

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 19th June, 2002

The House met at 2.30 p.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

PAPER LAID

The following Paper was laid on the Table:-

The Statement on Vote on Account for the Financial Year 2002/2003.

(By the Minister for Finance)

NOTICE OF MOTION

VOTE ON ACCOUNT

The Minister for Finance (Mr. Obure): Mr. Deputy Speaker, Sir, I beg to give notice of the following Motion:-

THAT, in accordance with Section 101 of the Constitution of Kenya the withdrawal from the Consolidated Fund of the sum of Kshs84,281,787,265, made up in the manner set out in the Vote on Account laid in the House, be authorised for the purpose of meeting expenditure necessary to carry on the services of the Government of Kenya during the year ending 30th June, 2003 and until such time as the Appropriation Act for the year comes into operation.

His Excellency the President has given his consent to this Motion.

ORAL ANSWERS TO QUESTIONS

Question No.305

NUMBER OF ASSISTANT CHIEFS IN KENYA

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

(a) how many assistant chiefs are in Kenya;

(b) how many are women; and,

(c) why women assistant chiefs are not permitted to wear trousers as part of their uniform.

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

(a) There are 6,656 assistant chiefs in Kenya.

(b) There are 154 women assistant chiefs.

(c) Uniforms for women chiefs and women assistant chiefs are being reviewed to reflect the current changes.

Mr. Murungi: Mr. Deputy Speaker, Sir, I am aware that the KANU Manifesto promises women that it is going to appoint them to positions of leadership in this country. I am also aware that the Kenya Government is signatory to the convention on elimination of all forms of discrimination against women since 1969. Could the Assistant Minister explain to this House why this Government is openly discriminating against women by having only 154 women assistant chiefs out of 6,656?

Mr. Samoei: Mr. Deputy Speaker, Sir, while I do appreciate that the hon. Member considers it necessary and, indeed, important to read the KANU Manifesto which is the only manifesto that makes sense to Kenyans; and while it is also true that we have fewer than expected women assistant chiefs, we should appreciate that the recruitment of women chiefs and their assistants is a new introduction in the Civil Service. It has not been there for long. We should appreciate that so far, in the few years that we have opened up that area for women, we already have 154 women

serving as assistant chiefs. We should also appreciate that we are not going to dismiss anybody who is currently serving in order for us to balance the figures.

When positions fall vacant, we are going to consider women alongside men. Merit will be the yard stick.

Mr. Muchiri: Mr. Deputy Speaker, Sir, recently, in Nairobi, there were interviews for assistant chiefs. Both men and women applied. Very few women were employed and yet there are very many vacancies. When is the Ministry going to fill those vacancies in Nairobi?

Mr. Samoei: Mr. Deputy Speaker, Sir, we are going to fill positions as they fall vacant. We must always find the correct calibre of people who measure up to the requirements for them to be employed to serve in those categories. I have already said that when the National Uniform Committee meets, it will ratify the use of trousers and other items of clothing by women chiefs. We will wait for the report of that committee before we provide women chiefs with that kind of attire.

Mr. Nderitu: Mr. Deputy Speaker, Sir, I would like the Assistant Minister to explain to the House whether chiefs must come from the locations where they are going to serve or they have to come from outside the locations? Do Assistant chiefs have to come from the sub-locations they are going to serve or from outside their sub-locations?

Mr. Samoei: Mr. Deputy Speaker, Sir, the preference has been that, for ease of administration, chiefs and their assistants are required, though not by law, to come from the locations from which they serve.

Mr. Murungi: Mr. Deputy Speaker, Sir, this Government is trivialising women issues. The reason why I asked this Question is that there is a woman assistant chief in my location who had a serious problem running after some criminals because she was wearing a dress. When she fell down, it was very shameful. Could the Assistant Minister explain why they have allowed women police officers to wear trousers while women assistant chiefs who are supposed to enforce law and order in this country are restricted to wearing a uniform which does not permit them to perform their duties effectively? Could he also inform the House as to when the women assistant chiefs will begin wearing trousers in this country, instead of saying a board is going to meet? Which board met as far as uniform for women police officers is concerned?

Mr. Samoei: Mr. Deputy Speaker, Sir---

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

Mr. Deputy Speaker: What Standing Order has hon. Member breached? Order, Mr. Shitanda! I also enjoy occasional jokes but please, when the Chair asks you to proceed and name the Standing Order that has been violated, that is serious business!

Mr. Shitanda: Mr. Deputy Speaker, Sir, I rise a point of order under Standing Order No.58. Is it in order for the hon. Member to continue insisting that women assistant chiefs should put on trousers when it is a taboo in some communities for women to wear trousers?

(Laughter)

Mr. Deputy Speaker: Order! Order, hon. Members! First of all, of Standing Order No.58 merely allows you to stand. But, you must read the two parts of that Standing Order! You can see the second part of that Standing Order requires you to do exactly what I have been asking you to do. But in any event, when you stand on a point of order, you must direct it to the Chair! I want to tell you that there is no taboo in the Civil Service!

(Applause)

Mr. Samoei: Mr. Deputy Speaker, Sir, I did say that as and when the existing National Uniform Review Committee reviews the uniform of our police men and women, including those in the military--- As soon that Committee meets and reviews the uniforms of our administrative personnel, that is the chiefs, their assistants, the DOs and the PCs; we will implement the regulation.

It is unfortunate that the hon. Member is taking up a very unfortunate incident which would occur. Even if we had women wearing trousers, an accident could still occur.

Question No.345

STATUS OF EMBU POLICE CASE

Mr. Ndwiya asked the Minister of State, Office of the President, what happened to the case reported to Embu Police Station under OB 34/8/7/2001.

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

An inquiry under file No.3/2001, was undertaken to establish the truth of the allegations raised. However, no evidence was found to warrant further action.

Mr. Ndwiga: Mr. Deputy Speaker, Sir, first of all, it is very sad because the written answer is directed to hon. Ileri Ndwiga, which I consider an insult to me. My name is Njeru Ndwiga, for---

Mr. Deputy Speaker: Would you like to proceed with asking your question or you are dwelling on insults?

Mr. Ndwiga: I have already asked the Question, but I am merely drawing the attention of the House to this fact. The truth of this matter is that, the former Embu Mayor drew a gun at me and there were witnesses who have written statements at a police station. About six witnesses have written statements, including the watchman, who restrained him, otherwise, I would be a dead man now. Here, we are now being told by the Assistant Minister that the inquiry was done.

Mr. Deputy Speaker: Ask your question!

Mr. Ndwiga: Could the Assistant Minister tell us what kind of inquiry was done, and who was asked the questions? Could he reveal that to this House? Who wrote the statement and what were the results of that inquiry?

Mr. Samoei: Mr. Deputy Speaker, Sir, it is true that on 7th July, last year, hon. Njeru Ndwiga did make a statement at a police station to the effect that he had been threatened by Councillor Mureithi, who is a former Mayor of Embu. However, investigations were carried out and various statements were recorded by various people.

As per the requirements, the file was forwarded to the Provincial State Counsel to determine whether there was a case or there was no case. Upon perusal, the State Counsel recommended the closure of the file; which was done on 11th October, 2000. Her reason was that, there was no tangible evidence to warrant further action. There was not much that the police could do.

Mr. Muchiri: Mr. Deputy Speaker, Sir, there is no law that permits police to open files under inquiry, other than where a person dies in police custody. Here is a case where an hon. Member says that he had six witnesses, including himself. Could the Assistant Minister tell this House under what authority the State Counsel was acting when she decided that no offence had been committed; when she is not authorized to do so under any law on this land?

(Applause)

Mr. Samoei: Mr. Deputy Speaker, Sir, when the hon. Member made the allegations at the police station, the police did carry out investigations under the file which I have quoted here, and forwarded their findings, including the statements that were recorded therein, to the State Counsel for action. The State Counsel did not find what was contained in that investigation worthwhile and, therefore, recommended the closure of that case. That is the position!

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

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

Mr. Wamae: Mr. Deputy Speaker, Sir, would the Assistant Minister let this House know why this councillor has not been charged before a court of law? Is it because he was a DP councillor who crossed over to KANU and, therefore, there is a political cover up of the case?

Mr. Samoei: Mr. Deputy Speaker, Sir, the police do not distinguish between political parties. They treat Kenyans equally, and it is unfortunate that this incident did happen, but we cannot proceed unless the court decides that there is a case for the councillor to answer.

Mrs. Mugo: Mr. Deputy Speaker, Sir, there are some witnesses who are said to have recorded evidence, including the threatened victim. I hope you do not wait until somebody is killed so that there is proof of killing! What action was taken then to call those witnesses so that you could establish whether there is a case or not, or is the State Counsel authorized to decide on her own, whether there is a case or not?

Mr. Samoei: Mr. Deputy Speaker, Sir, I have said that the State Counsel did make the decision based on the information that was available and the statements that were recorded.

Mr. Kibicho: On a point of order, Mr. Deputy Speaker, Sir. Since the complainant has said that he made a statement and that other eye witnesses made statements and, since the State Counsel can be compromised; for interest of justice, would you order that case to go to court, so that if there is no case to answer, the court will rule?

Mr. Murungi: On a point of order, Mr. Deputy Speaker, Sir. This Question relates to the exercise of prosecution powers. I think this Assistant Minister, who comes from the Office of the President, is not qualified to answer this Question. Could this Question be deferred so that it goes to the Attorney-General, who can come and give a proper answer to this House?

Mr. Samoei: Mr. Deputy Speaker, Sir, if the hon. Members would wish that this same answer is read by the Attorney-General, I have no problem.

Mr. Deputy Speaker: Very good! Could we hear from hon. N.M. Nyagah?

Mr. N. Nyagah: Mr. Deputy Speaker, Sir, history will judge this Assistant Minister very harshly! This is something that is common knowledge in Embu. One of the waiters had this gun placed on his head. The three watchmen who wrote statements are under constant threats by the police in Embu, and also the two waiters who wrote these statements work for my father in-law. They have been asked many times to go and withdraw their case from Embu Police Station. What will the Minister do to ensure that there is no intimidation that is going to be placed on the part of the five workers of Isaac Walton Inn and Kenol Petrol Station, where hon. Ndwiga was threatened with a gun?

Mr. Samoei: Mr. Deputy Speaker, Sir, the allegations made by my friend, Mr. N. Nyagah, are indeed grave, and if there is anything of that sort--- Indeed, if the witnesses or the people who recorded those statements; the waiter, as he says and the other two persons, have been threatened by anybody or intimidated in any way to withdraw those statements, I will take action.

Mr. Ndwiga: Mr. Deputy Speaker, Sir, I really wonder what action the Assistant Minister will take when the OCPD, Embu, is the one who has been summoning those watchmen and waiters. The person who has been accused has been bragging all over the place that we can go wherever we want to go; he will still retain his gun despite the fact that this is not the first time he has threatened somebody. You cannot expect an hon. Member of Parliament to go to a police station to record a statement if he or she does not know what he or she is saying. What action will the Assistant Minister, who is really my friend, take to ensure that this case is taken to court so that it can determine whether there is a case or no case against this individual?

Mr. Samoei: Mr. Deputy Speaker, Sir, I am, indeed, very surprised that Mr. Ndwiga can doubt that I can do something about this case.

(Laughter)

This is because if he doubted, in the first place, my ability to do anything about this case, he should not have brought it here.

However, having said that, which, indeed, is a surprise to me, I would like to inform Mr. Ndwiga that the OCPD, Embu, is under my direction and I have the full authority to take action against him, if that action is in the interest of justice. I have promised this House that I will do exactly that.

Question No.357

GOVERNMENT POSITION ON INTERNATIONAL PROTOCOL

Mr. Deputy Speaker: The Minister has informed me that he is not ready to answer this Question because there is some information he is waiting for from the Organisation of African Unity (OAU)! So, I will defer this Question to Wednesday next week.

(Question deferred)

Question No.231

OPERATION OF BUSES WITHOUT EMERGENCY DOORS

Mr. Mwalulu, on behalf of **Mr. Mwakiringo,** asked the Minister for Transport and Communications:-

- (a) whether he is aware that long distance passenger buses like Coast Bus, Busscar, Busclass, Akamba, Interstate 2000, etc, have no emergency exit doors;
- (B) what action he is taking to ensure that the said buses have emergency exit doors; and,
- (c) why these buses were allowed on the road without the said doors.

The Minister for Transport and Communications (Mr. Mudavadi): Mr. Deputy Speaker, Sir, I would like to seek the indulgence of the House so that I can respond to this Question on Tuesday, next week. This is because I was also seeking further information, and my colleague who had been responding to it earlier on was away. So, I have taken over this Question and I would like to respond to it on Tuesday, next week.

Mr. Ndicho: On a point of order, Mr. Deputy Speaker, Sir. You will remember we had this Question last week. The issue which was raised is that even if this Question was deferred to this week, these buses continue to operate on the Kenyan roads without emergency doors. What will the Minister do to address that issue as we wait until Tuesday, next week?

Mr. Deputy Speaker: Mr. Ndicho, you are asking a question and not raising a point of order!

Let us move on to the next Question!

(Question deferred)

Question No.306

LAND RECLAMATION IN MARAGWA

Mr. P.K. Mwangi asked the Minister for Rural Development when the Ministry will start reclamation of lands within Makuyu Division and Maragwa Ridge Location of Maragwa Division areas which are dry but productive.

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

The two divisions will benefit from an IFAD-funded project called "The Central Kenya ASAL Programme" which is to commence during this year, 2002, and will be co-ordinated by the Ministry of Finance and Planning through the Department of Rural Planning.

The project will comprise of the following components:-

- (i) farm management;
- (ii) environmental aspect;
- (iii) micro-irrigation development; and,
- (iv) agricultural group development focus.

The above notwithstanding, some short-term interventions have been carried out in the two Divisions of Makuyu and Maragwa as follows:-

During the 1999/2000 Financial Year, through the SIDA-funded project entitled "The National Soil and Water Conservation Programme", the following activities were undertaken.

- (i) Soil conservation whereby four catchment areas in the two divisions were conserved.
- (ii) Irrigation reconnaissance survey work for Punda Millia Irrigation Project was done.

During the last financial year, 2001/2002, the following activities were carried out in Mbugua and Thangira Sub-locations of Maragwa and Makuyu:-

- (i) soil and water conservation and management;
- (ii) agroforestry and fruit processing;
- (iii) water management, both roof and on-farm water run-off harvesting; and,
- (iv) individual farm planning and documentation.

Mr. P.K. Mwangi: Mr. Deputy Speaker, Sir, I would like to thank the Minister for the answer he has given. But it has taken this Government a very long time to reclaim land within Makuyu and Maragwa Divisions, which are semi-arid areas. Could the Minister tell us the amount of money which is required for this to be done?

Dr. Godana: Mr. Deputy Speaker, Sir, as I said earlier on, these are the programmes. If he wants the amount of money required, I will get the figures later on and bring them to the House or give them to him. This is because I do not have the actual figures here.

Question No.331

LACK OF CREDIT FACILITIES FOR
SUGAR COMPANIES

Mr. Deputy Speaker: Is Mr. Ochilo-Ayacko not here? He is not here! We will come back to that Question.

