

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Thursday, 21st June, 2001

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

## PRAYERS

## COMMUNICATION FROM THE CHAIR

### APPOINTMENT TO THE CHAIRMAN'S PANEL

**Mr. Speaker:** Hon. Members, pursuant to Standing Order No.10, Sections one and two, the following hon. Members have been appointed as Members of the Chairman's Panel during the current Session of the Eighth Parliament.

Hon. Gitobu Imanyara, MP

Hon. David Musila, MP

Hon. Justin B. Muturi, MP

They will deputise for the Chairman of Committees and also exercise all those powers conferred on the Chair.

## ORAL ANSWERS TO QUESTIONS

**Mr. Anyona:** Mr. Speaker, Sir, before I ask my Question, I would like to seek some guidance from the Chair. I have a piece of paper in the form of a written answer which is not signed. The second issue is that, my Question is in three parts, but the answer is only in parts "a" and "b". I really do not know whether I should proceed or what I should do.

**Mr. Speaker:** I think the only thing I can say, because I have not looked at the answer, I get answers as they come on the Floor, is that, the signature on the answer is mandatory. I do not know what all this laziness is all about, by Ministers even to pick up a pen and sign it.

**An hon. Member:** They do not even look at them!

**Mr. Speaker:** Maybe! I order that they should be signed from now on!

### *Question No.110*

### SHOOTING OF CONSTABLE ASANYO

**Mr. Anyona** asked the Minister of State, Office of the President:-

(a) whether he is aware that on the night of 27th February, 1985, along Luthuli Avenue/Mfangano Street in Nairobi, Administration Police Constable Samson, Ogwati Asanyo, P/No.202395, was shot dead by a police officer;

(b) what the circumstances surrounding this incident were and the legal measures taken against the police officer concerned; and,

(c) why the widow, Jane Mokeira Samson, has not been paid the death gratuity and other benefits for the last 15 years.

**Mr. Speaker:** Where is the Minister in the first place?

**An hon. Member:** He is not in!

**Mr. Speaker:** By the way, today, the House is sitting. Are hon. Members on leave?

**Mr. Obwocha:** On a point of order, Mr. Speaker, Sir. From our general knowledge, Cabinet meetings are held on Thursdays. So, maybe, today there is a Cabinet meeting, because there is no Minister here.

**Mr. Speaker:** We shall come back to that Question later on!

Next Question!

**Mr. Muchiri:** Mr. Speaker, Sir, I do not have the written answer.

*Question No.097*

IMPROVEMENT OF TELEPHONE SERVICES

**Mr. Muchiri** asked the Minister for Transport and Communications:-

(a) what action he is taking to improve telephone services within the areas served by digits 78, 79 and 80 for Buru Buru

Mand Roysambu Exchange which have been on and off for the last two years, making the business community and residents of Umoja, Buru Buru, Makadara, Kariobangi, Roysambu, Baba Dogo, Survey of Kenya and Mathare North inaccessible; and,

(b) what is the breakdown on telephone charges in Kenya.

**Mr. Speaker:** Where is the Minister?

**An hon. Member:** Even Assistant Ministers are not in and yet they are so many!

**Mr. Speaker:** We shall come back to that Question later on!

Next Question!

*Question No.187*

REPAIR OF RUAMBWA-PORT VICTORIA ROAD

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

(a) whether he is aware that Ruambwa-Namalo Mundere-Port Victoria Road is impassable; and,

(b) what steps he is taking to urgently repair the road.

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

(a) Yes, I am aware that Ruambwa-Namalo-Mundere-Port Victoria Road is impassable.

(b) The Ministry has allocated funds for routine maintenance and spot improvement of the road.

**Mr. Wanjala:** Mr. Speaker, Sir, you are aware that these roads are used by fish purchasers to transport fish. The transportation of fish to factories has become a problem. You are also aware that fish is perishable. These roads are impassable to vehicles and, therefore, they are not able to transport the fish. In the process, fish dealers have lost a lot of money.

In 1998/99, this Government collected over Kshs6 billion in revenue from fish. We have always requested the Government to tarmack these roads. Why can the Government not consider tarmacking these roads so that they get more revenue than what they are getting today?

**Eng. Rotich:** Mr. Speaker, Sir, I am not sure whether Kshs6 billion was collected as revenue from fish. Maybe the revenue from fish was Kshs6 billion, but the Government did not collect Kshs6 billion as revenue from fish.

**Mr. Speaker:** Nevertheless, whatever he has said above, why not tarmack it?

**Eng. Rotich:** Mr. Speaker, Sir, I think our response to this Question last time was that there is a study going on to look at the possibility of tarmacking the road from Busia all the way to South Nyanza and Narok. There is a study going on by the Ministry and JICA.

**Dr. Kulundu:** Mr. Speaker, Sir, how much money has the Ministry set aside for the gravelling of these roads in the next financial year?

**Eng. Rotich:** Mr. Speaker, Sir, I can only give the figure for this financial year and not the next financial year. The Ministry gave a total of Kshs6,400,000 for maintenance of this Road C30. This section we are talking about is part of Road C30. This money was distributed as follows: Grading was Kshs1.4 million, spot clearing Kshs250,000, drainage work, Kshs200,000 and spot improvement, Kshs4.5 million.

**Mr. Wanjala:** Mr. Speaker, Sir, I am very surprised that over Kshs6 million was allocated to this road and yet we have not received this money. We only got Kshs1,043,000 and nothing more than that. Now that the Minister has revealed that they sent Kshs6 million to Busia Treasury and the officers are there, could he consider arresting these officers if they have misappropriated these funds?

**An hon. Member:** Yes!

**Mr. Speaker:** It looks like Mr. Awori is agreeing!

**Eng. Rotich:** Mr. Speaker, Sir, the money was sent, and I could check and find out how the money was used.

**Mr. Kamolleh:** Mr. Speaker, Sir, is the Assistant Minister aware that, in fact, that road leads to Port Victoria where a lot of fish is harvested? The EEC has asked for a lot of fish and yet our own Ministry for Roads and Public Works is not repairing roads leading to where the fish is. How soon is he going to find out whether the Kshs6 million he has talked about is made available so that these roads are done in order to transport fish from that area and earn foreign exchange?

**Eng. Rotich:** Mr. Speaker, Sir, it is true and I am aware that the roads are not very good, but as I said, there is a study going on to see whether we can tarmack the fish road from Busia, Siaya, Eldoret to the former South Nyanza region, then to Trans Mara and connect to Narok. There is a study going on.

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

**Mr. Wanjala:** Mr. Speaker, Sir, could I ask the last question?

**Mr. Speaker:** Mr. Wanjala, do not make it a habit, since last time I agreed! Anyway, what is it?

**Mr. Wanjala:** Mr. Speaker, Sir, considering the urgency of solving the problems fishermen are facing, and the study was done in 1998-- You are also aware that, that district has got four Ministers. **[Mr. Wanjala]** It appears the Government is out to frustrate its own Ministers. Could the Government hasten the study? How long is it going to take? This is 2001 and yet the study was done in 1998.

**Eng. Rotich:** Mr. Speaker, Sir, I cannot give a definite date when it is going to start. I was also not aware that there are four Ministers in that district, but we hope, in the next financial year, we shall come up with a definite date when works on this road will commence.

**Mr. Speaker:** Mr. Anyona's Question for the second time!

*Question No.110*

SHOOTING OF CONSTABLE ASANYO

**Mr. Anyona** asked the Minister of State, Office of the President:-

(a) whether he is aware that on the night of 27th February, 1985, along Luthuli Avenue/Mfangano Street in Nairobi, Administration Police Constable Samson, Ogwati Asanyo, P/No.202395, was shot dead by a police officer;

(b) what the circumstances surrounding this incident were and the legal measures taken against the police officer concerned; and,

(c) why the widow, Jane Mokeira Samson, has not been paid the death gratuity and other benefits for the last 15 years.

**Mr. Speaker:** Where is the Minister of State, Office of the President?

**An hon. Member:** Mr. Gumo is in!

**Mr. Speaker:** Mr. Gumo, would you like to answer this Question?

**The Assistant Minister, Office of the President (Mr. Gumo):** Mr. Speaker, Sir, I am still looking for the answer. If you could give me more time--

**Mr. Speaker:** Are you looking for the answer from your colleague there?

**The Assistant Minister, Office of the President (Mr. Gumo):** Mr. Speaker, Sir, it will be availed in the next ten minutes.

**Mr. Speaker:** Mr. Anyona, I am afraid, I do not think he is capable or ready to answer the Question.

**Mr. Anyona:** Mr. Speaker, Sir, in view of that, if you will defer this Question, could he be required to answer all the three parts of the Question and have it signed?

**Mr. Speaker:** I will defer the Question to Tuesday and, Mr. Gumo, you will be required to answer the Question in all the three parts.

Question deferred!

*(Question deferred)*

**Mr. Speaker:** Mr. Muchiri's Question for the second time!

*Question No.097*

## IMPROVEMENT OF TELEPHONE SERVICES

**Mr. Muchiri** asked the Minister for Transport and Communications:-

(a) what action he is taking to improve telephone services within the areas served by digits 78, 79 and 80 for Buru Buru and Roysambu Exchange which have been on and off for the last two years, making the business community and residents of Umoja, Buru Buru, Makadara, Kariobangi, Roysambu, Baba Dogo, Survey of Kenya and Mathare North inaccessible; and

(b) what is the breakdown of Telephone charges in Kenya.

**Mr. Speaker:** Where is the Minister for Transport and Communications?

**An hon. Member:** He is not in!

**Mr. Speaker:** Mr. Muchiri, I am afraid there is nobody to answer the Question, so could I defer it to Tuesday, next week?

**Mr. Muchiri:** Thank you, Mr. Speaker, Sir.

**Mr. Speaker:** Question deferred!

*(Question deferred)*

**Mr. Ndicho:** On a point of order, Mr. Speaker, Sir. On Tuesday, you promised me that Question One by Private Notice today, will be mine. We should start from the back so that you can fulfil your promise!

**Mr. Speaker:** Very well, the Chair always lives by its promises. Mr. Stephen Ndicho's Question!

*(Laughter)*

**Mr. Ndicho:** Mr. Speaker, Sir, I thank you for honouring your promise.

### QUESTIONS BY PRIVATE NOTICE

#### REINSTATEMENT OF THIKA MUNICIPAL WORKERS

**Mr. Ndicho:** Mr. Speaker, Sir, I beg to ask the Minister for Local Government the following Question by Private Notice.

(a) Is the Minister aware that the Court of Law at Thika, the High Court and the Court of Appeal in Nairobi ordered that 37 workers of Thika Municipal Council, who had been illegally sacked, be reinstated with their full pay?

(b) Is the Minister further aware that the Government ordered the reinstatement of the same workers three weeks ago?

(c) Why were the 37 workers still locked out despite the courts' and Government's orders that they be reinstated and paid in full their salaries and arrears?

**Mr. Speaker:** Is anyone here from the Ministry of Local Government? Mr. Ndicho, I lived up to my promise, but there is nobody to answer your Question!

**Mr. Ndicho:** On a point of order, Mr. Speaker, Sir. Could I now request you to start with Question No.1 by Private Notice so that we can wait for the Minister to come in?

**Mr. Speaker:** Order, Mr. Ndicho! Do not make the Chair a pendulum which can swing forth and backwards. There is nobody to answer that Question and I defer it to Tuesday next week.

**Mr. Ndicho:** Mr. Speaker, Sir, I plead with the Chair to defer it to the "other week".

**Mr. Speaker:** Very well, I will defer it to the "other week".

Mr. Gitonga's Question.

*(Laughter)*

*(Question deferred)*

#### ALLOCATION OF MINISTRY'S LAND

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

(a) Is the Minister aware that the 15-acre piece of land hitherto belonging to the Ministry along Nyambari-Nairobi-Naivasha Highway at the Uplands turn-off, has been allocated to a private developer?

(b) Who is the developer and what kind of development does he intend to carry out in the area?

**Mr. Speaker:** The Minister for Environment is not here? What is happening today?

**Mr. Ndicho:** On a point of order, Mr. Speaker, Sir. We know very well that we have three arms of Government, the Judiciary, Executive and the Legislature. The Judiciary is doing its work as expected; the Executive is even doing a very excellent job. It is only the Legislature that is not doing its work at all in this country! I call upon you to discipline the Government side. I now call upon hon. Biwott, who has just come in, to tell us where he has taken the Minister for Environment.

**Mr. Speaker:** The Minister for Environment is not here? Mr. Gitonga, could I defer that Question to next week on Tuesday?

**Mr. Gitonga:** On a point of order, Mr. Speaker, Sir. In the spirit of collective responsibility, any other Minister of Government can answer that Question if the Minister for Environment is not here!

**Mr. Speaker:** Could I go through the other Questions and then make my comments later?

*(Question deferred)*

#### REMOVAL OF RADIOTHERAPY UNIT

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

(a) Is the Minister aware that there is a conspiracy by senior Ministry officials to move the only Radiotherapy unit in Western Kenya, from the New Nyanza General Hospital, Kisumu, to Nairobi?

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

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

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

(a) I am not aware of any conspiracy by Ministry officials to move the Radiotherapy Unit from New Nyanza General Hospital, Kisumu.

(b) The Radiotherapy Unit requires to be upgraded so that it is Year 2000 compliant. The International Atomic Energy Agency has been approached and has agreed to carry out the work.

(c) I would like to assure the House that the Radiotherapy Unit will not be moved from the New Nyanza General Hospital, Kisumu.

*(Applause)*

**Mr. Sungu:** Mr. Speaker, Sir, I would like to thank the Assistant Minister for that good answer. But I think this is because the Government has just "moved" to Kisumu. Could he tell the House when repair works on this unit will begin?

**Dr. Wako:** Mr. Speaker, Sir, the repair works have already started and we are going to admit patients before the end of July, this year.

**Mr. Anyona:** Mr. Speaker, Sir, it appears as if there is a conspiracy somewhere in the Ministry to "cannibalise" New Nyanza General Hospital. The other day, the Minister for Public Health, Prof. Onger, was here denying that some other equipment in that hospital were being brought to Nairobi. Today, we have another case. What is going on there? Could the Assistant Minister tell us?

**Dr. Wako:** Mr. Speaker, Sir, there is no cannibalization as alleged by hon. Anyona. The only problem is that the unit was not Year 2000 compliant and that is what we are trying to upgrade. It requires about Kshs2 million and the International Atomic Energy Agency has actually agreed to do that.

**Mr. Achola:** Mr. Speaker, Sir, could the Assistant Minister explain to the House why this unit was not made Year 2000 compliant despite the fact that nationally and internationally, all electronic programmable units were supposed to be made Year 2000 compliant by 31st December, 1999?

**Dr. Wako:** Mr. Speaker, Sir, it is true that we were supposed to upgrade this unit but the cost was

prohibitive. The International Atomic Energy Agency, who were supposed to do it, accepted to do it but within this financial year.

**Mr. Otita:** Could the Assistant Minister tell us how many such units are there in the country? Could he further tell us how many such units are located in Western Kenya, outside Nyanza Province?

**Dr. Wako:** Mr. Speaker, Sir, there are only two such units in the country, one in Nairobi, and one, in Kisumu. Those are the only two modern units in the country.

**Dr. Kulundu:** Mr. Speaker, Sir, now that we have passed the Industrial Property Bill which would even enable our engineers to make generic equipment, what plans does the Ministry of Public Health have to ensure that these radiotherapy units are supplied to all Provincial General Hospitals?

**Dr. Wako:** Mr. Speaker, Sir, it is true that with the enactment of the Industrial Property Bill, we might be able to get X-ray units in every hospital in the country. But this Atomic Energy is very expensive and it is only available in Kenyatta National Hospital and New Nyanza General Hospital.

