

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 27th June, 2001

The House met at 2.30 p.m.

[*Mr. Speaker in the Chair*]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.388

WILDLIFE POPULATION IN IJARA

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

- (a) what the population of wildlife in Ijara before 1963 was;
- (b) what the total number as at 26th April, 2001 was; and,
- (c) how many Game Rangers are in the district currently.

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

(a) There were no formal game counts before Independence in 1963. It is, therefore, not possible to ascertain the wildlife population in Ijara area before then.

(b) The Department of Resource Survey and Remote Sensing conducted a census in the area between May, 2000, and June, 2001. Their report will be released as soon the data analysis is complete.

(c) Ijara District is served by a Game Warden who receives reinforcement from Garissa and Tana River districts.

Mr. Weyrah: Mr. Speaker, Sir, the answer given by the Assistant Minister is misleading. A local Non-Governmental Organisation (NGO) working in the area, with assistance from the local communities, has done a census for the wildlife in that area. The population of wildlife has actually reduced by more than 90 per cent. No survey has been conducted by the Ministry and, therefore, the wildlife population has greatly reduced. There is a Game Ranger in Ijara District to look after the wild animals in that area. What urgent measures is the Government taking to restore the numbers of wildlife in that area?

Mr. Speaker: What is wildlife? How do you count "wildlife?" We have a variety of wildlife! Does it mean all of them, including snakes?

Mr. Weyrah: Yes, all of them, including birds and snakes!

(Laughter)

Mr. Samoei: Mr. Speaker, Sir, I do not know to what extent the hon. Member believes that I am misleading this House. I did say that there was no formal count of wildlife in that area before Independence. That is a statement of fact.

Mr. Speaker, Sir, however, there was wildlife count conducted in 1977, and Ijara then formed part of Garissa District. I have with me here the figures for the 1977 count. There was also another count in 1996, and I also have with me the figures of the count then. We have just recruited additional personnel to reinforce the Game Rangers we have. As soon as their training is over, we shall reinforce the personnel manning Ijara District.

Mr. Speaker: Mr. Minister, why do you not respond to the Question by Mr. Weyrah that the number of wildlife in Ijara District is going downwards rather than upwards? Now that you have the figures for 1977 and 1996, respectively, what do they indicate? Is it an upward or downward trend?

Mr. Samoei: Mr. Speaker, Sir, the hon. Member is, indeed, right. However, the 90 per cent drop he has mentioned is not correct. There is a downward trend in the wildlife count in that district. I am sure the people of Ijara have something to do with the downward trend of these wildlife. That is why we will reinforce the Game

Rangers in that area.

Mr. Anyona: On a point of order, Mr. Speaker, Sir. It sounds as if there is something which the Assistant Minister does not want to say. He claims to have figures with him which he has not disclosed to the House! Could he be required to table these figures so that they are a property of the House?

Mr. Speaker: He is actually ordered to do

so. Mr. Minister, you are now ordered to let the House know what the figures are!

Mr. Samoei: Mr. Speaker, Sir, I have no problem with that. I will table the figures here for the House to know.

Mr. Achola: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, hon. Members! Can we listen to the Assistant Minister? I am sure this is something of interest to the whole country!

Mr. Samoei: Mr. Speaker, Sir, in 1977, the total count of wildlife was 74,599, while in 1996, the total count of the various categories of wildlife was 40,838.

*(Mr. Samoei laid the Document
on the Table)*

The Assistant Minister, Office of the President (Mr. Haji): On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Mr. Haji, you are a Minister! Have you forgotten that you are a Minister?

(Laughter)

The Assistant Minister, Office of the President (Mr. Haji): I just wanted to assist my colleague. I come from Ijara---

Mr. Speaker: Order, Mr. Haji!

The Assistant Minister, Office of the President (Mr. Haji): I only wanted to say that I did participate---

Mr. Speaker: Order, Mr. Haji! You do not have to say anything that is out of order. If you want to assist him to answer that question, maybe you could ask him whether he wants a point of information and you will be perfectly in order. But you cannot come and "reinforce" or "assist" your colleague!

Mr. Kamolleh: Mr. Speaker, Sir, although this Question has been filed by the Member for Ijara, it is affecting the entire country. It is apparent that the Ministry does not have any statistics on the number of wildlife in the country. In fact, in a place like Kwale, where we used to have only 20 elephants, we now have about 200 elephants. I do not think the Ministry knows that these elephants have now started moving all over the place. It would be very important for the Government to come up with statistics of the numbers of all wildlife in every district so that we can see whether they can control them or not. Even if we continue asking for electric fences, that will be of no use. We should get particular statistics of all the wild animals.

Mr. Speaker, Sir, could the Assistant Minister bring to this House proper statistics of all the wild animals living in all those areas, whether it is in Tsavo or elsewhere, so that we can know exactly how many they are?

Mr. Samoei: Mr. Speaker, Sir, the figures I have here are for Ijara District; I do not have figures for the whole country. But that can be made available.

The Assistant Minister for Transport and Communications (Mr. Keah): On a point of information, Mr. Speaker, Sir.

Mr. Speaker: Mr. Samoei, would you like to be informed?

Mr. Samoei: Mr. Speaker, Sir, I do not want to be informed.

Mr. Speaker: Mr. Keah, just sit down.

The Assistant Minister for Transport and Communications (Mr. Keah): Well, if he does not want, could I inform the House?

Mr. Speaker: Sorry! Last question, Mr. Weyrah!

(Laughter)

Mr. Weyrah: Mr. Speaker, Sir, I would like to know from the Assistant Minister whether he is aware that between 1960 and 1970, there were 500,000 elephants in Ijara District? Even hon. Haji who is an Assistant Minister is my witness! We counted and found only 50 elephants. I do not know whether he is aware of that.

Mr. Samoei: Mr. Speaker, Sir, I do not think that at any one time in our history, there could have been

500,000 elephants in Ijara District.

Mr. Speaker: Very well. Next Question, Mr. Kiminza!

Question No.392

HARDSHIP ALLOWANCE FOR
GOVERNMENT OFFICERS

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

(a) whether he is aware that Government officers in Kitui South are not paid hardship allowance despite the area being arid; and,

(b) when the Minister will pay the said officers hardship allowance.

Mr. Speaker: Anyone from the Office of the President? Mr. Nassir, are you the one answering that Question?

The Minister of State, Office of the President (Mr. Nassir): No, that is not my docket!

Mr. Speaker: Mr. Samoei, is it yours?

The Assistant Minister, Office of the President (Mr. Samoei): No, that is hon. Sunkuli's docket.

Mr. Speaker: We will leave the Question up to the end. Next Question, Mr. Ayoki!

Question No.396

ACCIDENTS IN SUGAR FACTORIES

Mr. Ayoki asked the Minister for Agriculture, in view of the problems experienced by Muhoroni, Chemelil, Sony, Miwani and Nzoia sugar factories, whether he could table the following:-

(a) claims against each factory arising from fatal accidents from 1998 to 2000;

(b) claims arising from non-fatal accidents and the amounts paid; and,

(c) claims that are still pending in the courts.

The Minister for Agriculture (Dr. Godana): Mr. Speaker, Sir, I beg to reply.

The list of details on accidents in the mentioned sugar factories is a very bulky one. I would like to seek your permission to table that list and refer the hon. Questioner to the shorter version of the table appended to my reply.

In the case of Nzoia Sugar Company, we have four claims of fatal accidents still pending; 173 claims from non-fatal accidents, 87 of which have been settled to the tune of Kshs1,392,684.

In the case of Miwani, we have 14 non-fatal accidents still pending, plus 26 complaints related to service rendered. In the case of Sony Sugar, we have two fatal accidents claims pending, and 54 non-fatal accidents claims which have already been settled. In the case of Chemelil, we have one fatal accident claim pending and 51 non-fatal accidents claims which have already been settled. Finally, in the case of Muhoroni, we have two non-fatal accident claims which have been settled. I wish to table the list of the details on the Table of the House.

(Dr. Godana laid the documents on the Table)

Mr. Ayoki: Mr. Speaker, Sir, arising from the answer given by the Minister, you have noticed that he has avoided answering all parts of the Question. For the Minister to say that it was bulky, is not sufficient enough to bar him from bringing even a summary of the answer to the House. However, I would like to know from the Minister why these claims were promptly settled, while, ordinarily, claims of accidents from insurance companies usually take years. This House has noticed that claims take six to ten years before they are settled. Why was there a speedy settlement of the claims?

Dr. Godana: Mr. Speaker, Sir, I thought the hon. Member would be grateful to us for that speedy settlement. I am surprised that he thinks the claims should have taken at least six years. I would have expected him to thank the management of those sugar factories for being ready to settle where they think the claims are not seriously contestable.

Mr. Anyona: Mr. Speaker, Sir, whereas I agree with the Minister in those sentiments, but it appears there is a very high rate of accidents in the sugar factories. Could the Minister make sure that the law is being

complied with and that the conditions specified in the law are in place?

Dr. Godana: Mr. Speaker, Sir, we will do everything as a Ministry to ensure that the law is fully complied with.

Mr. Ayoki: Mr. Speaker, Sir, thanking the Minister for the speedy settlement of the claims, could he rule out any sinister motive for settling the claims promptly? It is a known fact that there is a cartel; some sort of collusion between the factories, the insurance companies and even the investigators to siphon a large sum of money from the sugar factories.

Dr. Godana: Mr. Speaker, Sir, we will certainly not suffer knowingly, that kind of conspiracy, which will be at the expense of the factory, the public or workers in those factories. If the hon. Member or any other hon. Member in this House or outside has any information on that kind of conspiracy and syndicate, we would advise that they come forward to the Ministry; we will give them the due protection of secrecy if need be. They can even come to my office and we will definitely take it up, because that is serious.

Mr. Speaker: Next Question!

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

[Mr. Muchiri]

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 the breakdown of the telephone charges in Kenya are.

The Assistant Minister for Transport and Communications (Mr. Keah): Mr. Speaker, Sir, I beg to reply.

(a) I have taken the following measures to improve the quality of telecommunication services to the residents of Buru Buru and Roysambu exchange areas with telephone codes 78, 79 and 80.

(i) Installation of Ring Network that interlinks Nairobi Exchange. Phase I of this project was commissioned on 19th of April, 2001 and Phase II is programmed for completion in the second quarter of 2002. The Ring Network will ease congestion and enhance route redundancy in case of breakdowns, vandalism or theft of transmission systems.

(ii) Rehabilitation of Cable Network to enhance service availability. In Mathare North Estate, the old exchange cable lines have been replaced by new ones, while Zimmerman and Garden Estate/Thome has a development scheme under way.

(iii) Enhanced and regular network patrols and installations of alarms to monitor main cable routes.

(iv) Application of wireless technology in areas that are prone to acts of vandalism. This is especially in Embakasi where we have, on a test basis, 100 customers, but we have 1000 on application.

(v) Sealing of underground cable manholes and joint chamber covers with concrete to curb vandalism and prevent storm water and sewage leaks, and erection of manhole guards has also been undertaken to prevent manhole covers from motor vehicle damages.

(vi) Earthing of telecommunication systems against excessive voltage.

(b) Telkom Kenya reviewed its telephone tariffs with effect from 1st October, 2000, for national calls and 1st July, 2000, for international calls.

Mr. Speaker, Sir, I have a whole four-page analysis of the breakdown of the current telephone charges in Kenya, and with your permission, perhaps, the best thing I could ask is to table those telephone charges.

Mr. Speaker: Very well! Mr. Muchiri!

(Mr. Keah laid the documents on the Table)

Mr. Muchiri: Mr. Speaker, Sir, I am glad the Assistant Minister has answered the Question. We have stayed for over two years without telephone services. We have been charged the normal charges when we are not utilising the telephones. Could the Government refund the money until such a time that they would be able to

provide us with the services and not take away the lines? Currently the lines are being sold by the post office staff at Kshs15,000 per line.

Mr. Keah: Mr. Speaker, Sir, there are two points there. First, I was not aware of these charges he is referring to when there is no service, and certainly there can be no charges where there is no service. I would ask through the Chair that those with such bills can present a few of them to me so that I can take them up with Telkom Kenya Limited for appropriate investigation.

Mr. Speaker, Sir, secondly, I am alarmed by the fact that he is aware that our own staff are selling those lines at Kshs15,000. This is of interest to me, and if he can give, through this House, detailed aspects or even one aspect, I will certainly do the necessary investigation so that the property which belongs to wananchi and the entire nation is not vandalised.

Mr. Michuki: Mr. Speaker, Sir, the Assistant Minister referred to a phase of installation of telephones within Garden Estate, which is the same area adjacent to Ridgeways Estate. Is the Assistant Minister aware that it is now almost a year since the cables were installed, and the manholes have been left open for all that period, and have become dangerous to human beings, motor vehicles and children? Could he get somebody to do something about it?

Mr. Keah: Mr. Speaker, Sir, one of the measures we are taking in answer to this Question is to cover manholes. If those in Garden Estate next to Thome and Ridgeways are still open, I would like to assure the hon. Member that I have taken note of it, and he will hear from me in due course because I will report that matter immediately, or I will draw the attention of the Managing Director accordingly.

Mr. Muchiri: Mr. Speaker, Sir, could the Assistant Minister consider putting public telephone booths in all those areas for security reasons, because there are no public call-boxes in all of those areas?