Question No.336

TERMINAL BENEFITS FOR FORMER
COTTON BOARD EMPLOYEES

Mr. Otita asked the Minister for Agriculture:-

(a) whether he could explain why the following employees who were retrenched in 1994 by the Cotton Board of Kenya, have not been paid their terminal benefits to date: Mr. Joseph Mbaka, P/B 664; Joseph Odipo, P/B 821; Risper Awiti, P/B 707; Baraka Hamisi, P/B 209; Christopher Litimusi; Geoffrey Otieno, P/B 180; Elizabeth Sote; Catherine Kibuchi, P/B 748; Edward J. Omil, P/B 494; Samson O. Liech, P/B 58; Gladys A. Atieno, P/B 215; Raphael M. Agango, P/B 211 and Patrick Githinji; and,

(b) when these people will be paid their benefits.

The Minister for Agriculture (Dr. Godana): Mr. Deputy Speaker, Sir, I would like to request for more time to bring an answer to this Question to the House. We have found it difficult to get information from the relevant offices. As per yesterday, the Cotton Board of Kenya was unable to furnish us with documentary evidence for payment of nine out of the 13 employees. They are yet to furnish us with the evidence regarding the remaining four employees. The explanation which is being given is that receivers, some years back, moved into those offices and ransacked the documents and they are, therefore, finding it difficult to reconstruct information which will enable me answer this Question.

So, I would like to request the House to give me more time, and I promise to come back to the House in two weeks time.

Mr. Otita: Mr. Deputy Speaker, Sir, while we can agree to give him more time, he should consider the fact that these people were retrenched in 1994, which is almost six years---

Mr. Deputy Speaker: Mr. Otita, do you want to proceed with your Question further, or do you want me to give the Minister time to bring you an accurate answer?

Mr. Otita: Mr. Deputy Speaker, Sir, we will give him more time to come up with a concrete and understandable answer for this Question.

Mr. Deputy Speaker: Mr. Minister, we have given you two weeks to bring an answer to this House!

(Question deferred)

Let us move on to Mr. Ochilo-Ayacko's Question for the second time!

Question No.331

LACK OF CREDIT FACILITIES FOR
SUGAR COMPANIES

Mr. Kombo, on behalf of **Mr. Ochilo-Ayacko**, asked the Minister for Agriculture:-

(a) whether he is aware that because of the poor balance sheet position of Sony, Nzoia, Muhoroni and Miwani sugar companies, no lending institution is willing to give them credit;

(b) whether he is further aware that lack of credit hampers their operations; and,

(c) what the Government is doing to restructure the balance sheet of these sugar companies.

The Minister for Agriculture (Dr. Godana): On a point of order, Mr. Temporary Deputy Speaker, Sir. I believe this is an abuse of process. If Mr. Ochilo-Ayacko had mandated the hon. Member to ask the Question on his behalf, then he would have asked it the first time it was called. This is an after thought. I do not think we should use the Floor of the House for the sake of it.

Mr. Deputy Speaker: Order! I do not believe hon. Kombo was in the House when I called the Question for the first time. In any event, Mr. Kombo has come to inform me that Mr. Ochilo-Ayacko requested him to ask this Question on his behalf. I have given the hon. Member permission to do so.

Mr. Minister, answer the Question!

The Minister for Agriculture (Dr. Godana): Mr. Deputy Speaker, Sir, I beg the indulgence of the House to allow me to bring the answer to this Question preferably early next week.

Mr. Manyara: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Minister to impute improper motives on the part of Mr. Kombo who stood, spoke to you and asked the Question on behalf of Mr. Achilo-Ayacko? Is the Minister in order to hide his inability to answer the Question by challenging an hon. Member who has authority to ask a Question on behalf of another hon. Member?

Mr. Deputy Speaker: Order! That matter was disposed of. So, this Question is deferred to Tuesday, next week.

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

ELEPHANT MENACE IN KIENI EAST

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

(a) Is the Minister aware that elephants have remained a menace to residents of Kieni East and their property, during the last two months?

(b) What urgent measures is he taking to ensure that these residents are protected from the marauding jumbos?

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

(a) I am not aware that elephants have remained a menace to residents of Kieni East in the last two months.

(b) Currently, there are no problems, as far as I know, caused by elephants in the area. However, should the problem arise, rangers from Mt. Kenya and Aberdares Operational Base will be mobilized to deal with those cases.

Dr. Murungaru: Mr. Deputy Speaker, Sir, it is strange that the Assistant Minister can stand here and say that he is not aware there is a problem. Yesterday, it was reported in the Press that elephants had actually killed a farmer in the neighbouring constituency, Laikipia West. The elephants which go to Laikipia West come from Mt. Kenya Forest. They do not fly over Kieni Constituency to Laikipia West Constituency. Really, we cannot say there is no problem. There is a problem. I would like the Assistant Minister to seriously address the Question and tell us what permanent plans the Ministry has to contain elephants in Mt. Kenya Forest or in other designated national parks and leave peasant farmers to enjoy the fruits of their labour.

Mr. Samoei: Mr. Deputy Speaker, Sir, the case the hon. Member is referring to is the one that was reported in the Press yesterday. I am yet to verify the authenticity of that report. However, we have permanent rangers with proper communication equipment at Sambana. I would advise the hon. Member to report cases of elephants who stray into people's farms as soon as possible, so that we can effectively deal with this menace.

Mr. Temporary Deputy Speaker, Sir, around Mt. Kenya and Aberdares region, we have enough personnel to deal with these issues. As and when these incidents are reported, we deploy personnel to make sure that wildlife does not become a problem to farmers. We shall continue to co-operate with the residents of these areas to make sure that this menace is behind us.

Mr. Kiunjuri: On a point of order, Mr. Temporary Deputy Speaker, Sir. We cannot tolerate this because Laikipia East borders Kieni Constituency.

Mr. Deputy Speaker: Order! I am not interested in a lecture! What is your point of order?

Mr. Kiunjuri: Mr. Deputy Speaker, Sir, is the Assistant Minister in order to mislead the House that the Ministry has put in place measures within those areas to contain the elephant menace, while there is no single fence? Yesterday, a person was killed by a marauding elephant in the same area. On 10th, June 2002, there was a demonstration in that area. We cannot allow this to happen because our people are being killed daily by these marauding elephants.

Mr. Deputy Speaker: Order!

Mr. Kiunjuri: Mr. Deputy Speaker, Sir, whether you like it or not, there is a problem in this area. It is a problem that has been there for the last ten or 15 years. We cannot keep quiet when our people are being killed by these marauding animals.

Mr. Deputy Speaker: Order! Order! Mr. Kiunjuri, I now order you to leave the Chamber for the rest of this afternoon sitting.

(Mr. Kiunjuri withdrew from the Chamber)

Mr. O.K. Mwangi: Mr. Deputy Speaker, Sir, the problem of elephants coming out of forests to harass, kill people and destroy property is not only common in Kieni East, but around Mt. Kenya and Aberdares. The Assistant Minister says there are enough rangers. Is he telling this House that rangers are there to herd the elephants? What permanent measures has the Ministry put in place to prevent the elephants coming from the forest? We all know that the rangers will come to drive back those elephants to the forest or kill the elephant that managed to stray from the forest.

Mr. Samoei: Mr. Deputy Speaker, Sir, in the past, in some cases, rogue elephants that have engaged in destruction of property have been killed. We have endeavoured to fence, but this House agrees with me, that we do not have enough money to do all this fencing. It is an enormous expenditure. But we have fenced whichever portions

of that area that we could. Efforts to fence off Mt. Kenya are still on. We are making every effort, we have asked the international community and other well-wishers to chip in. This is an exercise which is going on very well.

Mr. Deputy Speaker, Sir, unfortunately, we still have cases of elephants straying. This is not something that we would want to see, but as I have stated here, we have personnel with proper communication equipment. In other words, we have what it takes to make sure these rogue elephants are put under control. I did not say we have fenced off every part of Mt. Kenya.

Mr. Mbela: Mr. Deputy Speaker, Sir, elephants are a general nuisance and a great danger to farmers all over Kenya. Does the Assistant Minister agree it is about time we invoked the provisions of Sections 30 and 31 of the Wildlife Management Act?

Mr. Wamae: Mr. Deputy Speaker, Sir, my farm is next to Mt. Kenya Forest and Sung'are Ranch, and these *jumbos* have been crossing from Mt. Kenya to Sung'are Ranch almost on a daily basis. They have destroyed fences, dams and trees. Is the Assistant Minister in order to say that he is not aware when this matter has been reported to the warden in charge of Mt. Kenya, National Park several times, and he is aware.

Since the wardens are not able to control these *jumbos*, what further action is he going to take or would he like me to invite him to visit the area so that he can see what damage those animals have caused in our farms?

Mr. Samoei: Mr. Deputy Speaker, Sir, I will not refuse any invitation by Mr. Wamae, because I hope that will give me a chance to have some roast meat. However, I have taken the sentiments of this House in as far as this issue is concerned. I said that I was not aware in as far as Kieni is concerned. I did not say that I was not aware of the menace that elephants cause across the country. Once more, I have taken the sentiments of this House and I will do something about it.

Mr. Ndwiga: Mr. Deputy Speaker, Sir, the truth of the matter is that elephants are over-populated in Mt. Kenya. Right now, there is in excess of 8,000 elephants which are roaming around that mountain and causing great havoc. I would like to provoke the imagination of the Assistant Minister: Can he imagine 500 elephants walking into his *shamba* and surrounding his house one evening?

Mr. Deputy Speaker: Ask your question!

Mr. Ndwiga: Mr. Deputy Speaker, Sir, since there is no other way of containing these elephants, could the Assistant Minister give this House a programme on how he intends to put an electric fence around Mt. Kenya National Park?

Mr. Samoei: Mr. Deputy Speaker, Sir, efforts to fence off Mt. Kenya are underway. We are making progress, although it is slow. I would like to invite the hon. Member to chip in, in those efforts. As a Government, we will continue to make those efforts. I cannot promise when we will eventually be able to fence off that part of the world. We will try some translocation exercise for these elephants and see how far it goes in reducing the menace.

Mr. Kajwang: Mr. Deputy Speaker, Sir, since the elephants seem to be multiplying rapidly, and the numbers are becoming uncontrollable, what programme does the Assistant Minister have to control or cull as many elephants as possible, so that we remain with a manageable number?

Mr. Deputy Speaker, Sir, I do not see why animals like elephants are being treated like sacred animals in this country. They have no economic value whatsoever.

Mr. Samoei: Mr. Deputy Speaker, Sir, I am sure the hon. Member is under-estimating the value of the wildlife we have in this country. I have said that the Kenya Wildlife Service will translocate some of the elephants if we consider that they have outgrown the population in a certain area. That exercise of translocation has been done before and we will do it again.

As I said, a lasting solution, in terms of erecting a fence around Mt. Kenya is well underway.

Mr. Mwalulu: Mr. Deputy Speaker, Sir, the elephant menace should be declared a national disaster. For example, elephants from the Tsavo National Park cannot allow us to harvest a single crop. Could the Assistant Minister officially declare that his Ministry and KWS cannot control the elephants so that we can deal with them?

Mr. Samoei: Mr. Deputy Speaker, Sir, we have a very good programme, especially in the Tsavo National Park with the local people. We are well ahead in controlling the menace that is caused by wildlife.

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

Mr. Deputy Speaker: Order! Could you let him finish answering your Question?

Mr. Mwalulu: Mr. Deputy Speaker, Sir, his first statement is wrong because elephants are still killing our people.

Dr. Murungaru: Mr. Deputy Speaker, Sir, assessing the interest this Question has generated, it is obvious that elephants are a menace to the residents of this country, and particularly small-scale farmers. The understanding of ordinary peasant farmers in Tsavo, Kieni and Laikipia, is that there is no difference between the menace caused by elephants and that one caused by rats. Would I be in order to say that wananchi should be left free to exterminate elephants that invade their farms, because the economic effect caused to the people is the same as that caused by rats?

Mr. Samoei: Mr. Deputy Speaker, Sir, the Kenya Wildlife Act prohibits members of the public to kill wildlife except when wildlife threatens the physical lives of people. As a Government we have the machinery, and it is

fully in gear, to make sure that elephants do not go beyond where they should as wildlife. I promise that we shall improve the efforts to control the elephants. I have taken the sentiments of this House into account, and we will step up those efforts.

Mr. Deputy Speaker: Next Question!

REHABILITATION OF DYKES IN NZOIA

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

(a) Is the Minister aware that Nzoia dykes have broken, causing flooding in Budalangi Constituency thereby destroying homes, farms and crops and displacing more than 5,000 families?

(b) Could he consider sending the Army personnel with technical know-how to rehabilitate the weaker parts of the dykes to avert further disaster?

The Assistant Minister, Office of the President (Mr. Samei): Mr. Deputy Speaker, Sir, I am sorry this Question was supposed to be answered by Mr. Nassir who is not yet on duty. I would like to request that this Question be asked tomorrow, so that I can arrange to answer it.

Mr. Wanjala: Mr. Deputy Speaker, Sir, you are also aware that the Assistant Minister is really being overworked. There are very many Ministers in that Ministry and yet he is the only one who answers Questions. He is also doubling as a power broker in KANU, as the Director of Elections, and is also carrying out many other duties. I also sympathise with him. He could answer the Question tomorrow.

Mr. Deputy Speaker: Question deferred to tomorrow!

(Question deferred)

DOCTORS SHORTAGE IN WESU DISTRICT HOSPITAL

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

(a) Is the Minister aware that Wesu District Hospital has not had a resident doctor for the last nine months?

(b) When will a full complement of three doctors be posted to the hospital?

The Minister for Medical Services (Mr. Mohamed): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that Wesu District Hospital has not had a resident doctor for sometime. A doctor has now been posted to the hospital.

(b) Additional doctors will be posted to the hospital when they become available.

Mr. Mbela: Mr. Deputy Speaker, Sir, I would like to thank the Minister for the action he has taken, to post that one doctor, but at the same time, I would like to say that, he is only a Medical Officer of Health covering three other hospitals and very many health centres. When is the Minister going to post a medical doctor to be able to handle all the clinical work at the district hospital?

Mr. Mohamed: Mr. Deputy Speaker, Sir, it is true that, that officer is being posted there as the Medical Officer of Health, but he will be stationed in that hospital most of the time to do the clinical work. I will post another doctor to the district hospital when we get other doctors. At the moment, we have a shortage of doctors, but we intend to recruit more doctors very soon.

Mr. Sambu: Mr. Deputy Speaker, Sir, what action is the Minister contemplating to take against doctors who refuse to report for duty in hospitals which are in outlying areas like Wesu and other areas which are not in town? Some doctors, when posted to district hospitals which are not in towns, openly refuse to report for duty. The Minister knows the case of Chepteruai Sub-District Hospital in Nandi, which was officially opened by His Excellency the President. The doctor posted there deliberately refused to report for duty in that hospital. What action is the Minister contemplating to take against officers who refuse to report for duty in hospitals that are in the rural areas?

Mr. Mohamed: Mr. Deputy Speaker, Sir, it is true and I know the case the hon. Member is referring to. We have a problem where doctors posted to some rural hospitals refuse to report for duty. What was happening is that in the past, we were not paying the doctors well and when we posted them to hospitals where there are no facilities and where they cannot do some private practice, they resigned. But now, I think the Government has improved the terms and conditions of service for doctors. From now on, any doctor who refuses to report to the station that he is posted to will be sacked!

