

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 27th June, 2000

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

ORAL ANSWERS TO QUESTIONS

Question No.327

PHASING OUT OF ASSISTANT CHIEFS

Dr. Kituyi asked the Minister of State, Office of the President, why the decision to phase out assistant chiefs from the Public Service was rescinded.

The Minister of State, Office of the President (Maj. Madoka): Mr. Speaker, Sir, I beg to reply.

There is no decision to rescind the earlier decision made about the retention of assistant chiefs. I think this is arising from the report which was in the media. The media took that report from an earlier proposal which is no longer valid.

Dr. Kituyi: Mr. Speaker, Sir, the Permanent Secretary in charge of Provincial Administration did announce a decision which had been ratified by the Cabinet. He gave extensive reasons as to why assistant chiefs were to be removed. What amount of review happened within 24 hours that the President had to overturn that decision the next day, to the effect that assistant chiefs were to be retrained to spread the "gospel" against AIDS?

Maj. Madoka: Mr. Speaker, Sir, it is true that the Permanent Secretary did give reasons as to why the size of the assistant chiefs and chiefs should be reduced but on demand from wananchi in general, it was decided that we should review the situation.

Mr. Wamae: Mr. Speaker, Sir, could the hon. Minister let us know what retraining is being carried out for both chiefs and assistant chiefs? Could he also confirm now that they are not going to be retrenched as the President did say?

Maj. Madoka: Mr. Speaker, Sir, we have embarked on a massive training programme which started on 20th May, this year, to retrain assistant chiefs and we are also going on to train the chiefs as well. So, there is a programme to train the chiefs and not to reduce them.

Dr. Kituyi: Mr. Speaker, Sir, when the Permanent Secretary explained why assistant chiefs should be redundant, he said that their function as couriers of information had been overtaken by the communication evolution that has occurred in the country. When the President said that he was cancelling that firing, he said that they would be important as agents of consciousness about AIDS. Can you now tell us what retraining they are undergoing? Is it as couriers of information or as crusaders against AIDS?

Maj. Madoka: Mr. Speaker, Sir, I think the chiefs and assistant chiefs have a major role to play in the general administration of the country. So, their training is basically on administration and not just on being couriers of information about the AIDS pandemic.

Mr. Speaker: Next Question, Mr. Muite!

Question No.331

LETTERS FROM KENYA MOVEMENT FOR DEMOCRACY

Mr. Speaker: Mr. Muite is not there? We will leave that Question until the end. Next Question, Mr. Parpai!

Question No.280

COMPOSITION OF DISTRICT TENDER BOARDS

Mr. Parpai asked the Minister for Finance:-

(a) whether he is aware that District Commissioners are not following the recommended tendering procedures as stipulated in the Ministry's Circular of 1998, Ref. District Tender Board Composition; and,

(b) what action he has taken to enforce the said Circular.

The Assistant Minister for Finance and Planning (Mr. Marrirmoi): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that District Commissioners are not following tendering procedures as stipulated in the Ministry's Circular No.1 of 1998.

(b) In view of the above, part "b" does not arise.

Mr. Parpai: Mr. Speaker, Sir, is the Assistant Minister not misleading the House when he says that he is not aware that District Commissioners are not implementing the Treasury Circular No.1 of 1998, when in my own district, we have never been invited for a District Tender Board meeting?

Mr. Marrirmoi: Mr. Speaker, Sir, I am not aware that the hon. Member has not been invited to the District Tender Board meeting. But I am aware that most Members of Parliament, according to the reports we are getting, do not attend the District Tender Board meetings which are very important.

Mr. Wamae: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Assistant Minister to state that Members of Parliament are usually invited to those meetings but fail to attend, when in Nyeri the Members of Parliament have not been invited by the District Commissioner or anybody else to attend those meetings?

Mr. Marrirmoi: Mr. Speaker, Sir, I am not aware that District Commissioners have not been inviting Members of Parliament to these meetings. If there is evidence to that effect, stern action will be taken against them.

Mr. Khamasi: Mr. Speaker, Sir, could the Assistant Minister let this House know SMC what is going to happen if there will be any incidences where the Tender Board meetings will be held, and the District Commissioner or the supplies officers fail to invite Members of Parliament?

Mr. Marrirmoi: Mr. Speaker, Sir, these are very important meetings and Members of Parliament are supposed to attend them. So, if there is any District Commissioner who is not forwarding invitation letters to Members of Parliament, let us be informed and stern action will be taken against them.

Mr. Anyona: Mr. Speaker, Sir, could the Assistant Minister tell us the legal basis on which Members of Parliament have become members of the District Tender Board?

Mr. Marrirmoi: Mr. Speaker, Sir, after complaints were received from Members of Parliament, a circular was issued to the effect that at least, half of the Members of Parliament have to attend any Tender Board meeting.

Mr. Speaker, Sir, the circular is there, and it is binding according to the regulations of the Treasury.

Mr. Parpai: Mr. Speaker, Sir, now that the circular specified and directed that the quorum of a District Tender Board will only be formed if Members of Parliament in that district form a quorum--- In a district like Kajjado, where we have never been invited for a Tender Board meeting, what action are you going to take? Are you going to nullify those meetings that have taken place?

Mr. Marrirmoi: Mr. Speaker, Sir, as I said before, there is information from the districts that Members of Parliament do not get time to attend those meetings. So, I do not know---

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead the House, while we know that there are districts, for example, Homa Bay where the District Commissioner convenes a meeting and gives the Members of Parliament a one day notice? I even wrote a letter to the Permanent Secretary to that effect!

Is he in order to mislead the House that Members of Parliament do not attend those meetings?

Mr. Speaker: Order, Dr. Ochuodho! When you are called to order by the Chair, you should respond immediately. You have kept on quarrelling even after the Chair has called you to order! In fact, you were out of order.

But Mr. Marrirmoi, do you or do you not believe that all those excuses are tactics by the Provincial Administration to ensure that hon. Members do not attend the Tender Board meetings?

Mr. Marrirmoi: Mr. Speaker, Sir, I do not think that is correct. But let me assure hon. Members that if there will be any case reported to that effect, stern action will be taken against the concerned District Commissioner.

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

Mr. Speaker: Mr. Marrirmoi, if I had time, I would allow all these hon. Members to ask you questions. This goes to show you that what you are saying is very unpopular with Members of Parliament. These are your colleagues and you should take note of their reactions.

Dr. Ochuodho: On a point of order, Mr. Speaker, Sir. Could you allow me to table the letters which I wrote to his Permanent Secretary, complaining about the District Tender Board in Homa Bay District?

*(Dr. Ochuodho laid the document
on the Table)*

Question No.131

LEAKAGE OF CENSUS RESULTS

Mr. Achola asked the Minister for Planning:-

(a) under what circumstances the 1999 census results were leaked out to the *Daily Nation* newspaper;

(b) what action the Ministry has taken against the officers who leaked the results; and,

(c) whether he is satisfied with the census results.

The Assistant Minister for Finance and Planning (Mr. Lomada): Mr. Speaker, Sir, I beg to reply.

(a) The 1999 population census results did not leak. The figures published by the *Daily Nation* newspaper shortly before the Government released the provisional census results were just a speculation on the part of the media house. They were intended to pre-empt the Government's official figures. The Government released the official provisional census results to the public as promised on 29th February, 2000. By releasing the provisional census results within six months after the conclusion of the enumeration exercise, the Government has demonstrated its commitment to providing timely data for planning purposes.

(b) Investigations carried out by the Government soon after the release of the speculated figures by the *Daily Nation* newspapers did not implicate any of the census officers in the alleged leakage. Consequently, no action could be taken.

(c) The Government is satisfied with the provisional census results. Hon. Members must be aware of the effort that was made to publicise the same process and the obligation of the public to avail accurate data. These efforts led to total ownership of the census by all stakeholders. All the stakeholders participated with zeal and gave excellent co-operation during the census exercise. It is in this regard that I am confident that the provisional census results portray a plausible profile of the Kenyan population.

Mr. Achola: Mr. Speaker, Sir, I am surprised the Assistant Minister is saying that there was no leakage. I am sure we all remember that the figures that were given by the *Daily Nation* newspaper were exactly the same as the figures that were later given by the Government. Could the Minister explain to us how the *Daily Nation* newspaper was able to speculate to the letter the figures that were later released by the Government?