Mr. Keah: Mr. Speaker, Sir, that is not an unreasonable request. All I can say is that, let me take it across to the Managing Director. I think it is a very honest request, and once again, I can come back with an answer as to whether it is practicable and possible, particularly in view of the vandalism that I have alluded to earlier in an answer to the Question and the steps we are taking in curbing that vandalism.

Mr. Speaker: Next Question!

Question No.185

SUPPLY OF TREATED WATER

Mr. Gatabaki asked the Minister for Local Government what measures the Government has taken to ensure that water supplied to consumers in the City of Nairobi and other towns is sufficiently treated to conform with the international standards.

The Assistant Minister for Local Government (Mr. Hashim): Mr. Speaker, Sir, I am in agreement with the hon. Member to defer this Question to next week so that I can get a comprehensive reply.

Mr. Speaker: Mr. Gatabaki, are you agreeable to that?

Mr. Gatabaki: Mr. Speaker, Sir, you will agree with me that since Mr. Raila was appointed a Minister, his partner, hon. Kamotho, has shied away from Parliament. May I, through you, request him to come and answer this Question. It is a very simple Question about water. If Mr. Kamotho can perform as a KANU Secretary-General and scare all Kenyans, sincerely, he can afford to co-exist with other Ministers.

Mr. Speaker: Order! You know, Mr. Gatabaki, you never cease to amaze me! Somehow you bring something irrelevant to the House. But anyhow, with all that irrelevancy, can I defer it?

Mr. Anyona: On a point of order, Mr. Speaker, Sir. This is not a Question by Private Notice. It is an ordinary Question which, I believe, has been for quite some time with the Ministry. Surely, the Assistant Minister should be able to explain why the answer is unsatisfactory. This takes a lot of time of the House.

Mr. Speaker: Yes, that is right. Mr. Hashim, I will expect you to come back with a satisfactory answer soonest. This is a Question about the health of the people of Kenya, and this is at the age and lifetime of typhoid. So, are you prepared to answer the Question tomorrow or Tuesday?

The Assistant Minister for Local Government (Mr. Hashim): Mr. Speaker, Sir, I could answer it on Tuesday.

Mr. Speaker: Okay, Tuesday, next week! Is that alright, Mr. Gatabaki?

Mr. Gatabaki: Certainly, yes, Mr. Speaker, Sir.

Mr. Speaker: Thank you, Mr. Gatabaki!

(Question deferred)

Mr. Speaker: Next Question!

Question No.353

GRADING OF ROADS IN MWINGI SOUTH

Mr. Musila asked the Minister for Local Government:-

(a) how many kilometres of road has the Mwingi County Council graded in Mwingi South Constituency since January, 1998; and,

(b) what measures he is taking to ensure that the council's grader is availed to grade roads in Mwingi South Constituency.

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

(a) Mwingi County Council has graded 20 kilometres in Mwingi South Constituency since January, 1998.

(b) I have instructed the Mwingi County Council to make their grader available in Mwingi South Constituency immediately. Indeed, the council has confirmed allocation of Kshs95,000 to be used for grading roads in every location in this constituency.

Mr. Musila: Mr. Speaker, Sir, we are talking about the period between January, 1998 to now, which is three-and-is years. The Assistant Minister has stated that 20 kilometres have been graded. My information, and I happen to come from there, is that there is no road that has been graded by this county council since 1998. If the Assistant says that 20 kilometres have been graded, could he tell us which road is this 20 kilometres that have been graded?

Mr. Hashim: Mr. Speaker, Sir, the information availed to me is that the Mwingi County Council has graded 20 kilometres in Mwingi South Constituency. I have not been informed as to which road has been graded.

Mr. Speaker: You did not ask?

Mr. Hashim: Mr. Speaker, in fact, we are in agreement with the hon. Member to have this Question deferred so that I can bring a comprehensive reply because the information given is not adequate. May I beg to Chair to defer this Question to tomorrow so that I can bring a comprehensive reply.

Mr. Speaker: I will do better and defer the Question to Wednesday afternoon, but I would like to say the following. It is getting increasingly difficult to transact business in this House because, apparently, Ministers are not getting due co-operation from their officers. I will push the Ministers and then they should push their officers. So, please, there should be no further excuses.

(Question deferred)

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

Question No.392

HARDSHIP ALLOWANCE FOR
GOVERNMENT OFFICERS

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

(a) whether he is aware that Government officers in Kitui South are not paid hardship allowance despite the area being arid; and,

(b) when he will pay the said officers hardship allowance.

Mr. Speaker: Is anyone here from the Office of the President? Nobody is ready to answer the Question, so, I will defer it to Tuesday, next week.

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

MEASURES TO AVERT FAMINE

(Mr. Kikuyu) to ask the Minister of State, Office of the President, the following Question by Private Notice.

What programmes are in place to avert a looming famine disaster in Ukambani as a result of the failure of the long rains in the area?

Mr. Speaker: Is Mr. Kikuyu not here? The Question is dropped!

(Question dropped)

PLIGHT OF PUBLIC SERVICE RETRENCHES

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

What is the Government doing about the Public Service retirees and retrenchees who are languishing in poverty while others are dying miserably for lack of financial support because they were sacked prematurely and their terminal benefits were underpaid, despite the attractive promises which were made at the time their services were terminated?

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

All Public Service employees who left the service under the retrenchment programme were those in functions found to be over-manned or recommended for abolition during the rationalisation exercise in Ministries and Departments and they were, therefore, retired on re-organisations and abolition of office. Each of the retired officers was paid according to the terms and conditions and their length of service. The retirement package was strictly based on existing labour laws in the country. The Government is determined to assist all retrenchees to get their dues accordingly.

However, it is noted that there are some officers who have persistently refused to provide the relevant documents, which would facilitate speedier processing of their pension payments. It is possible that complaints are emanating from such officers. This is happening despite efforts by Ministries and departments to persuade the affected former members of staff to submit the documents. For instance, in one Ministry alone, there are over 150 former members of staff whose documents are still missing, thus causing delay in processing their pensions benefits.

Mr. Kariuki: Mr. Speaker, the Assistant Minister is trying to minimise the problem, but it is very big. There are so many retirees and retrenchees who have not so far accessed their benefits, not to mention that they are also finding it very difficult to get the other benefits from the National Social Security Fund (NSSF). They are also being forced to honour, as guarantors, money they had guaranteed their colleagues in various co-operative societies. The retrenchees are also complaining about being mistreated. Could the Assistant Minister create a special department to handle retirees' and retrenchees' benefits, to ensure that this problem does not perpetually prevail?

Mr. Haji: Mr. Speaker, Sir, I agree with the hon. Member that a problem exists. But as I said, if the retirees are not co-operating by submitting the necessary documents, then it will not even be possible to appoint a task force committee to deal with the issue.

Mr. Michuki: Mr. Speaker, Sir, 25,000 workers were retrenched last year, and the terms under which they were retrenched were arbitrary in the sense that there was no union to speak on their behalf. Could the Assistant Minister assure this House that the civil servants union will be restored to speak on behalf of the 11,000 civil servants to be retrenched next, whom the Minister for Finance referred to in the Budget? Could he assure this House that the union will be restored and that this arbitrary sacking will be stopped?

Haji: Mr. Speaker, Sir, I think the question is misplaced. I am not the Registrar of Societies and, [Mr. Haji] therefore, I cannot guarantee the registration of a civil servants union.

Mr. Ndilinge: Mr. Speaker, Sir, these are people we should sympathise with, particularly the retrenchees.

Mr. Michuki: On a point of order, Mr. Speaker, Sir. Is the assistant Minister, who is answering this Question on behalf of the highest office in this country, in order to hide behind the Registrar of Societies? It is the President who deregistered the civil servants union.

Mr. Haji: Mr. Speaker, Sir, it is not the President who deregistered the union; it was deregistered by the Registrar of Societies and I still maintain that Mr. Michuki's question is misplaced.

Mr. Ndilinge: Mr. Speaker, Sir, this House should sympathise with the retrenchees. The Assistant

Minister has said that the retrenched have not provided the required documents, but we all know that before anybody is employed, first of all, he has to provide all the necessary documents. How then does it happen that when this person is retrenched, his documents are nowhere to be seen? These are people who are perishing at home. In fact, the Assistant Minister should tell the House whether he is aware that most of the retrenched were removed from Government houses that they had occupied even before they were paid their benefits? Could the Assistant Minister tell us whether the retrenched have been paid their benefits? Could he also tell us whether he is aware that the retrenched have been evicted from the Government houses that they had occupied?

Mr. Haji: Mr. Speaker, Sir, the Question did not ask how many people were evicted from Government houses and, therefore, I am not able to answer that now.

Mr. Anyona: On a point of order, Mr. Speaker, Sir. The Assistant Minister is running away from this issue. There was a Motion before this House on this very subject and it was the Office of the President that responded to debate on behalf of the Government. The Office of the President said that it was not the Government policy at the moment to register or revive the civil servants union. Is the Assistant Minister in order now to pass the buck and say that the responsibility belongs elsewhere?

Mr. Haji: Mr. Speaker, Sir, it was not me who responded to debate then, and I stand by what I said earlier.

Mr. Kariuki: Mr. Speaker, Sir, in view of the seriousness of this matter, and the fact that Government is not taking appropriate action to address the pain and the suffering that these people are going through, could we, through the Chair, request that this matter be referred to the relevant Departmental Committee so that it is exhaustively addressed and settled?

Mr. Speaker: Mr. Kariuki, once you come to the Chamber, you do not change the Standing Orders! You should choose where to start. You should have gone to the relevant Departmental Committee in the first place, and so I decline your request.

Mr. Kariuki: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, Mr. Kariuki, I understand the gravity of this matter. I just understand it too well. I am sure Mr. Haji does understand it and should come to the assistance of those poor Kenyans.

Mr. Omingo: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Mr. Omingo, do you want to see the outside of the House?

Mr. Haji, I hope you understand the gravity of the matter. These are Kenyans who were not expecting to retire and they still had a long time to go. They had not planned for this retirement. They had children in school and stomachs to fill. The least the Government should do is to pay them their dues quickly. So, please, Mr. Haji, maybe, you will look into this issue afresh and remove all the obstacles.

Mr. Haji: Mr. Speaker, Sir, I think from the word go, I said that we will do everything possible. I would like to undertake that I will look for the officers who are dealing with that issue, and see to it that everything possible is done to pay the retrenched workers wherever possible.

Mr. Omingo: On a point of order, Mr. Speaker, Sir. Is it in order for the Assistant Minister to ignore answering a very basic Question, which would also help him to pay those people, by outlining what documents, as Mr. Ndilinge asked, are supposed to be presented before those concerned are paid?

Mr. Speaker: You are taking me back after I finished the Question! You are still new and so, I forgive you!

SCHOLARSHIPS FOR SAMBURU STUDENTS

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

(a) How many students from Samburu District, and particularly Samburu East, have benefitted from the scholarships provided by the Kenya Government to study abroad in the year 2000/2001?

(b) What measures is he taking to ensure that students from pastoralist districts are getting scholarships within and outside the country?

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

(a) No student from Samburu District and, in particular, Samburu East Constituency received any scholarship from the Government during the year in question.

(b) The Government no longer gives any scholarships for students in public universities.

Mr. Leshore: Mr. Speaker, Sir, is the Assistant Minister not misleading this House by saying that the

Government no longer gives scholarships to students, when we are sure that his Ministry was awarding scholarships even last month? The Ministry was also distributing scholarships from friendly countries. Why has his Ministry avoided to give equal opportunities to pastoral students from my constituency to further their studies?

Why were the scholarships, which I know very well that they were awarded by his Ministry, not distributed?

Mr. Awori: Mr. Speaker, Sir, we may be mixing up two things. There are scholarships and bursaries. So far as far as I am aware, no scholarships have been given to any students lately by the Kenya Government. What normally happens is that there are some friendly countries that offer scholarships. When that happens, we advertise in the newspapers and the Kenya Broadcasting Corporation (KBC), and the students apply.

(Mr. Ndilinge stood up in another place)

Mr. Speaker: Who is that?

Mr. Ndilinge: Mr. Speaker, Sir, Mr---

Mr. Speaker: Order, Mr. Ndilinge! You are becoming nomadic! Anyway, proceed!

(Laughter)

Mr. Ndilinge: Mr. Speaker, Sir, we all know that Mr. Leshore is one of our respected Members of Parliament in this House. Due to what happened to Mr. Leshore that made him a disabled Member of Parliament, could the Assistant Minister consider treating his request as a special case?

Mr. Awori: Mr. Speaker, Sir, I was not aware that Mr. Leshore was looking for a scholarship to go for further studies.

Mr. Speaker: Order! Mr. Awori, you had better be more serious than that! He is asking for scholarships for students in Samburu East Constituency.

Mr. Awori: Mr. Speaker, Sir, that is a different matter! If, indeed, he asked for scholarships for students in his constituency, hon. Leshore knows his relationship with me! If I had the money to help the students from that area, I would be the first to give it, and Mr. Leshore is aware of that!

Mr. Wamalwa: Mr. Speaker, Sir, in his answer, the Assistant Minister said that the Kenya Government does not give scholarships from its own funds, but it does get funds sometimes from friendly countries, which it then disburses. To all intents and purposes, those scholarships that the Government gets from foreign countries and disburses are Government scholarships as far as they are concerned, because the Government issues them out. In the light of that, could the Assistant Minister answer Mr. Leshore's Question as to how many of those scholarships from friendly countries have been given to students from Samburu East Constituency by the Government?