Mr. Deputy Speaker: That marks the end of Question Time!

(Mr. Anyona stood up in his place)

Mr. Anyona, I am not fore-warned!

Mr. Anyona: Mr. Deputy Speaker, Sir, it is a general issue. This being the Budget season, sometimes we have problems with the Order Paper. We have Questions by Private Notice that we had this morning. Fortunately, this afternoon, we have covered the Order Paper. We also have Ministerial Statements which are normally by nature---

(Loud consultations)

Mr. Deputy Speaker: Order, Mr. M.M. Galgalo! Consult gently!

Mr. Anyona: Mr. Deputy Speaker, Sir, I was saying that, that is a general problem during the Budget season, where Questions by Private Notice and Ministerial Statements tend to suffer. Is there a way in which the Order Paper could be structured, such that there is an opportunity for Ministerial Statements to be made and Questions by Private Notice also settled?

Mr. Deputy Speaker: When we have the Motion on the Committee of Ways and Means, we must start our business by 3.30 p.m. or 9.30 a.m., as the case may be. So, the Order Paper has tended to contain fewer Questions than the 15 that are permissible. However, it is Members themselves who cause this problem because they raise frivolous points of order and ask inordinately long questions. We have indicated before that each Question should take no more than four minutes. So, when a Member stands to ask a Question for the first time and he consumes two of those four minutes, it becomes very difficult to allow supplementary questions. The alternative is that supplementary questions run longer than two minutes. So, I would like to plead with Members that when you are asking a Question, be brief. When you are asking a supplementary question, be even briefer still! If those simple rules are obeyed, we will ensure that all Questions on the Order Paper; that is ordinary Questions and Questions by Private Notice, are all answered.

Thank you. Next Order!

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 13.6.2002)

(Resumption of Debate interrupted on 13.6.2002)

(Third Day of Budget Debate)

Mr. Deputy Speaker: Mr. Sasura was on the Floor! He has got seven minutes to go. But since he is not here, Mr. Ndicho may proceed.

Mr. Ndicho: Mr. Deputy Speaker, Sir, I thank you for giving me this chance to contribute to the Budget Speech. My first statement is that the Budget, as read here last week by the Minister for Finance, was too good a Budget to be believed by Kenyans. As many Members expressed their concern that this Budget is too good to be believed, it is now emerging that truly, the Minister was hiding many things that never emerged on the Floor of the House, when he was presenting the Budget. The first example is the increase on duty on imported wheat. In Thika, we have two factories that make bread. We have Broadways Bakery and Kenblest. Those people have called me to say that, in effect, the price of bread will be raised to Kshs25 because of duty on imported wheat that has been imposed by the Minister. It is the same Government that reduced the weight of bread from 500 grams to 400 grams. Yet, when the weight was reduced, the price of bread was not changed. So, you can imagine that Kenyans can now brace to be paying more for bread, just because this Government is not concerned about its people. What is going to happen in schools? The school fees will be increased because the cost of food will go up. I am told that the Minister is complaining that some of those things were sneaked in his Budget without his knowledge. But we refuse to buy that argument.

Last month, Castle Brewery closed down in Thika, making 500 people lose their jobs. The reason was that the Government imposed 30 per cent duty on imported barley. Kenya Breweries insisted that all the barley seed in this country belongs to it. I remember we asked a Question in this House about barley that was imported by Castle Brewery. I was complaining that if the Government continued to show a blind eye on that menace, that factory was going to close down. It has now closed down and that is not an indication of the growth of the economy of this country. We raised the issue that Tanzania is charging 7 per cent for the importation of barley from outside, while the

next neighbour, Kenya, charged 30 per cent import duty. Is the Government really serious about resuscitating the country's economy, if it can allow such factories to close down? Those are the factories that were providing employment to our people. Many factories are closing down in Thika. Virtually all factories have closed down in Ruiru and the Industrial Area in Nairobi. They are all re-locating to Uganda and Tanzania. While the economies of Uganda and Tanzania are growing because of the governments there providing a conducive environment for trading, it is the opposite in this country. We really do not understand what this Government is doing. We do not understand what is going on. As those factories close down, there is no political goodwill from the Government to help them to continue.

Mr. Deputy Speaker, Sir, the Minister also talked about scrapping the Export Promotion Programme. The Chief Executive Officer of Grio Del Monte was here yesterday. In effect, his company is going to pay Kshs320 million because the refund of Value Added Tax (VAT) that they were getting when they import raw materials from outside this country for processing of pineapples has not been scrapped. The threat is that Philippines, India and Hawaii are all calling Grio Del Monte to re-locate and take their factory there, because those governments are willing to provide conducive environment for that trade.

Mr. Deputy Speaker, Sir, yesterday, when the President was concluding the KANU business, he talked of going to Italy in October to call upon the Italians to come and invest in Kenya. Now, as I was watching television last night, I was wondering what the President would be telling the Italians in Italy when he goes there. That is because one of the Italian factories which is Grio Del Monte, is going to close down. So, there are many things that must be revised by the Minister for Finance. First and foremost, he must revise the duty on imported wheat. If that is not going to happen, the price of bread and other wheat products will shoot up. The Government must also consider reinstating the Export Promotion Programme. If it is going to scrap it, then we are going to see many factories closing down.

Mr. Deputy Speaker, Sir, I am told that there are a few individuals who mess about with the Export Promotion Programme. The people in that industry know that there are about ten people who are now making more than 100 others to suffer. So, the Government should zero in on those people who are destroying that programme, rather than punishing the entire industry. We would not like to see Cirio Del Monte closing down because it has employed over 6,000 people from all parts of this country. Over 15,000 people depend on these employees. If it is not going to happen, we are going to see Cirio Del Monte being closed down. So, there must be somebody who is working against the will of the people of this country by closing down industries and chasing away investors. Recently the Castle Brewing Company was closed down. Who is going to convince people from outside this country to come and invest here? If the Government could not protect such an industry, who is going to agree to come and invest his millions of shillings in a country where the Government is not willing to protect foreign investors and the local investors? That is why they invest their money outside this country because if they invest their money here and they happen not to be politically-correct, whatever they have invested in will be affected by politics. When shall we divorce politics from business practices so that industrialists and businessmen can be left alone to carry out their own businesses?

Mr. M.M. Galgalo: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member for Juja in order to mislead this House and yet he was urging the people of Thika to take over Cirio Del Monte farms at the time when Zimbabweans were chasing whites away from their farms?

Mr. Deputy Speaker: I do not understand your point of order!

Mr. Ndicho: Mr. Deputy Speaker, Sir, just ignore him. He is somebody who has just woken up. He is trying to make the Press and his people know that he is still around. So, let us forgive him. The Bible says: "Forgive them for they do not know what they are doing". I, therefore, beg to forgive him.

(Laughter)

Mr. Deputy Speaker, Sir, my last point is on what the Minister said; that he was going to ban the importation of vehicles which are over ten years old because they pollute the environment *et cetera*. This is hypocrisy. What is he going to do with vehicles that are 20 to 30 years old in this country which pollute the environment more than the vehicles from Europe or Japan which have been either reconditioned or well maintained? When we will be voting and enacting this into law, we will refuse to pass some of these proposals because they are unattainable. Kenyans are poor. General Motors announced the other day that they have reduced the prices of new vehicles by Kshs26,000 and Kshs100,000. This is not the kind of thing we are talking about. We are talking of a Kenyan who can raise Kshs200,000 from his *jua kali* or *mitumba* businesses, coffee and milk sales and wants to buy a car from Dubai and enjoy himself like any other person. So, three-quarters of the proposals which the Minister brought to this House are going to make Kenyans more poorer and devastated especially as far as the increase in kerosene prices are concerned. The poor person in this country has really nobody to assist him except a few of us.

Mr. Deputy Speaker, Sir, kerosene is a product that is mostly used in the rural areas by the people who harvest coffee, tea and other crops and yet the Minister has increased its price. This shows lack of concern for Kenyans

and the Minister should be rest assured that we are not going to pass most of these proposals.

With these few remarks, I beg to oppose.

The Assistant Minister, Office of the President (Mr. Haji): Thank you very much, Mr. Deputy Speaker, Sir. I beg to support. I think this year's Budget Speech was one of the best as far as I am concerned. This is because in the first place we have demonstrated, as a country, that we are able to stand on our feet even if donor countries are not prepared to assist us. We have proved this because for the last ten years we have been preparing budgets with the hope of getting donor assistance. This year the Minister read a Budget Speech which will not hit hard the common man and is also very reasonable.

Mr. Temporary Deputy Speaker, Sir, on the Constitution, it is saddening to note that our friends in the Opposition will say one thing when they are in a building, but when they come out, they issue alarming statements to frighten Kenyans as if they do not have minds to think for themselves on what is good for this country. The statement that was issued by KANU Parliamentary Group the other day is not new at all because the same people who are now castigating KANU for issuing that statement have participated in the Parliamentary Select Committee meetings on the Constitution. What was agreed on during those meetings was put in black and white. I would like to appeal to Kenyans to ignore the threat issued by these people. In any way, there is nobody in this House, or outside this House, who is scared by their threat. We are all men like those who are threatening and we are going to withstand their threat by all means. It is also degrading for the hon. Members in the Opposition to leave their leaders to issue statements without consulting them even on the way forward on issues like the Constitution. They should borrow a leaf from KANU which met and decided on the way forward.

Mr. Deputy Speaker, Sir, coming to the livestock sector, which is as important as the agricultural sector, it appears that most of the previous Budgets emphasised on development of crops rather than livestock whereas we know that in the northern part of this country there are thousands of nomads whose livelihood depends on livestock. As I stand here, there is insufficient extension staff to treat animal diseases in North Eastern Province. As I stand here today, we know that the bulk of livestock comes from North Eastern Province and yet there is not a single testing laboratory in that part of this country. Most of the blood tests have to be carried out in Nairobi. That exercise takes a long time. Diseases do not wait for one's animals to be examined. The exercise takes one month and, in the process, diseases wipe out our animals. I would like to appeal to the Minister for Agriculture, who also comes from this marginal area, to consider putting up a disease testing laboratory in Ijara District which is almost at the centre of livestock activity in that area.

Mr. Deputy Speaker, Sir, it is also gratifying to note in the Budget that emphasis is being laid on construction of dams. We know that in North Eastern Province we have only one permanent river called Tana River which is exclusively for the Coast Province. This is a very unlucky situation. When drought bites, people have to drive their livestock all the way to Tana River and in the process, a lot of misunderstandings take place. It is time the Government changed its planning strategy and constructed dams. We are losing a lot of rain water to the Indian Ocean, which can be utilised to make areas where water flows towards the river particularly where I come from, productive. Unfortunately, there is no single borehole because the water there is not suitable for human consumption and, therefore, we depend on dams. So, I would like to appeal to the Ministry of Environment and Natural Resources, and the Ministry of Agriculture and Rural Development, to ensure that, in their planning, the construction of dams is given priority over any other thing in that area.

Mr. Deputy Speaker, Sir, on education, we know that North Eastern Province was left behind since the colonial times and the situation has not improved up to this day simply because of the way of life which the people in that area lead. They lead nomadic life and move from one place to another. Unless there are sufficient boarding schools, there is no way they can take their children to school. We note in the Budget that the Government has set aside money for bursaries as well as textbooks. I would like to appeal to the Minister for Education to make sure that when this money is being disbursed to various areas of this country, it should not be based on population or the number of children in the schools, but it should be based on the level of poverty in this country. We cannot say that we are aiming to alleviate poverty and yet, we do not consider the poverty level of certain areas when distributing resources in this country.

Mr. Deputy Speaker, Sir, on the question of roads, we know that North Eastern Province is a vast area and my colleague who is sitting opposite me, the other day when he was talking about the number of parliamentary constituencies did emphasize the need to consider North Eastern Province because of its vastness. Because it is vast and remote, the roads are impassable. As I said the other day, for the last three months, a division called Hulugho, bordering Somalia, has not been accessible neither has it been accessible through four-wheel drive vehicles. No Kenyan six-wing aeroplane can land there because even the airstrip is flooded. When they are now undertaking the campaign for measles, I was amazed to hear over the radio the DC announce that these vaccines were being ferried by donkeys. I am wondering whether there are refrigerators on donkeys because without refrigeration, there can be no proper vaccination of children in that area. So, I would like to appeal to the Minister for Public Health to repeat the inoculation of children in that area as soon as the roads are passable.

Mr. Deputy Speaker, Sir, similarly, people are now inspecting the registration of voters rolls to find out whether their names appear in those rolls. I would like to state here that, in Hulugho, the Electoral Commission of Kenya has not been able to reach that area and the people will not be able to inspect those registers. I would like also to appeal to them to consider extending that exercise up to the time that the roads become passable.

With those few remarks, I beg to support.

Mr. Musila: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity. I stand here to support the Motion. I know that the Minister must have gone through difficult times trying to make the Budget especially knowing that the resources which are included in that Budget are entirely our own. I think this a positive thing that should be encouraged in future.

Mr. Deputy Speaker, Sir, I want to touch on a few things. It is now four and half years since we came to the Eighth Parliament. We have been telling the Government that we need water, particularly in the dry and arid areas. I am disappointed that so far in Mwingi District, where I come from, we have only been able to dig two boreholes and one dam in four and half years. If we go at this rate, I do not think that we will make any headway to alleviate poverty by supplying people with water. There was in the Minister's Budget Speech mention of Kshs1 increase of the price of kerosene in order to take care of water, floods and so on. I would like the Minister to ensure that when this money is collected, it is targeted specifically to these areas. In this connection, it would be of interest to all of us to know how much money will be going to which district when these revenues are achieved.

Mr. Deputy Speaker, Sir, I would also like to talk about food. The Minister talked about food security and it is very important if this nation is to move ahead. But the Government has been spending a lot of money on famine relief, particularly for the dry areas. For the first time in many years, some parts of Ukambani have a lot of food. But there is a big threat because the people are losing their harvest through weevils. There is a very unique type of weevil which is resistant to all the known chemicals. I think this is the time the Government should step in to assist the people to ensure that they get rid of this weevil because all the chemicals available in the market, particularly Super Actellic, which I hear is the best, is unable to kill these weevils. Instead of the Government waiting for the weevils to finish this food and then come in to assist the people with famine relief, I think this is the right time for the Government to step in and ensure and they assist these farmers in storing their food.

On education, Mr. Deputy Speaker, Sir, we continue to have many dropouts in secondary schools because school fees has gone beyond the reach of many parents. We are informed that in Mwingi District, last year alone, over 200 secondary school students dropped out of school for lack of fees. I am asking that the Ministry increase bursaries so that no child will be sent out of school because he has no fees. Talking about education, I want to bring the attention of this House to a very serious matter that Members of my Committee on Defence and Foreign Affairs found on our recent visit to Moscow. We just arrived yesterday, and I feel that I must immediately bring to the attention of this House the Committee's concern of the security of our students in Russia. I am also very concerned about the security of the general population of Kenyans in Russia, including diplomats.