Mr. Lomada: Mr. Speaker, Sir, I actually do not know how they came up with the figures closer to the results my Ministry gave. How they got their results is not our concern.

Mr. Ndicho: Mr. Speaker, Sir, the Assistant Minister is asking the House the same Question we have asked him. We would like him to tell this House and the country how those figures - as accurate as the Government's - leaked to the *Daily Nation* newspaper, and, if those figures are provisional, when he is going to table the exact population of Kenyans.

Mr. Lomada: Mr. Speaker, Sir, there is a possibility that the *Daily Nation* newspaper used the 1989 census figures, and the projections.

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to tell us that those were 1989 projections, when in fact, the figures that the *Nation* newspaper and the Ministry gave were the same?

Mr. Speaker: Order! When do you ever know a point of argument from a point of order? If you want to ask that question, catch my eye!

Mr. Achola: Mr. Speaker, Sir, could the Assistant Minister give us an explanation as to how the Luo ethnic group was overtaken by another ethnic group in the name of Kalenjins? What could have happened to the Luos, because I do not know of any epidemic that wiped the Luos out? Do not mention AIDS, for God's sake!

Mr. Lomada: Mr. Speaker, Sir, I do not know whether what the hon. Member is saying is true. The figures my Ministry released portrayed the right figure.

Mr. Weyrah: Mr. Speaker, Sir, during the last census, the Minister was quoted to have said that the

population of North-Eastern Province was high because of the refugees in the area. Could the Assistant Minister confirm whether that is the right position?

Mr. Lomada: Mr. Speaker, Sir, I cannot recall talking about refugees in my answer.

Question No.238

VEHICLES FOR RACHUONYO D.E.O

Mr. Otula asked the Minister for Education:-

- (a) whether he is aware that the District Education Officer (DEO) at Rachuonyo District is not able to render adequate services to the schools in the area due to lack of vehicles; and,
- (b) when and what plans he has to provide the DEO with vehicles.

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

(a) Currently, he is having two serviceable Landrovers, Registration Nos.GK 542X and GK 770N, the relatively new office of the District Education Officer in Rachuonyo suffers no more serious disadvantage in transport facilities than any other district. That DEO district innovatively renders adequate services to schools in the area.

(b) Rachuonyo District Education Officer will have to make do with the two vehicles and with the support of other Government departments as necessary, until the Government's financial position allows for the purchase of more vehicles for the district.

Mr. Otula: Mr. Speaker, Sir, from the answer given, it is indicated that two Landrovers have been sent to Rachuonyo District. From the registration numbers of those vehicles, it is obvious that those are junks which were only sent there after I had asked my Question. The vehicles cannot move from the DEO's station to any school, particularly GK 770N which is not working. How much money has the Ministry set aside for the repair of this particular Landrover?

Mr. Awori: Mr. Speaker, Sir, this information was given to me by the beneficiary of the vehicle; the District Education Officer himself. He assured me that this vehicle is serviceable and that he is able to use it to visit schools.

Mr. Otula: Mr. Speaker, Sir, I would like to know how much money has been set aside for the maintenance of those Landrovers, because they are old vehicles?

Mr. Awori: Mr. Speaker, Sir, at the expense of repeating myself, the vehicles are serviceable according to the user.

Question No.187

ISSUANCE OF LIVESTOCK MOVEMENT PERMITS

Mr. Weyrah asked the Minister for Agriculture:-

- (a) when the issuance of livestock movement permits will be centralized in Ijara; and,
- (b) what plans he has put in place to eradicate the increasing tsetse fly population in the area and ensure frequent vaccination of livestock.

The Assistant Minister for Agriculture and Rural Development (Mr. J.D. Lotodo): Mr. Speaker, Sir, I beg to reply.

(a) The Ministry has already posted veterinary officers who include a Veterinary Officer, a Livestock Officer and an Animal Health Assistant to the new Ijara District.

(b) The Ministry has been availing trypanocidal drugs such as tryquin, novidium, ethidium, samorin, veriben/berenil to the livestock owners at the Coast. Those drugs are used for treatment and control of trypanosomiasis, the livestock disease transmitted by the tsetse fly. It is also hoped that the research institute on tsetse fly will come up with a control measure to eradicate the increase in tsetse fly population in the country.

Mr. Weyrah: Mr. Speaker, Sir, first, I would like to thank the Assistant Minister for the answer he has given in part "a". But for the answer in part "b", I do not agree with him. I wish there was a veterinary doctor here to confirm, because those drugs he has mentioned are for treatment of trypanosomiasis, but not for control of the disease. I wanted to know how the Ministry intends to control the increased prevalence of the disease.

Mr. J.D. Lotodo: Mr. Speaker, Sir, given the fact that Ijara District was started recently and officers are yet to report and start their work, I hope the problem in question will be tackled accordingly. Our Ministry headquarters is doing everything possible to avail the drugs for the treatment of tsetse fly related diseases?

Mr. Weyrah: Mr. Speaker, Sir, I am not satisfied with the answer given by the Assistant Minister. I have

informed him that the drugs he mentioned are for treatment and not for control of trypanosomiasis. What assurance can we get that the Ministry is determined to control the increasing prevalence of trypanosomiasis in the area?

Mr. J.D. Lotodo: Mr. Speaker, Sir, if the hon. Member listened to me carefully, I said that a District Veterinary Officer and a District Animal Health Assistant will be posted to the area. Drugs will also be availed to combat trypanosomiasis and other diseases caused by tsetse flies.

Question No.254

DISMISSAL OF MR. ABNER MOYWAYWA

Mr. Obwocha asked the Minister for Labour:-

- (a) why the services of Mr. Abner Moywaywa, a shopsteward with Kenya Securicor Services Limited, were terminated;
- (b) how much money the Company owes him; and,
- (c) if he could order his re-instatement.

The Minister for Labour (Mr. Ngutu): Mr. Speaker, Sir, I beg to reply. (a) On 13th August, 1999, Mr. Moywaywa was found sleeping while on duty. Consequently, he was summarily dismissed.

(b) The Company does not owe him any money. Due to the intervention of the Kenya Union of Commercial Food and Allied Workers, Mr. Moywaywa's dismissal was reduced to normal termination. He was paid terminal benefits amounting to Kshs23,660. Mr. Moywaywa collected the payments on 18th August, 1999 and signed for it.

In view of the answer in part "b" above, part "c" does not arise.

Mr. Obwocha: Mr. Speaker, Sir, you will appreciate that this was basically a case of victimization because Mr. Moywaywa was a shopsteward. Could the Minister prove to this House that indeed, Mr. Moywaywa was asleep? Where was he sleeping and what got lost in the premises he was guarding? Normally, a watchman can have a nap.

Mr. Speaker: Mr. Obwocha, what is the difference between "a nap" and "sleep"?

Mr. Obwocha: Mr. Speaker, Sir, there is a big difference. A watchman can close his eyes a bit. Let him prove that Mr. Moywaywa was asleep, because nothing got stolen from the premises he was guarding.

Mr. Angwenyi: On a point of information, Mr. Speaker, Sir. I would like to inform Mr. Obwocha that Mr. Moywaywa was praying since he is an SDA member.

Mr. Speaker: Do you take that information Mr. Obwocha?

Mr. Obwocha: Mr. Speaker, Sir, by closing eyes, he could have been praying or meditating.

Mr. Speaker: Mr. Ngutu, what was it; had he closed his eyes or was asleep?

Mr. Ngutu: Mr. Speaker, Sir, the information I have is that, he was "dead" asleep.

Dr. Kulundu: Mr. Speaker, Sir, that action reeks of victimization. Could the Minister tell us what clause in the Employment Act classifies falling asleep as gross misconduct?

Mr. Ngutu: Mr. Speaker, Sir, it is obvious that if somebody is employed as a guard and is found sleeping, then that is gross misconduct.

Mr. Muchiri: Mr. Speaker, Sir, how many warnings had Mr. Moywaywa been given prior to his dismissal, if it was not a case of victimization?

Mr. Ngutu: Mr. Speaker, Sir, I did not have that information, but the matter was fully deliberated upon by the Union, the shop stewards and the officials of the Ministry of Labour. He was found to have been sleeping and his services were terminated.

Mr. Kathangu: Bw. Spika, kwa sababu Waziri alikuwa askari zamani kama mimi, anajua kwamba askari alalaye ni lazima anyang'anywe bunduki ama kofia. Tunataka kujua kutoka kwa Waziri kama hili jambo lilitendeka wakati huo?

