Unless we have a law that will allow us MPs to control this and be part of it, it will be difficult. If I am part of it and the moment I leave they do their things, I will not care. If they decide to buy a brick at Kshs10, what am I supposed to do about this? Kenya is ready for takeoff. As I have said before and I would like repeat, development is not accident. We have to sit down and plan for these things. We need a proper plan and a way of implementing it that is sound. It is not just something you wake up and say: Let us do this or that. Yes, it sounds very well. I really do respect the Deputy Prime Minister and Minister for Finance. I am sure he means well, but I plead with him that he should go a step further and try to put in laws that will recognise MPs' role in management of these funds, so that we are able to direct development that he is wishing for this country.

With those rather negative remarks, I wish to support.

**Mr. Njuguna:** Mr. Temporary Deputy Speaker, Sir, thank you very much for the opportunity to support my colleagues. First, I would like to thank the two Principals; the President and the Prime Minister, for working together and creating the necessary environment which has made it possible for this Budget to be presented in this House. They have given the

people of Kenya the direction that they are taking and this direction is giving us hope in the way we conduct our affairs. I also take this opportunity to thank the Deputy Prime Minister and Minister for Finance for presenting this very historic and patriotic Budget, in the sense that, it created a very conducive environment for all Kenyans to believe that they will now live in a country where there will be joy and happiness. A Budget of this nature was presented by the Late Mr. James Gichuru during the reign of the founding father of this nation. It is a Budget that recorded very minimal increases giving people room to conduct their affairs.

Mr. Temporary Deputy Speaker, Sir, the Budget which was presented by the Deputy Prime Minister and Minister for Finance in a very good manner, if fully implemented, will change our lifestyle in this nation. We have been yearning for justice and that is to be seen in the way we are going to implement the Budget. Equity has also caused a lot of havoc in this country, but it has been provided adequate room in the way the Budget was prepared. The stigma of marginalization is also addressed in this Budget. That is something that we have not seen for the last 45 years. Ministers for Finance have come in the docket and come up with well-prepared Budgets but have never addressed the issue of justice and equity.

So, if this Budget is given time and stakeholders are involved, it will create peace, stability and harmony in this nation. It will also give unity of purpose in the nation. I have taken time to listen to the local FM stations and most of them are supporting this Budget. That indicates that this Budget has really united the people of this country. That unity of purpose and direction should be maintained by the political leadership including hon. Members in order to sustain cohesion in our country.

Mr. Temporary Deputy Speaker, Sir, regarding education, the Deputy Prime Minister and Minister for Finance came up with a very brilliant idea of creating model primary schools. This area must be given special planning unlike the way we have constructed the existing primary and secondary schools in this nation; without proper planning. The Ministry of Works, the physical planners and the architects must be involved so that the physical development of these institutions can provide the necessary learning environment. I also suggest that with the construction of model secondary schools, the pioneer teachers must be of credible and impeccable character that will be ready to serve and lay a firm foundation for the institutions. We have seen one key player in the education sector, the late Griffins, the former Director of Starehe Boys Centre. He started the whole institution from scratch and now it is the pride of the entire nation. The quality of education should also be improved.

Regarding the issue of transportation for the chiefs, in the history of this nation, they have never been remembered but this time round they have been allocated money to buy motorbikes in this Budget. The motorbikes must be used to reach those areas where illicit brews are prepared. These brews affect our youth. After releasing these funds to the districts, illicit brews and taking of alcohol should be reduced drastically so that our youth can be engaged in useful activities.

Mr. Temporary Deputy Speaker, Sir, on the defence of this nation, we noted that the Deputy Prime Minister and Minister for Finance allocated Kshs44 billion. It is imperative that we improve our security on land, sea and air. If you look at the jet fighters that we have, they were built in 1950s and they cannot defend the integrity of this nation. We should modernize our weaponry and make sure that Mgingo Island is given proper protection.

The one thing that I noted that he forgot is to expand or provide adequate funds for our courts. All the pirates that have been arrested in high seas have been brought into our country for trial. Therefore adequate funds should have been allocated for that venture. It is also important to



note that as we continue to try the suspected pirates in our country, the external security of this nation is also jeopardized.