During the last two years, there have been very many cases of racially motivated attacks on foreigners and the situation has continued to worsen so much that during the last one year alone, 26 Kenyans have been attacked on the streets of Moscow, including four of our diplomats. These attacks are going on every day, Kenyans are being hurt in the streets of Moscow by a gang called "Skin-head" and other members of extremist groups. As a consequence of these attacks our students and diplomats literally live under siege. Our diplomats do not come out of their houses and the students are not allowed to come out of their campuses because of fear of attack by these gangs. Some people have been killed, but luckily we have not lost any Kenyan. We were informed that a lot of African students have been killed by these people. Of even more concern was our discovery that these attacks appear to have the support of the authorities. I say this because we were told of cases where students are attacked and when they report the incidents to the police, they just laugh at them. Even our diplomats have been attacked and they have been able to identify their assailants, but the authorities do not take any action.

Even of more concern is to discover that, that kind of discrimination enjoys the support of some section of Members of Parliament in Russia, the Duma. My colleagues and I managed to visit the Parliament in Moscow and while we were there, a very prominent Member of the said Duma, who is also the leader of a party, Mr. Dunotsky uttered the following words which were reported in the *Moscow Times* the following day, on 14th June: "If you Asians and Africans were dying of hunger, Russia would take you. But we have the right to ask you to behave properly. You have seen how people live in a civilised country. Now go home, build more schools and hospitals and have one or two children, but no more." Is that the kind of civilised country we are talking about with people who can utter that kind of words in Parliament? Of course, Members of my Committee raised these issues with the people we were able to see. For example, we met the Chairman of the Committee on Defence and we raised this issue with him. We also raised the issue with the Chairman of the Committee on International Affairs, particularly on our concern for the security of students in Russia. Although we were promised that that legislation may come soon to stop these attacks, we were reliably informed that this legislation is not likely to find its way to Parliament because of the opposition that it faces.

Mr. Deputy Speaker, Sir, this is a very serious matter. The Kenya Government must take action concerning

these racial attacks directed against our students abroad. They must ensure that our students are not attacked and that they are free to move as they wish in the streets of Moscow. At the moment, they are not able to do so. We even visited Lumumba University where we met the chancellor of the university. He told us very clearly that he can only guarantee security of these students within the campus where he has employed a lot of policemen to follow these students. But he gave no guarantee of providing security outside the campus. I am urging the Ministry of Foreign Affairs and International Co-operation here to take this matter very seriously. They should even ensure that they ask the Russian Government to compensate those students who have been beaten. I have here a list of 22 students who have been attacked on the streets of Moscow including four diplomats and their children and yet we seem to be doing nothing about this issue. I think that Kenya could even lead the African group in censuring the Russian Government in the OAU or even the United Nations. Unless this is done, students will continue being killed in the streets of Moscow while we are doing nothing. I know this is a very serious matter, but I wonder why the Ministry of Foreign Affairs and International Co-operation has never bothered to bring these matters to the attention of Kenyans.

Mr. Deputy Speaker: Mr. Nyang'wara!

Mr. Nyang'wara: Thank you, Mr. Deputy Speaker, Sir--

Mr. P.K. Mwangi: On a point of order, Mr. Deputy Speaker, Sir. Two people have been selected from one side of the House. What about the other side?

Mr. Deputy Speaker: Order! You cannot control what my eyes see.
Proceed!

Mr. Nyang'wara: Thank you, Mr. Deputy Speaker, Sir, for giving me this chance to contribute to the Budget Speech. First, let me take this opportunity to congratulate my neighbour and fellow Member of Parliament, Mr. Obure, for at least trying to prepare this year's Budget minus donor support. In accounting terms, he never balanced the Budget, but we can say that he at least tried. The Minister started by saying that he will try to ensure that there will be efficient revenue collection in this country. As far as I know, it is very difficult to control the collection of revenue. If it could have been controlled, this country would have raised over Kshs400 billion in revenue collection, but half of the revenue that is collected in this country normally goes to pockets of individuals while some avoid paying taxes. As far as I know the Minister is not powerful enough to control these few people so that they can pay tax as required.

[Mr. Deputy Speaker left the Chair]

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

At the same time the problem faced by most Ministers for Finance relates to expenditure. In his Budget, the Minister said he will try to deal with the most urgent payments first and that he will try to avoid wasteful expenditure. The Minister never told the House, and the nation at large, how he will control wasteful expenditure.

As far as I know, there is no way he can control it because most of this wasteful expenditure is incurred by the politically-correct people and there is no way a single Minister for Finance can burn his fingers by trying to control such expenditures. This can be proved through the way he has increased this year's expenditure by Kshs7 billion which means that in one way or another he is being cautious so that if he does not make such wasteful expenditures he might be shown the door. I would like to request him to be courageous enough. Let him do away with this wasteful expenditure as he promised so that this country can enjoy the fruits of its Independence.

Mr. Temporary Deputy Speaker, Sir, the Minister for Finance levied several taxes on the common mwananchi. Personally, I would say that this was a Budget for the rich and not the poor. We know that the common man in our constituencies normally uses kerosene. Even 95 per cent of the Minister's constituents use kerosene. It is surprising for the Minister of Finance, who is almost about to go and ask for votes, to raise the price of kerosene upwards by Kshs1 and yet it is normally used by the majority of his voters. This should not have happened because majority of Kenyans are poor and we should not burden them by adding tax on products like kerosene.

Secondly, most Kenyans can afford to buy *mitumba* more than ready made clothes. Kenyans are poor and it is very difficult to understand how a Minister for Finance, who knows that most of his constituents can only afford to purchase second-hand clothes, can raise taxes on *mitumba*. Even most of us cannot afford these clothes from the textile industry. We normally buy these cheap clothes so that, at least, we can keep on going. So, to increase duty from Kshs15 per kilogramme to Kshs25 per kilogramme on *mitumba* which is being imported from abroad is very expensive to the common mwananchi. Because we do not know where these people will go and get money from, I may request the Minister for Finance to reconsider this idea of imposing a higher tax on *mitumba* clothes so that the common man and woman can, at least, dress himself or herself well. The purpose is to dress and not where and how you buy expensive and "industrial" clothes. A cloth is a cloth. I hope the Minister will consider that issue, taking into consideration that there is no money in the area that he comes from and people are poor. These *mitumba* clothes are the only ones that they can afford to buy. On the issue of education, I thought the Minister could have given more

details when he talked about bursaries to secondary schools. Bursaries should be issued at the constituency level so that we know, at least, what amount of money each constituency gets because some constituencies would not even see a single cent. So, we should be told exactly how much money is given per constituency so that it will be easier for us, hon. Members, to follow and know whether that money has reached that place or not.

Regarding health, in as much as we would want people to be treated free of charge either on HIV/AIDS or other diseases, we had expected the Minister to allocate that amount of money, that he had suggested for the HIV/AIDS treatment, to the orphans of those persons who have died from HIV/AIDS, instead of giving it to a certain department. This is because most of the families left behind by those who die from HIV/AIDS are never assisted by the Government. So, it could have been easier for every constituency, at least, to identify the needy cases so that the Kshs300 million is distributed equally. As per that distribution, it will be easier to reach those needy cases.

The Minister for Finance also went to an extent of imposing tax on second-hand vehicles. The Minister is my neighbour, and even he himself bought a second-hand vehicle. So, I wonder, if we, hon. Members, can go to an extent of - including Ministers - looking for the loan from Parliament so that we can buy *mitumba* vehicles--- I managed to go round some of these shops, to see whether we are able to buy some of these vehicles, and I can assure you that their prices are so high that even an hon. Member cannot afford a vehicle that comes direct from the industry. So, I will request the Minister for Finance to reconsider the position of banning the second-hand vehicles of ten years and above. Most of us have those vehicles which are above ten years, and they are in good order. So, if the Minister is serious enough; if he is caring to---

With those few remarks, I beg to support.

Mr. P.K. Mwangi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute to this very important Motion. Some of the proposals read out by the Minister for Finance on the Budget Day were quite good and addressed some of the issues which affect the economy of this country. But my fear is that some of the proposals which were given will be very difficult to be implemented by the current Government due to lack of political goodwill. It was just a political campaign; gimmick; that, the Government will implement some of those things during this final year, when we are faced with the next General Elections.

But the Minister failed to address some of the issues which are affecting Kenyans' daily life, one of them being the way this Government is preparing to get employment for the youth of this country. There is no way this country can survive when we cannot create employment. Due to lack of employment in this country, the country has been faced with insecurity.

The issue of security was not addressed very properly because there are so many things which are affecting security of this country. One of them being that, if we cannot give proper incentives to our law enforcers, it will be very difficult to maintain security in this country. We would like to see a situation where the working conditions of our police officers are improved so that they can be able to work in a conducive environment. We want to see them having proper habitation and given better remuneration. But it is impossible to expect them to offer security to this country when their working conditions are poor. It is high time this Government took the work of police officers as a noble job so that they may be able to give security.

There is another dangerous problem in this country which was never addressed. This is the problem of street families. It is high time the Government addressed the problem of street families. Everywhere you go in the streets of Nairobi, you will meet these families. They are people of Kenya. They need to be catered for through the budgetary allocation. A place where they can be transferred to should be thought of, so that they are able to live a better life. These things can only be addressed by the Government and through budgetary allocation. That is one of the areas where those technocrats who were preparing this Budget forgot. In future, this is a time-bomb. It is the high time the Government started addressing the issue of street families.

There is another time-bomb. But I would like to congratulate the Minister for having allocated Kshs600 million for purchase of textbooks for primary schools and Kshs500 million for the bursaries. It was a good gesture from the Government, but it took a very long time. Since when did DFID give their money and textbooks through that project? It came a time when DFID had threatened to pull out of the project. That is when the Government started giving out just a little Kshs600,000. Our primary schools need a lot of money, if we are to get quality education for all, and not only for the rich. The Government should allocate enough money so that all primary schools and pupils in Kenya can enjoy the fruits of Independence. Since the Government stopped employing teachers, our primary schools have been experiencing problems. So, the issue of employing teachers should be addressed properly. Although we have been talking of 243,000 primary school teachers, the actual number has been reduced due to the HIV/AIDS pandemic. The Government should tell us whether it will start employing new teachers by 1st July, 2002 or not. As some of my colleagues have said, some primary schools do not have a sufficient number of teachers. So, we would like more teachers to be employed immediately to cover the shortfall.

Mr. Temporary Deputy Speaker, Sir, it is the responsibility of the Government to fulfil the promise it made to teachers. Implementing the remaining phases of the teachers' salary increment. The Government is not doing the teachers a favour. The contract entered into between the teachers and the Government with regard to their salary

increment is legally binding. So, the Government should not give excuses for not honouring the agreement. When the Government signed the agreement, it knew that it would be obliged to implement the salary increases. So, teachers should be given what is due to them. They are still waiting to hear from the Minister whether he has set aside some money for them. If the teachers are not awarded an increment in their salaries, I will urge my colleagues not to approve the Budget for the Office of the President.

Mr. Temporary Deputy Speaker, Sir, in order for our economy to register some growth, the plight of the farmer should be addressed. Zero-rating duty on fertilizers will not affect the farmer very much. The Kenyan farmer is highly indebted. So, I urge the Minister to write-off all the debts owed by farmers, especially the coffee farmers. At the moment, the coffee farmer cannot even afford to pick the berries. Due to some technicalities, the Coffee Act that we enacted last year has not been implemented properly. Coffee farmers have not been paid ever since. How can the economy improve if farmers are not paid for their produce? Therefore, I urge the Minister for Agriculture to let us know what is happening with farmers' money. We are still demanding the release of the Kshs240 million that was set aside by the Coffee Board of Kenya to establish a farmers' bank. That money belongs to Kenyan farmers. The money should be given back to them, so that they can improve their farming.

I will now talk about the road network in this country. We created the Kenya Roads Board (KRB), but it has not achieved much. Even the District Road Committees (DRCs) have not been effective, because Members of Parliament do not know how the money sent to the districts for roads rehabilitation is used. There is no hon. Member here who can say how that money is being used. We only receive letters informing us that our respective districts have been allocated certain amounts of money. However, the authority to incur expenditure (AIE) holders against these funds are the same road engineers we have always complained about. We are only being used as rubber-stamp the expenditure. We do not know exactly what happens with the money. In some cases, no roads have ever been done. Where some roads have been done, the job done has been shoddy. We would, therefore, like this aspect to be looked into, so that Members of Parliament can know exactly how the DRC funds are spent.

(Mr. Nyang'wara's phone rang)

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. P.K. Mwangi! Somebody's mobile phone is ringing behind there. Is it your phone, Mr. Angwenyi?

Mr. Angwenyi: Mr. Temporary Deputy Speaker, Sir, I do not have a mobile phone with me. You may search me to verify that.

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Angwenyi! I do not have to search you. Was it your phone which rang, Mr. Nyang'wara?

(Mr. Nyang'wara stood up and started moving towards the Bar)

Mr. Nyang'wara, if it was your phone which rang, please, resume your seat and apologise to the House.

(Mr. Nyang'wara proceeded towards the Bar)

Mr. Nyang'wara, I now order you to resume your seat!

(Mr. Nyang'wara withdrew from the Chamber)

Hon. Members: Shame! Shame!

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Hon. Members! According to our Standing Orders, Mr. Nyang'wara deserves to be named. Really, we cannot tolerate this kind of behaviour by him. So, I invite any hon. Member to rise under Standing Order No.88(3) and move that Mr. Nyang'wara be named.

The Minister for Agriculture (Dr. Godana): Mr. Temporary Deputy Speaker, Sir, I beg to move that, in accordance with Standing Order No.88(3), Mr. Nyang'wara be named for gross misconduct.

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

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Standing Order No.88(3) is clear. It guides us on how to handle such a case. Accordingly, Dr. Godana has moved that Mr. Nyang'wara be named.

QUORUM

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

The Temporary Deputy Speaker (Mr. Musila): Very well. We do not have a quorum. Ring the Division

Bell.

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members! We now have a quorum. Hon. Members you saw the type of misconduct that Mr. Nyangw'ara engaged in here. He showed complete contempt of the Chair and the House. Therefore, it has been proposed by Dr. Godana that the hon. Member be named.

*(Question, that Mr. Nyangaw'ara be named,
put and agreed to)*

Continue, Mr. P.K. Mwangi!

Mr. P.K. Mwangi: Mr. Temporary Deputy Speaker, Sir, here we have a problem. In December last year, the office that deals with the *El Nino* Fund awarded contracts, but now more than 12 of these projects have stalled due to lack of approval from the Treasury. These projects have not been approved by Treasury just because most of them are within Central Province. The projects are being funded by the French Government. I want to urge the Government and the Ministry of Finance and Planning to give commencement certificates to the contractors so that they can start construction work. If this is not done, the funding from the French Government will go unutilized.

The Minister for Local Government should look for ways and means of ensuring that some of the county councils which were created, and which are not viable, are abolished so that we can have county councils which are economically viable. Some of the county councils that we have today are not economically viable.

With those few remarks, I beg to support.

The Minister for Agriculture (Dr. Godana): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute to the debate before the House.