Mr. Speaker: Or, for a watchman, I think, it is supposed to be a rungu.

(Mr. Ngutu consulted with Maj. Madoka)

Mr. Wamae: On a point of order, Mr. Speaker, Sir. Is it in order for the two former soldiers, one a former policeman and the other a former army officer, to be consulting instead of answering the question?

Mr. Speaker: Order! I think that one of them was an Army Major and the other one was a Deputy Commissioner of Police. In the hierarchy of security, the Army is much more trained. So, maybe, he was getting tips.

Mr. Ngutu: Mr. Speaker, Sir, I did not get the question correctly. Could the hon. Member repeat?

Mr. Speaker: He said that according to him, and he was in the Air Force, while you were in the Police Force,

if a soldier is found asleep, to prove that he was asleep, you will either take away his gun or his cap so that the next day, you will say: "This is your cap or your gun; where were you when it was taken away?" Was anything taken from this watchman, a rungu, for example?

Mr. Ngutu: Mr. Speaker, Sir, all the details in this particular case were discussed by the members of the Kenya Union of Commercial Food and Allied Workers. All the questions were asked and the members were satisfied that there was a case against this person.

Mr. Obwocha: On a point of order, Mr. Speaker, Sir. Is the Minister in order to evade a very important Question? The information that we want is not for the union, but for this House to prove that Mr. Moywaywa was actually sleeping? Did the authority take away from the officer his cap or whatever weapon that he had? This is the question that was raised.

Mr. Ngutu: Mr. Speaker, Sir, we were not there and we just relied on the information given to us.

Question no.331

LETTERS FROM KENYA
MOVEMENT FOR DEMOCRACY

Mr. Muite: Mr. Speaker, Sir, may I apologise for coming a bit late. I also crave your indulgence for this Question could be answered on, perhaps, Thursday. There are some documents that I would like to come with.

Mr. Speaker: Very well, I oblige and I defer the Question to Thursday.

(Question deferred)

QUESTIONS BY PRIVATE NOTICE

COMPULSORY HIV TESTING ON
KENYANS BY US EMBASSY

Dr. Kulundu: Mr. Speaker, Sir, I beg to ask the Minister for Foreign Affairs and International Co-operation the following Question by Private Notice.

Why does the United States of America (USA) Embassy in Kenya perform compulsory HIV testing on Kenyans who wish to travel to the USA contrary to World Health Organisation's requirement?

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): Mr. Speaker, Sir, I beg to reply.

(a) The United States of America Embassy in Kenya does not perform compulsory HIV testing on Kenyans who wish to travel temporarily to the USA. However, Kenyans who have obtained Green Cards and have decided to stay on permanent basis with intention of becoming USA citizens, are subjected to medical tests. The tests are not only restricted--

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

Mr. Speaker: Order, Mr. Achola! In fact, I know what you will say is not a point of order, but you want to inform him. Proceed, Mr. Assistant Minister!

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): The tests are not only restricted to HIV/AIDS, but cover all communicable diseases that would be of public health concern as per the USA public health laws.

(b) Applicants of Green Cards, normally have no intention of going back to their countries, but they become permanent residents of the USA. They are, therefore, subjected to full medical examinations including tests for HIV/AIDS because on becoming USA permanent residents, they become entitled to all benefits that accrue to USA citizens, including medical insurance cover.

Dr. Kulundu: Mr. Speaker, Sir, that is absolutely unbelievable. That answer is grossly misleading as you could clearly see from the reaction from the hon. Members.

Not too long ago, a group of hon. Members of this House were subjected to compulsory HIV testing before they could go to the USA. Is the Minister aware that a group of hon. Members of this House were subjected to this HIV testing? This was done without their consent. Surely, what is wrong with you, Mr. Assistant Minister?

Mr. Speaker: Order, Dr. Kulundu! Hon. Members must desist from those emotions. If you want to ask what is wrong with anybody, you should say: "What is wrong with you, hon. Speaker?" That is acceptable. But you should not put it direct to the other hon. Members. I have enough shock absorbers to absorb all your unease. So, please, direct

those remarks to the Chair. Mr. Muchilwa, would you like to respond?

Mr. Muchilwa: Mr. Speaker, Sir, the information that I have given to the House is what I obtained from the relevant Embassy and I have no reason to doubt the trustworthiness of the Embassy.

Mr. Achola: Mr. Speaker, Sir, in view of the fact that the information that the Assistant Minister has given to the House is faulty, could he go back and ask the American Embassy to give him a correct answer?

Two weeks ago, when five of us were going to Washington, we were forced to go through an AIDS test. It was so humiliating and it is wrong for anybody to come here and say what the Assistant Minister has said. He should be ashamed of himself. The good news though, is that I am okay. I do not have the HIV/AIDS virus.

(Laughter)

Mr. Muchilwa: Mr. Speaker, Sir, I have no reason to doubt information given to me by the American Embassy.

Mr. N. Nyagah: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister aware that the innuendos that were created by the American Embassy on us, I was one of those hon. Members who went on that trip, were that we are men and women of loose morals and that we were going to sleep around with the girls in the USA? They sent us to have our stool and urine checked. One had to strip naked in front of an Indian whom you did not even know whether he sodomises men or not. Could the Government take up this matter with the seriousness it deserves and make sure that no Kenyan in future, will ever be put through this? We have taken up this matter with the State Department in Washington, the National Security Council, the American Embassy here and the National Aids Council on your behalf.

Mr. Muchilwa: Mr. Speaker, Sir, first of all, I am not aware that the hon. Member---

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

Mr. Speaker: Order! All hon. Members are honourable. Mr. Assistant Minister, you have heard your brother here from the opposite side, Mr. N. Nyagah, telling you that he went through the process. You also heard Mr. Achola being so happy [**Mr. Speaker**]

because he discovered that he is alright. He also said that he went through that humiliating exercise. In view of that information, could you make a point of maybe, asking the American Embassy about it again?

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

Mr. Speaker: Order! Mr. Haji, do you want to raise a point of information or ask a Supplementary Question as an Assistant Minister?

The Assistant Minister, Office of the President (Mr. Haji): Mr. Speaker, Sir, it is a point of information.

Mr. Speaker: Who do you want to inform?

The Assistant Minister, Office of the President (Mr. Haji): I want to inform my colleague here and he has agreed.

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

Mr. Muchilwa: I do not mind, Mr. Speaker, Sir.

Mr. Speaker: Okay, can you be informed?

The Assistant Minister of State, Office of the President (Mr. Haji): Mr. Speaker, Sir, my point of information is that if what the hon. Members are saying is true, what makes them so desperate to agree to undergo this HIV test and not come back to their country?

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

Mr. Speaker: Order, Mr. Sambu. Order! Mr. Haji, that is the wrong way of going about business.

A hon. Member: Throw him out!

Mr. Speaker: Order! Hon. Members, I am tempted to throw all of you out! On a more serious issue, I think the sentiments of the House are quite clear, that the House and by extension, Kenyans, feel a little strongly about this humiliating and sub-human treatment they undergo when they want to go to the US. I think it is the duty of the Ministry of Foreign Affairs and International Co-operation to convey the sentiments of Kenyans to friendly governments. This is what the House is urging you to do.

(Applause)

Mrs. Mwewa: On a point of information, Mr. Speaker, Sir. I was among the six male Members of Parliament who were on that trip to the USA. I was to be---

A hon. Member: Stripped naked?

Mrs. Mwewa: Not naked. I was so scared because it was not for us---

(Laughter)

Mr. Speaker: Order! Can we hear her!

Mrs. Mwewa: I was scared because we were to be tested for HIV/AIDS. You know it is scary. We had sleepless nights. We were asking each other: "Have you gone to be tested?". Lastly, we agreed to go and be tested. So, is it in order for the Assistant Minister to mislead this House that those USA citizens who visit Kenya should not undergo the kind of treatment we experienced when we visited their country?

Mr. Speaker: Mr. Muchilwa, what do you propose to do?

Mr. Muchilwa: Mr. Speaker, Sir, I agree with my colleagues on that side. I was not aware at that time that such a thing was going on. My Ministry will follow up this matter and find out why such a heinous thing is happening. We will take it up with the United States of America Embassy.

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

Mr. Speaker: Order, Mr. Gitonga! I have very few minutes left. I have three other Questions which are important. So, I suppose our sentiments have reached the Embassy of the United States of America, through the Assistant Minister.