**Mr. Sungu:** Mr. Speaker, Sir, the new Nyanza General Hospital serves as a referral hospital for the whole of Western Kenya, including Western Province, Nyanza and North Rift. This hospital remains under-equipped, understaffed and overcrowded. I would like to have an assurance from the Assistant Minister, now that he has agreed to repair this unit, that he will provide other necessary equipment to that hospital, to serve this large population?

**Dr. Wako:** Mr. Speaker, Sir, I think New Nyanza General Hospital is one of the luckiest hospitals. It is true that it is a referral hospital for Nyanza, Western Kenya and even Uganda. We have been doing all that we could to ensure that it is well equipped and that it has the most modern equipment in the country.

**Mr. Speaker:** Next Question, Dr. Kulundu!

**Dr. Kulundu:** Mr. Speaker, Sir, before I ask the Question, I would like to bring to your attention the fact that I have not received a written reply.

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

**Dr. Kulundu:** Mr. Speaker, Sir, I beg to ask the Minister for Public Health the following Question by Private Notice.

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

**The Minister for Public Health** (Prof. Onger): Mr. Speaker, Sir, we sent the written reply to Parliament. I have no way of ensuring that it reaches the hon. Member, but I have got the answer here with me.

**Dr. Kulundu:** On a point of order, Mr. Speaker, Sir. If you heard what the Minister for Public Health has just said with regard to answers being availed to Members of Parliament--- Probably if he could repeat it for you?

**The Minister for Public Health** (Prof. Onger): Mr. Speaker, Sir, this is a Question by Private Notice. We sent an answer to the Clerk of the National Assembly. So, it is not really my responsibility to see to it that it reached the Member or not.

**Mr. Speaker:** Very well, could you now answer the Question?

**The Minister for Public Health** (Prof. Onger): Mr. Speaker, Sir, I beg to reply. The Government has not rejected a free offer of Niverapine from Boehringer Ingelheim Pharmaceuticals. The pharmaceutical firm is free to make its donations to the Ministry for distribution.

**Dr. Kulundu:** Mr. Speaker, Sir, I wish to thank the Minister for that retreat. He has beaten a hasty retreat! Only three weeks ago, when we were discussing the Industrial Property Bill, we met pharmaceutical companies, among them Boehringer Ingelheim Pharmaceuticals, who complained that despite the fact that they were offering this particular grant to the Kenyan Government, this Ministry had refused to accept that offer. The offer has been on since July, last year, following the Durban International Conference on AIDS. Why has it taken this Ministry so long to have this drug on board when many children are born HIV positive?

**Prof. Onger:** Mr. Speaker, Sir, there are very good guidelines on the issue of donations of drugs and medical supplies. I hereby table the said guidelines.

*(Prof. Onger laid the document on the Table)*

This particular company required that we sign a letter of intent, tying us down to the supply of Viramine, which is also Niverapine, only from that company and no other. We would not be in a position to sign that letter for exclusive supply.

**Mr. Sungu:** Mr. Speaker, Sir, I think the Government has not been very keen in taking advantage of offers from our international partners. For example, the other day, the Bill Gates Foundation gave a US\$100 million to fight AIDS amongst other diseases in the world. Could the Minister tell us whether they are going to take advantage of such offers, to help the poor people of Kenya who are suffering from these diseases?

**Prof. Ongeri:** Mr. Speaker, Sir, hon. Sungu is behind news. Indeed, Kenya was one of the very few countries that accessed the Bill Gates Foundation donation of US\$1 billion for immunization of children under the Global Alliance for Vaccine Initiative (GAVI). We got \$21 million which is the highest amount that has ever been given to any country in the world.

**Mr. N. Nyagah:** Mr. Speaker, Sir, while thanking the Minister for that answer, it is good to remind him that in Kenya Niverapine is costing Kshs297.60; in India it costs Kshs120; in Brazil, it costs Kshs104, while in Thailand it costs Kshs280. Therefore, there was need for the Kenya Government not to be tied down as to where it should get these products. However, the Minister is on record having told us that there are guidelines that have been set for the formulation of the proper use of these medications that are used for the enhancement of the lives of Kenyans living with the disease. Could he tell us how he intends to check the quality of these drugs? During this year's Budget, there is only a provision of Kshs3 million that will go towards the National Quality Control Laboratories as opposed to the request by the Chairman, Prof. Gilbert Kokwaro, of Kshs50 million.

**Prof. Ongeri:** Mr. Speaker, Sir, the hon. Member will remember that sometime back, I did indicate to this House that after the enactment of the Industrial Property Bill by this House--- We did make contingency arrangements during the just ended financial year of Kshs26 million to be able to import the most critical equipment required, like a high-powered liquid chromatography and gas analysis equipment for drug generation. There are only two in that unit but now we are going to have eight of them. They are being flown in by Crown Agent. Therefore, there should be no alarm.

**Mr. Wamae:** Mr. Speaker, Sir, I was also in another Committee of this House which dealt with the Industrial Property Bill. This same company complained that the Ministry had failed to reply to their offer. If the Ministry was not happy with the conditions of the offer, why did they not tell them so in writing so that they could negotiate instead of ignoring the free offer of medicine?

**Prof. Ongeri:** Mr. Speaker, Sir, this offer was made in Durban, South Africa. There was no official offer to us. We have indicated to them that they should give us the offer minus the conditions.

**Dr. Kulundu:** Mr. Speaker, Sir, the Minister is misleading the House. He insists that Boehringer Ingelheim Pharmaceuticals attached some conditions. If, indeed, he is correct, I would like him to table those conditions here. As far as I am concerned, Boehringer Ingelheim Pharmaceuticals offered this particular drug to Third World countries free of charge and in their letter to various governments, including ours, they say:-

"As announced in Durban last year, Nevirapine free donations for mother-to-child transmission are still available but countries interested must apply for the donation in writing to Boehringer Ingelheim International."

Mr. Speaker, Sir, that is the only condition that was attached to this offer. If the Minister is serious about these other conditionalities, can he now assure this House that this Government has fulfilled them?

**Prof. Ongeri:** Mr. Speaker, Sir, I did say, and I want to repeat for the sake of clarity that, indeed, there was a general offer of drugs in South Africa when the case in South Africa was in court and we did indicate to Boehringer Ingelheim. In fact, the Chairman of the National AIDS Co-ordinating Committee, Dr. Abdallah, was in Durban and the Boehringer Ingelheim group met him there. They made that offer and we requested them to put it in writing. They came to Nairobi and met the Director of Medical Services in September last year and we still requested them to make that offer in writing. Instead, what they have given us is not only the use of Nevirapine for pregnant mothers but also the costs of both the tablets and the suspension.

**Mr. Ndwiga:** On a point of order, Mr. Speaker, Sir. I think the Minister is confusing the House. First, he said that they asked Boehringer Ingelheim Pharmaceuticals to give them an offer without conditions. However, he is running away from the question of Dr. Kulundu which is: What were the conditions?

**Prof. Ongeri:** Mr. Speaker, Sir, I earlier said, and again for the sake of clarity, that Boehringer Ingelheim Pharmaceuticals insisted on us giving them the letter of intent for its exclusivity and we were not able to do that because that was going to be contrary to the rules and regulations.

**Dr. Kulundu:** On a point of order, Mr. Speaker, Sir. The Minister is misleading the House and with due respect to him, could he table the letter of exclusivity that he received from Boehringer Ingelheim Pharmaceuticals? In fact, the reason why the Ministry refused this free offer is because there was no monetary inducement.

*(Applause)*

**Prof. Ongeri:** Mr. Speaker, Sir, I do not think I carry all the correspondences into this House.

**Mr. Speaker:** Can I give you time?

**Prof. Ongeri:** No, Mr. Speaker, Sir! It is not a question of time and I am very clear that this particular firm wanted to tie the hands of the Government for support from just one item.

**Capt. Ntwiga:** Mr. Speaker, Sir, the question Dr. Kulundu is asking is whether the Minister replied in writing to this company, refusing the conditions so that the company may come back again and do something else? That is the question. Could he answer that?

**Mr. Speaker:** Order! I think the issue that arises and interests the House and the country is what the conditions attached to this were. I think, in all fairness, the House deserves to know the conditions. I will give the Minister time to get the conditions and bring them to the House. I will defer the Question to Tuesday next week.

**Prof. Ongeri:** Mr. Speaker, Sir, do not defer the Question. There is a letter written---

**Hon. Members:** Table the conditions!

**Prof. Ongeri:** I will table it here. Why are you in a hurry? What is this interest that you have in this matter?

*(Prof. Ongeri threw the document on the Table)*

**Mr. Speaker:** Order! I said the House wanted the facts. If the Minister has now somehow found that the letter containing those conditions, it is only fair to hear him.

**Mr. Wamae:** On a point of order, Mr. Speaker, Sir. The hon. Minister has asked us why we are in a hurry about this matter. Kenyans are in a hurry because children are dying. We should not be dying because of lack of this drug!

**Mr. Ndicho:** Jambo la Nidhamu, Bw. Spika. Ni haki kwa Waziri kutupa makaratasi juu ya meza hii na kukasirikia Bunge kwa madharau? Anafikiri hili ni eneo lake la uwakilishi Bungeni na sisi ni watu wake?

*(Laughter)*

**Mr. Speaker:** Order! Makasiriko hayakubaliwi katika Bunge hili aidha kutoka kwa Waziri ama kwako. Umetumia lugha mbaya na usirudie tena. Leo nakusamehe lakini usirudie.

**Mr. Munyasia:** On a point of order, Mr. Speaker, Sir. Is the Minister in order to mislead this House that he did not take that action of refusing to accept the free offer of Nevirapine drug because he was under the influence of the Kenya Medical Association (KMA) which argued that, on ethical grounds, it did not make much sense to save the child when the mother was dying. That was what we heard when the KMA appeared before the Committee that was discussing that particular Bill. Could he deny or confirm that the KMA did recommend that he should refuse this offer because it makes no sense to save the child when the mother was dying?

**Prof. Ongeri:** Mr. Speaker, Sir, that will go against the dictates of the information available that the use of Nevirapine drug indeed does reduce the transmission rate of HIV/AIDS by about 50 per cent. So, that contention would not be appealing to me as the Minister for Public Health, and I was not under the influence of KMA, when I fully know the facts, that 50 per cent of children who are born of HIV-positive mothers are likely to be HIV-negative. So, that information will not influence my decision and I stick to the earlier decision that I had already indicated to the House.

**Mr. Speaker:** What about the conditions?

**Prof. Ongeri:** Mr. Speaker, Sir, I have said very plainly that we have no objection to the company giving us those drugs free of charge minus the conditions. That is all I have said.

**Mr. Speaker:** Order! I think the House is interested to know what these conditions are and, therefore, I will defer the Question to Tuesday next week for you to bring the conditions.

*(Question deferred)*

Next Question, Mr. Achuka.

SUPPORT FOR SCHOOL FEEDING PROGRAMME

**(Mr. Achuka)** to ask the Minister for Education:-



(a) Is the Minister aware that school children/students in Turkana District risk being expelled from schools and colleges as the parents are unable to pay school fees?

(b) What action has the Minister taken to ensure continued

support of School Feeding Programme and waiver of school fees for children in the area?

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

*(Question dropped)*

**Mr. Gitonga:** On a point of order, Mr. Speaker, Sir. The Minister for Environment has just walked in the House. Would I be in order to request that you ask him to answer my Question?

**Mr. Speaker:** Order! I think earlier on I had deferred that Question but I must say the following: Hon. Members, I think it is most unfortunate that a lot of Questions get deferred because those charged with the responsibility to answer them cannot find time to do what they are paid to do. I think it is wrong and Members must understand that Parliament begins at 2.30 p.m. and everybody must be here, and do not come later in the hope that your Question will come 30 minutes later. This is because if everybody thought that way, then the situation like that of today arises, where there is nobody at all to answer the Questions. I appeal to the Leader of Government Business to put seriously the need of purpose to your colleagues in the Front Bench. They must come and do what they are paid to do. So, please, do that. I think it is portraying a very bad picture of the Government and the nation at large.

**The Vice-President and Minister for Home Affairs (Prof. Saitoti):** Mr. Speaker, Sir, I would like to apologise profoundly for the fact that quite a number of my colleagues were not here when their Questions were asked. We will ensure that, indeed, the Ministers whose Questions are listed will have to be here when the House starts its business. I will ensure that, that is followed. Sincerely, I do apologise to the House for that inconvenience.

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

**Mr. Speaker:** Order! Order, hon. Members! The tradition of this House, which the Chair must enforce, is that once an apology is tendered by an hon. Member, it is automatically accepted.

So, the House does accept the apology and we look forward to better days ahead. So, that subject is now closed!

Mr. Lengees, you had a Ministerial Statement!

## MINISTERIAL STATEMENT

### RESUMPTION OF VOI-TAVETA PASSENGER TRAIN SERVICES

**The Assistant Minister for Transport and Communications (Mr. Lengees):** Thank you, Mr. Speaker, Sir, for giving me this chance again to make a Ministerial Statement.

The passenger train services between Voi and Taveta stations were suspended on 24th January, 2001, due to technical problems which include: As this branch-line is made of light rails, it required the service of light locomotives such as the 71/72 and 62-classes of locomotives. However, at that time, these types of locomotives were grounded due to serious mechanical defects and, therefore, could not be used to sustain the service. As a stop-gap measure, we tried to use the slightly heavier locomotive, this is, the 87-class, to try to salvage the service. This also failed as the heavier locomotive continued to have greater impact on the permanent way thereby weakening the systems to the extent of making them vulnerable to accidents.

Right now, the Kenya Railways Corporation (KR) is sending 15 of the 62-class locomotives to Uganda for rehabilitation by Adtranz, sponsored by KFW loan from Germany. This is aimed at improving the reliability and availability of the lighter locomotives that can be used on branch-lines like Taveta.

It is expected that the 62-class rehabilitation project will be through by end of this year, and thereafter, the regular passenger train services to Taveta will resume. In the meantime, the KR has on its own repaired some of the 62 locomotives and plans, as a stop-gap measure, to resume the Taveta passenger services with limited frequencies of twice a week beginning July, 2001. Normal services will resume when the locomotives to be rehabilitated in Uganda are ready at the end of the year.

**Mr. Speaker:** Next Order!

## PROCEDURAL MOTION

### EXEMPTION OF BUSINESS FROM PROVISIONS OF SO 137(1)

**The Vice President and Minister for Home Affairs** (Prof. Saitoti): Mr. Speaker, Sir, I beg to move:- THAT, this House orders that the business appearing on today's Order Paper be exempted from the provisions of Standing Order No.137(1) which gives precedence to the debate on the Financial Statement.

This Motion is being brought in recognition of the fact that, indeed, the debate on the Financial Statement; that is the Speech that was delivered by the Minister for Finance on 14th June, does take precedence for seven days over any other business. But taking into account that the Vote on Account; that is 50 per cent of the Budget for expenditure, has to be approved by 26th June, this year, which will be next Tuesday, it is important that we bring this Motion. That is why we seek the approval of the House to waive the debate on the Financial Statement so that the Motion on the Vote on Account can be moved. This will enable us to beat the deadline of 26th June, which is also contained in our Standing Orders.

**The Assistant Minister for Transport and Communications** (Mr. Keah): Mr. Speaker, Sir, under Standing Order No.137(1), we are required to move this Procedural Motion, which, by the way, I do second, in order to give priority to the debate on the Vote on Account today. I would like to say that the debate and passage of the Vote on Account will enable the Government to continue rendering its services come 1st July, 2001. Unless we do this before 26th June, this year, we will be time-barred. This is a Procedural Motion, and I would like to urge hon. Members to support it.

With those few remarks, I beg to second.

*(Question proposed)*

**Mr. Muniyao:** Thank you, Mr. Speaker, Sir. It is true that according to Standing Order No.142(6), the Vote on Account should be done by 26th June. As I support the Motion, I am also wondering whether after this, we will resume our debate on the Budget Speech. This is because a lot was to be said. Given the importance of debating the Budget Speech for seven days as required by our Standing Orders, I would like the Leader of Government Business to assure this House that after finishing what we are doing, he will move a Motion to that effect. It will be a good thing if we do that. Reluctantly, I would like to support this Motion.