Mr. Awori: Mr. Speaker, Sir, I have not got any of those figures. But let me expound on that. In spite of the fact that they may be called Government scholarships, the last word is that it is the friendly countries that give those scholarships. The Kenya Government simply acts as an intermediary because those countries give the minimum requirements. Once we have interviewed all the students, we pass the names and the qualifications to those countries. It is those countries that select the students.

Mr. Leshore: Mr. Speaker, Sir, it is unfortunate that since Independence, students from Samburu District have never been awarded any scholarships by the Ministry. Could the Assistant Minister take new measures--- I remember that in the last Parliament, we passed a Motion asking the Government to give special recognition to students from those areas, and award scholarships to study medicine, civil engineering and law. Could he assure this House that he will take new measures to ensure that Samburu students receive such awards?

Hon. Members: Say yes!

Mr. Awori: Mr. Speaker, Sir, there are a lot of people answering on my behalf! But, indeed, I can, within my capability, give the undertaking that I will do the best I can to ensure that students from Samburu District, and particularly Samburu East Constituency, are given those chances.

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 Nevirapine from Boehringer Ingelheim Pharmaceuticals which would greatly reduce HIV transmission from mother-to-child during pregnancy?

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

The Government has not rejected a free offer of Nevirapine from Boehringer Ingelheim Pharmaceuticals. The pharmaceutical firm is free to make its donation to the Ministry for distribution.

Mr. Speaker, Sir, as you are aware, last week, hon. Members wanted to know whether there were correspondences between the Ministry and that particular company. I would like to further tell the House that on 18th August, 2000, Prof. Lule wrote to the Permanent Secretary, Ministry of Health, concerning anti-retroviral drugs for HIV/AIDS concerning five pharmaceutical firms namely: Glaxo Wellcome, Hoffman Laroche, MerckSharp and Dohme, Boehringer Ingelheim, Abbot Laboratories and Bristol-Myers Squibb. He spelt out conditions for free supply and reduction of the cost, which are, amongst others:- The Government issues a letter of intent and goodwill to all the concerned pharmaceutical companies, so that they can start processing and importing those drugs; the Government waives taxes on all the anti-retroviral drugs, making them available at even cheaper prices; another condition was that the Government and its partners explore ways of testing all the pregnant mothers in Kenya, to facilitate supply of Nevirapine donated by Boehringer Ingelheim.

There are several other conditions, but I want to say that the Director of Medical Services wrote a letter to Professor Lule on this matter on 22nd September, 2000, which states:

"The Government cannot issue a letter of intent at this point in time as requested as there still needs to be a series of consultations. The Government does not levy any taxes on finished drug products. The intended donation by Boehringer Ingelheim Pharmaceutical Company is still under consideration. The Minister, however, intends to proceed with the visit, counselling and testing at various levels of health. This is expected to promote behaviour change. This will be done in consultation with hospitals and health centres."

So, the crux of the matter from last week is that the Government was not ready to give the letter of intent with various conditions which were discussed orally.

Dr. Kulundu: Mr. Speaker, Sir, I do not have the advantage of the details that the Assistant Minister has just read out, but anybody remotely associated with the English language will agree that the conditions he has just read out have nothing unacceptable about them. The letter of intent, for example, which is the first condition, is just a letter from the Government of Kenya to Boehringer Ingelheim Company saying that they are interested in getting a free offer of Nevirapine drugs. What was so difficult about that one?

Dr. Wako: Mr. Speaker, Sir, as I said earlier, we are dealing with five different companies who actually wanted the cost reduction and also free access of drugs to the Government.

Dr. Kulundu: On a point of order, Mr. Speaker, Sir. The question was about Boehringer Ingelheim Company and so the question of other companies should not arise at this stage. Could he tell us specifically what conditions Boehringer Ingelheim Company attached to the offer of free Nevirapine drugs?

Dr. Wako: Mr. Speaker, Sir---

Mr. Speaker: Order! I think I will defer this Question to tomorrow since I have a lengthy communication to make. Dr. Wako will repeat his reply to this Question tomorrow. Mr. Clerk, ensure this Question will be top of the agenda.

Dr. Kulundu: Mr. Speaker, Sir, can the Assistant Minister avail those documents to me in order that I can be able to ask sensible supplementary questions?

Mr. Speaker: Very well. Dr. Wako, make them available to Dr. Kulundu.

Dr. Wako: Mr. Speaker, Sir, I will table the documents.

(Dr. Wako laid the documents on the Table)

(Question deferred)

COMMUNICATION FROM THE CHAIR

SEATING ARRANGEMENTS IN THE HOUSE

Mr. Speaker: Hon. Members, you will recall that I did undertake to make a communication in connection with the seating arrangements in this House. I wish to do so now.

The sitting of Members in a Westminster model of parliamentary democracy is arranged on the basis of a single-cut division between the Government and the Opposition. Other matters such as conduct of business are based on this principle. In essence, hon. Members, the working of this arrangement means that the House is

divided between two major parties; those supporting a particular set of policies and those opposing those policies. That is why the Members of the Government sit to the right of the Chair and the Members of the Opposition to the left of the Chair.

I have sought the experience of other legislators on this matter and though helpful, such experience does not explicitly address the situation raised by the hon. Members following the appointment of some of the Members of the National Development Party (NDP) into the Government. Within the Commonwealth Parliaments, seating arrangements are based on custom and practice and the Chair does not normally get involved, except to protect that custom. In the House of Commons of the United Kingdom, the seats to the right of the Chair are reserved for the Cabinet, and to the left, for the leaders of the Opposition and their shadow Ministers. Beyond that, it is for the parties involved to decide between themselves how and where to sit.

This is the experience in the House of Commons and I wish to associate myself fully with the observations made by Speaker Betty Boothroyd on 7th July, 1997, when she ruled, and I quote:

"It is custom and practice that the Front Bench on the right side of the Chair is reserved for Cabinet and on the left side for the leaders of the Opposition. The other sitting arrangements are left at the discretion of the parties represented in the House."

On 12th November, 1963, the then Speaker, the late hon. Humphrey Slade, reminded the House of seating arrangements. It was made quite clear that on account of numbers on the Government side, some Members of the Government side were required to sit to the left of Chair. The seats on the left nearer to the Chair were reserved for the Members of the Opposition.

Again, on 13th November, 1963, in response to a point of order as to whether the Members of the Government could sit on the left of the Chair, the Speaker ruled and I quote:-

"The seating arrangement is on account of the size of the Government supporters and therefore on my left as far as the gangway, seats are reserved for the Opposition and the rest of the seats on both sides of the House are available for the Government supporters."

In other words, the Speaker was essentially concerned with seating arrangements in the Front Benches and gave guidance only for the rest of the seating arrangements in the Back Benches.

On 24th September, 1964, a similar issue was raised and the then Deputy Speaker, Mr. F.R.S. De Souza, gave the following guidance, and I quote:-

"Technically speaking, an hon. Member can sit anywhere in this House, but there are certain conventions laid down. The conventions laid down are that there are certain seats, Government Benches, reserved for Government Members, and there are certain Benches reserved for the Opposition Members so that people can identify them. This is a very strong convention in all Commonwealth countries. It is a convention that should be adhered to and I would appeal to the hon. Members that even if, technically, they can sit anywhere, they should still abide by these conventions that have been followed in this House for very many years and are keeping with the smooth running of Parliament."

That tradition still obtains today.

On 10th November, 1964, in this House, the then Leader of the Official Opposition Party, the late hon. Ronald Ngala, stood and said, and I quote: "I have full mandate to declare today that the Official Opposition Party, KADU, is dissolved and joins the Government."

I have not received any official notification that the National Development Party (NDP) has been dissolved and hence, as far as I am concerned, it remains a parliamentary party, notwithstanding appointment of its four members to Government Ministerial positions.

On the 25th October, 1967, on a point of order on whether it was in order for a Member of one party to speak from another party's area in the House, Speaker Slade ruled, and I quote:-

"It is not out of order for an hon. Member to sit anywhere in this House, except so far as Standing Orders reserve the Front Benches for Ministers and Assistant Ministers, although by custom we reserve certain seats for the Opposition".

Hon. Members must understand that my duty and responsibility as amplified by the Constitution and the Standing Orders is to ensure smooth and effective deliberation in this House, to facilitate hon. Members to debate national issues in an atmosphere of tranquillity, decorum, dignity and within the rules that you have taken oath to uphold and protect.

Of course, I must take notice that His Excellency the President has, in the exercise of his power under Section 16(2) of the Constitution, appointed to his Cabinet hon. Members of a political party other than the ruling party. However, that has not affected the Parliamentary status of the NDP, which has four hon. Members who are now entitled to sit on the Government Front Bench.

As you are aware, Standing Order No.172(1) provides that all seats in the Front Bench to the right of Mr. Speaker are reserved to Ministers, while all seats in the Front Bench to my left are reserved for leaders of Opposition parties and Shadow Ministers of the Official Opposition Party. Consistent with the previous rulings quoted above, it is, therefore, clear that those hon. Members of the NDP who chose to sit on the right-hand side of the Chair did not breach any Standing Order or tradition and privilege of this House.

(Applause)

In the same vein, the hon. Member of the NDP who chose to sit on the left-hand side of the Chair has equally not breached any Standing Order or tradition and practice of this House.

(Applause)

Those hon. Members of the NDP who have been appointed to the Cabinet will continue, and must continue, to sit in the Front Bench among other Cabinet Ministers to my right-hand side in accordance with the Standing Orders and the now established tradition of this Parliament.

Thank you.

(Applause)

Mr. Anyona: On a point of order, Mr. Speaker, Sir. In 1966, when hon. Members of the Government resigned from KANU and came to this side of the House, although the whole House was one, a ruling was made by the late hon. Slade that those hon. Members who constituted the new Opposition could be confined to the seats here, and their leader would sit here. I wonder now whether it is free for all, or that would be the kind of arrangement that we followed this time round.

Mr. Speaker: I think I have just quoted that particular rule, and I have quoted the late hon. Slade extensively, and so did I quote his Deputy once and elsewhere. I think that is the position. The hon. Members in support of the Government side are free to sit on this side of the House and those opposed must sit on this side of the House. That is the tradition. I am only concerned about these two Benches.

Thank you.

Let us move on to the next Order!

Dr. Wekesa: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: I think we have finished now. Just one more! I will give this chance to Dr. Wekesa.

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: You are totally in order Dr. Ochuodho. I have already said that you can sit there! Relax!

(Laughter)

Dr. Wekesa: Mr. Speaker, Sir, with your permission, I would like to seek a Ministerial Statement---

Hon. Members: We have not finished with this issue!

Mr. Speaker: Yes, we have!

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

Mr. Speaker: Order! I think I have already made my ruling on this issue. It is now up to the House to digest that ruling. If you want to change the law to make it compulsory for everybody to be allotted a slot and be forced to do so, go ahead. But we are already late. I will add a little time. But prior to this, I was told by Mr. Mwiraria that he had something that was burning, and because I was going to add my five minutes, I will give him one minute, then I proceed.

Mr. Mwiraria: Mr. Speaker, Sir, thank you---

Dr. Wekesa: On a point of order, Mr. Speaker, Sir.

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Both of you are disorderly! Do you not think that Mr. Mwiraria is an hon. Member?

Dr. Wekesa: But you gave me permission, Mr. Speaker, Sir.

Mr. Speaker: I have not!

(Laughter)

POINT OF ORDER

MR. MWENJE NOT DEMOCRATIC PARTY SPOKESMAN

Mr. Mwiraria: Thank you, Mr. Speaker, Sir. I rise to clarify a point which arose this morning in this House when Mr. Mwenje, who is a member of the DP, gave what he called "the future DP Government". In that statement, he mentioned three leaders who are not Members of the DP. While in the DP we allow democracy and Members are free to express their opinion, we have specific party spokesmen. I just want to put the record straight and say that, first and foremost, it was erroneous to mention what he called a DP Government, which included Mr. Wamalwa, Mrs. Ngilu and Mr. Nyachae, who are not members of DP. Secondly, the leaders have started to speak and they have reached no arrangement at all.

Thirdly, the Government was supposed to have First Vice-President, Second Vice-President and Prime Minister, and yet, there is no constitutional provision for these positions. If they come, maybe, in the new Constitution, we shall talk about them.

Mr. Speaker, further, DP has not discussed this matter, and in any case, the DP has an organised structure of reporting. I would like to say that we have spokesmen, namely, the Chairman, the Secretary General, the Organising Secretary and the Publicity Secretary. So, I just want to put the record straight. Mr. Mwenje has a right as a Member of Parliament to speak his mind in this House, but he cannot speak on behalf of DP on such serious issues.

Thank you, Mr. Speaker, Sir.

Mr. Speaker: Let us move on to the next Order!

Dr. Wekesa: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! I will add ten minutes at the end of the day. Dr. Wekesa, I understand you have a problem and you want the Minister for Agriculture to make a Ministerial Statement in this House. I will keep that in mind tomorrow. I believe it is on the auction of the ADC farm. I will give you that time tomorrow. I will remove one Question to allow you seek the Ministerial Statement.