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

Mr. Speaker: Dr. Kulundu, the very last one.

Mr. Kulundu: Mr. Speaker, Sir, thank you very much. Even the impression that the Assistant Minister has given about the Green Card holders is wrong. It is against the WHO policy which states as follows, in case he does not know:-

"Obligatory testing that is without consent has been at targeted at some groups in some countries including migrants, refugees or travellers. Testing of these groups is a violation of the Non-Discrimination Principle under International Human Rights Law".

So, even Green Card holders should not undergo any compulsory testing. What is the Ministry doing to discourage the Embassy from testing all Kenyans of whatever description, leave alone Green Card holders?

Mr. Muchilwa: Mr. Speaker, Sir, we will follow this matter up with the Embassy but the question of---

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

Mr. Speaker: Order, all of you. What Members do not seem to understand is that the Assistant Minister has no control over the US Government. He can only prevail upon it. So, please, if you are upset as you have portrayed, I am sure tomorrow morning, the US Embassy will get the reaction of the House through our print media who do a sterling job in reporting what we do in this House. So, that must rest there now.

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

Mr. Speaker: Order! Next Question!

MISTREATMENT OF GIRLS DURING EASTERN PROVINCIAL DRAMA FESTIVAL

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

(a) Is the Minister aware that male teachers entered a girl's dormitory during the Eastern Provincial Drama Festival in Makueni District and beat the girls injuring some very seriously?

(b) What action has the Ministry taken on the said teachers?

(c) What measures is the Ministry taking to ensure the safety of female students during such festivities and other times when they are forced to sleep out of their regular schools?

Mr. Speaker: Mr. Kikuyu is not here? So the Question is dropped. Next Question, Mr. Kaindi.

(Question dropped)

RE-OPENING OF KENYA MEAT COMMISSION

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

(a) Could the Minister give a definite date when the Kenya Meat Commission plant in Athi River will re-open?

(b) Could the Minister assure this House that the Kenya Meat Commission cold storage in Mombasa will not be sold by the receiver?

The Minister for Agriculture (Mr. Obure): Mr. Speaker Sir, I know that it is not just hon. Members of Parliament who are anxious to hear what kind of answer I will give to this Question, but also the entire country. I wanted to seek your indulgence and the indulgence of hon. Kaindi to come up with a more comprehensive answer in a week's time. Can that be allowed?

Mr. Sambu: On a point of order, Mr. Speaker, Sir. His Excellency the President has on various occasions said that the KMC will be re-opened. Our cattle are dying all over, the country and not only those of the nomads, but even of farmers in high potential areas. The Ministry says they will answer next week, but we want the answer now since the President himself said so.

Mr. Wamae: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Minister to defer this Question when we are aware that many cattle belonging to the Samburu, Pokot and Turkana herdsmen have died in Mount Kenya Forest? These cattle would have been rehabilitated if KMC was there to help the pastoralists destock?

(Applause)

The Minister for Agriculture (Mr. Obure): Mr. Speaker, Sir, I am aware of the devastation and problems Kenyans, particularly the pastoralists and other breeders are going through. That is why I was seeking the indulgence of Mr. Kaindi and you for the Question to be deferred.

Mr. Speaker, Sir, I would like to stand in this House when I am more definite and I have something more concrete to tell the nation. That is why I am asking for this indulgence.

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

Mr. Speaker: Order! The question for me is: Shall I defer the Question or not?

Hon. Members: Do not defer it.

Mr. Shill: On a point of order, Mr. Speaker, Sir. Since the Minister is now saying that we should give him time to go and source for more information, is he aware that the person who is going to write the same report for him is the one who sold the KMC houses here in Nairobi and he is the same person who does not want KMC to be re-opened and I will name that person?

Mr. Speaker: Why do you not wait until the Question comes?

Mr. Shill: Mr. Speaker, Sir, the question is that: Could the Minister assure us that, that person---

Mr. Speaker: Order! I will have to use my discretion which is as follows: Although I sympathise with the sentiments raised by hon. Members that this decision should have been made a long time ago - as a matter of fact, there is really no reason why it should not have been, the Chair having once been in a position to foresee the rehabilitation of the KMC itself as Minister for Industry, but I am no longer there - I am also sympathetic of the fact that the Minister would like to come and tell this House a concrete issue. I suppose the Minister is going to make a decision on his Ministry. I will defer the Question in the interest of everybody and I think I will schedule it for Tuesday next week. So, the Question is deferred. Mr. Minister, you can see the House and the nation are very anxious and I think it will be "a full House!"

(Question deferred)

PURCHASE OF AIR TICKETS
BY MUMIAS OUTGROWERS LTD

(Mr. Sifuna) to ask the Minister for Agriculture:-

(a) Is the Minister aware that, on 2nd May, 2000, Ms. Mumias Outgrowers 1998, Limited of P. O. Box 132, Telephone No.41012, Mumias, paid Ms. Highlight Travel of P. O. Box 58082, Nairobi, for two air tickets for people who are neither employees or directors of the Company?

(b) Who are the beneficiaries of those two tickets?

(c) What urgent measures is the Minister taking to recover the farmers' money from the officers concerned?

Mr. Speaker: Mr. Sifuna still not here?

(Question dropped)

MINISTERIAL STATEMENT

INCREMENT OF POWER DEPOSITS

The Assistant Minister for Energy (Mr. Chanzu): Mr. Speaker, Sir, I wish to make a Ministerial Statement in response to a matter raised by hon. Michuki in this House last week, on increment of deposits for power supplied by the Kenya Power and Lighting Company (KPLC).

Mr. Speaker, Sir, it is true that the KPLC requires electricity account deposit of two and half months average consumption from domestic customers and smaller-medium commercial customers. The account deposit acts as a security for electricity consumption by such customers. In relation to commercial customers, the electricity consumption security is by way of a non-demand bank guarantee. The practice of demanding security for services rendered or goods to be supplied is an international prudent business practice, not peculiar to the KPLC alone. In fact, the KPLC is required by some of its bulk suppliers of electricity to provide similar securities.

Mr. Speaker, Sir, in addition, under Section 62 (7) of the Electric Power Act, 1997, a public electricity supplier may require a consumer to make such account deposits commensurate with the consumer's electrical energy consumption, before the electricity energy is supplied to him. The deposits may be revised by the public electricity supplier from time to time, to take account of both the level of consumption and charges in electricity tariffs.

Mr. Speaker, Sir, the requirement of two and half times deposit, the customer's average electricity consumption is based on the KPLC's credit period to customers of an average of 75 days. Customers with inadequate deposits are routinely notified and requested to top them up appropriately. Mr. Speaker, Sir, the issue is not a wholesale demand and is not related to the current inadequate power situation.

Thank you.

Mr. Michuki: Mr. Speaker, Sir, the decision by the KPLC involves a lot of resources that will be taken out of the control of individual Kenyans. This is the time when they need that revenue more than ever before! Could the Assistant Minister state how much money will be collected from the general public through this unfair imposition of deposits which are completely unnecessary?

The Assistant Minister for Energy (Mr. Chanzu): Mr. Speaker, Sir, I cannot state precisely how much money will be collected. But in my statement, I said that it is a prudent business practice used by such institutions all over the world.

Dr. Ochuodho: Mr. Speaker, Sir, the one major reason why the price increment was effected was because the KPLC faced the independent power generators differently. The preferred independent power generators are paid on higher services. Could the Assistant Minister explain to the House why those increments were necessary?

Secondly, with regard to payment to banks, where people in residential areas have a higher tariff rate than people in other areas, is the Assistant Minister aware that, there are Jua Kali operators who should be taxed less than other serious consumers? Could he tell us whether the increments have anything to do with the new meters that have been installed? Why did they find it necessary to peg payments of electricity bills to the dollar, rather than the Kenya shilling?

The Assistant Minister for Energy (Mr. Chanzu): Mr. Speaker, Sir, on the last question, it is because most of the payments are made in foreign currency. Secondly, the charges---

Mr. Speaker, Sir, I did not get the second point!

Mr. Speaker: Order, Mr. Chanzu! In all fairness to the Assistant Minister, those are questions that need to be asked in question form, so that he can prepare substantially. Last week, I advised the House not to use too many points of order on Ministerial Statements. But because of the gravity of the matter, any interested Member may put a substantive Question in the lines raised by Dr. Ochuodho, so that it can be fully discussed and, at the same time, allow the Assistant Minister to prepare for it, so that we do not ambush him on facts that he is not ready for.