I want to take this opportunity at the outset, to congratulate the Minister for Finance and the Government for coming up with a very good Budget against very difficult economic background. In particular, the experts in the Ministry who drew up the Budget, the Minister and the Government deserve to be congratulated for finding the will for the second year running to avoid doing the easy thing that Ministers for Finance in this kind of situation have traditionally resorted to. That is an across the board raising of taxes. We welcome the elimination of taxes on raw materials and capital goods. This is evidence that we recognise that our goal of industrialisation, in a context where many raw materials have to be imported, cannot be realised unless our manufacturers can secure raw materials from outside at competitive prices. It is also a recognition that the goal of poverty eradication can only be achieved through agriculture, tourism and, increasingly, industrialisation.

With regard to the Ministry of Agriculture and Rural Development, whereas we would have wished to get a much larger allocation than we have had, yet in the circumstances, we are happy that there has been due recognition of the critical role that agriculture plays, and will continue to play in the economy of this country. As the Minister for Finance said, the elimination of rural poverty demands that we should invest in infrastructure, rural finance credit schemes, environmental conservation and better land use. Cyclical droughts and the climatic behaviour of recent times indicate to us that drought occurring after heavy rainfall floods will be a permanent feature of the times ahead.

At this juncture, I want to emphasise, as the Minister for Agriculture, that we have come through the drought and we have begun to see a positive turn-around in the agricultural sector. Right now as we speak, the country is self-sufficient in food and I am glad to announce also that, as of this morning, the heavy debt that the National Cereals and Produce Board (NCPB) owed to farmers has been reduced from a high of Ksh3.2 billion, in Sub- only a few weeks ago, to a manageable figure of Kshs600 million, a figure which we hope to reduce to zero in the next few weeks.

I recognise also that the Budget has made appropriate provisions for the Ministry of Education, Science and Technology to ensure that children, particularly children from poor families, are assisted in terms of subsidies in school fees as well as having access to relevant textbooks. We would have wished to see much more there, but I only wish to appeal to the Minister for Education that, when it comes to the actual disbursement of those funds, he should be guided not just by the issue of numbers of school children in particular districts, but should also appropriately take into account the differing poverty levels in the country. In the past, it seems that the emphasis has been principally on the number of school children alone.

As I talk on this subject, I wish to share an experience I had only two days ago with the hon. Members. In this country, over the last two decades in particular, there has been a sudden wave in terms of prioritising education at the family level. A Kenyan family will save the last coin and would want to spend it on a priority basis on the education of the child. Some may have doubted that in the context of shrinking employment - which we hope will be momentary or periodical only - this is not a wise move. Two days ago, I had some Israeli experts in the field of agriculture in my office, and I was struck by what they have observed. When I said that we spend over 30 per cent of our national Budget on education, which the World Bank and the International Monetary Fund (IMF) find to be too high, they told

me that we are on the right path. The team leader said:-

"The miracle of Israeli's economic performance has been one of capacity building in human resource development. If you are spending that much on education, you are definitely on the right path".

No wonder, we have over the last decade emerged as the country which is reputed, according to the International Education Institute, to have the best educated manpower in Sub-Saharan Africa. I think we cannot be wrong despite the difficulties of the moment.

Mr. Temporary Deputy Speaker, Sir, I wish now to comment on the tourism sector. As I said, I believe that agriculture, tourism and industrialisation are the principal sectors of this economy which will help us to reverse the trend of increasing overall poverty levels. Yet in a sense, I have a feeling that, perhaps, we may have reached the peak in terms of the returns we could get from the traditional tourism sources, such as the Coast and the national parks such as the Mara, the Tsavo and the Mount Kenya region. The challenge for us is to open up new tourist destinations. We have excellent new tourist destinations. The Kenya Tourist Masterplan, which was prepared a few years ago, recognised the Northern Circuit to Lake Turkana and back as the "Maasai Mara of the future" in terms of money minting capacity. Tourism, the world over, has changed in focus from the interest in the 1960s in the safaris. We came to the wave of the 1970s of interest in the coastal beaches, and now we are increasingly receiving tired urban souls, who want to go into the less populated and charted areas. I think that the deserts of the north, the mountains of the Samburu and the Biblical "Red Sea" in the form of Lake Turkana will all provide the opportunity for us to develop that circuit.

I also want to state here that we are happy with the reforms which we are carrying on in the Ministry of Agriculture and Rural Development. They are not easy, but I am happy that finally in the coffee and sugar growing areas, which constituted the Boards, I will be inaugurating both Boards in the very near future. I wish only to appeal to leaders in particular, and particularly leaders from the coffee and sugar growing areas, that we have a responsibility to ensure that the gains from these reforms are not backpeddled by vested interests that I see already in the case of the coffee growing areas, which seem to be regrouping and reworking. I hope that leaders from those areas will take the responsibility and have the courage of their conviction to speak out when they ought to. There was an attempt to interfere with coffee elections in parts of Nyeri but not in Mathira. I know that Mathira set a very good example. I expected leaders from those areas to speak out. Instead, they left everything to the Minister for Agriculture and I had to speak out as to what the law requires. Increasingly, I think we will need leaders to come out of their shells and stand by the farmers.

Mr. Wamae: On a point of order, Mr. Temporary Deputy Speaker, Sir. Could the hon. Minister substantiate the fact that the old cartel which destroyed the coffee industry would like to come back through the back door?

The Minister for Agriculture (Dr. Godana): Mr. Temporary Deputy Speaker, Sir, I do not think we are at the stage of substantiating now. I have just expressed my fears and observations. In a sense, through this statement, I am giving a warning that the Minister for Agriculture is very much aware of what is going on and certainly, privatisation does not mean that the Government has washed its hands. No! The buck stops with the Ministry!

Mr. Temporary Deputy Speaker, Sir, the next in line are the dairy sector, cotton sector, the horticultural sector and what we have identified as coastal cash crops, such as coconut, bixa, cashewnuts and so on. I will be proceeding on the same basis as we have done in the past, through stakeholder consultations.

Finally, I would like to say something about the Constitution. I take pride in stating that, throughout the process that led to the creation of the Constitution of Kenya Review Commission, I took a public stand and warned that the process of reviewing the Constitution outside Parliament is bad and wrong. This has been designed by outsiders who have managed to deceive many of our people to believe that what is not good for the United States of America and the United Kingdom is ideal for Africa. Now, we have a problem. The Constitution of Kenya Review Commission has asked for an extension of time and we have only two choices: Either to give the Commission the time it is asking for to complete its work or it runs out of time and the money spent becomes a waste. Imagine an expenditure of about Kshs4 billion or Kshs6 billion! I think more than Kshs4 billion has been spent. I hope, as a Parliament, we will not be that irresponsible as to subject national interests to partisan political interests or personal ambitions, so as to trade off what we committed ourselves to, against what we perceive to be momentarily our interests.

With those remarks, I beg to support.

Mr. Wamae: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this Motion.

I would like to thank the Minister for Finance for trying very hard to come up with a Budget which does not seem to hurt anybody or to push anybody to additional taxes and so forth. But I believe that this Budget is too good to last. Was it made for election purposes or just to show that KANU could balance the Budget without donor funds or without taxation and many other things? I find it very difficult to believe that the Government had good intentions.

Mr. Temporary Deputy Speaker, Sir, one of the worrying things is the deficit or the money to be borrowed from the domestic market. The amount is too huge! Whereas the Minister has said that he intends to borrow Kshs32

billion, there is another Kshs36 billion which he wants to roll over. This means that the Minister will be borrowing Kshs69 billion. This amounts to 9 per cent of our Gross Domestic Product (GDP). This is too high an amount of domestic borrowing in one year! We are heading towards a dangerous situation where continuation of large borrowing will take us the Argentina way. I can see that this country will eventually blow up. There will be collapse of our monetary system, unless we restrain ourselves. We undertook before the International Monetary Fund and the World Bank that we were going to restrict our domestic annual borrowing to 5 per cent of GDP. But we have gone beyond that! I realise that we do not have donor funding and, therefore, there is very little scope for manoeuvre. But is continuous and increased borrowing the solution? Is that the only solution we can find? Will it hit us very hard when our monetary system collapses in this country because of too much borrowing in relation to our GDP? This is a matter which needs to be given very serious consideration because there is long-term danger somewhere in the horizon because of the high rate of domestic borrowing.

I would have preferred that the Minister looks for other avenues of taxation or, alternatively, cut on expenditure! Has the Minister cut all the unnecessary expenditure? Do we need to spend Kshs3 billion on the National Security Intelligence Service (NSIS)? What is it that we are protecting? When we had the issue of fake jobs in the Middle East, on which we have spent over Kshs100 million, the NSIS did not protect Kenyans against that fraud! It is their work to protect Kenyans against fraudulent actions but they failed! Their work is not only to protect the President. We cannot pay them Kshs3 billion to protect the President of Kenya. That is too much a cost when we are short of money. We should use that money to pay the teachers, so that we can avoid any incidence of industrial action. If the teachers were given an extra Kshs5 billion, there would be no industrial action by teachers. Nobody wants teachers to go on strike in this country. The Government committed itself that it was going to pay teachers a salary increment in 1997. The agreement was signed and gazetted by the Government. So, the Government is bound by that agreement both legally and morally. But no money was put in the Budget for paying the teachers! It is ironical that money for the NSIS was, in fact, increased! Is this the direction we would like to head to? This is a matter which needs to be looked into. The issue of teachers salary increment cannot remain unresolved for ever. Leaders and parents do not want teachers to go on strike in this country. It would be too expensive for the nation. The intended teachers strike can be avoided if the teachers are paid. They do not have to get what they demanded or what was agreed upon. But we should give them something which can satisfy them in order to avoid any industrial action.

Mr. Temporary Deputy Speaker, Sir, agriculture is the mainstay of our economy. I am very pleased with what the current Minister for Agriculture and his predecessor, who is now the Minister for Finance, have done in that Ministry. I am very happy because we have looked at our agriculture sector by sector, in order to solve problems affecting our agricultural production. We started with the tea sector where we did a good job because we can see the results, except for what is happening in Kisii. What is happening in Kisii is a disgrace! I am surprised that Members of Parliament from Kisii have not come forward to talk to the farmers to go back and start picking their tea. We cannot afford to have our farmers being misled. If they do not pick their tea for two years, it will grow into a bush and it will be very expensive to bring it back again to productivity. I do not know why the politicians in those areas have not entered into a dialogue with the farmers to make sure that those seven factories are not ruined by irresponsible actions. If the farmers want elections, let them have their elections and elect the directors they want. No director can stick in office if the farmers have no confidence in them! If farmers want to have elections, let them have them, and elect directors the way they want! No directors can refuse elections. What we want is to give these industries back to the farmer. I am glad we have dealt with coffee and, I am happy that elections have proceeded. My disappointment is that, we have now got a board, the board has got a Chairman, but the Ministry has not allowed them to meet, because they have been telling them that they must wait until the Minister is ready to go and inaugurate the Coffee Board of Kenya. Why is the Minister taking so long to inaugurate the Board, when we have done all the other work, and only what remains is the Minister to call them together, give them a fatherly advice, and tell them to go on with the job? I hope that he can do it next week, probably on Tuesday or Wednesday. Let them do the work because they have been elected, but they are not doing the job. The Minister should also inaugurate the Sugar Board and let the members of the Board do the work which they were supposed to do.

We would like to look at the question of the dairy industry in this country. The dairy industry is very important. One sector which can reduce poverty in the rural areas is the dairy industry, if it is properly organised. Even small and weak women can have one or two cows and they can sell their milk to bring them up economically.

An hon. Member: They should revive KCC 2000!

Mr. Wamae: Could we look at the KCC 2000 and see what it is doing? Why have they not given shares to the farmers; why have they not elected the directors, because they are still interim? They have taken two years! They should get moving.

Mr. Temporary Deputy Speaker, Sir, may we also ensure that no more importation of powdered milk will be done in this country! The two Ministers for Agriculture and Finance are individually and personally responsible for the chaos which we are having now in the dairy industry. This is because they allowed the importation of powdered milk! So, these private processors, instead of buying our milk, they are very busy mixing powder and producing milk for

Nairobi residents and farmers cannot get market for their milk! Is this the way to reduce poverty? It was a very wrong decision, I hope it will never be repeated because it is very painful when you see our milk going to waste while we are buying powdered milk from Denmark, New Zealand and South Africa. This is very serious!

Mr. Temporary Deputy Speaker, Sir, industrial development is another area where the Minister did the right thing by reducing duty on our inputs. We cannot import so long as there is duty on raw materials and, therefore, zero-rating it is very good. But there is one thing the Minister has forgotten. He did not reduce duty on the purchase of the intermediary raw materials from Kenya. The duty is still there, if it is 15 per cent or 25 per cent. So, we are encouraging importation of raw materials from abroad instead of buying from our own domestic source. Would the Minister look at it and bring amendments at the Committee Stage? We would like to equate or even to give preference to industries buying raw materials domestically, instead of sourcing from the external sources. Industries have collapsed in this country and, it is high time we looked back and sought ways of reviving them. I think we made a mistake in the way we liberalised our economy. We liberalised our economy too fast and too quickly, without regard to the question of safety nets. We should not have allowed our textile mills to collapse. Instead, we should have reduced duty gradually and given them time to adjust. Now, we have got a lot of work to do to bring them back to line. Even a company like Bata Shoe, a multinational company, is also collapsing.

With these few words, I would like to support the Motion.

Mr. Muturi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to also make my contribution to the Budget Speech.

Let me add my voice to those of my colleagues who have praised the Minister, at least, for the time being, having appeared to have successfully walked the tight rope and coming up with this kind of Budget. I am gratified to note that the Minister realises in his Budget that, Kenyans are in great need of quality services. This is exemplified by the sheer rise in numbers of the people that have converted or have gone to the mobile service area. In that area, the tax that the Minister proposes to impose on airtime, according to him, is going to raise for him a sum of Kshs850 million. In my opinion, this is a clear indication that, had the Government taken appropriate measures to modernize and make Telkom Kenya efficient, there would not have been the shortage of finances to the extent that we realise today. I think it is good and we should commend the Minister for his proposal with regard to how he intends to spend the Kshs850 million. Part of this amount, a staggering sum of Kshs200 million, is intended to be used for rural electrification.

Mr. Temporary Deputy Speaker, Sir, contrary to what my colleague from Kigumo, or from other such village, said that hon. Members do not know what happens in the area of roads in their constituencies, I want to say that, if there is any programme that has succeeded in this country, it is the one to do with District Roads Committees. We all know and appreciate the assistance that the programme, under the KRB Act, has brought to our rural constituencies. Therefore, I would be proposing or suggesting to the Minister that, a similar mechanism like the one found and obtains in the Kenya Roads Board Act, with regard to how this Rural Electrification Programme funds are going to be spent should be formulated. It should be one that takes care of every constituency in this country because what we have, indeed, seen in the very recent past is that, funds meant for Rural Electrification Programme have been disbursed in such manner that leaves a lot to be desired. Even hon. Members do not know which areas are next targeted in the programme. So, I want to propose to the Minister that, if he adopts a similar system like the one found in the Kenya Roads Board Act, in implementing this Rural Electrification Programme, with regard to more than Kshs200 million, that he is likely to collect from the tax levied on mobile phones airtime---

Mr. Temporary Deputy Speaker, Sir, I am happy that the Minister has also increased and, indeed, provided bursaries for HIV/AIDS orphans and children with disability also from this same tax that he is going to collect from the airtime on mobile phones. I wish to give a caution here that year in, year out, this House passes individual line Ministry budgets, one of which is on education. In education, we have money meant for bursaries. We are all told that, "you go to the District Education Board and attend the meeting there." We are told so much money has been disbursed into our district and so much has gone to individual schools. That is fine, but I am also aware that there are some bursaries which are secretly administered by the Ministry of Education, Science and Technology, directly from the Ministry's Headquarters. I would like to say that cheques are written in the names of individual schools to pay school fees for individual students. As a House, we would like to be told the criteria used by the officers who sit in the Ministry of Education, Science and Technology Headquarters at Jogoo House, to know the individual students in certain schools, only in certain areas who qualify to benefit under that bursary scheme. I am saying this because I have seen a cheque of Kshs700,000 being issued to one school to cater for bursary for 70 students who come from one area. I would like to state that bursary is meant to assist the needy students. I would like to propose that the bursary should be administered in a manner that is transparent. If this is done, we will ask few questions with regard to bursaries. Therefore, it is my wish that even the Kshs50 million meant for HIV/AIDS orphans, and children with disabilities should be administered in a transparent manner and not in such a manner, as I have described above.