**Mr. Speaker:** Order! Order! In fact, the Vice-President and Minister for Home Affairs and Leader of Government Business has no choice in this matter. It is a matter of law, which I will insist will be adhered to. So, we will resume debating the Financial Statement on Tuesday next week until seven days are over.

**Mr. Anyona:** Mr. Speaker, Sir, yesterday there was confusion among Members as to whether this was the end of the debate on the Financial Statement. My understanding is that under Standing Order No.137(2), the debate on the Vote on Account is not part of the debate on the Financial Statement, but this is in addition. Secondly, also under Standing Order No.138, I thought that the three or five days that may be set aside to debate taxation measures would also not be part of the seven days's debate on the Financial Statement.

**Mr. Speaker:** They are not!

**Mr. Anyona:** Therefore, Mr. Speaker, Sir, the seven days remain intact.

**Mr. Murathe:** Mr. Speaker, Sir, I just do not understand why, when the Government was setting the 14th as the date of the Budget, they did not take into account that by 26th, we needed to have debated the Financial Statement for seven days uninterrupted. Could the Leader of Government Business be so kind as to explain why, for the first time since we came here, that would happen?

**The Vice-President and Minister for Home Affairs** (Prof. Saitoti): Let me just sympathize with the hon. Member. If he was aware of the efforts that go into the making of the Budget, he would appreciate the fact that you cannot just rush the presentation of the Budget. The Minister for Finance can be asked to bring the Budget, at least, before the 26th June to make sure things are done. I know exactly the pressure the hon. Minister for Finance went through. The most important thing is that we are within the law.

**Mr. Speaker:** Order! Order! But to put the matter in its correct perspective, I think the Leader of Government Business should have told you that Budgets in East Africa are read on the same day. Therefore, there is very little room even for the Minister himself to manoeuvre, because the three of them have to agree. But, of course, the Budget has to be read before the 20th June. I think it is right that the House should know this.

*(Question put and agreed to)*

Next Order!

**COMMITTEE OF SUPPLY**

*(Order for Committee read)*

**MOTION**

VOTE ON ACCOUNT

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to move:- THAT, in accordance with Section 101 of the Constitution of Kenya, the withdrawal from the Consolidated Fund of a sum not exceeding Kshs75,746,257,575 made up in the manner set out in the Vote on Account laid in the House, be authorized for the purpose of meeting expenditure necessary to carry on the services of the Government of Kenya during the year ending 30th June, 2002, until such time as the Appropriation Act for that year comes into operation.

Vote No.		Issues on Account	Appropriations in Aid
	<b><u>RECURRENT</u></b>	Kshs	Kshs
R01	Office of the President	8,136,010,000	1,323,592,367
R02	State House	266,803,650	128,000
R03	Directorate of Personnel Management	1,728,179,550	44,600,000
R04	Ministry of Foreign Affairs and International Co-operation	1,540,970,700	487,950,000
R05	Office of the Vice-President and Ministry of Home Affairs, Heritage and Sports	1,921,291,400	85,792,539
R07	Ministry of Finance and Planning	4,759,776,700	1,983,877,000
R08	Department of Defence	7,192,500,000	56,000,000
R10	Ministry of Agriculture and Rural Development	2,683,402,500	569,170,350
R11	Ministry of Health	5,242,355,700	42,682,400
R12	Ministry of Local Government	130,346,250	4,888,070,000
R13	Ministry of Roads and Public Works	1,909,395,700	8,066,776,941
R14	Ministry of Information, Transport and Communications	994,731,050	59,856,300
R15	Ministry of Labour and Human Resource Development	690,735,350	23,721,700
R16	Ministry of Tourism, Trade and Industry	1,004,989,930	544,910,668
R21	Ministry of Environment and Natural Resources	1,245,084,900	302,775,246
R25	Office of the Attorney-General	176,516,545	99,011,300
R26	Judicial Department	396,433,130	310,000,000
R27	Public Service		

R28	Commission Office of the Controller and Auditor-General	52,228,720 147,451,150	1,424,000 1,684,000
R29	National Assembly	1,790,630,430	430,000
R30	Ministry of Energy	26,906,570	76,641,404
R31	Ministry of Education, Science and Technology	24,291,870,810	88,681,000
R33	Electoral Commission	855,768,650	1,000,000
R36	Ministry of Lands and Settlement	527,467,950	167,701,965
R45	National Security Intelligence Service	<u>1,400,000,000</u>	
	Total	<u>69,111,847,335</u>	<u>19,221,477,180</u>

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**DEVELOPMENT**

D01	Office of the President	1,873,816,610	1,973,667,855
D02	State House	75,250,000	
D03	Directorate of Personnel Management	144,264,455	40,000,000
D04	Ministry of Foreign Affairs and International Co-operation	57,500,000	
D05	Office of the Vice- President and Ministry of Home Affairs, Heritage and Sports	138,558,000	436,151,510
D07	Ministry of Finance and Planning	88,183,355	5,926,781,712
D10	Ministry of Agriculture and Rural Development	715,907,655	1,412,495,237
D11	Ministry of Health	562,508,000	2,414,526,008
D12	Ministry of Local Government	322,100,000	1,015,800,000
D13	Ministry of Roads and Public Works	917,845,000	4,144,486,586
D14	Ministry of Information, Transport and Communications	78,000,000	
D15	Ministry of Labour and Human Resource Development	105,500,000	282,257,500
D16	Ministry of Tourism, Trade and Industry	45,605,000	52,000,000
D21	Ministry of Environment and Natural Resources	600,660,710	1,887,700,200
D25	Office of the Attorney- General	9,000,000	
D26	Judicial Department	11,750,000	
D30	Ministry of Energy	328,071,135	
D31	Ministry of Education, Science and Technology	516,090,320	876,009,310
D36	Ministry of Lands and Settlement	43,800,000	36,750,000

Total	<u>6,634,410,240</u>	<u>28,368,475,967</u>
Grand Total	<u>75,746,257,575</u>	<u>47,589,953,1</u>

Mr. Speaker, Sir, hon. Members have already received and, hopefully, gone through their copies of the Vote on Account schedules for the year 2001/2002. As I have indicated, in accordance with the provisions of Section 101 of the Constitution of Kenya, Parliament is being asked at this stage to authorize only one-half of the total net estimates of Recurrent and Development Expenditure for the year 2001/2002 earlier laid in this House, so that Government services may be carried on until such time as the Appropriation Act for the year comes into operation.

Mr. Speaker, Sir, as is common practice, the Recurrent and Development Estimates will be discussed and scrutinized in this House during the debate in the Committee of Supply. I do not, therefore, wish to go into a lot of details at this stage---

**Mr. Speaker:** Order! Order, Members! Mr. Arap-Kirui, you are doing disservice to your Motion because you have left out a legal requirement. Is your Motion consented to by the President as required by the law?

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Mr. Speaker, Sir, I apologise. Yes, His Excellency the President has signified his consent to this Motion.

**Mr. Speaker:** Very well!

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Thank you very much, Mr. Speaker, Sir.

As I was saying earlier on, the detailed debate on the Recurrent and Development Estimates will come later and it is not my wish at this point in time to say a great deal regarding the Vote on Account.

Mr. Speaker, Sir, the net estimates of the Recurrent Expenditure for the year 2001/2002 amount to Kshs138,223,694,670. At the moment, I am seeking Parliament's approval for half that amount which is Kshs69,111,847,335. While the net estimates for Development Expenditure amounts to Kshs13,258,268,820,480, I am seeking Parliament's approval for half this amount, which is Kshs6,634,410,240, to enable the Government to continue giving services uninterrupted until such time as the Appropriation Act for the year is passed by Parliament and after its assent becomes operational.

Mr. Speaker, Sir, the funds sought are mainly for the payment of salaries and general operations and maintenance under the Recurrent Vote, while those sought under the Development Vote are for the implementation of development projects and programmes. As I said earlier, we shall have an opportunity to debate in detail the Recurrent and Development Estimates. I would at this stage call upon hon. Members to pass this Motion, which is more of a procedural nature, so that the Treasury is able to release funds to the Ministries and Departments of Government to continue their operations come the 1st July, 2001.

With those few remarks, I beg to move.

**Mr. Speaker:** Order! Just for the record, Mr. Arap-Kirui; it is not procedural; it is a constitutional requirement.

**The Vice-President and Minister for Home Affairs** (Prof. Saitoti): Thank you, Mr. Speaker, Sir. I am sure that hon. Members are aware that this current financial year will end on the 30th June and, therefore, the funds which have been voted legally and constitutionally for the services of the Government will only take us up to the end of the financial year. Unless we do pass certain funds here, then all the services of the Government will come to a halt, which will be a problem. It is in recognition of that, that Section 101 of the Constitution makes a provision for Parliament to consider, deliberate and pass, if it so considers fit, 50 per cent of the total expenditure of the Government which is projected to be incurred as laid out in the Estimates books. In fact, the books of Estimates for both Recurrent and Development expenditure were tabled in this House two days prior to the presentation of the Budget. So, this Motion seeks the House's authority for the withdrawal of 50 per cent of the total sum of the Budget from the Consolidated Fund to enable the Government deliver services undisrupted. It is, therefore, important for us to pass this Motion. If we do not pass it, the Government will not discharge its duties, civil servants will not be paid their salaries, maintenance of public facilities will not be carried out, and we will have a major problem.

Mr. Speaker, Sir, some hon. Members may be wondering why the Ministries' Votes on Account have been added together under Recurrent and Development Votes. This was done in recognition of the fact that hon. Members will still have the opportunity to scrutinise the expenditure of every Ministry when we go into Committee of Supply; each Minister will introduce his Ministry's Vote and hon. Members will scrutinise it for two days. I am sure that, in the course of debating the Financial Statement, many hon. Members will raise questions about certain discrepancies. I urge hon. Members to consider the fact that, still, there will be room for clarification of certain doubts they may have regarding matters related to expenditure and revenue. We should realise that it is absolutely important for the Government to continue providing services to Kenyans between now and the time we will have passed all the Votes.

With those remarks, I second the Motion.

*(Question proposed)*

**Mr. Mwiraria:** Thank you, Mr. Speaker, Sir, for giving me the opportunity to contribute to this Motion. I would like to raise three points.

Mr. Speaker, Sir, time has come for Parliament to be fully involved in the preparation of this country's Budget and not just in its approval. As it is now, Parliament only receives and approves Budgets prepared by the Minister for Finance. The Standing Orders of this House provide that we can move a reduction of £1 only. Really, this is not satisfactory. I would, therefore, like the law changed to allow Parliament to change priorities wherever it is felt that the Minister has not got his priorities right in his allocation of funds.

The second point I want to make relates to the District Focus for Rural Development Strategy (DFRDS). Every year, the Budget provides funds for each district through the Ministries. In the recent past, monies allocated to some districts through the Budget are taken away during the Supplementary Estimates stage. Thus, such districts have ended up having no development. I have been a Member of this House for about nine years now. During all that time, Timau Health Centre has had budgetary provisions, but the money has always been taken away during the Supplementary Estimates stage. That project has been under construction for 14 years now but is nowhere near completion. If we let the Treasury continue having the power to bring Supplementary Estimates to this House, it will continue starving a few districts. So, I suggest that we give the House's Committee on Finance, Trade and Planning a right to look at the Supplementary Estimates to ensure that no district loses money in every Ministry, as has been happening.

Mr. Speaker, Sir, thirdly, I would like to point out that it is one thing to have good intentions and quite another to implement them. In the current Budget, half of which we are going to approve, provision for the Police Department has been increased to help its officers improve the security situation in the country. Despite such efforts geared towards improving security in the country, a Cabinet Minister went off course to encourage clashes between groups of people. To be candid, I am referring to statements made by Mr. Kamotho in Isiolo District over the weekend. The Minister said that members of the Meru and Somali communities should only attend to their businesses and keep off Isiolo politics. By nature, man is political; there is no single individual who is apolitical. When I heard that statement, I wondered whether Kikuyus, who are not the original owners of Nairobi, should also be told to only attend to their businesses and leave the politics of Nairobi to the Maasais.

*(Laughter)*

Really, that is what the Minister's statement amounted to. So, Government Ministers should work as a team and be responsible. It is regrettable that in this day and age, a Minister can encourage tribal clashes. My plea is that, if those in the Government want to keep peace in this country - which is what they always sing about - they should practise what they say.

**An hon. Member:** They do not want peace!

**Mr. Mwiraria:** Mr. Speaker, Sir, in this year's Budget, we have been informed that priorities selected by wananchi in the districts are being followed in the financing order. I know that my people in Central Meru District chose agriculture, water and roads as their priorities. However, in the Development Vote, there is no single penny allocated for water development for Meru Central District, and yet two-thirds of North Imenti Constituency is semi-arid. This is the area adjoining Isiolo, Samburu and Laikipia, on the leeward side of Mt. Kenya.

*[Mr. Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, I would like to plead with the Minister to be truthful when he prepares the Budget. I accept that the Minister is working under very difficult conditions. In the Budget, he identifies the problems he had to face. He identifies difficulties the country is facing. We accept them. But then he goes on to give us prescriptions for solutions. For example, he says that he wants to increase funds for control and eradication of livestock diseases. I am sure he wants the representatives of the Nomadic tribes in this House to feel happy that something is being done for them. But if you look at the Estimates, under sub-Head 106, this year's provision for livestock is Kshs681 million. Last year, the provision was Kshs902 million. There is a reduction of nearly 30 per cent. What is the Minister telling the House? Does he think that we will not bother to look into the estimates and that we will just buy what he has put in his speech? We really need to tackle the problems together. Times are difficult and there is no point pretending that one man, or even the Treasury alone, can solve these problems.

What I would like to see personally is an amendment to the laws which will make it possible for hon.

Members to actively participate, not only in the preparation of the Budget, but also in the preparation of Supplementary Estimates, so that the Government does not have the leeway of starving district it does not like.

*(Mr. Arap-Kirui shook his head)*

I can see the hon. Assistant Minister shaking his head. I am ready to take him on with proper statistics. I know a little about statistics; facts and figures. I do not speak from imagination, but I use facts.

Mr. Temporary Deputy Speaker, Sir, time has come for us to be realistic and to budget for important things first. I do not believe that giving such a high percentage of our Budget to departments which belong to the Office of the President is either fair or reasonable. If you consider the amount of money allocated to the Office of President, State House, Directorate of Personnel Management, Department of Defence and National Security Intelligence Service (NSIS), you will see that they take more than 30 per cent of the Budget. Perhaps that is not permissible.

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

**The Assistant Minister for Transport and Communications** (Mr. Keah): Mr. Temporary Deputy Speaker, Sir, thank you for giving me this opportunity to speak on this Motion. I rise to support this Motion. In supporting it Motion, I recognise the fact that this is, indeed, a constitutional requirement under Section 101 of the Laws of Kenya. Under the Constitution, we are required to do what the House is being asked to do this afternoon. I recognise that come 30th June, 2001, we will have no funds to pay our Recurrent expenses such as salaries, telephone and water bills, among others. I am aware of the fact that come 30th June, 2001, we will have no funds to pay for our on-going capital development projects.

Mr. Temporary Deputy Speaker, Sir, I want to take this opportunity to make an observation which disturbed me when I was in the district recently. Towards the end of the month of June, funds are normally distributed to the district treasuries. These are funds which cannot be utilised before the end of the financial year.

There is a requirement for these funds to be returned to the Treasury in the event of them not being spent. It puzzles me why such a thing should happen. Why should we dispatch, at the eleventh hour, funds to the district treasuries knowing fully well that they will not be spend? How do we expect district treasuries to spend these funds within a very short time, failure to which those funds will have to be returned to the Treasury? Why should we return funds to the Treasury at a time when our people are suffering under abject poverty? This is really a travesty of justice. It is really improper and it does not do us any good in our desire to eliminate poverty in this country.