Let us move to the next Order!

Mrs. Ngilu: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: I am sorry now! We have to move on!

Mr. Sankori, you were on the Floor, and you have eight minutes to contribute.

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 14.6.2001)

*(Resumption of Debate interrupted
on 27.6.2001 morning sitting)*

(Sixth Day of Budget Debate)

The Assistant Minister for Tourism and Information (Mr. Sankori): Thank you, Mr. Speaker, Sir. Just before the interruption of business of this House this morning, I was thanking the Minister for Finance for having drawn a well balanced Budget despite the economic hardship the country is facing. At the same time, I congratulated the new Members of the NDP who have been appointed to the Cabinet. I would like to say that, that is a good move forward in order for us to become a democratic nation. May I also take this opportunity to thank His Excellency the President for taking such a bold step of, including the leader of NDP, Mr. Raila.

(Laughter)

Mr. Speaker, Sir, the Budget of any country gives people confidence in what they hope to do in the next 12 months. But for all of us or Kenyans to be confident, security is paramount. You can have everything, but if you do not have security, you will not achieve much.

(Loud consultations)

Mr. Speaker, Sir, could you protect me from the loud consultations in the House?

Mr. Speaker: Order! Order, Members! The House business continues.

Proceed!

The Assistant Minister for Tourism and Information (Mr. Sankori): Mr. Speaker, Sir, I was saying that the security of the nation is paramount. For us to do anything peacefully, we must have security in this country. Security does not only mean that we must have the police, the Army and so on. All of us can maintain the security of this nation through our utterances, actions or deeds.

Mr. Speaker, Sir, sometimes the utterances of some of us cause insecurity. While we are asking the Government to provide security to the nation, I am appealing to every citizen in this country to take some initiative and be conscious about security. When you talk about people breaking other people's houses and mugging others, you will find that those people who are committing those crimes are rich. They are not poor. So, it is not hunger that is driving them to do that; it is pure malice. I request each and every Kenyan to take responsibility and try to make Kenya a safe nation.

Mr. Speaker, Sir, an hon. Member has just asked a Question about education in his area. I think the arid and semi-arid areas, or the pastoralists, have been left behind in all fields, including education. It is not that we cannot produce bright children, but the colonial Government gave facilities to some areas. For the last 40 years of Independence, the same areas have been benefitting because the planners [**The Assistant Minister for Tourism and Information**] come from there. Let me take this opportunity to request the Minister for Education, Science and Technology to correct this imbalance.

Mr. Speaker, Sir, let me comment on the question of livestock. The livestock industry is dead and I request the Minister for Agriculture to pay a bit of attention to livestock. He has been so much paying attention to coffee, sugar and tea but I have never seen a Sessional Paper about cattle, as though that is not an asset of this nation. Although the Minister for Agriculture is not here, he should make sure that the livestock industry is revived.

The tourism industry is also a very important sector in this country. Tourism can change Kenya economically if it is well taken care of. First of all, the security and the infrastructure must be there. I was shocked yesterday to hear Members attacking the Kenya Power and Lighting Company (KPLC). I think the KPLC is one of the best-managed organizations in this country. I know there are some areas without electricity but there are others that have it. I think it is just fair for us to give credit where it is due. The KPLC is one of the parastatals that are well run.

Mr. Speaker, Sir, let me touch on the question of communications. Communications has been liberalised but it is only centred in major urban centres. They have not gone to the rural areas. Why can you not extend mobile telephone services to Wajir, Garissa or Trans Mara? Why do you concentrate in Nairobi, Nakuru, Kisumu and other towns, as though people in those areas do not want to communicate with the rest of the world? We should move out and stop ignoring the rural areas.

Mr. Speaker, Sir, turning to the question of water, you would rather miss anything else but not water. We have got a lot of machinery that is staying idle. Our Army has got big machines; why can they not do their engineering practice by building a few dams and drilling some boreholes in these dry areas? Instead of leaving those machines to rust, they should put them to better use. Fortunately, we have never had any problem and we do not need to mobilise all the Army and the machinery. Let me request the Office of the President to utilise the Army to build a few dams and also drill boreholes. Otherwise, we are voting a lot of money for the Armed Forces and there is very little they do as far as the lives of wananchi are concerned. We have been giving them areas in Laikipia and Samburu Districts to carry out their duties, but they have not reciprocated. They leave behind a few mines which later injure our people. I would request the Office of the President to make sure that when they move into those areas, they should pay a lot of attention in uplifting the standards of those people.

Mr. Speaker, Sir, on the question of roads; without proper roads, you cannot reach your destination. You cannot send your produce to the market. Sometimes we wait until our roads are completely destroyed. Instead of

putting in some money and do a bit of repair to the drainages to make the water flow freely, we just leave them to get clogged and then the whole road is damaged. Let me request the Minister concerned to pay a bit of attention to this problem.

With those few remarks, I beg to support.

Mr. Wamae: Thank you, Mr. Speaker, Sir, for giving me the opportunity to contribute to this Motion on the Budget Speech. The Budget Speech this year was a very good document to hear but when you scrutinize it keenly, you find there is a lot which is missing. It does not have the substance which is required to be there to be able to make changes to the reduction of poverty in this country, or to increase the growth of our national income. For a long time, we have been talking about the Poverty Reduction Strategy Paper (PRSP). Before that, we were talking about the Structural Adjustment Programmes (SAPs). I do not think these programmes have given our people any much joy. What strategy is there to reduce poverty? We have seen in the PRSP that since 1994, the economy of every province in this country except Central Province, has worsened. According to that Paper, Nyanza Province is worst affected, with 73 per cent of poverty level and which has considerably increased; followed by North Eastern, Coast, Eastern, Rift Valley and then, Central Province with 32 per cent. If the situation has become so bad that 56 per cent of the totality of the people of Kenya are now living below the poverty level and the poverty level is one dollar per day; Kshs80; where are we heading to? What programmes are in this Budget to stop this problem from accelerating?

Most of our people depend on agriculture yet very little has been put in this sector.

Many of our people live on agriculture, but very little resources have been allocated to that sector. The country's sugar mills are on their knees due to importation of cheap sugar. There is no money for building dams and boreholes to save livestock in arid and semi-arid (ASAL) areas. In the coffee sector, nothing much has been done. In fact, people in the coffee sector have much to complain about. The STABEX funds that were given to Kenya by the European Union (EU) in 1991, 1992 and 1993, to help coffee and tea growers, was kept in foreign and local banks for more than ten years instead of being availed to farmers.

Mr. Speaker, Sir, what did the Government have in mind while keeping that money in banks to earn interest, instead of passing it over to the people for whom it was meant? It is for this reason that coffee production has gone down considerably, from 130,000 tons per year to between 50,000 tons and 60,000 tons. People in coffee-growing areas have become very poor, having no income, and have almost neglected the crop in their farms. About two months ago, the Government announced that it would release to coffee farmers Kshs2 billion of those funds at 5 per cent interest, but nothing has been released so far. What has caused the delay in releasing those funds? Farmers want the funds released quickly so that they can buy inputs to resuscitate the coffee industry. This is a very serious and urgent issue.

I was flabbergasted to read in the newspapers that the Minister for Agriculture, Dr. Godana, said that Members of Parliament from the coffee-growing areas are "vampires on the coffee industry". Really, I do not know what he meant by that. Members of Parliament from the coffee-growing areas have been pressuring the Government to assist coffee growers; they have not been making any money or sucking any resources from the coffee industry. Dr. Godana, as the new Minister for Agriculture, needs to come here and apologise to Members of Parliament from coffee growing areas for this insinuation, because it is not correct that the Members of Parliament are vampires on the coffee industry. I am sure that my friend from Kisii is not in that sector.

Mr. Speaker, Sir, we have been talking a lot about roads, which are the important link between the agricultural production areas and the market. We have the Kenya Roads Board (KRB) and the District Roads Committees (DRCs), which are not operational. Only Kshs1 million per constituency has been released this year. What has happened to the Kshs7 billion that was collected from the Fuel Levy Fund? Why have our constituencies not received all the monies they were entitled to this financial year? Why has each constituency not received Kshs3.5 million, as promised? When is that money going to be released? We hope that in the next financial year, each constituency will not only receive the balance of its entitlement for this financial year, but also the Kshs5 million for that year. So, each constituency should be given Kshs8.5 million in the next financial year to improve its rural access roads.

One area that is very worrying is tourism. By October last year, the sector had started to pick up. However, immediately, the Government imposed a visa fee of US\$50 per person, which was added onto the Airport Service Tax (AST) of US\$40 per person, making the total entry fee into the country per person US\$90. This is a lot of money for tourists. Some tourists are ordinary workers in their countries of origin; they only come to the Coast for holiday. It is for that reason that there is now a major drop in the number of tourists frequenting Kenya. Also, the rates started falling in hotels.

It is for that reason that between 40 and 50 tourist hotels at the Coast are either closed or put under receivership. All those hotels have thrown Kenyans out of employment. What have we gained by imposing the

US\$50 for a visa application? The visa application fee is still intact. The Minister only reduced US\$20 from the AST. So, these charges should be done away with if we want to resuscitate the tourism sector. The Government should come up with a programme on how to revamp the tourism sector. It should assist players in the sector to revive those hotels which have been closed down, leading to the sacking of many employees. This is a very serious matter, and should not be taken lightly. Nearly half the total number of hotels at the coast have been closed down. Even those which have remained open are not making any money due to the two reasons I have explained. The rates per day per person being charged by those hotels are too low. Bed occupancy is also too low. Tourists are now avoiding Kenya because of the visa application fees that has been introduced. There are many alternative destinations such as South Africa, Mauritius and Thailand, which tourists can opt for. So, we should not think that we can place the economic burden of this country on tourism without realising negative effects.

We should also reduce the Value Added Tax (VAT) being charged on hotels. Currently, the tax stands at 18 per cent of revenue. For the time being, that tax should be waived altogether to allow the tourism sector to pick up again. We can think of how to make money out of the sector only after it picks up again. For the time being, the industry is shaky, and urgent measures need to be taken to revive it.

Mr. Speaker, Sir, we are aware that because of poverty, enrolment in schools has dropped drastically. There very many cases of dropouts at both the primary and secondary levels. We should, therefore, find a way of reducing the cost of education considerably. Particularly, there is no need of sending home primary school children to collect money for paying watchmen and meeting other expenses. We should have compulsory primary education since that does not cost the Government a lot of money to provide. Teachers are already being paid by the Government. Parents have already put up the buildings. Why do primary school headteachers have to continue sending pupils home? It is understandable for secondary schools to do so since the food that the students eat is bought. But why do primary school pupils, who are day scholars, have to be sent home to collect fees when most parents cannot afford even Kshs80 per day?

With those remarks, I beg to support.

The Minister for Energy (Mr. Raila): Mr. Speaker, Sir, I am making my maiden speech from the Front Bench on the Government side.

Hon. Members: So what?!

The Minister for Energy (Mr. Raila): Mr. Speaker, Sir, I am very happy to have the opportunity to address the House from the Government side.

I am very happy with the ruling that you have just made about the position of the National Development Party (NDP), which was hanging in the air and causing a lot of confusion. That clarification will now go a long way in making the members of the public understand that the decision that we have made as a party, to take our position on the Government side, was right and, indeed, constitutional. I have been used to addressing the House from the Opposition side. Doing so from that side is very easy since hon. Members only criticise the Government. The only preparation which I had for my present role is that in the last four years, I decided to be constructive in my criticism. I was criticising and offering alternatives, suggestions or solutions. The last speaker offered some suggestions only towards the end. But, otherwise, he was very consistent in just criticising without offering suggestions.

[Mr. Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, I would like to congratulate the Minister for Finance for the able manner in which he moved this Budget. When he moved the Budget he was actually walking a very tight rope. This is because he was trying to balance the Budget under very difficult circumstances. Why has it become so difficult to balance the Budget? It is because of some of the factors which the Minister mentioned. He was very open and frank, and mentioned those facts without mincing words. He said there is need to address the issue of corruption. By admitting that corruption is a factor, the Minister was trying to diagnose the problem, so that he could provide a proper prescription for its treatment.

Mr. Temporary Deputy Speaker, Sir, the other factor is lack of support. Many people are fond of talking of the good old days when the economy was growing at a rate of 6 per cent. What is being forgotten here is that in those days of the cold war, we were able to sustain an artificially high rate of growth, with a lot of money from outside the country. Now we are in a situation where we have to pay back that money, with no other money coming from outside. The situation has changed. Therefore, it is wrong to say that the economy was better

managed then. It is not true that the economy was better managed. It is only that there was a lot of injection of money which was coming to the country at that time. Now we have to bear the burden of repaying back that money without any injection of funds from outside.

Mr. Temporary Deputy Speaker, Sir, the Minister introduced certain measures which are aimed at assisting the local manufacturing industry. For example, he lowered the duty rate from 2.5 per cent to zero; 5 per cent to 3 per cent; 15 per cent to 5 per cent, among others. There is also a zero rate on imported raw materials for manufacturers. We will help our local industry to be able to compete favourably with imported finished goods. To assist the textile industry, the Minister reduced duty on fibres to zero per cent; on yarns from 25 to 20 per cent. He increased the duty on fabrics from 25 to 30 per cent. My problem is about reviving the textile industry, which has collapsed as a result of importation of second-hand clothes.