Mr. Temporary Deputy Speaker, Sir, I also want to associate myself with the sentiments expressed by some of my colleagues with regard to the taxes imposed and the prohibition proposed to be imposed on importation of second-hand vehicles. If the Chair could allow me to read the second last paragraph on page 27, it says:-

"In order to discourage the importation of very old and uneconomical vehicles which are not only expensive to run and maintain but also cause pollution to our environment, I propose to amend the Customs and Excise Act--"

The phrase is "very old" and the prohibition is on vehicles which are ten years old and above. I am unable to understand the logic behind that kind of proposition. This is because in this country, and on our roads there are vehicles which are as old as this Republic. I would like to point out that vehicles which were on the road in this country when we attained Independence are still running today. We have vehicles bearing registration numbers KAM; not the current one, KAZ and KMM on our roads. At least, I know that a vehicle bearing registration number KMM was manufactured around 1968, which is over 30 years ago. These vehicles are still on our roads. Really, what justification is there to prohibit Kenyans from importing vehicles which are only ten years old and which run better than the 30 or 40-year old vehicles? I would like to request the Minister to reconsider his decision with regard to this proposal. As much as that proposal is based on an assumption that it will help our local industries, particularly, the motor vehicle assemblers, we should also look at the prices they have proposed to reduce. Which Kenyans will afford these vehicles? In any event, when the Minister says "uneconomical and expensive vehicles to run", to whom are these vehicles expensive to run? Is it to the Kenya Government or the individuals who own them?

In conclusion, I would also like to propose that whereas the Minister says that the Minister will think about importing cheaper power from South Africa, we should also, as a Government, think of ways which will subsidise the cost of electricity.

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

The Assistant Minister for Trade and Industry (Mr. Ekirapa): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support my colleagues and the sentiments they have expressed with regard to the very good Budget, my friend who is seated there, and his colleagues at the Treasury have come up with and presented before this House.

For the first time, we should be honest and give credit where it is due, and say that these people have done a good job. It is disappointing to hear from our colleagues on the other side of the House that this was a useless Budget. I think we should be honest once in a while and give credit where it is due.

Given the current circumstances of our economy, the Budget presented by the Minister has taken into account the many areas which hon. Members of this House have been concerned about, and by extension, the people they represent. I am glad to say that the measures taken will jump-start the economy and the minor growth that we registered last year is a pointer to the good things to come. I would like to mention a few things about the Budget which the Minister presented.

First of all, on revenue, I would like to say that I am very happy, and I think many people support the Minister for not factoring in imaginary in-flows from our friends namely, the International Monetary Fund (IMF) and the World Bank. It is time he continued with that attitude; that we are an independent country and we would like to survive on our own. Let our friends support us if they want, but if they do not want to support us, let us not mourn every single day about the IMF and the World Bank aid. I hope that the country will be sensitized to think along that line; that we are an independent country and we should try and find solutions for our economic problems.

In order for the Minister to succeed, I would like to advise him to close all the loopholes through which our revenue is lost. He should ensure that all the revenue which is due to the Government goes to it. I do not want to dwell on those areas because I think our friends on the other side of the House are champions of that; criticising the Government all the time. But there are some glaring areas where revenue due to the Government does not come in. As the Minister has been bold in producing this kind of Budget, I would like to urge him to be bold and make sure that the implementation process is effected in a manner that will bring revenue to the country. In fact, if he will do this, I believe that the bottom line will be higher than the revenue he has projected here.

Mr. Temporary Deputy Speaker, Sir, on the expenditure, we have seen, for many years, how Government money is wasted mainly by our incompetent or clever individuals on the other side who feel that when you have been appointed to a public position, you can use it to make money for yourself. I would like to urge the Minister to put in place some measures to ensure that there is no wastage of money when we spend it. We should ensure that every penny goes to support the public services that the Government offers the public.

A few individuals in the Government are responsible for making the Government's name disappear from the public eye. Those individuals should make a choice; either they remain in the Public Service and serve members of the public or they get out of it. I hope the Minister will put in place measures to ensure that this does not happen. The question of making public services expensive by adding some extra money because you want *kitu kidogo* or *chai* should be eliminated. If we do this, our country will provide good services to our people without all the time our people complaining about this and that, or without our industrialists and business people paying extra money.

It is a cost to this country that a businessman must go to Government offices two or three times before he gets a piece of paper he wants. Every time they go to those offices they incur a cost. This cost translates into wastage as far as the total national figures are concerned. Although the Minister has come up with a good Budget, it will be very difficult to

implement it if there are no brave officers in the Public Service to take necessary measures and ensure expenditures are tightly controlled and that there is no wastage.

Mr. Temporary Deputy Speaker, Sir, I would like to congratulate the Minister for the incentives he introduced to the business community. I am happy that, at least, unreasonable taxes which we were levying on raw materials and which have been detrimental to our industries have all been removed. This is a very good incentive. Yesterday, I had an opportunity to meet with the businessmen and they are extremely happy. I hope you read in today's newspapers about our intention and ability to implement those measures. The implementation will be a big test for this Budget.

Mr. Temporary Deputy Speaker, Sir, I want to make two comments. The first one is with the regard to the second-hand vehicles which my colleague has referred to. It has been a major problem to our motor vehicle assembly industry. The nation must take a decision. Do we want a few people who are able to afford second-hand vehicles to benefit? Do we, as a nation, want to develop our own motor vehicle assembly industry which will result in employment for many Kenyans and generate revenue to the Government? I suggest that we should agree to improve on the ability of our own local industries so that we can employ more young people and generate revenue for the Government. We have had discussions with General Motors. They have assured us that they will come up with a small vehicle that an average Kenyan can afford. Therefore, I would urge the Minister to be firm on this decision. I hope hon. Members will support this proposal at the Committee Stage.

Mr. Temporary Deputy Speaker, Sir, there is also the question of unleaded fuel. I think, as a country, we have committed ourselves to use unleaded fuel. We want this country to use unleaded fuel because leaded fuel is creating a lot of health problems to our people and environment. I believe the hon. Members will also support the use of unleaded fuel.

I come from a cotton growing area. I was very happy that the Government was able to remove the duty on gene cotton which will now make our cotton competitive with that of Uganda and Tanzania. However, there are a few incentives we must provide to cotton farmers to enable them grow more cotton. I want to appeal to the Minister for Finance, in conjunction with the Ministry of Agriculture and Rural Development, to identify ways to encourage farmers to grow cotton to an extent that we do not import *mitumba*. It is illogical for us, as a Government, to expect ordinary Kenyans who have only a few shillings in their pockets to buy a new cloth. It is not possible. It is purely a matter common sense because it is a matter of demand and supply. If you have little money, you can only buy what you can afford. If our people can afford *mitumba*, nobody can stop them from buying them. I want to ask the Minister to deliberately encourage cotton farmers produce more and cheaper cotton so that we can revive our textile industry. The textile industry can produce cheap clothes which our people will afford. We want our people to be proud to buy new clothes made in Kenya rather than encourage them to buy underwear probably from some dead people whose cause of death we do not know. The Minister should consider the possibility of helping our farmers. Since we cannot go back to the days of GMR, we could encourage banks to support farmers by providing them with credit so that they are able to grow cotton and other crops as well.

Mr. Temporary Deputy Speaker, Sir, ours is an agricultural country. Let us encourage our people to grow more food so that we do not import it. Let us have a policy that will encourage our farmers to grow enough food for this country. Food is a basic necessity. Therefore, we must make sure that we have enough food so that we avoid problems in our country. As I said, food is a basic necessity. When our people have enough of it, we can then think of setting up industries and other development projects.

Mr. Temporary Deputy Speaker, Sir, I hope that both sides of the House will support this Budget at the Committee Stage and with those few words, I beg to support.

The Assistant Minister for Education, Science and Technology (Mr. Awori): Mr. Temporary Deputy Speaker, Sir, thank you very much. I want also to support the Motion and congratulate the Minister for presenting a very good Budget.

The first thing we must accept is that we are extremely poor. It is important to empower our people. To empower them, we need to concentrate on areas like agriculture. We know our economy is agricultural-based. I would like to take off from where my colleague, Mr. Ekirapa, left. That is cotton. Looking at taxation proposals. One of them says: -

"To give further support to our cotton and textile industries by encouraging local production, duty on imported second-hand clothes will be increased---"

Mr. Temporary Deputy Speaker, Sir, the first question we must ask ourselves is: Why did the cotton and textile industry fail in this country? It failed because of poor marketing. Therefore, I want to share with the Minister for Finance my thoughts. Before we think of jump-starting or reviving cotton, the Minister for Finance must sit together with the Minister for Agriculture and the Minister for Trade and Industry to find out why the cotton and textile industry failed. At the moment, cotton is one of the crops which are still tilled in a very primitive way. People are still using *jembes*. We want to upgrade the production of cotton, stage by stage. We have to think in terms of mechanising the way we produce it. We also have to look at the storage and transportation of cotton to ginneries. We must rehabilitate our ginneries so that they are up to date. We must set aside enough money to pay cotton farmers because

that is why growing of cotton in this country failed. Farmers produced cotton, but it was never paid for.

Mr. Temporary Deputy Speaker, Sir, to do all that, we require funding. The Minister for Finance, the Minister for Agriculture and the Minister for Trade and Industry must sit together to find a permanent solution to this industry. I believe there are ten districts around the lake region which produce cotton. If each of these districts was allocated some money, like Kshs100 million, which is equivalent to Kshs1 billion over a period of time, we will revive the cotton and textile industry. The Chinese say that if you want to start a journey of one kilometre, you must take the first step. Similarly, to think that you can revive cotton industry in one year by simply stopping *mitumba* importation, that is not the way to do it. The second issue is that, we want to do research on cotton. Cotton has been taking five months to grow, and there is no reason why, with research, it should not be taking three months.

QUORUM

Mr. Mwalulu: Mr. Speaker, Sir, there is no quorum.

The Temporary Deputy Speaker (Mr. Musila): Mr. Mwalulu, you are right, there is no quorum. I would like to express the Chair's disappointment over the attendance and contribution of hon. Members to the debate on this important Motion. I hope hon. Members will make a point of contributing to the debates. May the Division Bell be rung?

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order! We now have a quorum.

Proceed, Mr. Awori!

The Assistant Minister for Education, Science and Technology (Mr. Awori): Mr. Temporary Deputy Speaker, Sir, I was saying that research is required in cotton so that we can reduce the period of growing it. We need cotton that can only take three months to mature. In order to do this, we do not need to depend on rain. We would like to move to irrigation. If we do irrigation and cotton takes three months, we are likely to have three seasons in a year. That way, we should be able to take a step in reducing poverty in this country.

Mr. Temporary Deputy Speaker, Sir, we would like to protect the poor. I would like, with due respect to remind the Minister for Finance that, perhaps, it was a practical error to put a shilling per litre on kerosene. We need the money to dig the dams like the Minister has said. But, perhaps, we could have looked at luxury goods. Do we honestly need to be having Mercedes Benz cars that are more than the S240 series? Why do we not increase duty on those motor cars so that we can then collect revenue that can help the poor? Do we really need ceramic tiles and bathroom equipment that is gold plated? For those people who can afford that, why not tax them and get the money to use for construction of dams? There are many other luxury items that are really not required. For those who need them, let them pay for them so that we can collect the money.

Mr. Temporary Deputy Speaker, Sir, we should dam the rivers that are causing a lot of damage. In my neighbouring constituency, Budalangi, people are always being thrown out of their homes by flooded rivers. If we dam those rivers, then we will have the water for irrigation. In the same way, we can work it in such a way that we can have small power generating plants that will supply us with electricity in our homes.

Mr. Temporary Deputy Speaker, Sir, while thanking the Minister for removing duty on fish nets, that is a very short-term measure. What we need is money to try and do research in the lake in order to see why the many varieties of fish that were in the lake have disappeared. We want research as to how we can restock the lake. We want the research in order to have a proper mix of the fish that can be in the lake, so that the people living next to the lake can have their own industry that will reduce poverty.

In order to bring about the revitalization of the economy, we must create an environment that will help investments. It has been stated in this House that there is insecurity in the country. I agree there is insecurity in the country, and it is necessary to enhance security in our country.

Mr. Temporary Deputy Speaker, Sir, infrastructure has completely collapsed in this country. It is necessary that we improve our infrastructure. We want to develop new tarmac roads. While doing that, we should look at it in a national way and not in certain areas only but consider this country as one. We want to improve waterways. Many countries have found it cheaper to move goods on waterways. With the East African Community coming, we have the lake that is common to the three countries. We should develop the steamers that were there before, so that they can move goods between Kenya, Uganda and Tanzania.

It is high time to privatise the railways, instead of giving money to a losing parastatal like the Kenya Railways. It is important to develop air transport, not only for easier movement of tourists, but for medical reasons as well. One of the speakers mentioned the question of developing tourism in other parts of the country, in places like Western Province. They can develop eco-tourism as we have a variety of birds and butterflies that many people admire to see. With easier movement by air, that could be possible.

With those few remarks, I beg to support.

Mr. Mbitiru: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to speak on the Budget Speech. I would like to address just a few areas which I feel that, although the Minister ably presented his Budget, they contradicted other areas that we legislated on the other day. For example, in agriculture, the Minister was very candid. He banned the importation of wheat flour while, at the same time, allowed importation of 200,000 metric tonnes of sugar. That is what we call contradiction because, first of all, the Attorney-General should have advised the Minister that, after the Sugar Act was legislated in this House, he has no basis on which he can suspend or take over the responsibilities of the Sugar Board. The Sugar Board is supposed to address the shortfalls within the sugar sub-sector and allow importation. I think the Attorney-General and the Minister did not consult on that legislation. I believe the Minister should inform this House what is required. We know for sure that today, Mumias Sugar Company holds sugar stocks worth Kshs1 billion. The Minister for Finance is saying: "Let us import 200,000 metric tonnes of sugar!" Who is importing the sugar? How many people will be licensed to import sugar? Who will fine those who will import more than the stipulated amount? The Sajjads and other people will import 200,000 metric tonnes of sugar each. How much would that sugar translate to? We know that this is an election year and people are likely to make easy money. That is one of the areas that the corrupt people within the regime make their money from. They make their money mainly through the importation of sugar, rice, milk and other agricultural products.