Mr. Temporary Deputy Speaker, Sir, I want to tackle the issue of discipline in the implementation of the Budget. I hope that all the officers that have the Authority to Incur Expenditure (AIE) will have the necessary discipline within them to ensure that the funds are spent for the purposes and for the objectives which they are voted for. Many at times, we find usage of these funds on items that have not been voted for. I would urge the Ministry to take very stern measures to ensure that those culprits who spend funds for purposes not voted for are strictly disciplined.

Mr. Temporary Deputy Speaker, Sir, the theme of the Budget is effective allocation of resources. Today, we are voting for the effective allocation of those resources to various Ministries for poverty alleviation, *et cetera*. I want to tackle the issue of poverty alleviation. A number of economic programmes have been discussed in the Minister's statement on how we will tackle the eradication of poverty through the various economic programmes. I just hope that as we are approving 50 per cent on the Vote on Account, it will, in fact, enable the Ministries to undertake and perform those steps that have been articulately enumerated in the Minister's Statement.

Mr. Temporary Deputy Speaker, Sir, I am surprised at this juncture to note that in various Budget Headings, like in the Ministry of Agriculture, I was hoping to see sense, either in the Recurrent or in the Development Expenditure for the revitalisation of the coconut industry. I said it in my contribution to the Budget Statement, and I will say it again until this issue has been taken on board by the Ministry of Finance. I expected some funds to be allocated for the revitalisation of this lifeline at the Coast; the coconut industry. For the revitalisation of that industry, the coconut tree has over 100 items that can be produced. Maybe, because it is grown at the Coast, it has been totally ignored, unlike coffee, tea and pyrethrum in the other areas of the country.

I would like the Ministries of Finance and Agriculture to take note of that observation and show concern so that, unlike what hon. Mwiraria said earlier, I do not mind a revision of the Budget, if only it is going to ensure the inclusion of funding for the development of those over 100 items coming out of the coconut tree. If we could develop those 100 items, I am sure we will throw poverty through the window and the door at the Coast.

Mr. Temporary Deputy Speaker, Sir, I also want to touch on an issue in the Ministry of Health. This is an issue that touches on the mission-managed hospitals. At one time these hospitals used to get a proportion of their revenues from the Government. After all, 40 per cent of the medical services are catered for by the mission hospitals. Sometime back, these grants were stopped. That stoppage has affected adversely a number of mission



hospitals one of them being St. Luke's Hospital, Kaloleni, in my constituency. I would wish to appeal to the Ministry of Health and, indeed, the Ministry of Finance to come to the rescue of St. Luke's Hospital, Kaloleni, because all the support that used to come from friends of St. Luke's Hospital, outside the country has now come to an end. The only friend who is remaining for St. Luke's Hospital, Kaloleni, is the Government itself. I call upon the Ministry for Finance to find ways of supporting St. Luke's Hospital. Some presentation to this effect was made well before the Budget was prepared, but I want to emphasize here that, the Ministries concerned, that is the Ministries of Health and Finance, should find it possible to give a line for the maintenance of St. Luke's Hospital, Kaloleni. After all, the Kaloleni people have a right, just like any other Kenyans, to be served and to receive medical services from the Government. The fact that there has been a mission hospital, has really been a saviour to some extent to the Government. But now that this mission hospital cannot perform by utilising mission's funds, and the friends' funds, it is incumbent upon the Government to come to its rescue.

Mr. Temporary Deputy Speaker, Sir, I would like to thank the Ministry and also urge my colleagues to support this Motion so that, come the 1st July, 2001, we can continue to receive the services from the Government.

With those remarks, I support the Motion.

*(Several Members stood up in their places  
in order to catch the Speaker's eye)*

**The Temporary Deputy Speaker** (Mr. Musila): Hon. Members, I do hope that you are aware that what you have done is completely out of order. The Member is on the Floor continuing with his speech--- I am sure you were eager to catch the Speaker's eye, but---

Very well. Could we hear from Mr. Anyona?

**Mr. Anyona:** Thank you, Mr. Temporary Deputy Speaker, Sir. The Constitution makes provisions that Parliament should pass the Vote on Account to ensure that there is continuity in development and provision of services. It is for that reason, therefore, that the Parliament passes the Vote on Account well before the end of the financial year. We are passing this Vote on Account today, the 21st of June, 2001, nine days before the end of the financial year. That is to make sure that the tempo of development and provision of services does not waive.

Mr. Temporary Deputy Speaker, Sir, the truth of the matter is that, although we will pass this Vote on Account today, come the end of the financial year on the 30th June, 2001; come July, August, September, October or even come December, the services will have come to halt. I do not understand what happens in the Ministries in respect of this matter. It cannot be said that: "No, there are no funds." This is because a parallel provision has been made in the law for the collection of taxes to continue. That has also been done. So, taxes will be collected as we debate this Budget and yet, as I said, long before or after we pass the Vote on Account, there will be no services and there will be no development. It is possible that the bureaucracy in the Government does not understand the operation of the Budget. Maybe, they think that they must wait until the Appropriations Act is passed before they can be sure of spending the money. We want a smooth and continuous flow of development and provision of services in accordance with the spirit of the Constitution, that allows Parliament to do what we are doing. Sometimes I wonder what would happen, if at the end of this Budget, Parliament would refuse to pass this Budget; which it has a right to do. In fact, we have taken Parliament for granted! A time may well come when, if at the end of the Budget season, we find that no funds have been spent out of the Vote on Account, then Parliament may well refuse to pass the Budget because that would be half of the financial year lost.

Mr. Temporary Deputy Speaker, Sir, Parliament is not here to punish the citizens, but it is here to guide and to lead the them. I would like to make some proposals in this respect. As we pass the Vote on Account today, we want the Minister for Finance, and the Government generally, to issue a time frame in terms of utilisation of funds that we are going to vote for today. This should be in three areas; there should be a time frame within which the Treasury releases funds to the Ministry, through what they call Exchequer Issues. This is because all the time you go to the offices of the Ministries at the district, you are told that: "We have not received any Exchequer Issues and, therefore, we cannot take action."

Mr. Temporary Deputy Speaker, Sir, the Treasury is the only engine in these matters. If the engine has stalled and it is not moving, then, clearly, nothing can happen. That is how sometimes we get into unlawful expenditures and other activities. So, we want the Minister to tell us whether there will be a timeframe, so that the Treasury and everybody knows that from such and such a date, there would be issuance of the Exchequer to the Ministries. Similarly, there should be a timeframe for the Ministries to issue the AIEs - I think that is what they call them - to the various departments, provinces and districts. Again, there is no AIE holder--- This is in order that services are not disrupted. Then, the Ministries, under the overall control of the Treasury, should ensure that various departments and districts and various projects have a timeframe for implementation to avoid the very problem my good friend, Mr. Keah, has been talking about; money sitting idle, and the financial year comes to an end, and the money has been returned to the Treasury.

Mr. Temporary Deputy Speaker, Sir, in a poor country like ours, starved with development, that, in itself, is a form of corruption. Now, if you do not have that kind of arrangement, then, we are forever going to be acting in a ritual; something we do year in, year out, and it makes no difference. As soon as the Budget is out, and this is the first day of **[Mr. Anyona]**

the new Budget, our people should be able to see a difference in the development map of the country and in the provision of services. There should be drugs in the hospitals and other health facilities, and work going on in terms of infrastructure and other areas, but that does not happen.

As I said, we would like to make sure that this time round, that is done and the Treasury must not have any excuse. It is not prudent management to sit on the money and disturb the country, and saying that you are managing the finances of the country. The prudence of the Budget will lie in its implementation, and we do not want to hear of any excuses.

I would now like to go to another point. I know that it is normal for various areas to start talking about their own priorities. Let me, for instance, bring out one point. Where I come from; that is Nyamira District, if you go to its headquarters, you will find projects; buildings which have stalled for ten or more years. If you drive to Ruaraka, you will see that white elephant of the former GSU headquarters. If you go to Industrial Area Police Station, you will see buildings that are actually complete! A lot of money had been sunk into them, and they are just sitting there. It is the old story of the Kisumu Molasses Plant. I would have thought that the prudence of our economic management would lie in the fact that we would go by priorities, and if we have started projects even by default, as it sometimes happens, we would make an effort and ensure those projects are completed before we start new ones. I think what has happened is that we do not look at this country as one country. We look at this country in terms of different interests. So, you have incomplete projects dotted all over the place, and they give the country a very bad image.

I was talking about Kisii District. If you look at the Estimates, for the Ministry of Roads and Public Works, Gusii has three districts, but in terms of roads - and I looked at it quickly - there is no provision for any road in the three districts. Yet, those areas are the worst hit when it comes to infrastructure. Even the infamous Kisii-Chemosit Road, which has become a big embarrassment to us as a community, and I think to the Kenyan Government and the country, there are no provisions for it. There is provision of only Kshs200 million in the Estimates.

The last time we raised a Question regarding that road in this House, we were told that it would cost Kshs800 Million, and that was in 1998. We are now in 2001, and the provision in the Estimates - and even we are not sure about it - is only Kshs200 million. The question that I want to ask the Minister is: First of all, is he going to spend that money? If he does, where is he going to spend that money? Is he going to spend that money on patching potholes? We do not want to be parochial. We are national leaders, and we are in a national Parliament of this country. But there cannot be harmony in the country if there is no harmony in the balance of development.

With those few words, I beg to support.

**Mr. Angwenyi:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute to the Vote on Account. Our country is slowly sinking, and we, the leaders, are not seeing that. For the last ten years, our economy has been declining steadily, and we have been shouting loudest in this Parliament, passing the Votes on Account and the Finance Bills, without seeing any possible consequences of our actions in this Parliament. We are being asked today, to approve expenditure of the Government for the next six months, but we have not been told what was achieved by what the Minister had explained in the previous year.

I do not know of any hon. Member in this House who would tell us what was done in his or her constituency, and yet we are taxing our people. We are approving the total amount of money in the Estimates, and yet we go back out there and tax our people two or three times. We tax them in order to build police posts and even DC's houses, and yet we are being told to approve, today, Kshs8 billion to the Office of the President. In addition, you are going to tax that poor person back home; for example, in order to build a health centre, or a chief's office. Very soon, we might be asked to go and repair State House.

Like my colleague who has just contributed said, we come from a very potential area that contributes immensely to the economy of this country. We earn foreign exchange for this country, the one which is used to buy luxurious lifestyles for the senior officers in the Government, and yet we cannot even get rudimentary expenditure in our area. We cannot get good roads that can deliver our tea, coffee and milk to the markets so that we can earn money for them to use.

I need again to refer to the Kisii-Chemosit Road, which has stalled since I was in school. Every time, we are told that construction work on the road would commence. I am sure that we would have constructed about ten roads over that period. We need more roads in our area. Could the Minister for Finance look for the actual funding of that road so that work can commence once and for all? Likewise, work should also start on the Nyakoe-Marani-Kirogo Road, which is another essential road in our area. So much funding is being sought for the Office of the President, presumably to cater for the administration and future of this country. I want to declare

here today that the insecurity in Gusiiland is being caused by Administration Policemen (APs). We are paying them to ravage and raid people's homes at night. On Monday last week, five APs raided somebody's home and raped women. They raped a 95-year old woman and yet we will pay them from the funds that we will pass here today.

I do not think some MPs in this House or members of the public in Kenya know that we have got the most unique Provincial Administration in the whole world, which is a colonial relic. You cannot find such a Provincial Administration anywhere else in the world; not even in the Commonwealth countries. Even in communist countries you cannot find this type of arrangement, whereby you pay some people to really lean hard on your people. I wish I could propose a Motion to do away with the APs and use the money that we pay them salaries to increase the salaries of the regular policemen. We should also delink the police force from the Office of the President so that it becomes an independent body that takes care of the interests of Kenyans. Why do we need a Provincial Commissioner, 40 years after Independence? Why should there be a DO in Marani? What does he do from morning until evening? I know that the Chair and hon. Nyachae are former PCs and they may have benefited from the Provincial Administration. However, they had integrity and did not harass our people.

The economy of this country is based on agriculture and tourism and yet you can see how much money we are voting to those two important sectors. The agricultural sector is getting a small fraction compared to what we are voting to the Provincial Administration and security. We are giving the National Security Intelligence Service (NSIS) as much money as we are giving to the agricultural sector, and yet those security officers cannot even apprehend the armed robbers who are harassing and killing people in town. The Ministry of Finance should go back to the drawing board and give more money to the agricultural sector. That is the only way we can turn round our economy. We must be seen to be working towards turning round the economy of this country.

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

*[Mr. Speaker resumed the Chair]*

We like to boast that we are producing so many graduates from our universities. What pitfall are we leading them to? These students are graduating with first class honours and PHDs, and yet they are out there in the streets. The people you see when you walk out of this Parliament are all graduates. They cannot get a job and there is no hope of that happening. It is high time we made it a requirement for every Ministry to tell us how many jobs they will create, when they propose their budgets. We are in a depression such that the private sector cannot provide jobs. It is only the public sector which can provide jobs when a country is in a depression. If you review economic history, you will find that it is not the private sector which provides jobs during a depression, but the public sector. That is a fundamental of economics.

This country seems to have turned the normal economics upside down. Instead of creating jobs, we are creating unemployment and exploiting our people. I propose that instead of retrenching so many public servants from state corporations, we should send them home for two or three years at half salary with a guarantee that when we turn round the economy they will be re-absorbed at full pay into their jobs. That will be better than retrenching them. We can save at least Kshs25 billion if we send 50 per cent of the civil servants to their homes at half guaranteed salary every month. We can invest that Kshs25 billion in the manufacturing sector, agriculture, health and even provide textbooks and school equipment to our schools.

The Government said that 15 per cent of our people live below the poverty line and in the same breath, asked them to share the cost of their health care. How do you get the money to pay for your health services if you are living below the poverty line? That is a contradiction! How do you get money to pay school fees for your children and to clothe yourself? No wonder people have resorted to wearing *mitumba* because they cannot afford new clothes. If this Government is serious about the welfare of Kenyans, then they must put in place those requirements by the IMF and the World Bank so that this country can have credibility and investors can have confidence in us. We will then get funds flowing into the country, which we can invest and turn round our economy.

We must address the plight of the pastoralists in the dry areas of this country because that is probably where the salvation of our economy lies. Let us provide them with boreholes, dams and abattoirs. Let them revive the KMC. If we are serious, we can turn round the economy of this country.

With those few remarks, I beg to support.

**Mr. Munyao:** Thank you, Mr. Speaker, Sir, for giving me this chance to contribute. I have seen the list of the Ministries indicated in the Recurrent and Development Estimates. However, I noticed that the National Assembly has not been included in the Development Estimates. Is this an oversight? I know that the National Assembly will need some development money. Perhaps the Minister for Finance will explain to us later why no

development money has been allocated to the National Assembly.

I support the Vote on Account, but I would like to remind the House that over the last five years, the Minister for Finance has stood here and promised Kenyans that funds will be provided to complete the building in Makueni District. It will cost the Government thrice the amount of money they would have spent to complete it. This building has completely deteriorated after being abandoned for four years, and yet we need it to carry out our operations. Only a small amount of money is required to complete it. A year ago, we had been promised about Kshs400 million. At that time, maybe, that was a lot of money, but this time it will cost more. If the Minister checks on his wall map, he will notice that Makueni is also part of Kenya, therefore, it will require some funds.

Mr. Speaker, Sir, there is money in the Appropriations-in-Aid. Some of the money which will be raised through the Appropriations-in-Aid will be through the sale of the Government-used furniture and materials. But I am more concerned about the Government vehicles. There is no district headquarters which has less than ten boarded vehicles. It is shocking to find that as you travel to district headquarters, you will find very expensive lorries, Range Lovers and other vehicles boarded around yet, the Government is very broke. Could the Minister try and direct, this year, that all those vehicles be sold? I am sure if those vehicles are sold, we will get not less than Kshs5 million which will go towards assisting the Government.