Mr. Temporary Deputy Speaker, Sir, in trying to revive the textile industry we also need to revive the cotton industry. If we reduce the duty on imported cotton to zero per cent, we will not succeed in trying to revive our cotton industry. This is something that needs to be considered.

I was happy that the Minister reduced duty on bicycles. This will help the transport industry, especially what we call the *Boda Boda*. You saw how hon. Members were very excited when the Minister made this announcement. But I think we need to do something more about protecting our industry. No economy can grow on the basis of foreign investment alone. Foreign companies do come into the country, not to develop it, but to invest so that they can make profits. After paying taxes, which most of the time they evade, they repatriate most of their profits back to their home country so that they can pay dividends to their shareholders. That is the reason why we should try to create attractive conditions for local investors. Local investment is important for an economy because the local investors plough back the profits that they make and, therefore, there will be a multiplying effect of capital.

Mr. Temporary Deputy Speaker, Sir, we should not all the time be forced to attract foreigners. Liberalisation is not synonymous with foreignisation. So, although we have to liberalise our economy by privatising some of our industries, that is no reason to foreignise our economy. We have been forced by the donors to foreignise. But I am saying it is time for us as a country to stand up and say: "No". We will liberalise and privatise, but our people will have the first opportunity to buy some of these institutions that we are privatising.

Mr. Temporary Deputy Speaker, Sir, I was happy that the Minister is able to increase the amount of duty waiver that he can give to charitable institutions and other needy cases from 50 to 100 per cent. This measure is something that is little understood. Basically, it means that outside there, we have a number of organisations which want to give donations to institutions of this country. Some of them ask why they should use their taxpayers' money to pay duty in Kenya when they want to give these items free to needy people in Kenya. That is the reason why I feel it is important that the Minister should be able, in very needy cases, to give 100 per cent duty waiver so that our people can benefit.

Mr. Temporary Deputy Speaker, Sir, the other issue which was not properly understood was duty on imported timber. To reduce pressure on our forests and be able to conserve our environment, it is important that the timber industry, particularly the furniture-making industry, and all those that need timber, be able to import timber from countries which have got an abundance of timber, like Congo and parts of Uganda, among others. This is because the duty on the raw material, which is timber, has been a disincentive to the importers. By allowing duty-free importation of timber, we will conserve our forests.

Mr. Temporary Deputy Speaker, Sir, I am happy that the Government generally tried to lower duty so that our industries can compete against imports from the COMESA region. With regard to sugar importation, it is gratifying to note the Ministry has introduced incentives, particularly for what is called raw industrial sugar which has been used as a pretext to dump sugar into this country. This has continued to seriously affect our sugar industry, with attendant consequences to cane farmers.

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

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

I rise to support this Motion and say that, as a Kenyan and Member of Parliament, I am looking with keen interest to see whether some good development will come out of the recent appointments into the Cabinet, and especially the appointments which came from the Opposition side of Mr. Raila and the rest.

Mr. Temporary Deputy Speaker, Sir, knowing that the new appointments came from a party which has had a background of fighting for democracy and democratic state, we are looking forward to seeing a new era, where the Government does not disrupt legitimate political activities of its competitors. We cannot have economic growth as sought by the Budget Speech, without respect for human rights and democracy and the liberty of each

and every Kenyan. Although I have congratulated Mr. Raila and his team, it is too early for him to celebrate; until we see that there is something in this union for Kenyans, it is not time to celebrate. I would urge my brother, Mr. Raila, not to celebrate too early.

Mr. Temporary Deputy Speaker, Sir, it is true that the Budget Speech did admit that we have a problem of corruption. To me, it was not a bold statement; it was a mere lip-service Speech which the Government is used to. I will only say it is a bold step when we actually see commitments on zero-tolerance for corruption. This House has passed many Public Accounts Committee and Public Investments Committee Reports with recommendations on specific actions on persons who have participated, aided and abetted corruption and, therefore, impoverished our economy. What is happening to these persons? They are being retained and promoted. Although Parliament is not a court, it can make recommendations on policy and direction.

When the Controller and Auditor-General makes a specific finding of mismanagement, you do not need to wait for a conviction in a court of law to remove that officer from office, pending clearance of his name. It is not enough for the Minister for Finance to cry that there is corruption. He must come out and tell us what specific measures the Government is taking to send the message that there is zero-tolerance for corruption. Otherwise, we shall for ever be lamenting, and the economy will continue performing poorly and, I wonder whether Kenyans can actually stand this strain for any much longer.

Mr. Temporary Deputy Speaker, Sir, we want to see serious commitments and action from the Government because we do not want mere lip service which the Government is used to. We, on this side, have no apologies for criticising the Government because that is our role. So long as we do not criticise for the sake of criticising; so long as our criticism is based on facts, we have no apologies to give and we shall continue discharging our role.

In this regard, I would like to adopt the words of the leader of KADU, in 19963, one hon. Daniel arap Moi, as he was then. He said that: "Without Opposition, there is no life." I believe he was in the Opposition side of the House in the Old Chamber. He said that: "Kenya needs a committed Opposition to keep the Government on its toes." We, on this side, are committed to keep this Government on its toes, especially on issues that the Government is ignoring. I am also surprised that the Budget Speech did not show commitment to curbing mismanagement of our scarce resources.

As was noted by the Minister for Energy, the Finance Minister was doing tight-rope walking, trying to balance his Budget. But he could have had an easier time if he had committed himself to taking specific measures to curb unwarranted spending.

Sometime back, this Government committed itself to reducing the fleet of cars attached to each Minister. This has not been done today. How can we claim that we do not have money when we are doing our best to misuse the little that we have? It is not just cars attached to Ministers that misuse resources; it also applies to highly-placed civil servants, PSs, PCs and the like. Government cars should not be purchased, pegged on the individual's taste. If some individuals have a taste for expensive cars, let them man their own money and cater for their individual taste. Government cars should be practical, reasonably-priced and meant for the use of those officers. For officers whose work does not require them to travel outside their offices, like PSs, they do not require daily travels upcountry. These officers should be given car and milage allowances. Let them use their own cars to come to the office and let them be given an allowance to facilitate that because that will encourage reasonable spending and curb misuse. For those officers who need to travel once in a while, I suggest that this Government considers giving them cars which can be used as and when the officers travel. This will curb misuse of resources. Telephones should also be managed properly. We are incurring heavy bills, complaining that the Budget is not balancing when we have areas we can address.

The increment on the police house allowances is laughable. How do we hope to curb insecurity when we have security officers who cannot afford decent places to sleep in and who cannot afford food for their families? Why are the police being discriminated against and paid less than the rest of the civil service? If we cannot find money to give decent house allowances to all people working for the Government and for the security of this nation--- What happens to the scheme under which the Government was building houses for civil servants? I am not talking of hiring contractors with 10 per cent kickbacks and all sorts of corruption. I am talking of schemes where the then Ministry of Public Works and Housing used to build houses. Rubia and Kileleshwa Civil Servant Estates were built by the then Ministry of Public Works and Housing. Why can we not build houses in all districts and embark on a scheme to house our police officers decently? We have ourselves to blame for the bleak situation of security in this country, for not looking after the welfare of our security officers. I did not see any provision or any commitment in the Budget Speech towards this end.

Mr. Temporary Deputy Speaker, Sir, it is unfortunate that the newly appointed Minister for Agriculture is calling the representatives of the people vampires. I want to remind him that vampires are in the Government

which he serves. It is this Government that has supervised the collapse of the coffee industry. It is this Government that has sat on the STABEX funds for the last ten years and actually seen the coffee industry going to waste. In spite of the Government having said a month ago that STABEX funds would be released in form of loans to farmers, to date, no money is available for release to farmers. I can see vampires in the Government and I do not see vampires on this side of the House. The Minister could be honest to say that he is waiting for his transformation into a vampire if he does not watch out and perform his duties properly.

Mr. Temporary Deputy Speaker, Sir, we are also talking of effective resource allocations, which have been referred to in the Budget Speech. We are having effective resource allocations. What is happening to the money set aside for improving infrastructure? Can we see the effective management of these resources when Jogoo Road cannot be completed within the stipulated time and people continue suffering, with their vehicles breaking down and needing unnecessary repairs occasioned by the bad state of the road? That is just an example of what is happening in the whole country. We are not repairing our roads until they actually need a fresh construction. If we attempted to repair them timely, we would be saving money. Is this Government committed to effective utilisation of resources? I think not. We are not on this side of the House to praise the Government, when it has been unable to perform. Let us see more commitment and not mere lip service on the Budget day. We are watching keenly; we are going to play our role to remind the Government and to wake it up in its responsibility.

With regard to poverty alleviation, the Government is actually busy creating poverty. With the policy of destroying kiosks and normal businesses by hawkers in the City, this Government is committed to creating poverty.

I therefore support the Motion with reservations.

The Assistant Minister Local Government (Mr. Sirma): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. I would like to thank the Minister for Finance for giving us a good Budget Speech and being able to give us guidance and the way forward in a way that we can improve our economy. But I would like to say that the Minister failed in addressing what is going to revamp the economy of this country, and that is the agricultural sector.

Todate, we are talking about farmers who were loaned money by the Agricultural Finance Corporation (AFC), and they are bad debts at the moment. They are just a thorn in the flesh of the farmers of this country. They were fighting to make sure that this country is self-sufficient, and since they were not given the write-offs of the loans which they had borrowed, I think the Minister should address that issue adequately so that farmers in this country can have confidence in borrowing what is going to assist them and the economy of this country.

The Minister addressed the Poverty Reduction Strategy Paper (PRSP), which addressed alleviation of poverty in all the areas of the economy of this country. You cannot talk about eradicating poverty when the farmers who the economy of this country relies on, have problems. When we talk about the farmer, we are talking about the National Cereals and Produce Board (NCPB) and the Kenya Co-operative Creameries (KCC). Although KCC is a private company and it went under receivership, the hon. Member who talked before me touched on the STABEX funds. The hon. Member talked about funds meant only for other produce, the coffee and other crops which they require in their areas. As for me, I think STABEX funds should be spread over to all other areas, including the rehabilitation of the KCC and the KMC, and also be used to purchase strategic food reserves for this country. The Minister set aside quite an amount of money for the purchase of maize for the strategic reserves---

Mr. Ndwiga: On a point of order, Mr. Temporary Deputy Speaker. Are you satisfied that the current contributor, who is himself a member of the Government, is not misleading this House when he says that STABEX funds should be used for other agricultural sectors other than for the crops which earn the STABEX?

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Ndwiga! Mr. Sirma is expressing his opinion, and he is entitled to it.

Proceed, Mr. Sirma.

The Assistant Minister for Local Government (Mr. Sirma): Thank you, Mr. Temporary Deputy Speaker. I think Mr. Ndwiga did not understand that I was expressing my opinion, and since it is entrenched in him that STABEX funds should only go to one part of the country, I think he should know that it should not go there.

Mr. Ndwiga: On a point of order, Mr. Temporary Deputy Speaker, Sir. Coffee and tea are grown throughout the country, and not in this part of the country alone. We have coffee in Mt. Elgon, tea in Kisii and all over the country---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Ndwiga! Could you, honestly, say that, that is a point of order? It is not.

Proceed, Mr. Sirma.

Mr. Ndwiga: Yes, it is! He is misleading the House!

The Assistant Minister for Local Government (Mr. Sirma): Mr. Temporary Deputy Speaker, Sir, I think when you talk about STABEX funds, it itches Mr. Ndwiga because he and others think that it is their resource and should go only to a particular place and people in this country.

I would like to thank the Minister for Finance for increasing the amount of money to the local authorities in this country. We are talking about giving the local authorities autonomy in their activities within their areas of jurisdiction. But we should put in place, mechanisms whereby the money which is directed to the local authorities could be accounted for properly. We have found out that most of the councillors who are managing the local authorities do not have the skills, nor do they have even the manpower in their respective areas, whereby they could account for the funds and be able to give us a good service in every area. We need to have qualified people in the local authorities and auditors to follow up the funds which are the taxpayers' money. It is not only that the local authorities could use the money in the way they feel, but it should be controlled.

The Minister talked about corruption which has rocked the economy of this country. We support the efforts of the Government in eradicating poverty and corruption and we need to have checks on the accounting officers. We have given the accounting officers a lot of leeway. The other day, all the members of the District Tender Boards were removed and this gives the final authority to the civil servants within the districts to give tenders to whoever they want. I think that should be reversed and the Minister should consider appointing people's representatives to the District Tender Boards. It is the local representatives in those areas who can take care of the funds which are taken there, which should be used by the local people, or traders who work there. Otherwise, we shall have money sent to the districts and, finally, it ends coming back to other districts or going back to Nairobi because the contractors are just people who go there to milk what has gone into those districts.

Finally, I would like to commend what His Excellency the President has done in creating investor confidence in this country. Regarding relations with the IMF and the World Bank, the President has done all what is required of a leader of this country. The HIV/AIDS meeting which he is currently attending has addressed the issue of the patent-holders; going against what the patent-holders would like to demand in terms of how much money they require for the retroviral drugs. We want to commend the President for his efforts. I would also like to thank the President for maintaining the unity which we have in this country.

I beg to support.