Mr. Michuki: Mr. Speaker, Sir, I would like to request the Assistant Minister to consider the fact that the KPLC has powers to disconnect electricity when it is not paid for. The Assistant Minister should go and work out why he needs all that money at this time, and not at any other time. I agree that I will bring a substantive Question on this matter.

Mr. Speaker: Very well. Please, bring a substantive Question. Question Time is up! Let us move on to the next Order!

COMMITTEE OF WAYS AND MEANS

(Order for the Committee read)

MOTION

THAT, MR. SPEAKER DO NOW LEAVE THE CHAIR

(The Minister for Finance on 15.6.2000)

(Resumption of Debate interrupted on 21.6.2000)

(Fourth Day of the Budget Debate)

Mr. Speaker: Who was on the Floor?

An hon. Member: He had finished his time!

Mr. Speaker: Okay. Then we should have another Member. Prof. Saitoti!

The Vice-President (Prof. Saitoti.) Thank you very much, Mr. Speaker, for giving me this opportunity to contribute to the Motion on the Budget Speech.

First of all, I begin by commending the Minister for Finance for his very eloquent delivery of the Speech. It was very well presented and, indeed, the Speech was also very well formulated. I must also say that, I am very much struck by the theme of the Speech, which was basically and mainly restoring growth and also sustaining it. There is no doubt that, at this particular time, what we do require very much is, indeed, restoration of growth more than any other time. Secondly, if we do achieve that growth, we will also have got to sustain it. There are certain things that we need to look into in this Budget to see whether we have actually set ourselves on the goal of the recovery of industry. The most important aspect of the Budget is to have a look at the taxation measures. Taxation measures are fundamental because they are the tools which the industry, the farmers and the general public do respond to. Therefore, if one was to look at the Custom Duty which is so fundamental; all of us need to commend the Minister for appreciating that, our industries have been suffering a great deal from what could very well be termed as dumping. We know clearly that there are very many other countries which normally subsidize their goods; be they industrial or agricultural goods. When these goods come here they do compete; not on unequal playing field with our goods. The result of this is that, our own industries then are unable to compete in the market. What it means eventually is that, there is down-sizing of the industries, resulting in much less employment opportunities and all this creates problems.

In the case of agriculture, it creates a great deal of incentives against the people. Therefore, I am happy to note that the Minister did take this fact into account in the formulation of the Budget. Therefore, if one were to look at the tariff rates of the raw material which the Minister has decided in his Budget to bring down the Custom Duties of raw materials, which were in the 10 per cent band and some in the 15 per cent band were reduced to 5 per cent. This also includes the input some of which were selected. These have also be reduced to 2.5 per cent. What does that one do? What it does in effect is that, it makes it much cheaper for the manufacturers to be able to manufacture goods. Therefore, the goods which are manufactured in this country can be competitive in the local market. They can also be competitive in the international market.

Although the tariff rates for raw materials and intermediate goods have not been entirely removed, our own industries should be in a much better position to compete. I am sure, one would have wanted the duties to have been reduced to zero. But let us also take into account that, it is equally necessary that, the Minister, at this very difficult times, also realises some revenue. But this, seen as a beginning point, I think it gives hope to the industry and to the farming community. This is why the industry has substantially appreciated it. If there are some raw materials and goods that may not have been covered under these tariffs, I have no doubt that, the Minister himself will see the wisdom of taking that into account.

Mr. Speaker, Sir, the other thing which I think is also very important, and we have complained a great deal in this House and outside about the dumping, especially in the agricultural sector, is the fact that, the Minister in this particular Budget combines the Regular Duty with Suspended Duty. One particular case which is actually important is that of sugar. In the case of refined sugar, the Combined Duty now stands at 100 per cent. In the case of industrial sugar it stands at 7 per cent. What does that one mean? It basically means that, this is going out to confer protection through the tariff to our industry. I know that those who come from the sugar belt should be in a position to welcome this move. This is because we have seen cases where sugar has come to this country and made it extremely difficult for the factories in this country to be able to export their sugar. But we do believe that, with this kind of a tariff and outlet, at least, our own factories will be able to market sugar. If this happens, then, at least, the farmers will be able to market their cane. That should also be seen as part of the process of poverty eradication.

What one must emphasize here is that, we hope that the Kenya Revenue Authority (KRA) and especially the Customs Department this time, is going to be vigilant to ensure that the agreed tariffs are enforced accordingly, duties

are collected accordingly and if this happens, then we can see that we are on a positive trend. This not only applies to sugar, but to quite a number of other products too, in the agricultural sector. In the case of maize, the Import Duty has been removed, but it is on a temporary basis, in order to deal with the current drought. But once that one is over, once again, an important protection will be conferred upon those who grow maize.

Mr. Speaker, Sir, a realisation which must be welcomed here is the fact that, given the current power crunch, some relief has been given to those who are in a position to generate electricity, especially to those who can import generators and other equipment. That will be done duty-free, VAT-free and in the case of the Export Processing Zone (EPZ), duty will be waived. It is also important that the biogas in the sugar industry which produces electricity, where there is some excess, that will be factored into the National Grid. This has not been the case before, but it is very important.

Mr. Speaker, Sir, may I also say that, indeed, COMESA which we are an important member of, and which provides the greatest market for our export goods, will now become a full trade area on 31st October, 2000. Realisation has been made here as the Minister has decided, that the tariff for goods from COMESA countries will be reduced to zero tariff, but on a reciprocal basis. This has got to be looked at very carefully. Once again, we ask the Customs Department to ensure that there are no leakages.

In the case of VAT, I want to say very quickly that, there have been very many complaints that the general rate has been raised from 13 per cent to 18 per cent. But looking at that one, and taking into account the major relief, which has been given in the matter of the tariff, the Minister needed, at the same time, to balance his books. I think that one may be difficult, but let us take a realistic position and the Minister need to realise revenue. Let us also take into account that, VAT will apply *pari persu* on goods which are imported and also those manufactured in this country.

Once again, very quickly, the VAT has also made some concessions for investors. Those who want to invest will be able to get some reduction.

With regard to Income Tax; especially PAYE, I want to commend the Minister for Finance for realising the problems people are facing in matters of taxation. I want to commend him for kicking out 200,000 taxpayers out of the tax net. This has been done by increasing the threshold by 20 per cent. It must also be noted that the band will also be increased by another 5 per cent.

Mr. Speaker, Sir, the Budget here is predicated on the reduction of poverty and to open the Kenyan economy into the world market. This Budget should be commended and I do support it.

[Mr. Speaker left the Chair]

[Mr. Deputy Speaker took the Chair]

Mr. Ojode: Thank you, Mr. Deputy Speaker, Sir, for giving me the opportunity to contribute to the Budget Speech. However, I have got some few observations to make on this Budget.

Mr. Deputy Speaker, Sir, first, this Budget does not belong to Kenyans. Secondly, I would want the Leader of Government Business to know that the element of Value Added Tax (VAT) has really affected majority of Kenyans. You find that the agricultural sector which caters for about 50 to 55 per cent of the GDP is completely affected. Inputs like fertilisers, seeds, chemicals and other implements have been completely affected by the increase of VAT. You find that tractors are not subjected to duty and VAT. But how about the tyres, trailers and other implements? They are subjected to duty and VAT. Those implements should be duty-free by all means. Why can the Government not reduce the tax on diesel to about 30 per cent, in order to reduce the transport cost? That is why I am still saying that this Budget does not belong to Kenyans.

Mr. Deputy Speaker, Sir, on the question of retrenchment, we are not going to allow the Government to do retrenchment before they retrench those parastatal chiefs who have attained the age of 55. It is ridiculous for a parastatal chief who earns over Kshs90,000 per month to stay on job after having attained the age of 55 and then retrench those who are earning only Kshs5,000 per month. It is not in order. We must see to it that the Government retrenches, first, parastatal chiefs who have attained the age of 55.