Mr. Speaker, Sir, I know the Government has a policy on purchases, but on 30th June, unspent money is usually returned to the Treasury which does not need it. I would want the Minister to formulate a policy to provide that, towards March, April or May, districts will spend the money they have. For example, the Ministry of Roads and Public Works should spend its money in fuelling its vehicles so that even after 30th June, the Ministry can continue grading roads before it gets its money from the Vote on Account. What is the use of allocating this money while some districts have only one grader or none at all? The money which is supposed to be spent on fuel is kept at the district treasuries due to lack of graders and is finally returned to the Treasury when roads are not repaired. This gives an impression that, that district did not need the money. The Government should modify its policy on this money so that it can be used to fuel the vehicles or purchase other materials that are required in the districts.

Mr. Speaker, Sir, in Ukambani, there was a ginnery called the "Makueni Ginnery". Farmers in Makueni and Machakos Districts were asked to pay some money to buy the ginnery. Kenyans from that area paid some money amounting to over Kshs3 million. When that money was paid, the ginnery was put under receivership and it was sold on public auction. Somehow, the farmers could not raise enough money to buy the ginnery. This was not their mistake, but a person who was relying on famine relief food could not be expected to raise the Kshs20 million which was required to buy the ginnery. The ginnery was sold on public auction and it was bought on a willing-buyer-willing-seller basis. The ginnery is doing very well and people from that area are very happy. But the money which farmers had collected was paid to the Treasury. I would like the Minister to listen to this. The money, which was about Kshs5 million, was paid to the Exchequer, but the farmers have kept on hoping that, at one time, they will get their money back. They were the farmers who were expected to support the ginnery through growing and supplying cotton to it.

Mr. Speaker, Sir, the farmers are now bitter because every time they walk around, they see the ginnery for which they paid their money, yet they do not know where the money is. Could the Minister now investigate where this money is? I know the money is in the Exchequer because I followed it up. The only reason why the Minister for Finance does not know how to pay it back is because the Cotton Lint and Seed Marketing Board of Kenya is broke. If the money is paid through the Cotton Lint and Seed Marketing Board of Kenya, which has collapsed, then the money might be spent by the Board's bankers before it is paid to the farmers. But there is a better way to pay the farmers. The Machakos District Co-operative Union has got a list of the names of the farmers who had paid the money. We want the money to be paid to the respective farmers through the District Commissioners, Machakos and Makueni Districts.

Mr. Speaker, Sir, farmers in Machakos and Makueni Districts are doing very well in cotton production. They have realised that cotton is their good cash crop. In fact, this year, they are likely to produce over 2 million kilograms of cotton, which is very good. But we would like to encourage them to produce much more. The only way of encouraging them to produce much more cotton is through refunding the money they had paid for Makueni Cotton Ginnery. The farmers who paid this money are known, their names are there and they have got receipts. Even those who have lost their receipts can be paid because the list of their names is there. They can swear affidavits and then be paid their money.

Mr. Speaker, Sir, during every mid-June, the Minister for Finance reads the Budget and everybody listens to it. These days, people are educated and they listen to the Budget Speech and read it. They hear the Minister say how much money he has allocated to what Ministry. Today, if we vote 50 per cent of this money to be drawn from the Exchequer, it will be shown tomorrow in the newspapers and people will go to the various Government offices expecting to get services. For example, people will tomorrow rush to various health centres expecting to get drugs. They will be shocked to find that the health institutions have got no drugs. The Minister for Finance should

change the trend and make sure that when money is voted to these Ministries, services are provided accordingly. I support what Mr. Angwenyi said.

With those few remarks, I support the Motion.

**Mr. Koskei:** Thank you, Mr. Speaker, Sir, for giving me this chance to contribute to this Motion.

I would want to start by saying that the Budget Speech, which was read out here by the Minister for Finance last week, was actually full of promises. The big question that all Kenyans are asking themselves is whether these promises that were given by the Minister will be fulfilled. We wish him well and hope that he achieves the promises that he made during his Budget speech.

Mr. Speaker, you will realise that the backbone of the Kenyan economy is basically agriculture. But you find that when the Minister was giving his Budget Estimates, he did not take the plight of the farmer into account. I am talking about farm inputs. I would have expected the Minister, in the spirit of poverty eradication, to have looked at the prices of fertilizers and probably zero-rated taxes on fertilizers that come into this country. But you find that, that was not taken into account. Some of these things are incentives to farmers. Initially, there was a prediction of famine in this country, but this turned out to have been a wrong prediction because finally a lot of maize was harvested. Farmers were not able to sell their maize. It is a shame that a 90-kilogramme bag of maize is selling at Kshs800 while a bag of seed maize is going for Kshs1,300. So you will find that at the end of the day, the farmers are not able to sell their produce and I do not think we are giving any incentive to these farmers.

*[Mr. Speaker left the Chair]*

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

The other issue that I would like to raise, concerns the Pyrethrum Board of Kenya (PBK) and the plight of farmers who grow pyrethrum as a cash crop in my constituency. More than 50 per cent of the pyrethrum grown in this country is grown in my constituency. But my farmers are a little bit disappointed with the Government and the Ministry of Agriculture and Rural Development. Last year, when the farmers realised that they were growing pyrethrum but they were not being represented in the Board, I personally approached the Minister for Agriculture at that time, that was Mr. Obure, who agreed that somebody from my constituency should be appointed to the Board of the PBK. I thank the then Minister because he took the necessary measures. We were supposed to have two people in the PBK but, unfortunately, we were given one person. We thought that was fine.

But then, unfortunately, sometime last month, that man was dropped from the PBK. My constituents are actually asking why he was dropped as a Director of the PBK. As it is right now, nobody from the constituency is represented in the Board and yet, we grow more than 50 per cent of the pyrethrum that is grown in Kenya. The big question is: Why should the farmers grow the crop without any representation? We really would like the Minister to give us an explanation.

I tried to talk to the Minister, but he did not give me a satisfactory answer. My constituents are still asking why. I told them that he was dropped from the PBK. I did not want to speculate, but the point is this: If somebody somewhere was not happy with the appointment of that person, and he felt that he should not have served in the Board, as members of that constituency and growers of pyrethrum, we felt that somebody else from within the constituency should be appointed to serve the interests of the farmers. It did not make any sense for somebody from outside that constituency to be appointed to the Board. In that case, somebody was actually appointed from Bomet District and yet, we know that there is no pyrethrum grown there. So, my appeal to the Minister for Agriculture, and the point that I am trying to make is: We should not try to settle political differences at the expense of the farmers' needs. We need the farmers to be protected and heard in the Board. It does not make any sense that somebody somewhere wants to settle his political differences with me, by actually trying to drop people who, I might probably have influenced to be appointed into some of those boards. It does not really make sense. The farmers would still want representation and it is their right. It has nothing to do with me. It is the farmers' right to be represented in the Board. So, we still need representation and farmers will meet any time towards the end of this month to find out whether the Ministry of Agriculture and Rural Development will respond to that or not. From there, we will see what appropriate action to take against the Board, so that it can be able to address the plight of the farmers.

In his budgetary allocations, the Minister talked about giving more funds to strengthen the Provincial Administration. One of my colleagues who spoke before me alluded to the fact that it does not make any sense. What we should do at this point and time is that, instead of strengthening the Provincial Administration, we should strengthen the local authorities that we have. They are more representative to the people, and the people have a say in the election of the councillors. The councillors are more answerable to the people as opposed to the Provincial Administration. Of late, the Administration Police (APs) have been converted to play roles more or

less, similar to those of the Police Force. I do not think we need to strengthen the APs because more often than not, in some areas--- I would like to allude to the fact that in my constituency, because the police have been told to comply with the recommendations and resolutions of the Inter-Party Parliamentary Group (IPPG), the Provincial Administration has taken over their role. I would like to cite some two incidences in my constituency, where we had to tell off the DO for Keringet Division, when he wanted to disrupt a Harambee meeting that my constituents were holding to raise funds for some projects that they were trying to implement. The big question that we asked ourselves was: The provisions of law were duly followed but then, unfortunately, somebody somewhere felt that anybody who is not in his favour, or somebody who is not inclined to what he thinks the constituency should be, should not be given a chance to hold public meetings. So, in my view, whatever money is being voted for the strengthening of the Provincial Administration is a waste of public funds. The funds should be used in better ways than that.

Mr. Temporary Deputy Speaker, Sir, another provision was for the improvement of roads. I would like to say that last year, we set up the Kenya Roads Board (KRB) and money was supposed to be channelled to the constituencies. Unfortunately, for Nakuru District, when we got the Kshs1 million that was supposed to be for the constituencies, the money is still lying with the District Roads Engineer because we do not have a serviceable grader. It does not make any sense for that money to be sent to the districts, when it will not be utilised. I know that, at the end of the year, the money will find its way back to the Treasury. My appeal to the Minister is that if he sends the money, and we do not have graders to grade our roads, the money should be sent to the districts either for the hiring of equipment used for that work, or to pay people who are supposed to undertake that work. It does not make any sense to send money that will not help.

Finally, I would like to touch on the bursary funds that were supposed to be given to the Ministry of Education, Science and Technology. Time and again, money has been sent to the schools for helping the poor and needy children. But the question is: There has not been a proper criteria that is used to determine who should benefit from the funds that are sent to the schools. The criteria that they say should be used is whereby the child has to come from that particular district. But, unfortunately, the money is left to the discretion of the headmaster of that particular school to give to the needy students. How do we hold the headmaster accountable for the funds that we send to the school? I would like to appeal to the Ministry of Education, Science and Technology to come up with fair modalities and ways of giving that money to the needy students.

With those few remarks, I beg to support.

**Mr. Nderitu:** Mr. Temporary Deputy Speaker, Sir, what I would like to say about this Budget Speech is that the way it is coming out, is as if we are running our house with borrowed money. We are running our institutions with borrowed funds. I am saying that because the issues on accounts, vis-a-vis funds to be received through aid, works out to more than 50 per cent. It is really appalling because today for the Ministry of Local Government, we are borrowing Kshs4.88 billion vis-a-vis Kshs130 million. That means, if we do not get money, our Ministry of Local Government will never move. That means the garbage we have on our roads will never be collected. The same happens to the Ministry of Roads and Public Works. We are allocating Kshs1.9 billion but we are borrowing Kshs8 billion. That means we shall not even build new roads in this country. What will happen if the World Bank and IMF say "no" to you guys? That is why I am saying we are running our house with borrowed funds as per this record and it is in everything.

The Ministry of Agriculture and Rural Development is the area where this country gets a lot of funds from, but there are no sufficient funds to run it. In fact, this column of getting aid should be cancelled and deleted. I would say the World Bank and the countries which give Kenya money are thick and silly. This is because we should first put our house in order before we even borrow. Why are we borrowing and we cannot allocate our funds properly? In fact, 30 per cent of this Budget has gone to the Office of the President. I can even see an account of developing the Office of the President. Is it building a new kitchen or toilet? Why does it require Kshs1.87 billion? It is there and we know it has been built and then we borrow Kshs1.9 billion for the development of that office again? What for and yet that is just for one year? If that is so, then we do not need all this money. In fact, that is why I am saying that, that item should be cancelled completely.

Mr. Temporary Deputy Speaker, Sir, I would urge the Minister for Finance to sit down with mathematicians and Kenya Revenue Authority (KRA) and see how much money they are getting from the Kenyan's income tax and apportion the funds accordingly and with priority. The Directorate of Personnel Management (DPM) has been allocated Kshs1.7 billion and yet we are retrenching at the same time. Really, I tend to think that other than applauding the Budget which was read the other day, what is coming out in the allocation of funds is pathetic. Kenyans out there want to see what their taxes are doing. They want to have good health facilities and education. Kenyans out there who are basically farmers, want to see the input in fertiliser and farming reduced. Really, when the Minister reduced the tax and VAT on condoms, I do not see why he forgot fertilisers and other chemicals used as farming inputs. Those are the things we should first of all drop down duty.

Secondly, there is no way the Ministry of Finance, this Government and this country at large, is going to

develop if 70 per cent of the people working for this country who are the farmers are not developing. I am talking like that because yesterday, I attend a meeting of coffee farmers in my constituency. They sold coffee last year but all the 4,000 members of that co-operative society owe the Government US\$63.3 and they are going to get no pay only because of deduction of cess, tax and their inputs. So, you can imagine how many people these 4,000 members do represent, if you allocate at least five members to a family and we Kenyans are known to give birth to ten children and above! So, here I am talking of roughly over 80,000 people and within one year they earn zero. These fellows cannot afford to buy even pants, leave alone their bread and tea. The Ministry of Finance should work out modalities but it should do so in conjunction with the Government and the Cabinet so that we can see how they are going to benefit the farmers.

Mr. Temporary Deputy Speaker, Sir, look at our roads! It is something we have been singing daily. Does this Government listen? Does it see what we see? Do our roads engineers see the potholes on the roads? In fact, some of them are very "comfortable" and drive on the same roads. Before I even talk loudly, I will amplify and show how this Government is actually really bent on crushing the efforts of the farmers.

I will give a case in Mwea where I come from and I was born there. These farmers, for the last 43 years, have been receiving nil. That is why they could not even afford to educate their children. When these farmers today put their act together and hold the only produce they have, the Government authorises other men to import rice and definitely also the Ministry of Finance here is to blame. The Government has today imported more than 150,000 metric tonnes of rice through COMESA, which is being poured from other countries like Egypt duty-free. In this country we only need 110,000 metric tonnes of rice. Mwea farmers have produced 57,000 metric tonnes. So, what do we have? We have more than double of what we require for this country. So, what happens? The Mwea farmer cannot market his rice because some Ministers and Government officials are colluding with businessmen to import rice and the same thing is happening with sugar. If that is so, what are we doing here?

It is very painful to go round and find that the Government is not assisting the people in whatever they know how to grow. You do not understand the rationale behind this state of affairs. I can see all the officials of the Ministry of Finance here and they had better go back to the drawing board. This is because what we are left with and Kenyans at large, that is sugar and rice farmers, is to go down to Mombasa and blow up all those ships bringing the sugar and tea, otherwise I do not see why that sugar should pass through the Port. Besides that, the importation licences should be sanctioned after knowing how much sugar we have in Mumias and elsewhere, rice, and then we can import the surplus or what we require. Really, we should import the deficit, but right now we are doing the vice-versa. We import even what we do not need at the expense of our farmers. That is the same case with the pyrethrum growers. Is this Government for the people, by the people or is it for itself? I do not understand. Its really very, very painful! On that note, I can see my time is over.

Thank you very much.

**Mr. Sungu:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to this Motion on the allocation of the Budget. The allocation we are talking about today is really a statistical exercise. One great statesman, Mr. Benjamin Disraeli, once said that "there lies damn lies and statistics". I do hope that this statistical exercise will not be a lie to the people of Kenya.

It is important to look at the allocation and utilisation of the money that is being taken from Kenyans in the form of taxes. The procedures that will ensure that this money goes to the right place should be put in place. There should also be some measure to monitor and evaluate the net effect of this money that is being contributed by Kenyans.

I believe that the Minister should have set priorities right. He talked on many occasions about priorities. My order of priority, in view of the fact that we have high poverty level in Kenya, would have been food production, job creation, security, industrial production, health and infrastructural development. These issues are of utmost importance to Kenyans. If we are to survive as a nation; if we are to get anywhere in this world, where there is competition---- We are now competing in the international market which is open to competition from foreign sources where means of production could be cheaper. If our goods are to survive the stiff competition in the international market, it is important that the Minister and the Ministries concerned take these matters very seriously.

On that note, I would like to appeal to the Government to strengthen the office of the Controller and Auditor-General because we have got many cases of corruption. Day in, day out, when we debate in this House, we come across many cases of misuse of public funds. It is not that there is no money; the money is there. The Kenyan economy is extremely large, but the money is misused. Therefore, the office of the Controller and Auditor-General should be strengthened so that we can nip corruption in the bud before it gets out of hand.