Mr. Ndwiga: Thank you, Mr. Temporary Deputy Speaker, Sir. Before I give my opinion on the Assistant Minister's speech, I would like to comment on what he said about the STABEX funds which you ruled very correctly, was his opinion. Whenever this Government smells money from whichever source, it is in the habit of misallocating it. We are in an economic slump right now because of bad governance and misallocation of funds. Funds set aside for a particular purpose have always been used by this Government in various other sectors. That is what this Assistant Minister was telling this House. He was expressing the Government's opinion. This is a habit of this Government, that when money is set aside for a particular project, it goes into debate on how those funds will be used in other sectors.

Coffee is the backbone of this nation. Before this Government destroyed the crop, coffee used to be the highest foreign exchange earner---

The Assistant Minister for Local Government (Mr. Sirma): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is Mr. Ndwiga in order to mislead this House that it is the Government which rocked the coffee industry and yet it is the leaders of various areas who destroyed the industry during elections?

Dr. Kituyi: On a point of information, Mr. Temporary Deputy Speaker, Sir. I wish to inform you that Mr. Sirma, who has been talking about investor confidence like an alien from outer space does not understand what we are talking about when we talk about the economy.

Mr. Ndwiga: Mr. Temporary Deputy Speaker, Sir, having said that, I wish to recap what my colleague Ms. Karua, said about foreign investment. We cannot talk about foreign investment because there is no foreign investor who will come to this country. The truth is that in the last 15 years only one foreign investor has been seen in this country and that is Castle Brewing Company in Thika. There is no foreign investor who will go to a country where he is not guaranteed security, and where local investors have no confidence in their own country. There is no foreign investor who will go to a country with political "vampires". You will find them saying that they will kick out certain tribes from the area they are staying. In other words, they will kick out local investors in their own country.

A government which allows frustration of local investment cannot stand in their own House of Parliament and say they are now seducing foreign investment. That is a dream that will not be realised until this Government is out of power. Otherwise no foreign investor will come to this country.

It was very sad listening to the Minister for Finance talk about balancing his Budget through donor funds. Last year, we heard the same thing and not even a single dollar came to this country. Those of us in the Finance and Agriculture Departmental Committees had the privilege to talk to serious foreign donors and we know that the message that has been sent to this country is very clear. I do not know why this Government cannot read the message that there will not be even one dollar from the donors until and unless this Government behaves and stops corruption. Every other week we see a Government Minister being taken to a court of law because of corruption. These are Ministers who fly the national flag and yet they are being tried by small magistrates on corruption charges, and yet you call this a government. We have a mockery of a Government in this country. There is not a person in the world who can take a Government like this one very seriously. I sympathise with the Minister for Finance as he gropes in the dark to try and balance his books. How will he do that in a country that is so poor today and where our own constituents cannot make ends meet? They cannot have three meals in a day. Children are not going to school and then you are telling the Republic that now there is the Poverty Reduction Strategy Paper (PRSP). That is a pipe dream. It is not a project which this Government will manifest. It is not possible. It is a beautiful Paper, but not for this Government. This Government is known for what it is; corrupt. It has never been known to speak the truth on anything.

We are now talking about increasing salaries and house allowances for civil servants, which is a very good move. However, have we, as a Government, thought about the thousands of Kenyans who have been retrenched? Their children are not going to school at all. They have been reduced to abject poverty, and yet we are saying here that we will reduce poverty. We are increasing poverty at the rate of 10,000 Kenyans per month. Those retrenched officers have not been paid their dues. You can just imagine the future of their families and their children who have no chance of going to school. This is because they have not been paid their terminal dues as they were promised. Here is a Government that claims to care for its citizens.

I heard my friend, Mr. Raila, talk about removing duty on bicycles to facilitate transportation. How will this happen when the cost of ferrying bicycles from Industrial Area to Busia has increased by more than what the duty was because the price of petrol has been increased? I wonder what kind of economy this Government has in mind when they present Budgets in this House. The moment you increase the price of petrol, whatever other benefits you try to introduce will be eaten up. It is not possible to do that today. If you go to shops in Nairobi you will notice that the prices of bicycles have not changed at all because it is not possible. The moment you increase the price of petrol, the prices of everything else will go up. It was very sad to listen to the Minister tell the nation that the prices that he introduced in petrol will only be for industries. He knew that, that was not a true statement because we have a liberalised market. You cannot ask the petrol stations not to increase prices when the Government has increased duties and taxes on petroleum.

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

The Assistant Minister for Energy (Eng. Manga): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to also contribute to this very important Budget speech.

First of all, I must say that the Minister really tried. He gave us a very well set speech. He gave us the background to the performances of various economies in the world. He actually gave us all the factors that you will want to hear first before you come to the Budget itself. I must highlight some of the issues that he brought up during his Budget speech. First, he talked about the recent economic developments in the world and how economies are behaving in the world. We note that even very strong economies, such as that of the United States of America (USA), are actually declining. There are factors contributing to the decline of these economies. One of them is globalisation. The Minister also mentioned how our domestic environment development is behaving. There are factors that have influenced the behaviour of our economy. One of the factors is the weather changes such as the *El Nino* rains that hit us very hard two years ago and wore out our infrastructure such as roads. In order to reconstruct these roads, we need a lot of money.

Mr. Temporary Deputy Speaker, Sir, Kenya is an agricultural country and the drought that we had experienced also influenced the decline of our economy. The Minister told us that the economy had declined to a growth rate of -0.3 per cent from 1.4 per cent in 1999. That shows a big decline. For any expert to revive such an economy, he has to think and plan properly. I think people should understand the problems we have had because of these factors. Nevertheless, the Minister tried to juggle around and bring here a Budget that will enable the economy to sail through during the current financial year. He also came up with the poverty eradication programme. He showed how the Government is trying to introduce poverty eradication projects by involving people in these projects at the village level. Poverty is increasing in this country and people are suffering. We have a very big percentage of our population which lives below the poverty line. The Government of the day should try to eradicate poverty.

But as you know, we have also other factors contributing to the rise in the poverty level. One of these

factors is corruption. Corruption has become a problem in increasing the level of poverty in our country. Poverty comes as result of misuse of money. Money that could be used to assist people goes to individuals' pockets. You cannot blame the Government for this. Every individual must have the culture of fighting corruption. The Government cannot curb corruption if our people do not reject it. We have to come together and fight corruption.

The other issue that the Minister raised was how to revitalise the agricultural sector. What the Minister gave us was not enough. He said that he was going to allocate more money to the agricultural sector so that farmers can have extension officers to assist them, but that is not enough. We need to reduce the cost of farm inputs. You buy a tractor and you are told that it is duty-free, but the next day, you will buy a spare part for that tractor. You will find that, that spare part has VAT imposed on it. You cannot use a new tractor for two years without repairing it. This also happens to seeds and the fertilizers which are supposed to be bought duty-free, but VAT is imposed on them and, therefore, many farmers cannot afford to farm successfully. Therefore, you will find that there is no food to feed our people. If you cannot feed yourself, then you are the poorest person in the world. What we need, and what, maybe, the Minister should have done, is to remove taxes on farm inputs. That will help the farmers.

We need extension officers to show the farmers new farming techniques in order to increase production. But at the same time, we need to enable the farmer to plough, plant, weed and harvest. Another problem that is facing farmers is lack of a market for their produce. Farmers from one part of the country could be producing maize. For example, Kuria District could do that, but you will find that farmers do not have a market for their produce, yet in some places such as Ukambani and the North Eastern Province, people are dying of hunger. It is difficult for the maize to reach there. It is important that all these things are considered in the Budget.

The other issue that the Minister brought up is infrastructure. Our roads are in a terrible state and, therefore, farmers cannot deliver their produce to even the nearest market. Also, travelling is impossible on these roads. Even if there are means of transport such as buses on these bad roads, the cost of maintenance of those buses is very high. It will require somebody to spend on them. Therefore, although the Minister clearly said that during this financial year, he will set aside 40 per cent of the Fuel Levy Fund money for roads improvement, in my opinion, that is not enough. During the last financial year, each constituency was supposed to receive Kshs5 million, but this money was not disbursed.

With those few remarks, I beg to support.

Mr. Muya: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. I would like to start by commending the Minister for being very courageous in admitting that our economy has been ruined by poor public expenditure management, corruption and misappropriation of public funds. That is not anything new because the Public Accounts Committee (PAC) and Public Investments Committee (PIC) Reports have been brought to this House, debated and adopted, but no action has been taken in the past. The problems that have run down our economy since 1995 when we had 4.8 per cent growth, to a negative 0.3 per cent in the year 2001, have all been brought about by the issues that the Minister gave. If anybody wanted to correct the situation, we have had previous budgets aimed at reviving our economy, but they have not worked. So, what is expected of this Budget is commitment in the implementation. The various issues raised are very good to hear, but unless the Government is committed in eradicating corruption and managing public funds properly, it will end up like any other previous budget, and we do not expect much out of it.

The Minister blames the *El Nino* and possibly *La Nina*, the cousin to *El Nino*. The Government has got experts in those areas, and it must have been warned on the onset of the *El Nino*. Definitely, the dry spell was expected immediately after the long, devastating rains. But the Government never did anything to plan for the drought, and have a strategic food reserve. That is why, in trying to feed our nation, the Government had to dig deeper and get food supplies from outside. If the Government was serious in the past, it could have done water harvesting. If that was done, we could not have suffered the problem that we had of power rationing last year, because our dams had no water. Our dams were silted and something could have been done in good time to avert such a situation, which cost the country by way of production. Electricity power was too costly and the industries could not cope.

Mr. Temporary Deputy Speaker, Sir, in poverty eradication, I am happy that the Minister gave agriculture top priority. It is true that our economy depends on agriculture. We used to be proud of coffee being the leading foreign exchange earner. That sector has been ruined and farmers in certain areas are cutting down their coffee because it is bringing them nothing! Yet, since 1991 to 1993, the STABEX money has been around somewhere in foreign or local banks. It was not released to the farmers to help them in taking care of their crops.

We are trying a bit too late! The money might come a bit too late. We have been promised that the money will be released, but it has not reached the farmers as of now. When it comes, it might not be able to save the coffee industry. So, we cannot just project that the economy will pick up when such a major sector is going down.

Equally, that applies to the tea sector.

Mr. Temporary Deputy Sir, even if we have money going to the agricultural sector by way of extension services, and we are doing nothing about the institutions that are there to process the agricultural produce, like the revival of the Kenya Meat Commission (KMC), or addressing the issues of agro-based industries, I do not expect much to happen to motivate farmers to produce.

In certain areas, money was used out of SCIP II to electrify coffee factories, but up to now, because of poor policy on rural electrification, those factories do not have any electricity, nearly ten years down the lane. The societies are forced to use costly diesel to pulp their coffee. We cannot understand why such money is not made available, when there is a levy on every electricity bill that the consumer pays.

Mr. Temporary Deputy Speaker, Sir, on water in the rural areas, we have certain schemes which have been doing very well and yet, due to poor maintenance and corruption, some of them are on the verge of collapsing!

Mr. Temporary Deputy Speaker, Sir, in the past, I raised a Question on the Floor of this House on the Aguthi Water Supply Scheme in my area, which is due for rehabilitation, but the answer that I got from the Minister was that the project is fairly new and it cannot be rehabilitated. Yet, the consumers are not getting water! I would urge the Minister for Water Development to look into the issue more seriously and do the necessary.

Mr. Temporary Deputy Speaker, Sir, farmers have been given an option to pay Presumptive Tax or file returns. That is not much of an option because the small farmers earn very little. They will end up paying the Presumptive Tax, whereas under the normal Pay as you Earn (PAYE), they would not have paid any tax. So, I do not think that is a concession to the farmers.

[Mr. Muya]

Mr. Temporary Deputy Speaker, Sir, turning to education, bursaries for the year 2000 came a bit too late.

In fact, certain schools have not received the bursaries up to now. There is an allocation for the bursaries for the year 2001, and I can only hope that those bursaries will reach the schools in good time, so that the poor kids do not have to be expelled from schools, or drop out entirely. In 1998, schools were instructed to open accounts to receive funds from the Government for purchase of books. Such money has never reached the schools to date. Now that, that is happening again in the year 2001/2002, I hope that the money will be available for the purchase of books, which are very much needed, particularly in our primary schools. Special education has never been given proper emphasis in our previous budgets. Special Education affects children who cannot learn like other children and some of these children remain in school even when they are over 40 years of age. I think it is high time the Government thought of coming up with institutions whereby those children can study and be made useful. Remaining in a school and the poor parents paying school fees year after year is actually impoverishing the parents.

Lastly, on the Income Tax, the widening of the gap has been moving a bit too slowly. Anybody earning Kshs10,000 these days cannot be said to be earning sufficient funds. However, I do appreciate that in succession, you cannot do everything at one go. However, may I ask the Minister to consider, in future Budgets, exempting people earning up to Kshs20,000 from paying any tax. It is high time we moved away from this direct taxation and have more taxation on indirect basis by VAT. This is because, after all, we are all being taxed. Even babies are being taxed when the VAT is applied.

With those few remarks, I beg to support.

The Assistant Minister for Environment and Natural Resources (Mr. Kimkung): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to add my voice onto the many which have been talking about the Budget.

I have just one or two areas that I want to touch on. First, of course, I would like to congratulate the Minister for reading a well-balanced Budget. There are just one or two areas of contention and one of them is the increase on VAT on commercial premises. This is a bit dangerous because people will start relocating their businesses to residential areas and then the value of commercial plots will drop. Insecurity in residential areas will increase and I am really against that.