Mr. Temporary Deputy Speaker, Sir, regarding the issue of traffic offences on the road, it is important the fines be immediately effected but before that, the traffic officers who are very corrupt sometimes, must be retrained so that they can handle motorists in the best way possible. If retraining is done and the effecting of the penalties on the road commences, we will see heavier mobilization of resources on the roads.

The Deputy Prime Minister and Minister for Finance banned all the pyramid schemes. A lot of money has been taken by racketeers and some crooked people in this nation. Action must be taken and those found guilty must be prosecuted immediately. In fact, some people have even died. I think those who have died should be compensated adequately.

The other issue in the Budget is the salaries of teachers. There is no time in the history of this nation that teachers have been awarded salaries without going on strike or demonstrating. This time round, the Deputy Prime Minister and Minister for Finance came out with a full package for the teachers. It is imperative to urge the teachers to provide effective and quality teaching in our schools because academic performance in our schools has been going down. With this new stimulus, we expect the performance in our schools to improve.

Mr. Temporary Deputy Speaker, Sir, the other area that the Minister forgot is the issue of *Mau Mau* heroes. Those people liberated this country. They fought for this country and that is why we are in this House and have a nation. Some of them have already died but some of them are aged. He should have remembered to allocate a small package for those people. Before they see the grave, they should taste the fruits of Independence. I am, therefore, urging the Minister that before he makes a presentation on another Budget to, at least, include a small package for the freedom fighters in this country.

Mr. Temporary Deputy Speaker, Sir, another observation I noted is Kshs2.2 billion allocated to the settlement of the Internally Displaced Persons (IDPs). It is the high time that we made it a reality that those suffering without homes, water, tents or schools for their kids are settled in their farms, given fertilizers, seeds and security. It is high time that security is enhanced to create the necessary environment for the settlement of these people.

Having said that, it would be prudent that a monitoring and evaluation committee is formed to monitor the way the Constituencies Development Fund (CDF) or other devolved funds in the constituencies are managed.

With those few remarks, I beg to support.

**Mr. Mbugua:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important Budget for this country. I must say that this is the best Budget for an emerging and growing economy especially based on the fact that the world is facing recession.

Mr. Temporary Deputy Speaker, Sir, Kshs867 billion is a mind boggling figure and I thank the Minister for allocating this kind of money because in order for a country to grow, you must create a problem and in turn look for a solution. Actually Kshs867 billion is a problem that was created by the Minister and looking for this money is the solution. As a country, I know that we are going to make it and I thank the Minister for coming up with this Budget.

The CDF is a very good initiative. I have listened to my colleagues and most of them have been advocating for *majimbo*. This is the best *majimbo* ever to be presented here. What *majimbo* are we looking for yet money has been devolved to the constituencies? I want to thank

the Minister for giving us this kind of money and sending it to the grassroots level; to the people who have always been left out by other regimes.

I also want to touch on cars. We spent a lot of money servicing cars which are fuel guzzlers and I think when the Minister decided to take the cars away from Ministers, he did well for the country because we spend a lot of money servicing these cars. Indeed, an 1800 cc car is a good car which can take a Minister to the forest, bushes and even the rocky terrain. I have been driving an 1800 cc car and I have been able campaign and go with it to wherever I wanted to go. So, the Minister has done well for the country. There is a colleague who said that the Minister wants to procure cars from a specific company but I want to tell him that they have not even decided on what kind of car they are going to buy. Most probably he saw the Deputy Prime Minister and Minister for Finance driving a Passat and he thought that they are going to buy Passats. I think that hon. Member was not right to criticize the Deputy Prime Minister and Minister for Finance by saying that they have already decided on which car they are going to buy.

On the issue of Information and Communication Technology (ICT), as we enter the age of e-business, twitters and facebook, I believe that this is a good direction. When the Minister thought of funding the ICT, it is the best thing to ever happen to this country because we must be computer literate. We must go to where the world is going, otherwise if we are left behind, we will be like that person who was left in the wilderness who died because he was alone. So as a country, if we want to move forward, we must embrace ICT. When the Minister said that he was going to take ICT to the grassroots, it was a very good idea because most of those people do not have these kind of services.