Looking at the allocation, I am rather saddened that the Ministry of Energy, to which my brother was recently appointed the Minister, has got the least allocation. It is surprising to note that only [Mr. Sungu] Kshs26 million in issues on account and Kshs76 million in Appropriations-in-Aid will go to this Ministry. It is so important because we have just had an energy crisis in this country. I would like to inform this House that

industries have stopped producing. We have forgotten the days when there was power rationing in Industrial Area, our houses, the streets of Nairobi and other parts of this country. I do not know whether the Minister looked at all the figures right. I would like to point out that we still have power production even now. I can predict that with the drought coming in, we will soon have problems, and this Ministry should have been allocated more money.

Last year, we had an allocation for rural electrification, but we did not get a single cent in my constituency. I cannot name a single project in my constituency - Kisumu Town East, where the funds meant for the Rural Electrification Programme have been used. This is the case although almost Kshs11 million was allocated to the constituency. It is important that this matter is looked at in due respect.

Another area that should have been looked into very carefully, and I would like to appeal--- Most areas in the Lake Basin, Nyanza Province, in particular, starting from Bondo, Uyoma, Asembo, Seme, Kano, Lower Nyakach, Karachuonyo, Rangwe, Nyatike, Suba and Mbita are dry. These areas receive less rainfall that cannot enable the people who live there to produce cash and food crops. In my opinion, these areas should be classified as Arid and Semi Arid Lands (ASALs), so that they can also qualify for funds, which are being given in the form of Appropriations-in-Aid by the Government of this country.

On the same note, I would like to say that the waters that are available in this country are under-utilised, particularly, the waters of Lake Victoria. I come from an area of Lake Victoria which is called "Nyamtoi". I would like to point out that this is a wetland area that can produce enough food to feed many people. I have said before that, we in Kisumu, are a net "importer" of food. We still buy food from Vihiga, Kericho and Kisii because we do not receive enough rainfall, and yet, there is a lot of water in Lake Victoria. What we need to do is to open up the channels of Rivers Nyamasaria and Nyando, the wetland and produce enough food for ourselves and for export. This is the case, and yet, nothing has been done to ensure that this is implemented in this Budget and the allocations we are talking about. I am really concerned about that issue and I hope that the relevant Minister is taking his notes as far as that issue is concerned.

Mr. Temporary Deputy Speaker, Sir, many speakers before me have said that the largest allocation has gone to the Office of the President. I believe that it is important to allocate the Office of the President a lot of money. We are really concerned about the security of this country.

Mr. Temporary Deputy Speaker, Sir, allow me to relate an incident that happened today, when thugs who were running away from the police, shot an innocent civilian, who works with an NGO right next to my office. I would like to inform this House that the bullets that were being fired were flying right next to my window this afternoon.

The crime rate in this country is rising to the extent that we need to strengthen the policing structure in this nation so that we can have a peaceful country. We cannot eat, produce and travel without enough security. Therefore, I would like to appeal that the funds that have been allocated to the Office of the President are put in the right place. But more so, may I appeal to the police, when they are chasing criminals, not to shoot at anybody in sight. Their first obligation is to protect wananchi and not to kill them during the chase.

#### QUORUM

**Mr. Muiruri:** On a point of order, Mr. Temporary Deputy Speaker, Sir. There is no quorum in the House.

**The Temporary Deputy Speaker** (Mr. Musila): Well, we do not have a quorum. Ring the Division Bell.

*(The Division Bell was rung)*

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

**Mr. Sungu:** Thank you, Temporary Deputy Speaker, Sir. As I was saying, security is of immense importance and policemen must use that authority given to them by the Constitution of this country to protect wananchi; that is, giving service to all. In my own constituency, I have got a major problem in Manyatta, Nyalenda, Kajulu, Kolwa and Pandi-pieri. Police are supposed to protect wananchi against criminals and yet, the criminals are allowed to go scot-free in those areas and wananchi, while performing their normal duties from 7.00 p.m., onwards are arrested for no reason and forced to walk with the police for hours on end until they pay some money before they can be released. That is not why I am here in this Parliament to allocate funds to the police for.

Mr. Temporary Deputy Speaker, Sir, talking about the security of this nation, I wonder whether all of us here are aware of what is going on in northern Kenya as of now. There have been incidents where military men from Ethiopia have deserted the Ethiopian Army and crossed into Kenya. This matter is creating a lot of concern to the residents of North Eastern Province because they are [Mr. Sungu] afraid. The Ministry concerned should look at this issue thoroughly because currently, Ethiopia has got the largest



standing Army in this part of the world. It is necessary that this issue be looked at as far as possible to protect our people. We know of incidents where men in military uniforms have come from Ethiopia and attacked Kenyans at will and gone back to their own country without any form of challenge.

Finally, Mr. Temporary Deputy Speaker, Sir, may I also touched on the Ministry of Roads and Public Works. My major concern is that the infrastructure in this country is falling to pieces because this Ministry has not worked according to its own plans and the way we in this Parliament set it out to work. For example, the sitting of Members of Parliament in the District Roads Committees has become an anathema because we are not able to monitor what is happening to the funds allocated to the districts. In my own constituency, there is not a single road which has been either paved or murramed or even tarmacked since we allocated funds in 1998. This is a very important issue that we must address. The Minister is asking us to give him funds and yet, we are not able to monitor how these funds are utilised. This is of major importance and the Minister had better listen.

With those few remarks, I beg to support.

**Mr. Khamasi:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute.

*(Mr. Achola sat on the Opposition side)*

**Mr. Angwenyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Mr. Achola has defected to that side!

**The Temporary Deputy Speaker** (Mr. Musila): Mr. Angwenyi, be more serious. We are discussing very serious business here.

Proceed, Mr. Khamasi!

**Mr. Khamasi:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this important Motion on the Vote on Account. I would like to address myself to the Ministry of Roads and Public Works, which is very important and we are giving them quite substantial amount of money. This is a Ministry which almost everybody complains about in this House. It is very difficult for any hon. Member not to mention this Ministry when he or she is contributing.

The Kenya Roads Board Act came into being about two years ago and as we are talking, it is not in operation. I think this is deliberate.

Our roads are in very poor state, particularly where I come from. In Shinyalu, roads are impassable and we are one of the areas which get the highest rainfall in this country. At this time I am speaking, I have been talking to people in the constituency and they have informed me that it is raining very heavily. Once it rains, life comes to an end and we have no roads. One wonders why the Government is jittery about making the Kenya Roads Board work. The reason is that they do not want to be transparent. I am sure those in the Government, including the ones in the Front Bench who would like to see roads in their constituencies passable, would not be jittery about this matter.

Mr. Temporary Deputy Speaker, Sir, the accounting officers in the districts are District Roads Engineers. There is war between District Roads Engineers, District Works Officers and Provincial Works Officers. Initially, this responsibility was given to the District Works Officers and now that the District Roads Engineers are controlling the funds, there is a lot of hassling around between those officers. It is high time this Ministry looked into that aspect to find out how best they can deal with it.

I want to comment on the Ministry of Information and Tourism. The Kenya Broadcasting Corporation (KBC) is a one-sided outlet of news in this country. When you watch it, you get bored. When they start saying: "Now, here is the news...", you know exactly what the first item will be and how long it is going to take. We are tired. If you deny people free access to news from many sources, then you are denying them their legitimate constitutional right. What we see from the KBC is exactly the news that the ruling party would like to get to the electorate. For a long time, the Government has been promising to liberalise the airwaves. What is this Ministry doing to make sure that the airwaves are liberalised? Even the Bible says that man cannot live on bread alone. We need a mixture of news. Therefore, it is necessary to get serious commitment from the Government as to when the airwaves will be liberalised. Let them start with Kenya Television Network to go countrywide and then, move on to Nation. They are giving us news that we can enjoy sitting down and watching. So, it is necessary that the Ministry of Information and Tourism gives us a firm commitment about what they are doing to liberalise the airwaves, so that Kenyans can be able to judge what is going on in their own country.

On this list of Ministries and Departments, Mr. Temporary Deputy Speaker, Sir, the Office of the President has the lion's share of the national Budget. They are the biggest spender of our national Budget and they are responsible for the security of this country. One wonders how much of this goes to the police, who are responsible for providing security to this country. When you look at the arrangement, you find that the Provincial Administration is getting a very big share of what is allocated to the security and yet, our police officers are very

poorly remunerated and we expect them to give us protection. Why should it be that way? Unless we are going to improve on the remuneration of our Police Force, we cannot expect them to provide security for this country. They are busy trying to make ends meet. They are busy on the highways collecting money from motorists and criminals because they are poorly remunerated. Until we make sure that these people are properly paid and well looked after, then we are wasting time talking about having proper security in this country.

Mr. Temporary Deputy Speaker, Sir, we need to think seriously about childhood education. Usually, the Minister allocates very little money for childhood education. So, special emphasis should be put on this area of our education system. Really, we do not provide sufficient resources for the training of nursery school teachers. As such, we do not lay a firm educational foundation for our children. If we expect our children to excel in their studies, we should lay a firm educational foundation for them by ensuring that they have quality childhood education.

On the question of school bursary funds, I would like to point out that this area has been badly abused. The decision on who should be awarded bursary rests with head teachers who may have no interest in children in the localities that are allocated those funds. I know of a school whose head teacher has been harassed by education officers at both district and provincial levels to award bursaries to students who had certain connections with those officers. In this regard, head teachers have no protection at all.

The quota system in our current education system provides for schools to admit students from all over the country. What happens is that some children who benefit from district bursary funds do not come from the local communities. Some children benefit from the bursary funds of their districts of origin as well as from the districts in which they are schooling. It is, therefore, important for this matter to be addressed so that a proper criteria of awarding bursaries can be put in place, so that only deserving cases from each district can benefit from those funds.

Mr. Temporary Deputy Speaker, Sir, I would now like to talk about the very important Ministry of Agriculture and Rural Development. At one time, the Departmental Committee on Agriculture, Lands and Natural Resources was told that about 72 per cent of the Ministry's budget goes to parastatals under the Ministry, leaving a mere 28 per cent for the Ministry. There are many parastatals which fall under the Ministry. Some of them are non-performing, while others "died" a long time ago. Those parastatals take the bulk of the Ministry's budget, leaving it with only 28 per cent, which is used on personnel emoluments. So, how can we revamp the country's economy if 72 per cent of the budget of the Ministry of Agriculture and rural Development is taken by parastatals, which are as good as dead? It is, therefore, necessary for us to consider this aspect very carefully and ensure that allocations to parastatals falling under the Ministry are reviewed.

With those few remarks, I support the Motion.

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

Mr. Temporary Deputy Speaker, Sir, first and foremost, I will reiterate the sentiments expressed by Mr. Mwiraria, a Member of the Departmental Committee on Finance, Planning and Trade - to which I am the Chairman - that, the Minister for Finance must involve that Committee in the preparation of both the main Budget and the Supplementary Estimates. According to the Medium-Term Expenditure Framework (MTEF) Paper, all the Committees of this House should have been represented in the budget-making process. However, that did not happen. Stakeholders of the seven most important sectors of the economy, and all the relevant Committees of this House, were not consulted during the preparation of this Budget. Although we have some very good theories, we do not implement them to the letter. That is not proper. So, we hope that, next year, the theories contained in the MTEF Paper will be implemented so that the relevant Committees of this House will be involved in the preparation of the Budget and the Supplementary Estimates.

It is very disappointing that year in, year out, we vote a lot of money for the Ministry of Roads and Public Works only to find---

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Musila): Order! Order! Hon. Members, please, consult in low tones so that other hon. Members contributing to debate can be heard.

**Mr. Mkalla:** Thank you, Mr. Temporary Deputy Speaker, Sir. I was saying that year in, year out, we vote a lot of money for the Ministry of Roads and Public Works but, surprisingly, for the last 20 years, the Kinango-Ndavaya Road, which is in my constituency, has not been graded. I wonder how all that money is used. Therefore, I would like to request the Ministry to ensure that the road is graded to enable the people of that area conduct their business.

Mr. Temporary Deputy Speaker, Sir, some districts receive money meant for the rehabilitation of roads rather late. Last year, my district received such money some time in May only for it to be returned to the

Exchequer shortly afterwards. We were told that, that money could not be utilised due to lack of time. That is not very good. So, I would like a situation where such money can be released to all districts in good time so that it can be utilised to rehabilitate roads.

People in my district contributed some money for fuelling Government graders so that our roads could be repaired. However, three years later, the roads have not been done. The money is still there but the graders are not functioning. Why can the Minister for Roads and Public Works not repair those graders so that roads in that district can be repaired? It is disheartening that even where the people are willing to contribute some money in an attempt to alleviate some of the problems they are experiencing, the Ministry is not forthcoming to assist them. I would, therefore, like the Ministry to repair those graders so that roads in that area can be repaired.

Mr. Temporary Deputy Speaker, Sir, some time back, the Ministry of Finance and Planning asked for finance officers. The officers were hired and attached to all Ministries and Departments. That was done to enable the Ministry produce monthly and quarterly reports on revenue and expenditure. The reports were then to be brought here so that Parliament could monitor and assess the performance of the Budget. However, that has not happened to date. I would, therefore, like to request those finance officers to ensure that they perform to the expectation of Parliament. Those finance officers should produce monthly and quarterly reports on the revenues and expenditures of their Ministries, as planned, and forward them to Parliament for review by the Finance, Planning and Trade Committee, which will then bring them to this House so that everybody can be informed on the progress of the Budget. If that is done, there will be no question of the Controller and Auditor-General coming here to point out financial misdeeds committed a decade earlier, because we will be dealing with current situations. We will not have to blame ourselves for not correcting misdeeds committed, say, a decade ago. Therefore, I call upon the Minister for Finance to ensure that those reports are produced so that, as the Chairman of the Committee on Finance, Planning and Trade, I will be presenting them before this House on monthly and quarterly basis so that we can know the financial position of the Ministries and Departments as it may be obtaining.

Mr. Temporary Deputy Speaker, Sir, in previous Budgets, this House approved a lot of money in respect of the Ministry of Health. However, you find that most public hospitals, those in my own district included, have no drugs or ambulances. Patients are directed to purchase drugs from private chemists. Our people are mere peasants; all their cattle died many years ago because of tsetse flies. They cannot afford drugs sold in private chemists. Why can we not make drugs available to hospitals? Why can we not make ambulances available in public hospitals so that, whenever necessary, patients can be transported to medical facilities from which they can be treated?

I would now like to comment on the Poverty Reduction Strategy Paper (PRSP), which has given Kenyans a lot of hope. Kenyans have been consulted at all levels, right from the locational level, and have identified their development priorities for inclusion in the Budget.

Mr. Temporary Deputy Speaker, Sir, Kenyans expect to see the output of their input in the PRSP. For example, they want to see water in their areas. If this financial year ends without water in those areas, then it would be quite disappointing. I would, therefore, expect the Government to implement all the recommendations in the PRSP, so that if people want electricity or water in their areas, they will get it even if it is in phases. All that I am saying is that let us strive to provide our people with basic requirements which will make them more productive and avoid relying on relief food from the Government. They will produce food on their own because they have enough water, power and good infrastructure.

Mr. Temporary Deputy Speaker, Sir, on the question of the domestic debt, the Ministry of Finance and Planning should come up with a proper monetary policy in order to reduce the existing domestic debt. The Government should put in place a good policy which will make long-term borrowing possible, and that will reduce interest rates. The Government should avoid borrowing too much from the domestic market, so that we increase our economic activities. The Central Bank of Kenya should be more serious on its supervisory role on all commercial banks and make sure that other financial institutions are well managed. I do not see the reason why we cannot reduce the current position on the domestic debt. We should avail money to the private sector so that we improve the performance of our economy.