Mr. Temporary Deputy Speaker, Sir, the other point was the issue of increase of cost of petrol. While the Minister was reading his Budget, and I think while we were having our cup of tea, the petrol stations were already increasing the prices of petrol by the Kshs2 that the Minister had urged the oil firms not to pass onto the consumers.

Mr. Temporary Deputy Speaker, Sir, I want also to touch on the issue of squatters in Trans Nzoia District. Recently, we read in the papers that an ADC farm was being auctioned for a certain amount of money, and yet we know that ADC is wealthy enough and has got the resources to clear the debts. We believe this is just a

way of giving a few individuals the opportunity to purchase that farm. There are squatters on that farm.

When the settlers came to Trans Nzoia District, they removed some of the people from their farms and sent some of them as far as Busoga District in Uganda. Some of them were turned into squatters and upon Independence, the Government took over some of those farms and ADC was given to run them. The so-called "squatters" are actually the rightful owners of that farm and other ADC farms in Trans Nzoia. We believe that the Government is holding those farms in trust for the people who were relocated from those farms. We demand that whenever there is an issue like this and ADC wants to dispose of any farm, they must consult the squatters and give them the first opportunity to buy it or even give them free of charge. This is because, in any case, it belonged to them in the first place.

Mr. Temporary Deputy Speaker, Sir, on the issue of tea growing, because recently the Government gave out Kshs5 million to cotton farmers to buy seedlings, I suggest that the same should be applied to tea growers. Mount Elgon is very fertile and suitable for tea growing, but the price of seedlings is so exorbitant that the ordinary mwananchi cannot afford them. So, I request that to alleviate poverty, the Government should supply the seedlings free of charge to the farmers who are willing to plant tea in the same way the Government did to cotton farmers.

Mr. Temporary Deputy Speaker, Sir, my responsibility towards fellow human beings transcends political, constituency and administrative boundaries. Therefore, it is wrong for any colleague to refer to me as "a Member outside Trans Nzoia." This is because whether human beings are in Nyeri or elsewhere and they are suffering, it is my right to defend them wherever they are, and particularly if they originated from Mount Elgon. I do not wish to tire my colleagues with so many words. I want to thank the Government for having settled those few squatters that have been settled in Mount Elgon, but all the squatters in ADC farms must be considered first before anybody is allowed to sell those farms. We will not allow anybody to auction those farms in disregard of the squatters who are already there.

With those few remarks, I beg to support.

Mr. Kones: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for the opportunity you have granted me to contribute to this Motion. It is very difficult for me now to support the Motion or not because the Minister seems to have just been scratching around for something to say and convince the nation that he was actually making a Financial Statement.

Mr. Temporary Deputy Speaker, Sir, when the Minister talks of an expectation of 2 per cent rise in the economy by next year and we are talking of minus 0.3 per cent now, I do not know what miracle the Minister will use to be able to improve that economy from minus 0.3 to 2 per cent next year. I read through his Speech and the most interesting thing is that there is no address to the main economic earner of this country, that, is agriculture. There was no mention of that. As we are talking today, the price of a 90-kilogramme bag of maize in my district and the surrounding district of Trans Mara is Kshs400. We all know that in order to produce one bag of maize, you spend Kshs800, and today we are selling a bag at Kshs400. What are we saying, in short? We are saying that those people who are growing maize now for themselves and the nation are going to end up poorer next year than they are today. So, there is no way that we can convince ourselves that we are going to eradicate poverty.

We have been talking about *El Nino* phenomenon for the last three years ago and we are still blaming it. The *El Nino* phenomenon did a lot of good for our tea production, and yet somebody is trying to blame it. We know of black tea leaves production which rose from 2,000 tonnes per hectare to 3,500 tonnes per hectare, and that is money. When somebody keeps on blaming the *El Nino* phenomenon for the last three to four years, that it is the cause of the bad economy, I do not take that very kindly. We know that the *El Nino* phenomenon damaged some few infrastructures around the country, like roads and water pipes and things like that, but it was not that serious that it should be blamed in three consecutive Budget Speeches.

Mr. Temporary Deputy Speaker, Sir, when we talk about infrastructure in the tea sector, we have the STABEX funds. They say that the STABEX funds will be disbursed through the Co-operative Bank of Kenya. What is so special about the Co-operative Bank of Kenya? I would like to point out that the Co-operative Bank of Kenya does not exist in my district, and where it has branches, they are small. Why does the Government not direct the farmers to go and get the STABEX funds from the banks that they have borrowed money from? Why are we specific on the Co-operative Bank of Kenya? What is so special about this bank? We have branches of the Co-operative Bank of Kenya which are almost in every district, and probably, in every division in this country. So, the gimmick that the Government plays about the STABEX funds should stop. I would like to say that, that is our right. We need that money to improve infrastructure, for example, the road sector in order to improve the production of tea and coffee in this country. If the Government does not address that issue and it keeps on saying that it will improve the economy to register a growth rate of 2 per cent next year, I think we just expect some angels to come to earth! This will not work.

We heard the Minister talk about improving the Provincial Administration because it is a department that seems to be doing very well in this country. I think if there is one department in this country that is hopeless and has got no meaning whatsoever and should be done away with, it is the Provincial Administration. The only people who make sense in the Provincial Administration are the assistant chiefs and chiefs. The rest of them; the DOs, the DCs, the PCs and the Permanent Secretaries are people who waste Government funds. The Minister talked about improving their conditions of service, salaries and assigning them new duties. I would like to say that they will never be assigned any duty because the Provincial Administration, in any place, is totally misplaced. They actually do not know what they are doing.

Today, you will find that the Provincial Administration has taken over the powers of the police and they are the ones who direct whether a public rally should be held or not; they are the ones who direct whether a Harambee should be held or not; they are the ones who decide whether there should be a district education board meeting or not; they are the ones who decide whether an hon. Member of Parliament should preside over a trophy presentation of a primary school or not. These people are totally confused. They need some retraining and after that, they should be deployed to other Ministries. I would like to point out that they do not do any useful job for this country. The people we would like to retain in the Provincial Administration are the chiefs and assistant chiefs, who are actually in charge of the local administration. Otherwise, there is no reason why the other officers should hold these offices because they cause confusion.

Mr. Temporary Deputy Speaker, Sir, when the Minister talked about corruption and poverty, the two do not make sense to anybody. The Minister acknowledged the fact that there is rampant corruption in this country, but he did not go forward to tell us what he will do to contain it. So, why does he talk about it? I think it is wrong for a Minister to tell the nation that there is rampant corruption in this country, and that it has affected many sectors of our economy, and yet, he does not say what he will do to control it. He just stops at that. He again said that he expects us to finance or support the Budget by foreign donations. I would like to point out that, today, there is no donor who will give his money to a Government that is not accountable. So, these are statements which do not reconcile. The two statements do not make sense. If the Minister says that there is poverty in this country, then there should be no corruption, but if he acknowledges that there is corruption, then something must be done to control the vice. It is shocking that after saying that there is rampant corruption in the country, he did not tell us the measures he will put in place to contain it.

Mr. Temporary Deputy Speaker, Sir, I come from a tea-growing area and our projection is that tea production will decline by nearly 10 to 15 per cent in the next ten years. The reason for that is the destruction of Mau Forest. There is rampant destruction of this forest, and yet, nobody is talking about it or cares about it. By the way, the people who allow this destruction of forests are the same Provincial Administration. What will we do? How can we tell our nation that there will be improvement in economic growth, while the projections are that there will be a decline in production of tea? The forests, both man-made and indigenous, are being destroyed day and night. The people who destroy these forests are known, and yet, they sit here innocently as if they do not know what is happening. Every time you raise a finger about it, you are branded a bad man.

The destruction of forests must stop. Where will we get water from? We are talking about revamping the tourism sector. I would like to point out that wild animals, like hippopotamus and others, need water from the Mara River in order to survive. How can we tell tourists to visit Maasai Mara Game Reserve if the Mara River dries up everyday, and people destroy forests everyday?

There are some fellows who have been issued with licences to destroy our forests. If the destruction of forests was done by indigenous people, probably it would have been better. But there are two Asians who dominate in the destruction of these forests. They start from Eldoret, Uasin Gishu District, down to Narok District. How special are these fellows? These people pose danger to traffic. They carry heavy logs at night. Why should two fellows get rich when the rest of us languish in poverty? The few saw mills which used to operate in those areas have been closed down in order for these two "animals" to destroy our forests.

The Minister in charge of environment should wake up, go there and see for himself what is happening. Unless these things are addressed, there is no way we will achieve the economic growth of 2 per cent we are talking about in the next one year.

Mr. Temporary Deputy Speaker, Sir, it is difficult for me to support this Motion.

QUORUM

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

The Temporary Deputy Speaker (Mr. Musila): Indeed, there is no quorum. I order that the Division Bell be rang.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order! Order, hon. Members! We now have a quorum. May you be seated. Mr. Kones had just completed his contribution.

Mr. Murathe: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute to the Financial Statement. The proposals that this Government has put forward to revive the Kenyan economy based on the PRSP are not achievable.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Murathe, you know the rules and you cannot contribute twice. According to the running orders, you did contribute on the 3rd Allotted Day on 20th June. Therefore, you are completely out of order.

Mr. Murathe: Mr. Temporary Deputy Speaker, Sir, we are discussing the---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Murathe! You are out of order. Sit down!

The Minister for Roads and Public Works (Mr. W.C. Morogo): Mr. Temporary Deputy Speaker, Sir, I rise to support the Statement by the Minister. First, I would like to congratulate him for coming out with this Budget. We know we are in a very difficult situation and most of us believe that the Minister would not have anything to present. But, surprisingly, he came out with a Budget that addresses most of the needs of our people.

Mr. Temporary Deputy Speaker, Sir, the Minister has attempted to assist in production. In his Statement, he has reduced duty on raw materials. This is a good incentive for those who want to invest in this country because our own industries will be safeguarded against cheaper products which may have been subsidised in their countries of origin. I commend the Minister because this is what we really need. We know for every economy to improve, the industry, be it in agriculture or any other, has to be supported fully. This is one way to support our industries because with cheaper raw materials, the subsequent products will be affordable to mwananchi. So, the Minister has done well in his Budget and we encourage investors to come to Kenya and invest in various fields.

Mr. Temporary Deputy Speaker, Sir, the other encouraging aspect of this Budget was the raising of duty on foodstuffs and related products. We know that our market has been flooded with such products in our supermarkets, some of which have not been of good quality. The raising of duty will go a long way to prevent the influx of such commodities and hence, promote our own products which, in turn, will help our economy. It will also help to generate employment.

Mr. Temporary Deputy Speaker, Sir, the Minister also helped members of our society in the low income tax bracket by raising personal relief. I think this will also encourage those employees because it will give them something to take back home. It is not true that this Budget is not assisting wananchi as has been alleged. We know it is attempting to assist farmers. With all these reductions, farmers would have been assisted, although there is still room for them to be helped further.

If we can look for ways of empowering the farmers to purchase inputs, that will help them. We want to encourage farming because it supports our economy most. We must encourage farmers because that is still one of the areas where we can excel. We still have farms which have not been fully utilised and this is the time that all farmers should be encouraged to farm and produce enough for this country to consume and even for export to assist our economy earn the required foreign exchange. So, I would encourage the Minister to look into those areas to support farmers in terms of providing them with loans so that they can buy agricultural inputs in time.

Mr. Temporary Deputy Speaker, Sir, it is true that the economy is undergoing some difficult time but we know that it is not impossible for us to turn it around. What we need is the support of every Kenyan. It does not help to simply talk about the ailing economy and quarrel the Government. Mistakes may have been made in various areas. However, the Government has always come out clear whenever it identified a problem. All that we now need are resolutions to those problems.

I remember that at one of the meetings held at the Kenya College of Communications Technology (KCCT) sometime back, the Government opened up and admitted that some areas were responsible for the downfall of our economy. Therefore, it is not enough for one to talk of corruption year in, year out. Corruption is one of the problems that were identified as being responsible for the economic mess in which we are. We now need every Kenyan to come up with what he thinks will assist in doing away with that vice from society. We are the ones who are supposed to build this country. It does not matter how much we talk about it; if we do not commit ourselves to its reconstruction, other people will do nothing to help the situation; they will only laugh at us as Kenyans. So, time has come for us to stop talking about our respective parties, tribes and ourselves. Time has come for us to speak in one voice on the way forward to making this country a better place for our children.

Mr. Temporary Deputy Speaker, Sir, on education, the Government is doing its best to ensure that bright

students from poor families have a chance to acquire secondary school education. We note that the Minister has allocated Kshs600 million for secondary school bursaries for bright students from the less fortunate members of our society. While appreciating that gesture, I would encourage the Minister to look for a way of assisting Kenyans who suffered from the recent drought and other difficulties. People are yet to recover from the effects of that drought, and must, therefore, be assisted.

Where I come from, for instance, some parents have very bright boys and girls with ambitions of acquiring education and becoming productive Kenyans. However, some of them have had to drop out of school because their parents could not raise their fees. Therefore, I appeal that this particular area be looked at with a view to increasing its bursary figure, so that such bright students can be accorded the opportunity to pursue education. I am sure that, at the end of the day, such students will be a resource this country will be proud of. I commend the Minister for that provision but I urge him to increase it.