I also want to talk about infrastructure. Infrastructure is very important for this country and I want to support my fellow colleague, Mr. Kajwang. We should not think of collecting money through taxes in order for us to build this country. We must think about concessioning. There are a lot companies that are ready to come up with money to fund projects in this country but they have not been given an opportunity because the so-called Treasury mandarins, as he said, cannot accept to give concessions where they are not going to benefit. We need to do away with this tradition. In order for us to build this country, we must be focused. We must take proper directions, otherwise, we will not develop because everything is politicized. Infrastructure is very important for this country. It is going to attract investors and so the Minister should look into this issue and find proper ways of also helping our people, especially my area. People are using *mkokotenis* or handcarts. There is no infrastructure yet the tax collected from Eastleigh is about Kshs1.3 billion every year. Our people are taken around by handcarts because there is no infrastructure. The sewer lines which were put up in the 1950s are the ones we are still using yet at that time, we were probably 200,000 people. Now we are 3 million. So, this area of infrastructure should be looked into and the Minister should consider concessions which are going to help this country.

Mr. Temporary Deputy Speaker, Sir, we should not think so much about donor funds. Donors let us down! Borrowing money is very difficult. Even for me, as an hon. Member, going to borrow money in the bank, I must exchange some documents or title deeds in order to get the money. Therefore, we must think of how we are going to raise funds amongst ourselves in this country and introduce bonds in order to build our roads and this country.

There are capital flight companies. Most of the companies in Kenya are capital flight companies. They are companies that only come to reap from the locals and export the money they get. This is what the Minister should look into because these companies are not helping this

country at all. In other countries, for you to invest, you must deposit some money either with the Government or the bank to show that you seriously want to invest in that country.

Kenya is like a country with no owners! Any Tom, Dick and Harry who wants to invest in Kenya just comes in, goes to the Registrar of Companies office, registers a company and starts operating!

So, Mr. Temporary Deputy Speaker, Sir, the Minister should be very, very tough on those people who are coming to invest in this country. That is because we do not want people who come to take our money, use us and then export that money to where they came from. We also need to tighten our monetary policies. We do not have proper monetary policies. In order for you to invest, especially if you are investing in this country, there is some money which you should, at least, raise. When you are taking money out of this country, it should be regulated by the Central Bank of Kenya. But we do not have those kinds of policies in this country, and I am sorry to say that. So, that is also another line that the Minister should look into.

Mr. Temporary Deputy Speaker, Sir, the *Kazi Kwa Vijana* programme is a very good initiative, but it has lost direction. The Minister should be tough because those people who are managing those funds down there are, in the first place, not trained. The model of recruiting those particular people in the *Kazi Kwa Vijana Initiative* is prone to fraud. You can create your list, go and claim money saying that you have employed 400 youths while, you have actually employed only 200 youths. So, that process is prone to fraud and it is something that should be looked into. In order for us to employ our youth and the women in this country, we need to actually make sure that this programme is implemented properly.

Thank you, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Prof. Kaloki): Do you support, hon. Mbugua?

**Mr. Mbugua:** I do support, Mr. Temporary Deputy Speaker, Sir. I said that from the beginning.

**The Temporary Deputy Speaker** (Prof. Kaloki): Thank you. Proceed, hon. Kathuri!

**Mr. Kathuri:** Thank you, Mr. Temporary Deputy Speaker, Sir. I stand to support this Motion. It is unfortunate that we have talked since Independence about Kenya where resources are distributed equally. But this time round, I can see that we are heading in the right direction.

Mr. Temporary Deputy Speaker, Sir, I would like to start by commending the Deputy Prime Minister and Minister for Finance, hon. Uhuru Kenyatta, for having done us good, and for having done our generation proud. We are in the same age bracket and when I see an agemate doing things the right way, it makes me feel very proud! Devolving resources is the first step in the right direction.