Mr. Deputy Speaker, Sir, last week I raised a Question here in regard to Sultan Hamud-Mtito Andei Road which is impassable as we are talking. I told the Minister that, that tender has already been cancelled, but he denied. He said that the tender will be awarded in a month's time. But I want to share some sentiments here with my colleagues and to disapprove the Minister. There were seven tenderers, namely; Colas (EA) Ltd, Stirling Civil Engineering (K) Ltd, the Mowlem Construction Co. (EA) Ltd, Group 5/WBHO, Mota, CMC Estero and Strabag International. Strabag International was rejected for non-compliance on the very first day. As I am talking now, the European Union (EU) delegates want to sneak in the name of Strabag International by all means, despite the fact that it was rejected for non-compliance. The reason is because Strabag International is a German company and Germans are the biggest

stakeholders in the EU. We are not talking of a small amount of money; we are talking of Kshs4.4 to Kshs4.5 billion for that road to be constructed. They are saying that, if this money is given to Kenyans and it is given to a local firm, or another firm that does not belong to Germany, then the profit will not go back to the EU. This in itself is corruption. Those are the very people who are talking of transparency and accountability and yet, they are practising the opposite. Why should the Germans insist that this contract must be given to Strabag International, despite the fact that Strabag International was rejected on the very first day? When the project is sanctioned, these are the repercussions for the Government---

Mr. Deputy Speaker: Order! We are talking about the EU and not the Germans.

Mr. Ojode: Mr. Deputy Speaker, Sir, I agree with what you are saying, but the EU wants this tender to be cancelled in order for the German firm to be awarded the tender. The Government is going to spend over Kshs1 billion should this tender be cancelled. I would want to share with you---

Mr. Deputy Speaker: What are you sharing with me?

Mr. Ojode: I would want to share with my colleagues, my justification, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! What is it?

Mr. Ojode: Mr. Deputy Speaker, Sir, the extract says---

Mr. Deputy Speaker: Extract of what, of a feast of fish, or what?

(Laughter)

Mr. Ojode: Mr. Deputy Speaker, Sir, there was a meeting between the EU, Treasury and Ministry of Roads and Public Works. This is what it says---

Mr. Deputy Speaker: Order, hon. Ojode! Are you going to lay those documents on the Table for the Members to peruse, or are you quoting from a document which you are going to put into your pocket?

Mr. Ojode: Mr. Deputy Speaker, Sir, I am not laying anything on the Table---

Mr. Deputy Speaker: Order! Order! Are you quoting from a document you are going to put in your pocket and go back with to Ndhiwa?

Mr. Ojode: Mr. Deputy Speaker, Sir, I just wanted to justify what I have just said by giving a quotation which was made when they were having a joint meeting at the Treasury. On 12th April, 2000, they met and said that: Final meeting of the entire Evaluation Committee will proceed to award the tender to the lowest tenderer as evaluated.

Mr. Deputy Speaker, Sir, almost at the conclusion of the meeting, the EU presented a letter from Mr. H.J. Buse requesting the rejection of the two recommended bids and demanded for the annulment of the tendering procedure, together with a request to commence immediate negotiations with the Germany contractor, Strabag International, whose bid was previously rejected as being substantially unresponsive for having excluded all taxes and duties.

Mr. Deputy Speaker: Order! Order! Is there anybody from the Ministry of Roads and Public Works, because we are really discussing a Motion by the Minister for Finance? I do not know whether he will be in a position to respond adequately, if his attention is not drawn to these remarks. Mr. Arap-Kirui, are you taking accurate notes of what is being said of this tender?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): I have taken note of that, Mr. Deputy Speaker, Sir.

Mr. Ojode: Mr. Deputy Speaker, Sir, my time is going. Can you let me continue?

(Laughter)

Mr. Deputy Speaker: Order! Order! I hope you---

Mr. Ojode: They will read it from the HANSARD---

Mr. Deputy Speaker: Order, hon. Ojode! I am trying to stop you from proceeding along those lines.

Mr. Ojode: Add me four minutes, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: I am now thinking of denying you the next five minutes. So, proceed and discuss the Motion.

Mr. Ojode: Mr. Deputy Speaker, Sir, the consultants themselves are Germans. They are called "Grabowsky & Poort." This is their recommendation: "Prepare the final evaluation report recommending the lowest evaluated tenderer for the award." If the consultants themselves who are the same Germans have recommended the lowest at Kshs4.2 billion, why should the EU subject the Kenyan Government to spend another Kshs1 billion for the repair of that road? Further, this is what the Attorney-General said---

Mr. Deputy Speaker: Order! Order! Hon. Ojode, now, I want you to be a little more relevant. You have made your point.

Mr. Ojode: Mr. Deputy Speaker, Sir, the tender which was supposed to have been awarded has not been awarded, simply because the two Germans are interested in their own company. They are the same people who are talking about transparency and accountability. Where are we going to?

Mr. Deputy Speaker, Sir, the same donors, who tell Kenya to be transparent and accountable, now want to manipulate the tendering exercise in favour of this company, which is not the lowest bidder at Kshs5.6 billion. Are you going to agree with me? The taxpayers are here. Who is ready to pay Kshs1.2 billion more than the amount that was quoted by the lowest bidder? Is it the Kenyan taxpayer? If the lowest bidder will not be awarded the tender, we will not accept that kind of corruption. I will give the names of the two Germans. The conclusion of the comedy is that the contracting authority, which is the Government of Kenya, proceeded and fully accepted the contract. Messrs. Salzmann and Buse are the two Germans who are, in fact--

Mr. Deputy Speaker: Order! Your time is up, Mr. Ojode. Could you proceed, Mr. Choge?

Mr. Ojode: Mr. Speaker, it is not good to cut me short like that. I would appreciate it if you gave me five more minutes.

(Laughter)

The Assistant Minister, Office of the President (Mr. Choge): Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to say a few things about the Budget.

There should have been more emphasis on improving livestock production. Sooner or later, we will not be having grade cows in this country. Livestock are getting finished due to lack of minerals - on which heavy tax has been imposed - and due to non-payment of farmers by the Kenya Co-operative Creameries (KCC) for milk supplied, or for lack of better prices of meat. The Ministry of Agriculture has to improve and start more artificial insemination (AI) stations, so as to continue having better stock. In the absence of AI, we will not improve anything. We are losing the genetics of our livestock, and we will never be able to get them back.

There are areas in this country where we can today plant nearly anything, but the Ministry of Agriculture seems to be turning a deaf ear to this. We keep saying that we want more food grown in this country, but there are no agricultural activities taking place. We want rules governing the operations of the Ministry of Agriculture in land tenure and so on, put in place. We are asking farmers to produce more food when the same farmers are being denied loans due to the high bank interest rates. The Agricultural Finance Corporation (AFC) is no longer providing loaning facilities to farmers. The current economic situation in this country has done a lot of harm to farmers. The farmer in this country today cannot boast of being anything because he does not get enough money out of what he sells. You will find that farmers today are the poorest among the people of this country, and yet they employ more people than anybody else in this country, the Government included. Despite this fact, farmers are not being well treated. I would like the Minister for Agriculture and his staff to think about this.

Mr. Deputy Speaker, Sir, we cannot have rural development in this country without having water. Water is a major necessity in life. About 95 per cent of what you can see with your naked eyes in this House is made of nothing, but water. There can be no development in the absence of water. The Minister for Water Development and his Permanent Secretary, and other officers, just sit in their offices here in Nairobi as water is being spoiled in the countryside. They have allowed officers in the Ministry of Lands and Settlement to destroy the water sources. The laws governing the operations of the Ministry of Lands and Settlement have given a leeway for the destruction of water streams in this country. The particular law I am talking about says that the boundary between two persons sharing a river will always be the middle of that river. This law allows such people to interfere with water sources in this country. You will find that streams are drying up in the country side; they are no longer the way they were left behind by the colonialists.

I have been talking to officials from the Ministry of Water Development about this problem. They have always promised to come up with amendments to the relevant laws, so as to protect rivers, streams and their sources in this country. However, nothing has happened so far. As a result of this, you will find that, in most areas, including Central Province, Vihiga District, parts of Nandi District and Nyanza Province, where there used to be water streams that were surrounded by bushes, they have dried up. The Minister for Water Development [**The Assistant Minister, Office of the President**]

and his officers have continued to earn big salaries, and yet they are doing nothing about this problem. As I speak here, west of Eldoret, right through to Mombasa, there is no rain; north of Eldoret via parts of Marakwet, Pokot and north of Kitale up to Egypt, there is no rain.