With those remarks, I support.

Eng. Muriuki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this important Motion.

Recently, somebody published an article in the Press and said that the annual Budget is a ritual. It appears that the Budget is just a ritual and nothing else. Currently, this country is concerned about poverty, which we are now told affects nearly 60 per cent of our population but the Budget contains nothing to address this problem. Last year, the Minister for Finance told us that the economy would realise a growth rate of 2 per cent. However, this year, the same Minister told us that he is sorry that the economy has grown by negative 0.3 per cent.

Mr. Temporary Deputy Speaker, Sir, it appears that the methods of fighting poverty in this country are determined by either the World Bank or by some other international consultants who are not in touch with what is on the ground. Whether the Government or the World Bank, or whoever else, is responsible for the efforts towards eradicating poverty in this country, I do not think that any institution will give Kenyans, say, Kshs10,000, so that they can cease to be poor. At the end of the day, it means that some how, the Government must help the people to help themselves. The people must fight on their own. You cannot alleviate poverty unless you first and foremost address the unemployment problem. Kenya being an agricultural country, the best way of alleviating poverty is to support agriculture. Without supporting agriculture, we cannot eradicate poverty. Farmers are requesting the Government to facilitate their operations. They are asking for roads so that they can take their produce to the market.

Sometime back, in trying to assist farmers, this House came up with the legislation that created the Kenya Roads Board (KRB) and the District Roads Committees (DRCs) so that they can take care of roads at the district levels, where the people know which roads need to be rehabilitated to boost their agricultural activities. I wish to point out that the Minister for Finance and his team spent hundreds of millions of shillings preparing a document known as the Poverty Reduction Strategy Paper (PRSP). A lot of that money was spent on workshops, where *wananchi* at the grassroot level were asked to give their views on the way forward, which I think was quite in order. It is good to solicit the views of the people on matters concerning them. However, there is nothing new the people on the ground will ever tell the Minister. If you go to Ol Kalou Constituency, which I represent here, and ask the people what problems they have, they will tell you that they want roads repaired so that their milk can reach the market on a daily basis. If you go back and ask them a similar question, they will tell you that they want the roads rehabilitated so that their cabbages can reach the market. If you go there for the third time, they will tell you that they need roads so that their potatoes can reach the market. Even if you ask them that question ten times, their answer will always be the same - rehabilitation of roads in the area. This House recently passed a Motion which called upon the Minister for Finance to allocate 2.5 per cent of the Government revenue to constituency-based development projects. In the current Budget, we have a total of Kshs57 billion presumably allocated for development projects. If you were to divide that amount among the 210 constituencies, each constituency would get a total of Kshs271 million for development. I am not suggesting that this amount be divided equally among all the constituencies. But all I am saying is that if we took the 2.5 per cent allocated to constituencies, it is not even 10 per cent of this huge amount which we are being deceived will be allocated for development. Every year, there is a provision of Kshs40 billion or Kshs50 billion for development, but there is nothing to show for this money on the ground in the constituency.

If this Government cared to write the PRSP properly and asked *wananchi* what they required in their areas, apart from asking for roads so that they can transport their agricultural produce to the market, they would also ask for health centres. A health centre costs only Kshs2 or Kshs3 million. People around Lake Victoria will ask the Government to remove the water hyacinth weed so that they can fish. People in arid areas will ask for boreholes so that they can take care of their livestock. Even if we keep on talking about Kshs57 billion for development and we do not bother to solve the problems afflicting *wananchi* on the ground, it is meaningless. I

would appeal to the Minister for Finance to listen to what hon. Members are saying. They are asking the Government to focus on the constituency level. The Minister for Finance and the Minister for Roads and Public Works have teamed up to ensure that the Kenya Roads Board does not work. I would like to appeal, through the Chair, that, if we have to eradicate poverty, we must focus on constituencies where people have representatives who can say what they require.

Mr. Temporary Deputy Speaker, Sir, in this Budget we are told that the Minister has set aside Kshs2 billion for bursaries. This amount is equivalent to Kshs9.5 million per constituency. On average, secondary school fees amount to Kshs20,000 per pupil, per year. According to my simple arithmetic, this amount could assist more than 475 students in secondary schools in every constituency. So, if the Minister is serious, could I be allocated this money so that I can select the 475 students from Ol Kalou who will benefit from this bursary? Let us stop pretending we have Kshs2 billion as bursary funds for our children.

Mr. Temporary Deputy Speaker, Sir, as far as the District Roads Committee is concerned, allow me to compliment the Minister because he has put all the funds from the Fuel Levy Fund and the Roads Maintenance Fund under one item referred to as the Kenya Roads Board. All that is required is for the Minister for Roads and Public Works to ensure that the Kenya Roads Act is operational. The reason why this Board is not operational is that the Fuel Levy Act had not been repealed. That was done last year.

The other reason is that 12 months after the Kenya Roads Board Act came into operation, the Kenya Roads Board does not have a Chief Executive. The qualifications for a Chief Executive for the Kenya Roads Board are very simple. It only calls for a civil engineer with the experience of 15 years. The number of civil engineers in Kenya with such qualifications is so big that the Minister for Roads and Public Works should not use that as an excuse. He should get a Chief Executive quickly, if that is the reason why this board is not operational. The least he can do, if he does not trust any other person outside the Government, is to appoint a Chief Executive from the civil engineers from the Ministry of Roads and Public Works. There are so many civil engineers with those qualifications.

Mr. Temporary Deputy Speaker, Sir, with those few words, I want to echo that unless the Minister for Finance changes the way he prepares the Budget, it is just a ritual.

The Temporary Deputy Speaker (Mr. Musila): In the absence of any other contributor, I have no alternative, but to call upon the Minister to reply.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me this opportunity to reply on behalf of the Government.

Let me take this opportunity to congratulate all hon. Members for their contributions. All issues that have been raised by hon. Members will be considered. With regard to corruption, whatever has been said will be seriously addressed. All points have been noted and will be implemented by the Ministry.

Mr. Temporary Deputy Speaker, with regard to agriculture, most hon. Members talked about it as the backbone of our economy. All points raised by hon. Members will be implemented to the letter. With regard to the conservation of our environment, hon. Members have expressed their concern on the zero-rating of timber imports. This will really safeguard our forests. The importation of timber duty-free will encourage timber dealers to import timber from neighbouring countries. This will help us conserve our forests.

Mr. Temporary Deputy Speaker, Sir, most hon. Members raised concern about the Fuel Levy Fund. All the monies collected will be well spent to improve our roads. As far as accountability is concerned, officers from Treasury will be posted to district treasuries to ensure that funds allocated to various Ministries and departments are spent according to the needs of the people.

QUORUM

The Assistant Minister for Energy (Mr. Manga): On a point of order, Mr. Temporary Deputy Speaker, Sir. There is no a quorum in the House.

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

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members! There is a quorum now. Mr. Marrirmoi was replying. Proceed, Mr. Marrirmoi!

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker,

Sir, I was talking about the road network. The Government is going to ensure that funds set aside for the road network will be monitored by the responsible officers to make sure that all the funds will be utilised properly.

With regard to agriculture, especially the livestock industry---

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

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

Mr. Angwenyi: Now that the substantive Minister has arrived, can he take over and reply?

The Temporary Deputy Speaker (Mr. Musila): Order! Order, Mr. Angwenyi! Mr. Angwenyi, Mr. Marrirmoi is an Assistant Minister as defined in our Standing Orders. Minister includes: "The President, the Vice-President, other Ministers, the Attorney-General, Assistant Ministers and any other person who holds temporarily any such office."

Continue, Mr. Marrirmoi.

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is he replying on behalf of Mr. Okemo?

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Angwenyi!

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Thank you, Mr. Temporary Deputy Speaker, Sir, for protecting me. I think, Mr. Angwenyi---

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. Does the Chair realise that hon. Marrirmoi has started repeating himself? When he was replying before the Division Bell was rung, he had told us that all the points we had raised on agriculture were going to be put into effect. Now that the Minister has come, Mr. Marrirmoi thinks that he must repeat what he had said. So, he is repeating himself.

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Munyasia! If there is any repetition, the Chair will note it.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, Mr. Munyasia should know that hon. Marrirmoi is on the Floor.

With regard to agriculture, more concern should be given to pastoralists. Hon. Members talked much about pastoralists and how we can handle the issue of KMC by decentralising it to areas where **[The Assistant Minister for Finance and Planning]** cattle are kept. So, we are going to ensure that what hon. Members raised is taken into account.

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Assistant Minister in order to mislead this House that they want to ensure that KMC is revived when there is no allocation of funds for that in the Budget?

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, I am replying to what hon. Members mentioned because we need to speak about that in our reply. The Ministry is going to ensure that all what was raised by hon. Members is taken into account.

Mr. Temporary Deputy Speaker, Sir, having said that, I would also like to say that the Poverty Reduction Strategy Paper (PRSP) was prepared and all the stakeholders were involved in the process of preparing the Paper. Those who attended the forum at the Kenya School of Monetary Studies would accept that much was discussed. The priority sectors involved were as follows:- Agriculture and rural development, human resource development, physical infrastructure, trade, tourism and industry, public sector, law and order, public administration, information and technology. We orient the expenditure to priority areas.

Mr. Temporary Deputy Speaker, Sir, Ministries and departments were allocated resources based on these priorities by ranking them and restoring physical structures with regard to Independent Power Producers (IPPs) and Emergency Power Generation orientation process. On the financial sector reforms, the minimum capital maintained would be Kshs300 million for two years.

Also touched on was the concept of information sharing, insurance reforms and comprehensive review that should be undertaken. With regard to capital markets, 27 per cent of income tax rates were given amnesty within the banking sector, especially on cheques which bounce. All these sectors were noted and we shall be following them on the basis of the priorities set under PRSP programme.

Mr. Temporary Deputy Speaker, Sir, regarding taxation measures to reduce poverty, because most hon. Members talked about "poverty elevation" or "reduction," one was on duty on raw---

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

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members! Yes, Mr. Munyasia.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. Did you hear Mr. Marrirmoi saying that hon. Members have been talking about "poverty elevation?" Is he right to mislead this House; that when we are seriously talking about poverty eradication, he says we have talked about "poverty elevation?"

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, I did mention---

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Marrirmoi! Hon. Members, I think let us be

more serious. I think Mr. Marrirmoi said "poverty alleviation."

Hon. Members: Yes!

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, in fact, I went further to say "property reduction."

(Laughter)

An hon. Member: You can see!

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, you know, when you talk financial issues, some hon. Members do not understand it because some of them are teachers and, maybe, they teach history. Let me conclude by saying that---

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Speaker, Sir. Could Mr. Marrirmoi give way to Mr. Okemo, so that we get some clear explanations of what is being said? Most hon. Members and I are at a loss. Could you ask Mr. Marrirmoi to donate some of his time to Mr. Okemo?

The Temporary Deputy Speaker (Mr. Musila): Mr. Angwenyi, I think this is the last time I am going to entertain frivolous points of order. We must give the Assistant Minister a chance to reply.

Proceed, Mr. Marrirmoi.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, I know very well what Mr. Angwenyi wants; he only wants to interrupt. I am saying that all what was mentioned by hon. Members has been noted, and we are going to pursue along those lines.

So, to conclude, regarding the future plans about the Budget, we will continue with the restoration of physical infrastructure, reduce cost of electricity---

Mr. Murathe: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister to read out a prepared statement?

The Temporary Deputy Speaker (Mr. Musila): Mr. Murathe, there is nothing wrong with Mr. Marrirmoi doing that. He can read out his speech if he wishes.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, I thought it is better to---

Mr. Maundu: On a point of order, Mr. [Mr. Maundu] Temporary Deputy Speaker, Sir. I think there is a clear intention here to disrupt the presentation by the Assistant Minister.

Mr. Temporary Deputy Speaker, Sir, most points of order are frivolous. Why do you not exercise your authority in throwing some of these hon. Members out?

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Maundu! I think you heard the Chair cautioning hon. Members, particularly Mr. Angwenyi, that the chair would not tolerate any further frivolous points of order. I did give that caution.

Eng. Muriuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to seek clarification from the Chair if, in fact, the Assistant Minister for Finance and Planning can come and read out a prepared speech in reply to the issues which we have raised this afternoon. When did he prepare the speech?

The Temporary Deputy Speaker (Mr. Musila): Order, Eng. Muriuki. That is a frivolous point of order because you are trying to question the ability of the Assistant Minister. Mr. Marrirmoi has had officers representing him in the House and who were taking notes.

In any case, no matter where he got the notes from, he knows what he is saying. I think that is not your business.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Temporary Deputy Speaker, Sir, I made it very clear that I am referring to my notes.

On the future plans, promises and priorities regarding what had been mentioned by hon. Members, my Ministry is going to ensure that all are followed accordingly. We intend to take measures which will deal with counterfeit and substandard goods, support the agricultural sector, facilitate development of social services and provide an enabling environment. Let me urge hon. Members to listen to my reply to the points they raised. All what has been said by hon. Members, the Ministry undertakes to ensure that their sentiments will be looked into.

With those few remarks, I beg to move.

(Question put and agreed to)

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members! It is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Thursday 28th June, 2001, at 2.30 pm.

The House rose at 6.05 p.m.