Mr. Temporary Deputy Speaker, Sir, if you remember what happened in 2007 after the general elections, it is very evident that Kenyans have always been very uncomfortable with the resources being distributed from a central point. It was very evident that even when there was that grumbling, it was genuine. How do we address that problem? The only way is to devolve funds. Power, when funds have been devolved, is not as bad, even when it is in the hands of one person. But when the funds are in the hands which are controlling all the power, then it becomes very difficult for you to be able to disburse those funds into the various corners of this country and, as a result, all the communities would definitely feel very uncomfortable when they have to go begging when it is their right!

Mr. Temporary Deputy Speaker, Sir, the coming Budget should also be done in the same way. We pray that it is the same Minister who will actually be reading that Budget Speech because it will definitely make us feel confident that we are heading in the right direction even in

future. This was also a good Budget considering the fact that there were so many doubting thomases, especially after the Supplementary Budget. They were saying that hon. Uhuru Kenyatta is not fit to be the Minister for Finance. There was a lot of hue and cry and an impression was being created that we should not expect anything good from that office. But I think it is very good because he has proved them wrong. The Budget has overwhelming support and I believe that this is the type of leadership that we should expect from that office.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, on the issue of Constituencies Development Fund (CDF), let it be noted by everybody that, surely, there is no other person who is more appropriate to represent the interests of every other citizen from any constituency in Kenya other than the sitting Member of Parliament (MP). There is no way that funds can be controlled by somebody else purporting to be representing the interests of the constituents, when there is a sitting MP who was voted in with the full support of the Government and he was confirmed the winner against all odds. There is no other person who can represent the interests of the constituency better than a sitting MP. More so, when you look at some of us who won against some of the very, very powerful former politicians, it is very important to realize that there is no other person who can be better placed to oversee the activities in a constituency other than the sitting MP. For that reason, devolving funds to CDF is the best way to achieve our results. This will definitely go a long way in reducing the powers of the Government officers, especially engineers, who really arm-twist us on technicalities, and they get away with it. They have created cartels on the ground and it becomes very difficult to pin down an engineer. You will report him but there are many ways that he will defeat you and he ends up going scot-free. Yes, I will be left grumbling, but he would have already won. That way, we are going to have more control over those funds and I believe, definitely, the constituency will see better results from the activities that are being done on the ground, so that our constituencies can develop faster.

Mr. Temporary Deputy Speaker, Sir, let me also comment about the way the cheques are released. After they are done by the CDF committees and the Fund Managers, at times, the district accountants, who normally do the signing of the cheques at the last stage--- At times, it has been very difficult for them to process those payments efficiently for reasons which cannot be explained here It is an issue that I would like the Minister for Finance to note. You can raise vouchers and, by the time the cheques are released, it is more than a week. You wonder how long it takes to sign a cheque; even if there are 300 cheques, I do not think it should be difficult to sign them within a day.

*(Applause)*

Those are all bottlenecks created by some of the Government officers who just want to make it difficult for us to achieve our objectives. It is not that we won because they wanted; we won because the constituents wanted and, maybe, they do not like us. The fact is that they do not like us, but they have to work with us. We want results.

Mr. Temporary Deputy Speaker, Sir, giving instant fines as read out by the Minister is a very welcome move. Actually, if we have to be sincere, the police in Kenya play the role of the Judiciary, but they play it wrongly!

Let them play their role properly and rightfully. When the police book you, they know that you have to attend court and the court process normally takes a minimum of three or four days. It then becomes very easy for them to fix you. So, you will either give them Kshs1,000 after which they warn you or decide to wait for, at least, four days for the matter to be taken to court where you will be required to pay a fine of Kshs1,000. You would be better off clearing with the policeman by the roadside rather than go through that process. If the fine was Kshs1,000 on the spot, one would be better off paying it to the police officer and the Government would be ahead. The police will definitely have to toe the line.

It is important that the Government clears the grey areas. Surely, as it is, it is not clear how the Government intends to collect the spot fines. It is, however, not difficult to do that. Some of us can give the Government a blueprint if it wants. I believe that, through the spot fines, we will reduce corruption. We should address corruption because you all know that the police force has always been rated highly in the list of the most corrupt departments. It is important that we address the proposal of meting out instant fines so that it can be implemented as quickly as possible. I am sure every motorist in Kenya will celebrate once this is effected. Let the police not create an excuse why it is not implementable. I am sure that Government officers, especially the police officers may make it look impossible so that they can sabotage the process and continue with the conservative ways of punishing traffic offenders. The officers will create loopholes so that they can make money.