It is a shame to note that the same Minister for Environment, who went to Nandi District to plant trees, gave

away parts of the forest to some unscrupulous men to cut down trees. In the process, those people ended up destroying the only source of River Yala. I would like to call upon this House's Committee on Agriculture, Lands and Natural Resources to tour that area, so that its Members can see for themselves what I am talking about. I am ashamed of the Minister; he went to my constituency to plant a tree because he knew that I am against the habit of felling trees.

Mr. Obwocha: Which Minister are you talking about?

The Assistant Minister, Office of the President (Mr. Choge): Mr. Speaker, Sir, I am talking about the Ministries of Agriculture, Water Development and Natural Resources, in relation to water. There cannot be forests without water.

Mr. Deputy Speaker, Sir, you will be ashamed if you go to the area I am talking about. Tens of thousands of acres of the forest have been cleared by people who have land in Kitale and Uasin Gishu District. Those people are now encroaching onto the only source of River Yala. I know that, as I speak here, one of the media persons will report that Mr. Choge talked about the Head of State.

Mr. Obwocha: He already knows the consequences of what he is talking about.

The Assistant Minister, Office of the President (Mr. Choge): Mr. Deputy Speaker, Sir, I would like to make it clear here that I am talking about that Ministry and its officers. Those people should never---

Mr. Kombo: You will go!

The Assistant Minister, Office of the President (Mr. Choge): Even if I go, I will not go to your mother's house.

(Laughter)

Mr. Deputy Speaker: Order! Order!

The Assistant Minister, Office of the President (Mr. Choge): Mr. Deputy Speaker, Sir, I am sorry; I apologise for that.

Mr. Obwocha: On a point of order, Mr. Deputy Speaker, Sir. Is the hon. Member for Aldai in order to say that, if he is sacked he will not go to the house of hon. Kombo's mother? Is that parliamentary language?

Mr. Deputy Speaker: Order! In fact, Mr. Choge recognised the folly of his saying that and apologised immediately I called him to order. It is now you who is out of order.

Proceed, Mr. Choge.

The Assistant Minister, Office of the President (Mr. Choge): Mr. Deputy Speaker, Sir, I forgive him because he is a newcomer in this House.

The human rights people and environmentalists should visit Chepkong'ony Forest, part of Kaptumo Location and see what damage has been done to Nandi South Forest Reserve. I want to tell the Ministry of Environment and Natural Resources that, that reserve is not a Government forest. It is a trustland belonging to Nandi County Council. Therefore, the Ministry is only protecting it on behalf of the Nandi people. If they continue to decimate this forest, I will not care about my position in the Government. I will go to court to protest.

Mr. Deputy Speaker, Sir, I would like to talk about the training of medical personnel in the Ministry of Health. It is a pity to see that youths outside Aldai Constituency are trained to come and man our health centres. However, those youths do not stay long in Aldai Constituency because of harsh conditions. In fact, they seek transfers to go back to their home areas. It is true that when we did not have youths who could be trained as medical personnel, we did not object to youths from other districts being trained and taken to Nandi District. But it is a shame that youths from Nandi District are not given the chance to go for Medical Training Colleges in this country. It does not make sense to train youths from other districts and take them to work in Nandi District. Nandi District has become a labour pool for them. Most youths in the Medical Training Colleges throughout this country are from the community of the Director of Medical Training Colleges.

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

Mr. Kombo: Mr. Deputy Speaker, Sir, thank you for giving me the opportunity to contribute to this important Motion. When the Minister for Finance entered this House to deliver the Budget Speech, he was walking on a very tight rope, but his performance was credible. I do concur with those hon. Members who have said he performed well. But that is all one can say about the Budget. Although he performed well, he belongs to a Government which is at sunset, and it is only capable of firing blanks for not being able to produce.

Mr. Deputy Speaker, Sir, the Minister talked of Poverty Eradication Programme. Ingredients for poverty eradication include things like job creation, or dealing with unemployment; ensuring that there is growth within the economy and quality education for all. However, if you analyse the whole Budget, all these ingredients have not been dealt with effectively at all. He did take some steps which are a token, like the personal relief that the Vice-President

talked about, and widening the income tax bracket. Those were merely tokens for individuals. He also reduced import duty for manufacturers and waived levy on generators. He also talked about retrenchment of civil servants. All these were tokens in my view, because all of them were wiped out by one sentence of increasing VAT by 3 per cent, from 15 to 18 per cent. When you do the calculation, the 3 per cent increase of VAT in effect, means 20 per cent increase on prices of consumer's products. So, the personal relief that the Minister had given earlier was wiped out by the 20 per cent increase. Consumer products cannot be bought by the ordinary person whom the Minister gave the relief. They are far out of his reach. The VAT increase also meant that the fuel prices go up. We have seen the pump prices being hiked. Once you increase the prices of fuel, it means that everything else, from transport to manufacturing, will go up. This is very inflationary. That is, in fact, what the Budget has done. It is an inflationary budget.

Mr. Deputy Speaker, Sir, all the good things that the Minister talked about are also wiped out by the present power rationing. At the moment, manufacturing outlets are performing at 40 per cent capacity or less. So, the impact of the duty reduction that the Minister gave to them cannot be felt whatsoever. I think we are going to see layoffs. In fact, most manufacturing organisations have started to lay off their employees. So, instead of creating jobs, there are going to be layoffs.

Mr. Deputy Speaker, Sir, most important, is the agricultural sector, and I concur with other hon. Members that it was not effectively dealt with in the Budget. As we all know, the traditional agricultural areas have suffered due to the neglect of the infrastructure, problem of insecurity, high inputs for fertilisers and lack of actual funding, among other things. Agriculture is an important aspect in this country. If the traditional areas have suffered that much, one would have even thought that, perhaps, the non-traditional areas should have been given some thought. I am thinking about pastoral areas.

During drought, many animals die due to lack of grass. So, one would have thought that the Minister would have addressed that area, if the Government is serious on poverty eradication in this country. He would have advised the Government to build abattoirs. To build one abattoir would cost about Kshs100 million. Therefore, if we build three abattoirs in certain areas, we would have slaughtered those cattle that are dying in thousands and we would be able to provide meat to our people. One would have thought that boreholes would be an important issue for the Minister to look into, to help the pastoralists because to build a borehole, we would only spend about Kshs5 million. If we could build boreholes in certain areas, the struggle of pastoralists taking their animals to Mt. Kenya, where they have died in large numbers, would have been resolved. One would have thought that dams were an important aspect towards poverty eradication. We could irrigate the huge tracts of fertile lands in the pastoral areas. What these people need is water to irrigate their farms in order for them to grow food.

So, money spent on dams, boreholes and abattoirs would have helped greatly the pastoral areas. Through irrigation, perhaps, we could create "Israel" in this part of the world. If Israel can produce all that food in their desert, I think we can also do it. North Eastern Province is a sleeping giant in terms of development in this country. If money was put in that area, we could see a lot of development. I have a dream that one day, when the right Government from this side of the House takes over, North Eastern Province will be created into a "free port" and a lot of investment from the Arab world will be seen.

Mr. Deputy Speaker, Sir, the Government waived duty on generators. I was just wondering why duty was waived on generators and not on solar panels and windmills, if we are talking about alternative sources of energy. Solar panels would, perhaps, be the cheapest way of producing power in this country. We have the sun throughout the year, and yet, we waive duty on generators. I cannot help thinking that the waiver on generators was because some merchants had generators on the high seas and this was to ensure that they make a "killing" in this area.

There is waiver on maize duty and not on wheat. These are some of the things you look at and wonder what was the rationale. If millers are performing at 40 per cent because they have no power, even when maize comes in, there will be no power to grind it. I think many Kenyans are now eating products from wheat. Why was duty on wheat not waived? So, all these are questions I keep on asking myself.

As far as power is concerned, I wonder why the management of the Kenya Power and Lighting Company (KPLC) is still in place. They are the people who caused the problem, and I think what the Government should have done at the very first instance is to sack the entire management and replace it with a board that can run the affairs of power in time of crisis. That is what President Obasanjo did when the oil crisis came about in Nigeria. That is what this Government should be doing! When I say that they can only fire blanks, **[Mr. Kombo]** you can see the reasons for making such a statement. What we need is a new Budget for crisis management.

Thank you, Mr. Deputy Speaker, Sir.

Prof. Anyang'-Nyong'o: Mr. Deputy Speaker, Sir, I notice that the theme of this Budget this year is "Poverty Reduction Through Sustainable Economic Growth". I am particularly interested in the supply side of this Budget; in other words, where the Government will get the money to reduce poverty and sustain economic growth.