I believe that is a contravention of the Sugar Act and the Minister should consider revoking that directive. It is only the Sugar Board that has the authority to go around the country and see the shortfalls that are there and, therefore, authorise or advise on who can import sugar and at what time.

Moving on, the Ministry of Finance and Planning deliberated on giving about Kshs300 million to the informal sector. That would be raised from the sale of kerosene, which raised about Kshs850 million. I believe the engine of development in this country falls under the informal sector. When we talk about the *Jua Kali* artisans, those people employ close to three times of what the Government can offer. The Kshs300 million that was provided for the micro-financing element in the Budget falls short of what this country needs. That is an area that the Government needs to categorically address. It covers about half of the employment needs in this country. If we want to assist those people, we should increase the capital from which they can be able to borrow. We know that the people in the micro-sector do not have the collateral securities which they can use to borrow money from the banks. We know that the only people who can be able to borrow from the banks today are those who are politically-correct. More so, we could say that the Minister for Finance can also borrow through the Treasury Bills. The people in the informal sector cannot borrow a single cent. So, what are we going to do to assist that sector? It is a very important sector to us. After the retrenchment in the public and private sectors, all those who were retrenched have gone to the informal sector. What are we going to do to assist them? We need to think about that issue. In any case, if we do not assist them, we will be talking about insecurity in this country. How are we going to address that issue? We are talking about people who earn their livelihood through the informal sector, but now they cannot be able to provide for themselves. They cannot be able to educate their children and yet, you pass there with your vehicle--

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. Have you seen that, for the first ten minutes, Mr. Ngala has been standing on his knees and giving his back to the hon. Member who is contributing? Is he in order?

The Temporary Deputy Speaker (Mr. Musila): Order! You may continue, Mr. Mbitiru. If it is so, the Minister has taken note.

Mr. Mbitiru: Mr. Temporary Deputy Speaker, Sir, I was saying that the problem of insecurity in this country does not stem from anywhere else. The genesis is from when we started to retrench our people indiscriminately and giving them no alternative. We are saying that if the informal sector cannot be supported by the Minister for Finance, we are not assisting those retrenched people. We need to assist them, so that they can also continue earning a livelihood.

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

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

Mr. Temporary Deputy Speaker, Sir, there is a small budget towards the security system. I know that for the last two years in Laikipia, mayhem has been the order of the day. People have been killed left, right and centre. In the last two years, we have lost about 25 people and yet, I have never seen any efforts made by the Government. All the equipment that we are asking for, either a mobile vehicle and communication equipment, has never been given to Laikipia by the Government, in order to curb the insecurity problem and yet, every day and night, the insecurity in Laikipia has become a thorn in our people's flesh, and we do not know how to go about it. The Minister has neither

given us any money, nor advised his counterpart in the Office of the President in charge of internal security to dwell more seriously on matters of insecurity in Laikipia. That has continued to affect the economic development of my constituency. I believe this is the right time to address the issue of insecurity and other problems that affect the people, constituency by constituency. In Laikipia, I believe we cannot be able to develop economically unless the Government addresses the issue of insecurity fully.

Mr. Temporary Deputy Speaker, Sir, just the other day, the brother to the former Member of Parliament, Mr. G.G. Kariuki, was killed. You never know, but people may say that, that is a political position. But who knows? Most killings in this country are unresolved. But it is good for the Government to address the issue. Nobody has so far addressed that issue. Even the Minister has not talked about it. The other day, my Councillor, who is the Chairman of DP in Laikipia West Sub-Branch, was attacked and his family terrorised. I believe the Government has a responsibility to my people. Even if you give them sugar, introduce Bills or approve this Budget, they cannot go anywhere unless you address the issue of security. Otherwise, I may be forced to ask all adults in Laikipia to arm themselves with guns so that they can be able to counter any attack from whoever comes in with a gun.

Mr. Temporary Deputy Speaker, Sir, to conclude what I am saying, let me address the issue of the transport industry. We know that the economy can grow if the country has a developed transport infrastructure. We have a big problem. At one time the Kenya Railways Corporation used to be the best run corporation in this country. Where is it today? At one time Kenya Ports Authority (KPA) used to be a very well managed company. Where is it today? All this happened because of poor management because we bring in somebody just because he is my kith or kin and put him in power or in the management and yet he is not even able to manage his own home. Just the other day, a whole Managing Director of Kenya Pipeline Company said that he has no credentials or proposals to offer and yet he is a whole Managing Director dealing with engineers and scientists. These are some of the things we need to address very seriously so that we do not affect the very basis on which our economy develops from. So, the Government must seriously address the issues of Kenya Railways, KPA and the road network in this country. Why should we allow a corporation like Kenya Railways to go under receivership? What is the Government and the Ministry of Finance and Planning doing to rehabilitate the Kenya Railways Corporation? We know that it faces a big problem since it cannot even meet the pension fund requirements for its former employees. What are they doing? Do they want to wait until the PIC or PAC talks about it in this House so that the Minister can take heed of that? The Minister must be able to address those sectors since his officers in the Ministry are aware of those shortfalls.

Mr. Temporary Deputy Speaker, Sir, I believe this Government has a responsibility to the Kenya Ports Authority and the Kenya Railways Corporation. It must streamline the management of these organisations because that forms the basis of everything that I am saying. Today, these institutions do not play an active role in the transport sector.

Mr. Temporary Deputy Speaker, Sir, finally, everybody here wears *mitumba* clothes and yet we continue to hammer them. As much as I believe---

The Temporary Deputy Speaker (Mr. Imanyara): Your time is up. Proceed, Mr. Kimeto!

Mr. Kimeto: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. This is a Budget which should lead the whole country into expectations of the future development. Unfortunately, the Minister presented a Budget Speech which did not address the following issues:

First, he said that the Kenya Meat Commission factory will be built in Nairobi. I would like to inform the Minister that the Kenya Meat Commission factories should be situated in places where a lot of cattle are reared like in North Eastern Province or Rift Valley Province. Nairobi should only serve as a storing station where meat can be preserved. However, the Minister did not address the issue of building a preservation plant here in Nairobi.

Mr. Temporary Deputy Speaker, Sir, coming to the livestock industry, the Minister did not address anything on it. The Minister did not address anything to do with the dairy industry. If a Budget Speech is continuously presented here without addressing dairy farmers and how the defunct Kenya Co-operative Creameries (KCC) factories can be rehabilitated in order to improve the standards of living of our people, then the dairy farmers will continue living in poverty.

Mr. Temporary Deputy Speaker, Sir, the Minister never mentioned anything to do with wheat production. The Budget did not mention anything on how to assist the wheat farmers. It is very discouraging to import wheat and yet Rift Valley, given the fertile land and good climate it has, can produce wheat and maize which can feed the whole of Kenya and many other countries in the world. However, unfortunately, the Minister never addressed the Agricultural Finance Corporation (AFC) so that it can give out loans to farmers to enable them to produce more wheat and maize. This is a country bestowed with fertile soil and enough water but unfortunately we are not using these resources.

We have a lot of human resources in this country, but unfortunately the Minister never told this country how we could use them. We are educating a lot of children, but the Minister never addressed the issue of unemployed university graduates. He did not say the period when these people will be employed and yet Kenya faces an unemployment crisis. However, if we continue producing unemployed university graduates, what will be the use of

human resources in this country? Since Kenya is bestowed with human resources, we should use these human resources to produce manpower.

Mr. Temporary Deputy Speaker, Sir, if we continue importing goods from other countries and yet we want to be industrialised by the year 2020, then it is very unfortunate. We will never industrialise by the year 2020 if we cannot seal our borders and stop goods from entering Kenya from other countries. We should manufacture our own goods. Israel, for example, produces all its goods locally and then 75 per cent is consumed by the Israeli Government, while 10 per cent is consumed by the manufacturer and the other 15 per cent by the investors. This Parliament should take me seriously. If we continue importing goods from other countries, then we shall not have industrialised by the year 2020. We must seal our borders. If any country wants to import goods into our country, it should donate machinery to us to enable us to manufacture goods so that Kenyans will be in a position to learn how to produce these goods. The Minister did not address that issue so that we can become industrialised by the year 2020.

Mr. Temporary Deputy Speaker, Sir, I have said before that this country is criss-crossed by several rivers but, unfortunately, the Minister did not address the issue of building bridges throughout the country. A lot of human beings are washed away by rain water but, unfortunately, the Minister did not address this issue. The Minister did not address the congestion we experience on our roads in this country. The Minister did not address the building of flyovers so that this congestion on our roads can be eased. He did not even talk of the possibility of building even one flyover.

Mr. Temporary Deputy Speaker, Sir, the Minister did not even address the issue of traffic congestion on our roads. Did the Minister ever think of building flyovers across some of these big roads? There is traffic congestion even on the road outside Parliament Buildings. If we had constructed some bridges, we would be using them and in that way we would reduce the amount of fuel being used by vehicles in this country. There should be some debate before the Budget is presented. I fear that some Members of Parliament might be knocked down by vehicles between Parliament Buildings and County Hall when going about their duties. The Minister should put up a flyover between Parliament and County Hall. Unfortunately, the Minister does not seem to understand what is happening here. Why does he not bring a Supplementary Budget to assist us construct a bridge linking Parliament Buildings and County Hall? It is unfortunate that we have people who think, but they appear as if they do not see. We want a Budget with a vision to cater for all the other Ministries.

Mr. Temporary Deputy Speaker, Sir, there are no employment opportunities for newly trained nurses so that they can go down to the village to assist the people combat diseases. When we attained Independence, we said that we wanted to eliminate poverty and diseases. Why do we not employ these trained nurses to assist our people? If possible, we would like to see doctors and nurses visiting our people in the villages and advising them on how to combat diseases.

Mr. Temporary Deputy Speaker, Sir, if you look at the Judiciary, there are some cases which have taken more than 30 years and people have been in custody for the last 30 years. Some have even died without their cases being heard and determined. Did the Budget address the problem of shortage of judges? We have a lot of qualified personnel who are unemployed. Has the Budget compared the number of citizens in this country with the number of doctors and judges? Where are we, if we cannot think for ourselves? We want people who can go down to the people and solve their problems there.

Mr. Temporary Deputy Speaker, Sir, teachers were not given salary increment---

The Temporary Deputy Speaker (Mr. Imanyara): Time up, Mr. Kimeto!

Mr. M.A. Galgalo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget debate. I think this Budget was good and I congratulate the Minister. I told the Minister himself, that if only one-third of what he has promised here will be implemented, then we will make a great stride in the development of this nation.

Mr. Temporary Deputy Speaker, Sir, on the issue of security, there is so much insecurity in this country that hardly any investor would want to invest here. The problem of insecurity is not only confined to urban centres, but even in rural areas. Tribal clashes, cattle rustling and highway robberies have destroyed the image of this nation and it is high time we addressed those issues and tackled them accordingly. We have a large police force and an army that is not doing anything. We should make this country very peaceful not only for refugees, but even for Kenyans themselves. We had over 140,000 refugees in northern Kenya and they were conduits for gun trafficking there. But with the establishment of the refugee camps, northern Kenya is very peaceful and you can move from Garissa to Mandera without police escort. But the problem of insecurity in the national parks is scaring away tourists. Even in major cities, women are snatched their handbags while we have got a lot of police officers here. Whenever we go out of this country, we are asked the question: "How do you invest in your country when you cannot guarantee security to the investors?" The Minister has allocated a lot of money to the Office of the President and they should use this money to tackle the issue of insecurity, both within the major urban centres and in the rural areas.

Mr. Temporary Deputy Speaker, Sir, having said that, let me now turn to the Poverty Reduction Strategy Paper. Unless we take deliberate action to rehabilitate major irrigation schemes, like Bura, Hola, TARDA, Perkerra, West Kano, Ahero and revive the cashewnuts factory and Ramisi Sugar Factory, then we are not serious in addressing

poverty. I think that should be given the first priority and we should target those projects in order to reduce poverty. I do not see the logic of the Government doing trade. What business does the Government have to do with the Agriculture Development Corporation (ADC) that has become moribund with so much land lying idle and nobody is utilising it? The Government must go into reforms by privatising those unproductive agencies, like the ADC, the Agricultural Finance Corporation (AFC), the Kenya Railways (KR) and the Kenya Ports Authority so that these agencies become more productive and competitive. The idea of the Government dealing with *misumari na sukari nguru* is wrong. So, the Government must be serious with privatisation of these agencies.

Mr. Temporary Deputy Speaker, Sir, the Minister talked about reviving the Kenya Meat Commission (KMC) and livestock marketing in general. Instead of the Minister going to waste money on the KMC, let the Government fund abattoirs in those regions that produce livestock. Let us have an abattoir in Garsen, Garissa and Mandera. Nairobi is just a consumer, they do not produce cattle.

Secondly, on disease control, this country is the same size as Botswana, but it cannot export a kilogramme of meat. Ours is not a disease-free country and yet we are doing very little to control diseases. There were holding grounds all the way from Mombasa, Samburu, Kitale and Maasailand to Nairobi, but they have been shared out by greedy people in the system and, therefore, there is no holding ground. How then do you address the issue of diseases because these are centres for investigating animal diseases and they normally hold the animals there to ensure that they get to the market while disease-free. Nowadays cattle are moving all the way from Somalia to Nairobi and Mombasa. There is neither a government nor a disease control unit in Somalia. Why can we not have some national discipline and ensure that institutions are managed in accordance with the law? The idea of the KMC being revived is no source of joy for us. The Minister knows that when he was the Minister for Agriculture, we visited the KMC and noted that all their land has been taken over by individuals. Let us be serious and tell the people the true position. If there is no holding ground at the KMC where will we keep the animals? This year's Budget was good, but the issue of livestock production has not been addressed fully. The KMC element of it is just a gimmick. I do not take it to be serious.

Lastly, water is life. Most of the rural areas in this country do not have clean water. I do not want to urge the Minister to give us piped water, but could he please assure us that there is enough water by harvesting rain water. At one time we were at par with countries like South Korea, Thailand and Malaysia, but now it does not look like that. It seems like we are just beginning while those other countries are advanced and yet we were at par with those nations in the 1960s and 1970s. What has gone wrong? We have lost national discipline to such an extent that we deliberately mismanaged our institutions with impunity.

Until 1992, there was only one party called KANU and this mismanagement started way back then when most of the hon. Members sitting on the Opposition side of the House were senior people in the Government. So, you should not blame an individual for this mismanagement.

(Loud consultations)

They were there! Those sitting there were senior members of the Government, so they should not say it is KANU. We are talking as a nation; as the people of Kenya.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker, Sir. The hon. Member says that those of us who are sitting here on the Opposition side of the House were in the Government then and that we are responsible for this mismanagement. We have never held any positions in the Government. Could he be asked to withdraw those remarks because none of us sitting here was in the Government, doing what he claims we did?

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Galgalo, I am sure you were talking in general terms. You could not have been referring to them.

Proceed!

Mr. M.A. Galgalo: Mr. Temporary Deputy Speaker, Sir, you can see that the truth always hurts. Do not pretend to be angels because you are also involved in mismanagement.

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

The Temporary Deputy Speaker (Mr. Imanyara): You are allowing your time to be taken up! Your time is up!

Mr. M.A. Galgalo: Mr. Temporary Deputy Speaker, Sir, I beg to support.