Mr. Temporary Deputy Speaker, Sir, I would like to propose that there should be an audit of Government officers who deal with members of the public who are likely to bribe them. The Government should also investigate how some of those officers have acquired the wealth they have now. Some of these officers are extremely wealthy and yet they were very junior officers the other day. Some of them do not even want to go on leave. They will resign if you transfer them to other departments. It is very important to note that some of the Government offices are dens of corruption and yet the officers get away with it. I believe this is one of the ways of addressing that issue.

I cannot fail to mention the Highway Patrol Police. If we go by the way they operate, this proposal will flop. The Highway Patrol Police always ask for a cash bail of Kshs2,000 because they know you cannot raise that amount of money on the spot. They then tell you to give them Kshs1,000 and then you proceed with your journey. We should really be sincere on this matter.

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

**Mr. Chepkitony:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute in support of this Budget. I would like to say from the outset that the Budget Speech was good. It was positive in many ways. The Budget was drawn in light of the bad economic situation in the whole world. The Deputy Prime Minister and Minister for Finance did a good thing to increase devolved funds to the constituencies. This is one of the best aspects of promoting development. What needs to be done is to put structures in place, if they are not there, for the devolved funds other than the CDF. We have the CDF Committee which is the channel of utilising the CDF money. For other funds, we should know how the Member of Parliament or whatever committee that will be set up or whoever is in the local leadership to be involved in the supervision of the projects that will be as a result of the new devolved funds.

I congratulate the Deputy Prime Minister and Minister for Finance for making the constituency and not the districts a centre for development. We have too many districts, but he chose the constituencies which are fewer than the districts. In future, the constituency should be

the centre of development. We should not have extra districts. The extra districts should be abolished. We should have constituencies being the districts.

With regard to the money for roads which will be channeled through the CDF accounts, then the CDF Committees will only release the funds after being satisfied that the work has been done. However, the engineers will still play their role because they are qualified to do that work. The work will be complementary and the CDF Committees will satisfy themselves that work has been done before releasing money. We should develop other ways of working within the structures that are already in place.

I would have loved to see the CDF money increase to about 5 per cent. At the moment it is about 2.5 per cent. It is not clear by what percentage the CDF money has been increased. It is not much though. Having gone through the Budget Speech, I have not seen much increase. It ought to have been increased to at least, 5 per cent, but I have not seen that.

This Budget was being done in view of the bad local economy. Of late, some investors have threatened to reduce staff – some of them have actually reduced their staff because of poor performance. There is less consumption of the manufactured products and companies are even exporting few products now. The Budget should have gone further to support the existing investments. The investors ought to have been encouraged to continue doing business in Kenya and maintaining the existing staff. We know many industries in the country have been complaining about the VAT refunds which have been slow in refunding. We should improve on the refunds so that they do not take long. Some people have waited for more than a year to get the refunds. Others have threatened to move to other countries to do business there. So, the Ministry should do something to improve on the refunds meant for the investors.

With regard to infrastructure, it is good that we have a fairly good amount of money for our infrastructure. That is Kshs140 billion. This money will mainly be used to improve our roads and railway line. We should have a balanced development of our roads. We should cover all the areas in this country. We should not concentrate in one region. We should spread the construction of roads across the country. We requested for a road from Marakwet District Headquarters to Iten District Headquarters to be constructed. Some money was allocated four years ago and the road was constructed from the other end but the project stopped. I thought that once the Government starts a project, it should continue to the end. However, what surprised us was that the road was tarmacked from the Marakwet side and not up to Iten District Headquarters. We have been asking for money to be allocated towards the completion of this road, but nothing has been provided. We wonder why the money for the development of infrastructure has been increased and yet it does not reach other places. So, the criteria for allocation of money for roads needs to be reviewed so that it is spread all over.