Mr. Temporary Deputy Speaker, Sir, on the issue of education, the Minister has allocated enough funds to the Ministry of Education, Science and Technology. But in Kinango Constituency we have a shortage of about 140 teachers in primary schools. It is a shame to see students in that constituency doing the same examination like other students in this country. How do you expect those students to perform to the expectation of their parents? I, therefore, request the relevant Ministry to ensure that there are enough teachers in Kinango Constituency.

Mr. Temporary Deputy Speaker, Sir, we can only improve the standards of education in Coast Province, if we make sure that there are enough teachers. We would like the Government to provide computers to schools in Coast Province because most students have not seen a computer. They should not wait until they go to university to be introduced to computer studies. Even in the universities, those students may not perform well

because they have never seen a computer. With the modern technology, I would urge the Government to provide computers to all schools in the country so that we enhance the standards of education in this country.

Mr. Temporary Deputy Speaker, Sir, on the issue of revenue collection, I would urge the Ministry to come up with specific measures that will make us collect all revenue. The Ministry of Finance and Planning should come up with a projected revenue collection. It is from here that we can know how much revenue we will collect in a year. If we do not meet the projected revenue collection, then we should revise our measures.

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

**Mr. Kibaki:** Mr. Temporary Deputy Speaker, Sir, while supporting this Motion, there are some matters which are very urgent and important. First of all, we would like to revive the tourism industry in this country. The Ministry of Tourism and Information has been allocated some money in this year's Budget. But the Ministry of Finance and Planning needs to think again with regard to the VAT because it is ruining the tourism industry. We cannot tell people publicly, particularly those who have invested their millions in tourism, that we want to revive tourism without action. Action here is not to raise the VAT. A VAT of 18 per cent is exorbitant. Honestly, we should know that there are many other countries where tourists can go. For example, the South Africa Government has reduced the VAT. Other people have reduced the cost of travelling to the tourist destinations. So we really need to do something, and reducing the VAT is one of them.

Secondly, we do need to have a genuine proper meeting with all investors and stakeholders in the tourism sector. The Government cannot just sit back and watch while 40 hotels are forced to close down and not think there is a crisis. You need to call the managers of those hotels and talk to them. This is because what they will say to their fellow investors is what will matter. We would like them to say something good, that there is hope. If they hear 40 hotels are being closed, nobody will believe there is any hope to revive tourism industry in this country.

Mr. Temporary Deputy Speaker, insecurity is getting worse everywhere in all parts of Kenya. In this Budget, the issue of what should be done to assist the police is not sufficiently emphasised. We need larger sums of money for the police. In particular, we need to buy them new vehicles. The old Mahindras are no longer useful. It is sad that in Nairobi, police have a rationing of fuel. So, if you call them, they cannot come because they do not have enough fuel. So, we need to focus on security by allocating the security agents more resources than what is shown on the Vote on Account. Let them buy particular vehicles to be mobile so that they can reach the areas where their services are required.

Mr. Temporary Deputy Speaker, Sir, I pleaded in another Motion in this House about education in this country. If you look at the Estimates, the Ministry of Education, Science and Technology has got a very small increment in their allocation. It means, therefore, that they will continue with the habit of expelling children from schools. There are 28 districts in Kenya where parents have no income to pay school fees because they depend on famine relief. It is common sense, and I plead again with the Government to announce today that from now on, no child should be sent away from school due to lack of fees. I was in Isiolo the other day. It saddened me to see children being sent to famine relief camps to collect fees. There is no way those parents can raise fees because their livestock died long time ago and there is no income being generated. So, this is a very small cost because, from the Budget we are already paying all the teachers. This is the main cost of primary education because even if we expel the child from school, we will continue paying teachers. It is not logical. This is an urgent matter and I do not see why it should be treated casually. This is because we have adopted all conventions on how we should take care of children. How can we now terminate their education when they are still in Standard One or Two? It is terrible! We are not showing responsibility. So, I plead once more, let us allow the children to go on with their education. It is a very small additional cost. Let them all continue with their education and none of them should be sent home due to lack of school fees. It is not their fault.

We have been told that the economy will grow by 2.6 per cent. I do not see how it will grow by that margin in the 28 districts I have talked about. There will be no such recovery.

Mr. Temporary Deputy Speaker, Sir, another thing is the Kenya Roads Board, which is supposed to look after the roads. The Government should show that it is serious and allow the Kenya Roads Board must be operational. Otherwise, where is the Government sending this money to? If we do not have a Roads Board, where is the Government sending this money to and who is using it? This is because the law was passed by this Parliament and now the Government is behaving in an illegal manner by spending the money without going through the Roads Board. So, the law does not allow them to do what they are doing now. How can you have a Government which is behaving illegally and does not obey the law which we passed here? They are still operating in the old ways where the Ministry of Roads and Public Works allocates monies. But that is not allowed in the law, as it exists now. So, even those who have joined the Government recently, this is one of the good things you should do, remind them to stop behaving illegally. Help the Government and then your contribution can be noticed. Help the Government to stop behaving illegally. Let them revive the Roads Board and allow us to start those district Roads Committees so that we can begin allocating more funds for roads. Until we develop our roads,

we are not going to have the economy of this country revived.

Mr. Temporary Deputy Speaker, Sir, I know that this Budget was good in some ways, but 90 per cent of it only talks about very fictitious little things in trade and in some aspects of industry. The farmer is neither mentioned nor remembered. Until you focus on how you can lend the farmer some money to buy proper seeds, fertilizers and everything else, the economy of this country will never ever revive. It is a matter of using common sense. So, I do not see how we can even congratulate the Minister who forgets 85 per cent and concentrates on 15 per cent of the economy and still says he has done a job. What job has he done? There is no job done!

*(Applause)*

So, even with all the goodwill we have, and we would like to congratulate him for his efforts, but we find it difficult to do so. This is because if you ignore 85 per cent of the economy, how do we congratulate you? You have not done anything! So, could the Minister go back and try to do something because we can always have some amendments to this Budget? We can always bring Supplementary Estimates and he can always look at these taxes again.

Above all, let him remove Presumptive Tax. It is actually primitive and criminal to impose Presumptive Tax on Kenyans. How do you tax anybody on gross income? It is never done, even in the first lesson of economics, you are not allowed to tax anybody in gross income. Income taxable must be income that is available and disposable. The money farmers get is not net income, it is gross income. On gross income, it is charged Presumptive Tax. It is very criminal and there are very highly educated people in the Ministry of Finance and Planning and they know that to behave that way, it is beyond the realm of the modern world. It is only the primitive people who do not understand anything, who can tax gross income.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, why do you tax a farmer from the money he gets when he sells his vegetables? Why can you not wait until he has deducted the cost of production and you can tax him? You are now taxing him double, on gross income and on net income. Double taxation is not heard of these days, in civilised countries. So, we are the only people who are going on with this very primitive stuff.

Mr. Temporary Deputy Speaker, Sir, at least, during the Minister's reply here, he can address this matter. Even if he wants more amounts of money, it is not good to go on squeezing the farmer. Honestly, the farmer is the only one who is keeping this economy going on these days. The rest of the sectors are not earning anything. So, the farmer needs to be recognised not to be ignored. So, we are pleading on behalf of the farmer because we know those facts. I hope when the Minister will be replying, he can tell us whether he is going to look at this Budget again and remove those few things we have mentioned. These are simple things which may need simple amendments, and I hope the Minister can do that.

Thank you.

**The Minister for Trade and Industry** (Mr. Biwott): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving this opportunity to contribute. I will first of all congratulate the Minister for bringing into this House a very well considered Budget.

Having said that, I think, I do agree that there is improvement in the proposals as presented. First of all, tourism has been mentioned and it is very shy industry and is a facilitator and, therefore, it requires careful handling. Perhaps, the Minister might consider the VAT on charters. I think that might also affect tourism. There is also need for the Minister to look more closely on the underlying reasons why tourism at the Coast is not picking up. This is because there are fundamental reasons why that portion of the sector is not performing while it should support the economy.

With regard to my Ministry; Trade and Industry, a lot has been said, and especially by the speak who has just left the Floor. He said that it is an industry which requires less attention as compared to agriculture. I think it requires an equally greater attention as agriculture. This is because it is an industry that will ultimately provide more jobs, in future, once we industrialize. Because there is need to industrialize, it is important that we encourage that process of industrialization by doing the kind of things which the Minister did; to lower the cost of the inputs. I did hear the Minister for Finance speak of increase in tariffs on food stuffs which hurt. So, I think agriculture has been taken care of also, although there is need to concentrate more on the inputs and facilitating factors such as provision of credit to the farmer and also the encouragement of the kind of products that will find ready markets in the European Union or African Growth and Opportunity Act (AGOA). For example, cotton or flowers and vegetables, bearing in mind that the market for those items will be available for the next eight years. Therefore, there should be more attention put on that direction.

Mr. Temporary Deputy Speaker, Sir, turning to industrial constraints which are mainly from the energy sector, I think this is also an area where a lot of encouragement requires to be done, especially in the investment to create an inducement so that more investments can flow into the country, and especially to this sector. The industrial sector will never flourish as long as energy cost is high and the credit is not available and when it is available, it is costly by way of high interest rates. Also the fact that Kenyans are not directing their disposable income on the goods that are produced locally, they shift towards foreign-produced items and second-hand goods which is hurting the economy. I think it is about time that something was done to shift the balance so that Kenyans will turn towards the goods and services that they produce and away from the services which they do not produce. In other words, they should be consuming more of the items and services that they produce rather than the services and the goods which they do not produce.

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

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

Mr. Temporary Deputy Speaker, Sir, also, it is time all Kenyans, the Government included, put more emphasis on buying local, East African and COMESA goods, so as to make sense of what we have achieved in that direction. Collectively, there is need, again, for all Kenyans to come together and work for their own welfare in order to fight crime in this country; to fight any tendencies towards activities which do not help to create stable and secure environment for others to come and invest in our own country.

The Kenya Police Force has been working very hard to fight crime, and I think that they need a lot more support. This is because a lot of efforts have gone into criticising them, but one would imagine oneself fighting with a criminal. This is because a criminal is not a friendly person and, therefore, the police also who are human, should be seen in that light, since the chances are that he or she too can suffer. Therefore, we should also understand their plight and the need for them to be remunerated and facilitated more by getting the necessary vehicles, communications equipment and good living conditions, so that they can continue serving this country in their pursuit of stable and secure society.

The airports are also other areas where Kenyans need to look into. Maybe, the Government should move towards enabling the airports to generate their own revenue, in order to carry out more development and provide better facilities for the tourists and investors who are coming in, because the first impression of a country starts with its airports. The moment a person arrives, if he or she is received well, in clean and orderly airports, one would go with a very good impression about the country.

There is also need to extend that to roads leading to the towns. I think the local government should also encourage that effort, through the financial resources or policies, so that, at least, they can make approach to the towns. For example, when you land in Mombasa, you are immediately struck with conditions which do not really augur well for an investor. This is because the town sends a wrong signal.

I think the greatest thing that we have done, and thanks to the support of the House and the Ministry of Finance and Planning, is the passage of the Kenya Intellectual Property Bill, because it will not only enhance the possibility of the investors coming to this country, but it will also facilitate the procurement of medicines for those who need them. This is because it is a necessary service, although the real cure and answer to the HIV/AIDS is not so much the availability of cheap drugs, but it is the abstinence from immoral tendencies which even in the Bible, are not the right things to do.

Finally, in order to fight poverty in the country, the access roads are very important, so that farmers can bring in their goods to the markets. Again, that is an area where I hope the Minister will work very hard to ensure that he secures the support from the donors and other partners, so that we can do something about it. I hope the Opposition will not continue with their usual rhetoric of saying that this country is corrupt.

With those few remarks, I beg to support the Motion.

**Mr. Kariuki:** Thank you very much, Mr. Temporary Deputy Speaker, Sir.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, Mr. Kariuki! There is a group of hon. Members there; Messrs. Ndilenge, Nyenze and Musyoka and Mrs Mwewa consulting very loudly and to make it worse, they are consulting in a language that is not permitted in the House. Can you please reduce the volume of your consultations?

**Mr. Kariuki:** Mr. Temporary Deputy Speaker, Sir, thank you for giving me an opportunity to comment

on the Vote on Account. The state of our roads gives us one big worry. Why should the Government be utilising 96 per cent of revenue on human resources or salaries, and only 6 per cent on development? This is very worrying, and it means that we are net consumers and not producers. A developing country should be using all of its resources for developmental purposes and not for consuming. We are so much a farmer-oriented nation. A nation that does not want its people to sweat and produce is a country that is bound to have negative growth, as the Minister highlighted in his Budget Speech. That is very worrying, and that is why we do not have any job creation because sectors that are supposed to be addressed like agriculture, tourism and manufacturing are not being properly addressed. Therefore, as a result, we have a lot of people lying on the streets without employment. That is understandable because the Government has failed to address and focus its attention on areas that it ought to. As a result, again, you have the social aspects of insecurity, arising from the same mismanagement of resources in the wrong direction.

I am worried that the Office of the President (OP) is spending about 15 per cent of the total Budget. This is not a producing office. It is an office that is colourful and has nothing to offer in terms of production. So, in fact, if anything, the OP has ended up becoming a mock in terms of image, because people tend to look at it as an office that has failed in terms of security, having loaded itself with the departments that ought to be under other Ministries. In the olden days, of course, the police was under the Ministry of Home Affairs, the Kenya Wildlife Service was under the Ministry of Tourism and the National Aids Control Council (NACC) would have come under the Ministry of Health. The *El Nino* Emergency Project - which is a God-given phenomenon - should have fallen under the Ministry of Agriculture and Rural Development. Therefore, there is misapplication of resources within the OP, and that is why--- I do not know why the OP wants to embrace virtually everything and leave nothing for other Ministries to do. Either His Excellency the President has no faith at all in these Ministers and has to do the job himself or he does not know what is going on. I do not know which is which, but there is a very major problem in that office.

With due respect, I wonder whether our nation is at war with herself, when I see that 2 per cent of the total expenditure goes to the National Security Intelligence Service (NSIS). That is about 50 per cent of the Vote for the Ministry of Agriculture and Rural Development, meaning that we are so obsessed about internal security - not police this time - and what politicians are talking about. We buy video tape recorders in order to monitor what they say, and that type of nonsense. We are losing sight of very important areas that ought to be addressed, and I believe that the NSIS ought to be given a very small Vote; maybe a quarter of what they are asking for. But the sum they have been given is a bit excessive.

We are also worried about the area of justice. There is so much misuse of justice in this country, whereby the Judiciary is used by the system in order to victimise certain people that they do not like. Injunctions are the order of the day; against co-operative societies and mismanaged institutions. For example, I have a case involving my own district; Murang'a, where Murata Union and Mugama are fighting against each other, and instead of criminal elements within such institutions being probed, an injunction is filed by the criminals and the Attorney-General's Chambers endorses that there should be no probe. I am wondering why the Government endorses corruption. This is a Government that is a mock. If at all you do not take seriously the issue of corruption, and you are trying to cover up corrupt elements, one wonders why it should be so. This is why, in fact, you should take stock of what happened with the Vote that was allocated last year. How much of that money has been used? It is high time this House came up with a Budget monitoring and implementation committee that will look at all these aspects of how budgeting takes place and whether funds that are allocated are properly utilised. It would follow up to ensure that any culprits that misuse funds are prosecuted, but this is not happening. There is over-centralisation of decision making. Nobody in this Government wants to make decisions. If anything, they want to consult with the State House at all times. Therefore, you will find that things are not moving. This is what we know and if you want me table evidence to indicate that, I will do so. As a result, we have a static economy that is not moving because nobody wants to make decisions. We have to jump-start this economy, not by writing very nice policy papers and programmes, but by being at peace with the World Bank and the IMF. If you do not address their conditionalities you will never get this economy moving. That is a challenge we ought to take very seriously. The Minister of Tourism was lamenting about the tourism sector as if he does not know the cause of the problem. He should have cast his mind back to what happened in Likoni and what is now happening in Gucha---

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Kariuki, he is not the Minister for Tourism!