Mr. Muihia: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to the debate. The Budget Speech was very monotonous because it was a repeat of what has been said here by previous Finance Ministers and it had really nothing new to offer. As I listened to the Budget Speech, it became clear to me that Parliament requires a Budget Office so that it can dissect the proposals before the Minister for Finance brings them to this House. Therefore, we would be able to address the issues and the Minister would bring to the House a Budget that is realistic and one that works in favour of revitalising the economy of this country. If you look at domestic borrowing, the Minister told us here that he expects a further domestic borrowing of Kshs30 billion, but he did not tell the House that we already have a domestic debt of over Kshs36 billion which brings it to a total of Kshs67 billion. In his Speech

he suggested that he would raise Kshs2 billion from the sale of houses without giving any specifics. If he is unable to raise that money, the domestic debt will shoot up to Kshs69 billion which amounts to about 9 per cent of the GDP. Anything about 5 per cent in debt will seriously affect the economy and we cannot hope to revive it.

I realise that the Treasury Bills interest rates remain at a bench mark of about 7 per cent while the Government continues to borrow from the domestic market at a rate of 14 per cent. The big banks who control the interest rates in this country are holding the Government at ransom in that they continue lending to the local investors at a rate of 18 to 25 per cent. Why did the Minister not come here with control measures so that we can tame the rogue banks? I think we can send away the big banks like Barclays Bank, Standard Chartered Bank and the likes. They can go away and we shall continue working with the other available banks. It is very important now to address the issue of liberalisation of the economy. That is the base line. The Minister appears to have a fair understanding of what afflicts this country and that is as far as it goes. It appears the Minister has no way of taking us back on course. What baffles me is that he lacks the courage to address confidence building and tackling issues as they affect us. We need to build confidence in the investors. We must be bold enough to tell everybody what is afflicting this country. The Minister suggested that he would be able to raise revenue from taxation of about Kshs172 billion. If he can do that then he is on the right track. I do not think he has taken into consideration that we are increasingly getting COMESA goods which are not taxable. I do not know whether the Minister will be able to raise the Kshs172 billion from other areas. If you look at the item on revenue and expenditure, the Minister is bound to fail in his efforts to resuscitate the economy because there is a lot of inefficiency in allocating the resources to inefficient public enterprises. We need to allocate money to enterprises that are bound to change the economy immediately. For example, we have the Kenya National Assurance Company (KNAC) which is scheduled for revitalisation, and an amount of Kshs1.7 billion has been earmarked for that. What is this money going to do? Was the KNAC not re-insured at the time it collapsed? We need the Minister to tell us how this Kshs1.7 billion is going to be used. Is it for payment of mature premiums? That is allocating too much money to an inefficient institution! Employees were sacked, and they went home. The company went under. The Minister is not telling us what he is going to do with those employees who were sent away without being paid their dues.

The Minister further suggested that the Kenya Railways Corporation should be allocated Kshs1.5 billion, and this is being allocated to the Ministry of Finance and Planning, and not to the Ministry of Transport and Communications. Why is the Minister allocating Kshs1.5 billion for rehabilitation of the Kenya Railways Corporation through the Ministry of Finance and Planning? Is it not another case of allocating resources to inefficient enterprises? The Minister should come and tell us how he is going to handle the Kenya Railways Corporation. It is a vital transport system, but it has collapsed. You will remember the famous item in the Public Investments Committee (PIC) Report, when a certain plot was given to somebody for Kshs20 million. Without paying for it, that person sold it for Kshs165 million and was only able to pay the Kshs20 million from what he had sold the plot. Is it not misallocation? Is the Government serious in tackling these issues? When we sell assets, the money got must be given to the Government and not to individuals. That is why I think that the Minister is not in a position to help us achieve the desired goals of economic recovery.

Regarding the KMC, it has been allocated Kshs200 million. That money is also allocated to the Ministry of Finance and Planning. We know that the KMC owes Kshs2.8 billion. The Minister has not said what the Kshs200 million is going to do in order to offset the debt of Kshs2.8 billion and help the livestock farmers. There is that training element; we need a training college. Is the Government's core business packaging meat? The previous hon. Member rightly said we should improve livestock in the areas where livestock is rare, but not in KMC. That is further misallocation.

I have looked at the proposals made by the Minister. For example, he promises to establish a rural finance framework and a development strategy trust fund as in the previous Budget. It was in the previous Budget. He has talked about it now. But it is not anywhere in the Printed Estimates. That is why I said that the Minister knows the problem, but he has no answers. He has also promised to improve extension services and provide the Kshs200 million. We know that down there where the farmers need the extension work, there is no feasibility and presence of the extension workers. How and where is the Kshs200 million going to be used so that the farmers can feel the presence of extension services and reap from the extension work?

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Muihia! Time is up!

Mr. Muihia: Mr. Temporary Deputy Speaker, Sir, could you give me some more time?

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

Mr. Otula: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important Budget which was read out to this House by the Minister for Finance. I thought it would be better if we could be speaking here when the Ministers and Assistant Ministers of various Ministries are listening to the comments which are given by us, so that they could implement them in their different Ministries. The Minister for Finance did very well; he has taken care of almost each and every Ministry in his Budget, but it is unfortunate that whatever funding that has been given to each and every Ministry will not be used the way it has been indicated in the

estimates.

For example, in the agricultural sector, the Minister talked of extension officers. Months will go, but in the end, you will find that we shall not be able to have the extension officers doing their job on the ground. Instead, you will find that farmers are required to go to the agricultural offices and hire the services of the extension officers. So, you fail to understand how money can be voted for the same Ministry and you expect farmers to go and hire services from this particular Ministry. These days, when you have a problem with your cow and you go to a veterinary office, it will take veterinary officers and those people who are responsible days to come and see the cow. Most cows die even before they are seen. We must be very serious when we will be voting this money to different Ministries. The Minister for Finance should be able to follow very carefully how the money voted to each and every Ministry is spent. Some of them give fake returns; that, they have done "A, B, C and D" while the money has not been used in the correct Votes. So, there should be a system where money voted to a particular Ministry is thoroughly checked before the Minister for Finance accepts the expenditure from each and every Ministry.

Mr. Temporary Deputy Speaker, Sir, water is a very important component in human life. So much has been said about water. We expect the Government to provide clean water to the people of Kenya. Some water wells have been drilled, but you find that they are not functional. Money has been poured into such projects, but the projects are not functional. I have in mind Oyugis Water Project, in Kasipul Kabondo, which was started more than 20 years ago. However, the project is not functional. Many water pipes are not in place. So, we request the Minister for Water Development to ensure that projects which have been in existence are operational.

If you go to the district level, you will find that the works undertaken by the District Works Engineer are shoddy. I will cite one example to illustrate this point. Recently, the *El Nino* Project embarked on a project to put up a water reservoir at Kosele, the Rachuonyo District Headquarters. However, the reservoir collapsed even before it was handed over to the Ministry. Even at the moment, the project has not taken off. We should, therefore, have qualified persons to monitor public works as they are done, so that we do not have a case like that of Kosele, where you find that a water reservoir collapses even before it is used. A report on the project was prepared, following which the contractor promised to re-do the job. However, three months have now passed, but nothing has been done. The people of that area are still eagerly waiting for water.

Mr. Temporary Deputy Speaker, Sir, I commend the Minister for Finance for banning the importation of vehicles which are more than ten years old. People import such vehicles, but when they come into the country, they do not serve them well. In the end, you find so many vehicles in garages. If you go to Nairobi's Buru Buru Estate, you will find so many vehicles lying idle. Some of these vehicles are not even ten years old. Why do we not stick to importing vehicles which can give good service to the people of Kenya? So, in this area, I think the Minister acted very well.

However, I would like to challenge the Minister's decision to increase duty on second hand clothes. The enhanced duty will hit the common man, who cannot afford new clothes. Even if we have to buy new clothes, where are the industries in Kenya to produce the textiles required for the production of new clothes? The once vibrant textile industry that we used to have has collapsed. Even if we have one factory which is still surviving, it may not produce sufficient textile material for the whole country. So, the Kshs10 tax increase per kilogramme of second hand clothes is a blow to the common man, who is not able to raise even Kshs100 in a month.

Mr. Temporary Deputy Speaker, Sir, on road maintenance, I must commend the Minister for Finance for work well-done. When the Minister was presenting the Budget here, I heard some hon. Members say that they had not seen the Fuel Levy Fund money go to their districts. I must say that these hon. Members are unfortunate. The Fuel Levy Fund money has actually reached our constituencies. Hon. Members who have been following up the disbursement of these funds know that the money has done some good job in their constituencies.

Mr. Muithia: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member on the Floor in order to mislead the House by saying that the Fuel Levy Fund money has reached the constituency level when we know that the 24 per cent of the money earmarked for the districts has not been disbursed from this Fund, and that we have not been told what has happened to the 60 per cent of the money from this Fund? We have only received 15 per cent of the funds.

Mr. Otula: Mr. Temporary Deputy Speaker, Sir, 15 per cent of the Fuel Levy Fund money has reached our districts, and has been used. These are the funds I had in mind when I said that work has been done in our constituencies. However, I must challenge the Minister that the 24 per cent of the Fuel Levy Fund money, which was meant for the opening of new roads, has not been received in the constituencies. If he has released the funds, let him come out clean and tell this House that the 24 per cent of the funds has been disbursed to the constituencies, so that we can make a follow-up on how it was spent.

Mr. Temporary Deputy Speaker, Sir, on the education sector, the Ministry has done very well; by sending bursaries to secondary schools. In this Budget, the Minister has managed to raise the bursary kitty provision to Kshs540 million from Kshs530 million in the previous Budget.

The Temporary Deputy Speaker (Mr. Imanyara): Order! Your time is up, Mr. Otula!
Could you take the Floor, Mr. Sirma?

The Assistant Minister for Local Government (Mr. Sirma): Mr. Temporary Deputy Speaker, Sir, thank you for giving me the opportunity to contribute to the Motion on the Budget Speech.

I would like to congratulate the Minister for ably presenting before the House a very well-balanced and common man-friendly Budget, and which reflects a foresight. I commend him for centralising the collection of revenue on the Kenya [Revenue Authority (KRA)]. Actually, revenue which has been collected by various agents in many sectors has been subjected to a lot of fraud. The people who have been collecting this revenue have not been doing a good job, because they are not well-remunerated. Therefore, there is a tendency for them to be corrupt, so that they can compensate themselves for their work. However, KRA staff are well paid. So, they should do their job more effectively.

I also commend the Minister for setting aside funds for the Constitution of Kenya Review Commission (CKRC). However, I hear some hon. Members talk about not giving the CKRC enough time to complete its job. We have used a lot of taxpayers' money. So, it is not good to abandon the review process altogether, or rush it and end up having a half-baked Constitution. We have always been asking for a comprehensive review of the Constitution. So, I wonder why some hon. Members now threaten to withdraw from the Select Committee on the Constitution of Kenya Review Process. These are the same people who participated in the deliberations of this Committee. We would like the minutes of the Select Committee to be brought to the House. We have a record of the proceedings of the Committee meetings. They actually said that it was good to have a comprehensive review of the Constitution. They said that extending the process by one or two months could not cause any harm. However, they have now changed their stance in order to cause confusion in the country.

Mr. Kihoro: On a point of order, Mr. Temporary Deputy Speaker, Sir. There is no relevance at all in what the speaker on the Floor is saying to the Budget.

The Assistant Minister for Local Government (Mr. Sirma): Mr. Temporary Deputy Speaker, Sir, I think hon. Kihoro does not understand that we are talking about the taxpayers' money, which we are committed to raise through this Budget. I am referring to the Kshs700 million which the Minister set aside in his Budget for the Constitution of Kenya Review Commission (CKRC).

The Chairman of the Democratic Party of Kenya (DP) has turned his back on us and said that he does not want us to have a comprehensive constitutional review, yet he has always supported the idea. We are ready to meet in the streets with the Opposition. I want to assure you that once you go to the streets, we shall meet you there. We are not cowards!

Mr. Katuku: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the hon. Member to address Mr. Kihoro directly? Should he not address him through the Chair? Once they meet in the streets after this, you know what will happen. Could the Chair advise Mr. Sirma to address the Chair and not Mr. Kihoro directly?

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Sirma, you can meet the Chair in the streets and not the hon. Member!

The Assistant Minister for Local Government (Mr. Sirma): Mr. Temporary Deputy Speaker, Sir, I wish to apologise for addressing Mr. Kihoro directly. But it is true that hon. Members who are thinking about causing chaos in this country will not achieve their goal. Kenyans are tired of what the Opposition has been preaching. I do not know what the Opposition will tell the people during the coming general election.

I want also to congratulate the Minister for addressing the issue of the Local Authority Transfer Fund (LATF). The Kshs8 billion that was allocated to LATF should be well used and the conditionalities followed strictly. The conditions which have been put in place in the distribution of that money are not favourable. This is because some areas get more money than others. We have areas which have been marginalised for so long, and which should be given priority in the distribution of that money. Some councils are disadvantaged and do not collect enough money in form of cess. These are the councils which should be given adequate funding, and I hope that the rules of distributing that money will be changed very soon.

I would like also to congratulate the Minister for setting aside funds for the rehabilitation of the Kenya Meat Commission. Farmers in this country have suffered for a long time. They have been subject to abuse by people with self-interest, and who import beef into the country, thus making the market unfavourable for the farmers. These are the same people who have grabbed the KMC land. We need the KMC to be operational. I wonder why the Minister is pumping money into the Kenya Railways Corporation (KRC), yet the farmer is suffering. The Kenya Co-operative Creameries (KCC) has not been given any money. It should also be revived. Our dairy farmers are suffering and are subject to abuse by Indians, who import powdered milk into this country. They have imported milk which they intend to sell for the next two years. We need to have a legislation on the importation of the powdered milk into this country in order to protect our dairy farmer.

Mr. Munyasia: On a point of order, Mr. Temporary Deputy Speaker. Hon. Sirma is being a racist. We know that there are many people who exploit the poor man, but he has singled out only the Indians. We know that even his black colleagues are exploiting the poor in this country. Is he not being a racist?

The Assistant Minister for Local Government (Mr. Sirma): Mr. Temporary Deputy Speaker, Sir, my

African colleagues have not imported powdered milk into the country. It is only the Indians who have imported powdered milk into this country.

The other day, the Minister for Agriculture tabled a Sessional Paper on the Agricultural Finance Corporation (AFC). This Paper should have been incorporated in the Finance Bill so that the AFC loans are written off and the AFC is revived. If we want to address the issue of poverty in this country, we should boost our agricultural sector. There is no other way of reviving the agricultural sector other than reviving institutions such as the AFC, KCC and the KMC. How will the KRC assist us? We know that we can privatise the KRC and make some money. So, why can we not just privatise it and use the money from it to revive the KCC?

I also want to thank the Minister for setting aside money for the purchase of textbooks for primary schools. This is a way forward. Our children have really been having a big problem. I am sure that those who have been thinking that the education sector will not be streamlined have seen that the Minister has done it well. That money should not be distributed in Nairobi. The bursary funds should be taken to the district headquarters. In the past, bursaries have been distributed on a preferential basis.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Sirma! It is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Thursday, 20th June, 2002, at 2.30 p.m.

The House rose at 6.30 p.m.