The allocation to the Ministry of Water and Irrigation for dam construction went up but I would like to see more transparency in the allocation of money for water, and it should be constituency-based. At the moment, the Ministry disburses money through the National Water Conservation and Pipeline Corporation (NWC&PC), which channels the money through the various water services boards. However, this money does not reach the intended areas on time. It is delayed. The money disappears somewhere along the way. You hear that certain areas have got Kshs200 million for dam construction. The money does not reach other places and yet water is vital. We need to develop water resources. We need to build more dams and sink boreholes. We need to build more water pans and harness flood water, but the money does not reach the intended places. People request for money, but it does not reach them. So, I would like to see more transparency in the water sector.

Mr. Temporary Deputy Speaker, Sir, on agriculture, the Government promised, last year, that it would allocate 8 per cent of the total Budget to agriculture. I do not see this in the Budget. We still need to support agriculture. We need to support certain institutions like the Agricultural Finance Corporation (AFC). More funds should be given to the AFC for onward lending to farmers. We do not have adequate agricultural credit for farmers. The cost of production has gone up. The cost of inputs and fuel has gone up. So, farmers want to borrow more to meet the cost of inputs. They cannot fund themselves. They have to look for somewhere to borrow some funds, and the only body that supports agriculture is the AFC. Therefore, the AFC should be supported by allocating it more funds for onward lending to farmers.

On the health sector, the Deputy Prime Minister and Minister for Finance has allocated money to the constituencies for employment of nurses and other medical staff. That is good because, at the moment, we have many health centres and dispensaries, some of which have been closed down because they have no staff. In my constituency, I have about six dispensaries. They are very old. They were not built recently. They get their allocation of drugs. They have drug kits, but there are no personnel. We have been asking the Ministry to employ, but they say that they have not been given enough budgetary allocation to enable them employ enough staff. So, I hope that they are going to implement these proposals to allow constituencies to employ enough nurses or clinical officers to man these institutions.

Mr. Temporary Deputy Speaker, Sir, as far as education is concerned, I was really happy to note that the Minister has allocated money for construction of modern schools. A few years ago, the Ministry of Education proposed the construction of two modern schools in every district – one for girls and one for boys – but this concept was not funded. It was just a proposal that was never supported in terms of funds. So, I really congratulate the Minister for going further to allocate funds for the development of two centres of excellence in every constituency, this time round, so that this idea becomes a reality. I think it is going to be implemented.

As far as the issue of levying instant fines for minor traffic offences is concerned, I think we need to improve on this proposal, because there is a lot of corruption that is perpetrated by traffic police officers. They fine people in the form of corruption. For every *matatu*, they take a certain amount of money daily, irrespective of whether your vehicle is mechanically sound or not. If we do not improve on this proposal, they will be telling motorists: “You either pay me Kshs200 or pay the Government Kshs1,000.” So, we need to improve on this idea, so that these people are sent to court.

With those few remarks, I beg to support.

**Mr. Mwadeghu:** Bw. Naibu Spika wa Muda, naomba kuchukua nafasi hii ili kuunga mkono, Hoja hii. Nikiunga mkono Hoja hii ya makadirio ya fedha za Serikali, naomba kwanza kumshukuru na kumpongeza mwenzetu Naibu wa Waziri Mkuu na Waziri wa Fedha, Mhe. Kenyatta, kwa makadirio ambayo amewasilisha hapa Bungeni, ambayo yanaonyesha kuwa alikariri sana na kujihusisha sana na hali ya uchumi ilivyo hapa nchini na ulimwengu wote kwa jumla.

Nikichangia Hoja hii, ni mara ya kwanza ambapo tumeona makadirio ya Serikali yameelekezwa mashinani. Tukikumbuka hasa, utata tuliokuwa nao mwaka wa 2007 baada ya kupiga kura na malalamishi ambayo yalitokea, moja ya mambo ambayo yalijitokeza wazi ilikuwa ni usambazaji wa rasilmali za nchi. Wananchi wengi walihisia kuwa kuna mikoa fulani ambayo, kila wakati katika makadirio ya Serikali, inapendelewa. Fedha za Serikali zilikuwa zinalenga mikoa fulani. Kwa hivyo, wananchi walikuwa na ghadhabu na ikabidi waitoe wakati huo na waeleze kinagaubaga kuwa: “Jamani, haturidhika!”