**Mr. Kariuki:** He was a Minister who was commenting on tourism and he appeared to pretend that he did not know the reasons behind the problem. He disappeared before I stood up to speak otherwise I would have challenged him. I think he knows that the root cause of the problem within that sector is the insecurity in this country. When we talk about Gucha, somebody who lives in the USA or Europe might think that it is near Diani. Therefore, he will avoid coming to this country for fear that he may be shot. This Government is very good at management by crisis. It is waiting for the time when a Minister will be shot by thugs and that is when it will realise that insecurity is serious in this country. I pray to God that, that does not happen; if it does happen that is

when the Government will wake up. You are known to be asleep all the time.

You do not address issues as and when you are supposed to do so. A time will come when one of you will be shot just as a pastor was shot the other day. We are now going towards the level of people who should be targeted so that they can know how insecure this country is. The other day Mr. Nderitu was put in a car boot and driven around his district for about nine hours. The next time it will be a Minister in the Front Bench who will be put in a boot. That is the time when---

**The Assistant Minister for Labour and Human Resource Development** (Mr. Ethuro): A Minister's car was hijacked the other night!

**Mr. Kariuki:** Just the other day the Speaker's car was shot at and Mr. Raila's car was stolen. We are now moving to a level where even State House cars will be stolen. In fact, a golden cockerel was stolen from the President's house in Kabarak. We are reaching a level where insecurity has become the order of the day and yet you are laughing it off rather than addressing the very issue that we ought to be seriously concerned about.

I am worried about the exodus of the business community in this country. A lot of Asians are leaving this country and settling in places like Australia, Canada, Europe and elsewhere. This is because they have seen that there are no more business opportunities in this country since the economy is collapsing. I believe that the locals that are left behind should be assisted by the Government to ensure that they succeed in whatever pursuit they are undertaking. If anything, we are discouraging the local businessmen by not allocating them tenders. Instead, tenders are given to multinationals and Asian businessmen. It is high time we started favouring discriminately local people because they are the ones who vote for us. Therefore, the Government should have a bias for the indigenous black people. We are highly disadvantaged because we joined the monetary economy only about 100 years ago whereas the other communities had been in it for over 10 to 20 decades.

We would like to have a definite Government policy of favouring local people as far as trade, commerce and industry are concerned. We should not be shy about it. When you talk to lawyers like my colleague who defected the other day to the other side, he will tell us that the legal fraternity is biased towards firms like the HHM and Kaplan and Stratton which are hired by parastatals and these Ministers on the Front Bench. Others are hiring colleagues like the one sitting back there who has no job to do. This is very sad. I hope this Government will consider favouring indigenous people in allocation of resources so that they can get rich and be able to defend a Budget like this one which is hopeless.

Thank you, Mr. Temporary Deputy Speaker, Sir.

**The Assistant Minister for Labour and Human Resource Development** (Mr. Ethuro): Thank you, Mr. Temporary Deputy Speaker, Sir. I want to start by congratulating the Minister for Finance for presenting the Budget in a manner that was understood by all. Most hon. Members enjoyed that Speech and it is only a few of them who slept, if any. The Budget Speech also addressed some of the pertinent issues that affect our country and economy and I would like to commend him for that. There are some areas that I would like to point out so that when the Minister finally replies those small amendments will be brought in.

Let me comment on the theme of this year's Budget, which is: Effective Resource Allocation for Growth and Poverty Alleviation. That is a commendable theme to have. However, you cannot talk of growth when there are all indications of a decline of negative 0.4 per cent, continuously and sustainably. Poverty is on the increase in this country and at the same time we have increased the pitch on poverty alleviation. It seems that the more we talk about poverty, the more Kenyans become poorer by the day. This calls for concerted efforts to ensure that real measures that have been identified will be implemented. This Budget offers an opportunity for tackling poverty.

I also want to commend the Minister for talking about dams in the ASAL areas because water is one of the basic needs that is missing there. For once, the Government is seriously talking about this problem and I would like to see it being addressed. I also want to commend the Minister for waiving duty on condoms and bicycles. The waiver of duty on condoms translates into the commitment of the Government in tackling HIV/AIDS which has been declared a national tragedy. I also expected the Minister to waive duty on sanitary towels for women because they are not luxuries. What choices do women have since these sanitary towels are still highly taxed? This is a basic requirement and I thought that the women Members here should really be talking about it. I got a letter from an old friend in the USA who was really concerned about this issue and I think it is important that we do something about it.

While I agree that duty should be waived, we should also talk about promoting our own local-based industries, especially the bicycles production industry. What technology do we need? The moment we waive that duty, we make the bicycles cheaper and deny our people the opportunity to earn a living. The *Jua Kali* sector can make the parts of the bicycles and thus create employment opportunities which in turn will improve the economy. We are talking about the high rate of unemployment while we have a lot of expatriates working in this country. We have expatriates in the Government who earn a lot of money, at a time when we are retrenching some civil servants. We need to look at our policies in relation to our action programmes because they do not agree.

It is important to go through the Budget, and I am happy with it. More important is the management of



affairs in this country. On planning, we have excuses like: Because of the high population growth rate we may not be able to cope. Any serious planner - and we have a whole Ministry to do that - should anticipate the population dynamics that we are experiencing because we know these indicators. Our civil servants should be a bit serious. We should also put in place procedures and systems that will ensure accountability and promote transparency in the way we conduct our Government business.

**The Temporary Deputy Speaker** (Mr. Imanyara): Mr. Ethuro, I think it is the Minister's time to reply, unless he will allow you to finish making your contribution.

Mr. Minister, will you allow Mr. Ethuro to take some of your time?

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Yes, Mr. Temporary Deputy Speaker, Sir.

**The Assistant Minister for Labour and Human Resource Development** (Mr. Ethuro): Thank you, Mr. Temporary Deputy Speaker, Sir. I will finish within a short while.

The Budget is completely disappointing for those of us who come from the pastoral areas. In the new millennium, we passed a Motion urging the Government to allocate more resources to the pastoral areas. A country such as a Botswana in Africa has relied on its livestock sector. The livestock sector in this country has a potential to produce enough meat to export to the Middle East and feed the many Kenyans who eat *nyama choma* if the Government can only formulate a framework that will support the livestock sector. It is also disappointing because we passed a Motion in this House urging the Government to revive the Kenya Meat Commission (KMC). I was expecting this year's Budget to allocate a lot of resources to the KMC, so that the pastoralists can have a market outlet for their livestock.

Mr. Temporary Deputy Speaker, Sir, I am also disappointed because, given that this country is prone to emergencies in terms of famine and drought, I expected that we should invest more in irrigating the arid and semi-arid areas. The infrastructure is extremely important. The Minister has accepted that and we should see more improvements in future. But Kapenguria-Lake Turkana Road has been forgotten. That road was constructed by Norwegians before they hurriedly left this country. That road is the only link between "Kenya" and Turkana. When the Turkanas have been "disconnected", they do not feel as if they are part of the Republic of Kenya.

**Mr. Kajwang**: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Member has talked about a road that links Kenya to Turkana. Is Turkana a foreign country?

**The Assistant Minister for Labour and Human Resource Development** (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, you know that Turkana is part of the Republic of Kenya, but given the geographical and economic disparities between the rest of Kenya and Turkana District, the people of Turkana District feeling as if they are in another republic is not asking for too much.

I want to finish by saying that rural electrification from the Turkwel Gorge project should have been extended to Turkana District. We are also talking about communication, but right now, as Mr. Kajwang is questioning what I am saying, Turkana District has not had any telephone exchange for the last one month. Is that being part of the Republic that you want to be proud of?

With those few remarks, I beg to support.

**The Temporary Deputy Speaker** (Mr. Imanyara): It is time for the Official Responder to respond.

**The Assistant Minister for Finance and Planning** (Mr. Arap-Kirui): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to respond to the contributions made by the hon. Members. I would like to thank all those hon. Members who contributed to the debate on the Vote on Account. I would like to further thank them because on the whole, they supported the Motion.

As I said when moving the Motion, there will be detailed debate on the various Votes when time comes and when each Ministry moves its Vote. As was indicated, there is usually a time provision of two days during which each Vote will be discussed. So, it is only fair that most of the issues that relate specifically to Ministries, which have been raised by hon. Members here today, be left to the relevant Ministers to respond to, either as they move their Votes or as they respond to the debate on each Vote.

However, may I at this point only make responses of a general nature. Mention was made of the fact that at present, there is not much involvement by Parliament in the budget-making process. As we all know, this is the intention in the very near future. We believe it is a good idea and its time might have come. But we also have a history of this Parliament; we derive most of our practices and traditions from what we call the "Mother of all Parliaments". The involvement of Parliament in the budget-making process has not been a tradition in this country or in Parliaments that we sourced our practices from. This is an innovation that may be welcome, but every new innovation takes time and [**The Assistant Minister for Finance and Planning**

in due course, we should look into this. We have to remind ourselves also that we are about to review the Constitution and ideas such as this one, would fit fairly well into the constitutional making process. Those hon. Members who wish to pursue this further, I want to assure them that there will be ample opportunity during the constitutional making process for them to pursue this further.

Mr. Temporary Deputy Speaker, Sir, there was also the suggestion that the Supplementary Estimates are used to nullify provisions in the Budget. May I assure hon. Members that this is not the case. As hon. Members will appreciate, the Supplementary Estimates are meant to rationalise the Government's revenues in the light of its collection and maybe other fund inflows. If we curtail certain projects, this is not intentional and it is never the intention of the Supplementary Estimates to do this. This is merely an acceptance of the facts from the ground and often we have to do the painful thing if funds have not been available. This is normal for any Budget. Even an individual may want to invest in various items and when the time to invest comes, funds may not be available. It should be accepted that it is normal to rationalise one's investments and hope that come the next period, there will be adequate funds which to invest. But it is never the intention of the Supplementary Estimates. There was even the suggestion that maybe, the Government was not being honest in the use of the Supplementary Estimates. Our intentions are extremely noble and it is merely a question of rationalising the financial situation as the year ends.

I should also suggest that we should do everything possible to encourage our development partners. Most of the development funds, at least in the recent past, have come from our development partners. We in this House, and elsewhere in this country, should make every effort to encourage investors by promoting responsible political behaviour. This is not an exclusive preserve of the Government, but it is for every one of us; it is for leaders and citizens of this country to encourage investors into the country. It is only through this way that we will assure everyone outside and within this country, that our country is an attractive location in which to invest. From this, we will then be able to draw sufficient income as the Government to invest. It does not pay for one to actively discourage investors from coming into this country or our friends from assisting us and then lament when he sees the result of that discouragement. So, I think it is only prudent and sensible for one to expect certain results from one's activities. I would like to recommend that very strongly to the Members of this House and all our countrymen, so that we can encourage our friends and investors to come to our assistance. From that, it would be possible to attend to the projects that were mentioned by Mr. Mwiraria in his North Imenti Constituency and Mr. Keah in his Kaloleni Constituency. Mr. Keah talked in terms of a hospital at Kaloleni, and research work on the benefits and economic resources of the coconut tree.

Mr. Temporary Deputy Speaker, Sir, there was mention of various transfers of funds from the Ministry of Finance to the Ministries, and from Ministries to the districts. That is often not intentional, but a function of revenues into the Government. Obviously, we cannot transfer what we do not have. As Mr. Anyona pointed out, although we approve the Vote on Account now for the Government to have resources by 1st of July, we have to collect those resources. That takes time and more often, there is delay. But again, as I said, it is not intentional. We have put in place various mechanisms within the Kenya Revenue Authority and within the management of the Government to ensure adequate efficiency. We hope that the time lapse that has been experienced in the past will be shortened as the efficiency begins to take effect. So, that is the intention and explanation. At that point, it might be possible to put in place the proposals that Mr. Anyona mentioned, about the need to have a time frame for Exchequer releases and Authorities to Incur Expenditures (AIEs), and a time frame for the implementation of various development projects. It should be possible, once we have the efficiency in place. We are very encouraged that it should be possible in the very near future.

Mr. Temporary Deputy Speaker, Sir, I should also encourage hon. Members to read the Budget Estimates very carefully. I think we have heard some rather unusual contributions, which are as a result of not reading the Estimates properly, or not reading them at all! One such example was the contention that there was no provision for the development work within the National Assembly. I believe the hon. Member was referring to the work being done inside the Continental House. If the Member had read the Budget Estimates very carefully, he would have found out that there is adequate provision for that under the Recurrent Expenditure, in terms of renovations and maintenance of the Continental House. We believe that the funds provided for are quite adequate. There is also adequate provision for the computerisation of Parliament Buildings and other equipment. We believe that there is a provision for that.

Mr. Temporary Deputy Speaker, Sir, there is another instance where an hon. Member equated Appropriations-in-Aid (A-in-A) with foreign loans. I believe he looked at the Vote on Account of the Ministry of Local Government and said that there is Kshs4.8 billion to be sourced through foreign aid. He said that we should be funding our own projects. He said that there was Kshs8 billion in the Ministry of Roads and Public Works that will come from loans. The funds shown there relate to A-in-A, which are, in fact, revenues or Government grants to particular Departments. With regard to the Ministry of Local Government, the Kshs4.8 billion consist mainly of the Local Authorities Transfer Fund (LATF) and the Roads Maintenance Fund, which is again a transfer from Central Government to the Local Authorities. The Kshs4.8 billion that make up the LATF constitute Kshs3.1 billion. The Roads Maintenance Fund constitute Kshs1.65 billion. That is a close approximation to the amount of Kshs4.8 billion.

Mr. Temporary Deputy Speaker, Sir, the Kshs8 billion shown as A-in-A in the Ministry of Roads and Public Works is from the Fuel Levy Fund. About Kshs7.856 billion of the Fuel Levy Fund is reflected in the

Kshs8 billion amount. So, I would like to encourage all the Members, particularly those who do not carefully read the Budget Estimates that, it is worth taking time to understand the breakdown of those Estimates.

**Mr. Michuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to mislead this House? The figures of A-in-A are temporary monies which arise through the activity of a Ministry, although that Ministry is not a revenue collecting Ministry.

**The Temporary Deputy Speaker** (Mr. Imanyara): Are you giving him information?

**Mr. Michuki:** Mr. Temporary Deputy Speaker, Sir, there is confusion here! I am asking: Is it in order for him to confuse this House by not defining what is proper? Permanent revenue is being misinterpreted as A-in-A!

**The Assistant Minister for Finance and Planning:** (Mr. Arap- Kirui): Mr. Temporary Deputy Speaker, Sir, I think that is a point of argument! If I may inform the hon. Member, those are new revenue items and at the present time, they are classed under A-in-A. If I may continue, I was merely pointing out--- I believe that the Member might have been gored by the fact that should Members do not read the Budget Estimates.

I thank the Members for contributing to the Vote on Account. May I only point out that unlike what one hon. Member said, the Ministry, in his Speech, dwelt extensively on provisions to agriculture. There was a strong appreciation by the Government on the part agriculture plays within our economy. We would like to see the agricultural sector grow. The Government, in the Budget Speech, has indicated that the Minister has put in place, various strategies that will ensure further and stronger development of that sector.

Mr. Temporary Deputy Speaker, Sir, may I also point out that it is not the intention of the Government to load the farmer with taxes. The use of the Presumptive Tax was meant to be for the convenience of the farmer because most farmers do not keep accounting records and do not like being troubled with the maintenance of accounting records. They were given the opportunity to pay tax through Presumptive Tax. However, in this Budget, there was an innovation to provide the farmer with an alternative so that, in case he does not wish to pay the Presumptive Tax, he or she can choose to make a self-assessment like many other businesses. For those farmers who are able to do self-assessment, there will be no need for them to pay Presumptive Tax.

With those few remarks, I wish to commend to the Members the Motion on the Vote on Account.

*(Question put and agreed to)*

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Imanyara): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until Tuesday, 26th June, at 2.30 p.m.

The House rose at 6.30 p.m.