Tunashukuru kuwa Serikali wakati huu imesikia, imeelewa na imetafakari kilio cha wananchi. Imeona ni vizuri isambaze hizi hela mashinani kwa kila eneo la Ubunge ambalo limewakilishwa. Ndio hapa ninasema: Hongera kwa Serikali kupitia kwa Naibu Waziri Mkuu na Waziri wa Fedha.

Hata hivyo, tunahitaji kuwa na uwazi. Fedha nyingi zimetolewa na zikapolekwa mashinani kupitia kwa CDF lakini, hata hivyo, kama ulisikia makadirio yakisomwa vizuri, kila wakati, waziri alikuwa akitaja wizara inayohusika. Swala nyeti ambalo ningependa kuliuliza hivi sasa ni: Je, kuna mikakati ambayo imewekwa wazi ya kufafanua kuwa hizo fedha zitatolewa kwa Wizara na Wizara zitafanya nini huko mashinani? Ama, tutapata hizi hela kwa vitabu na zikiingia kwa Wizara, zile shida za kila siku kama vile Katibu Mkuu au afisa fulani kutokuweko ofisini, zitaendelea? Mwaka ukiisha, tunaambiwa kuwa ijapokuwa fedha zilitolewa, imebidi zirudishwe katika Serikali Kuu kwa sababu hazikutumiwa. Ninaomba wakati huu Serikali ihakikishe kuwa fedha hizi zinatolewa hata kama zinapitia kwa Wizara, na kuwe na mashauriano ya kutosha kuhakikisha kuwa zimefanya yale ambayo yametarajiwa kufanywa katika kila eneo la ubunge.

Naibu Spika wa Muda, kuna mpango wa Kazi kwa Vijana. Katika sehemu zingine, Mpango wa Kazi kwa Vijana umeanza vizuri. Lakini hakuna uwazi wa utendakazi. Hatujui hizi fedha zitatolewa namna gani, vijana wataajiriwa namna gani, watafanya kazi namna gani, watalipwa vipi na ni wangapi katika kila kiwango cha kazi. Hapo kuna swala ambalo tungependa lifafanuliwe.

Nashukuru kuwa hela za hospitali zimetolewa, kitita cha Kshs20 milioni kwa kila eneo la Bunge. Kwa mfano, Hospitali ya Thesu katika eneo langu la Wundanyi imedhoofika sana. Haina mahabara, mitambo ya kupiga picha au mitambo ya kuchunguza magonjwa. Kwa hivyo, natumaini kuwa hospitali hizo zitarekebishwa na wauguzi waajiriwe. Ijapokuwa imesemekana kuwa wauguzi watakuwa wakiajiriwa kwa muda, ningependa wakati huu, zile hospitali ambazo zimeadhirika kwa kuwa hazina chumba cha kupasulia watu na hata maji, hela hizi zitumiwe kufanya mambo hayo. Nangojea kuona ikiwa Hospital ya Thesu ambaye iko katika eneo langu la Wundanyi, itashughulikiwa vilivyo.

Usambazaji wa hela mashinani umekuwa wakati unaofaa ili kurekebisha barabara. Nashukuru Waziri kwa kusema kuwa zile hela ambazo zilikuwa zikitoka kwa LATF, atabadilisha sheria ili nazo ziingie katika sehemu ambazo wabunge wanawakilisha. Tutangojea kuona itakuwa namna gani. Lakini ukifikiria kidogo, utaona kuwa kuna tatizo la miundo ya misingi. Ukiangalia barabara ya kutoka Taveta kwenda Voi---

## ADJOURNMENT

**The Temporary Deputy Speaker** (Prof. Kaloki): Order, hon. Mwadeghu! It is now 12.30 p.m. You will continue with your contribution when the debate resumes. You will have an additional five minutes.

Hon. Members, it is now 12.30 p.m. It is time to interrupt the business of the House. Therefore, the House stands adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.