One of the things which the Minister says, and which I want to zero in, is that he talks of domestic debts being

reduced systematically by ensuring that Government runs a surplus of current revenue over current expenditure, and by rescheduling foreign debts to defer debt service, and utilising the proceeds from the privatisation of public enterprises such that by the end of this MTEF period, fiscal surpluses will be generated. This is a very ambitious proposal, but a proposal nonetheless that we should look at with regard to the facts and figures that the Government gives.

First, this Government knows that since the privatisation process started in earnest in 1993, it has only earned about Kshs8.5 billion. That is Kshs8.5 billion in a period of about eight years. Now, this is one of the things that it is going to depend on in financing poverty reduction and economic growth. At the same time, the Government says that it will make sure that it reduces domestic debt and reschedules foreign loans. We know that servicing domestic debts alone every year is currently costing the Government close to Kshs36 billion, if we take the 20 per cent interest on Treasury Bills. So, servicing domestic debt alone is Kshs36 billion. If we take the average of the amount of money that the Government will earn from privatising firms - Kshs8 billion in eight years - if we are being very optimistic, we are talking about Kshs1 billion a year from privatisation. That is easily swallowed by simply servicing the domestic debt. I would like to inform this House that Kshs1 billion compared to Kshs36 billion is nothing.

Mr. Deputy Speaker, Sir, if the Government is talking about rescheduling foreign debt, that simply means that you take the interest and the principle, combine them and pay them over a longer period of time. The total foreign debt at the moment is about Kshs360 billion. If you take a lower interest rate of about 4 per cent on the average, you will find that 4 per cent on Kshs360 billion is close to Kshs14 billion. That is the interest. If it is rescheduled, you will still pay the interest every year so that you do not fall into arrears. We are talking of a Government that will be servicing foreign debt at a minimum rate, when it is rescheduled, at least, of Kshs14 billion a year; Kshs35 billion domestic debt minus the Kshs1 billion earned from privatisation. So, we are saying close to just Kshs60 billion being paid on debt alone. What this Government needs to do is not to ask for the rescheduling of foreign loan, but to join all Third World countries calling for the cancelling of debt altogether. It is the cancellation of debts altogether for all Third World countries which owe this foreign debt that will help us to take off. We must take the courage and form a united front with all developing countries for the cancellation of foreign debt. In any case, if you calculate the amount of money the Kenyan Government has paid in terms of debt servicing alone, you will find that it is enough to clear that debt. Sometimes we become too apologetic to our so-called "financiers" not to face the truth. In any case, if you even consider what developing countries get in terms of export of raw materials; the prices they get for the raw materials as compared to the prices they pay for imported manufactured goods, you will find that we are in actual fact servicing industrialisation and subsidising wages in the developed countries.

At the moment, Kenya is entitled to export sugar to the European Union (EU) and textiles to the United States of America (USA), but is Kenya doing so? If you look at the history of the export of sugar, when we were able to export it to the EU, and the history of the export of textiles when we were able to export it, you will find that even then, there were restrictions to the exports of our raw materials to these countries.

In the area of agricultural products, for example, we know that we can export beef and fish to Europe, but what has happened? Not long ago, the EU cancelled the export of fish from Uganda and Kenya simply because they argued that the fish had cholera, which is not transmitted to anybody by fish. I think we should be strong enough, quite often, to go to the International Court of Arbitration to put our cases before the so-called "developed countries", so that we can earn what we should within international trade to finance our development. But we are the worst of our own enemies, because these countries say that we cannot manage our finances properly and our own people have deposited a lot of money in foreign banks. If this money was returned here, it would finance our development.

In this Budget Speech, the Minister should have come out very clearly on how Kenya will receive money that is deposited in foreign banks to finance our own development, so that we can argue with strength over the issues of cancellation of debts. This country lost US\$1.1 billion over the Goldenberg issue alone. That is the kind of money we could earn if we were to privatise our firms properly. That US\$1.1 billion is a lot of money.

I just came from Germany yesterday, and it is a shame that it is now known that a case has been lodged in an international court in Washington over the Goldenberg issue. I would like our sovereignty to be protected in this regard. We, as Kenyans, should resolve this matter domestically, rather than waiting for a case to be lodged in the International Centre for Settlement of Investment Disputes. Why should a domestic matter regarding Kenyans and the Kenyan Government be decided upon, or be debated, in the International Centre for Settlement of Investments and Disputes over US\$1.1 billion that disappeared through the Goldenberg scandal, and while this House has for a long time demanded that should be settled once and for all within the jurisdiction of the sovereign Republic of Kenya?

I would like to be given a chance in this House, soon after the Budget debate, for us to once and for all debate this Goldenberg issue so that we can determine how the sovereign Republic of Kenya can settle this issue. It will be a shame if this issue is dragged in Washington for months, and months whereas our Budget requires that we woo investors and make our economy attractive for foreign investment. I am saying here that we should make a case for cancelling our debts. Very soon, we shall be advertising ourselves in Washington over an issue that our country should

have settled domestically.

I do request that we are given an opportunity to debate this matter once and for all so that everything can come on the table. This will also ensure that when we go abroad another time to try and get investments; when we are appealing to donors, we are doing so with a clean conscience and a clean record. I do believe very strongly that unless all debts of developing countries are cancelled, writing Budgets like this one will not help because servicing those debts alone, even when they are rescheduled, swallows up close to 40 per cent or more of our foreign earnings whenever we export any goods. We cannot continue like this. The time has come when the truth has to be told. We should stand up as an independent nation and tell other developing countries that we cannot be slaves to the international money markets and the international trading system that disfavours and oppresses the developing countries.

For example, take the case of COMESA and SADCC; why should Eastern and Southern African countries have a conflict over how they have to integrate regionally and continentally? We know that SADCC was set up at a particular time in history when apartheid was still ruling in South Africa. We know that it was meant to be a transition arrangement. Now that we have come up with COMESA, which has nothing to do with apartheid and all to do with the future of Africa, we should tell the European countries not to go behind our backs, trying to reinforce SADCC at the expense of COMESA. It is high time we truly became independent in managing the common affairs of mother Africa.

I beg not to support this Budget.

Mr. Obwocha: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this specific Motion, that, the proposals relating to customs tariffs, excise duties, value added tax, income tax and miscellaneous taxes in the Budget be approved.

First, the Minister's proposal---

Mr. Deputy Speaker: Order, hon. Obwocha! We are still in the first part of the Order; That, Mr. Speaker do now leave the Chair. As you can see, he has already left the Chair.

Mr. Obwocha: Thank you, Mr. Deputy Speaker, Sir. There is a proposal in the Budget by the Minister to transfer the power of licensing professionals to the local authorities. Professionals are normally licensed to practice on the basis of their record of training and experience. We are concerned that the local authorities - and they are very many - do not have the necessary information to determine who is, and who is not, able to practice. The main reason for issuing current licences by the various institutes, like the Institute of Engineers, Institute of Accountants and others, is the inability of the local authorities and Provincial Administration to evaluate the applicants' ability to receive a licence. Therefore, in view of this, we wish to request the Minister for Finance that the issuing of professional licences be left with the institutes to channel the money to the various local authorities, rather than the local authority determining who should get a professional licence and who should not.

I do not want to dwell on the issue of the energy sector reform. We hoped that the Minister for Finance would have come up with long-term measures as to how he will resolve the current crisis. Hon. Kombo said that somebody somewhere will make a kill with the importing of these generators. I totally agree with him because other apparatus for facilitating the supply of energy were not considered in the rebate. We have misdirected ourselves in the energy sector.

Mr. Deputy Speaker, Sir, the Turkwell Gorge Project, which was conceived without the Government's authority, as we were told here, was originally supposed to cost Kshs3 billion. It ended up costing Kshs5 billion, and the total money on-lent to KVDA was Kshs8 billion---

The Vice-President (Prof. Saitoti): On a point of order, Mr. Deputy Speaker, Sir. I think the hon. Member is misguiding this House by saying that the Turkwell Gorge Project was constructed without the Government's authority. I want to state here, in no uncertain terms, that the Turkwell Gorge Project was sanctioned by the Government.

Mr. Obwocha: Mr. Deputy Speaker, Sir, I do not want to argue now because I do not have the time. We will bring evidence to show the Vice-President how this happened. The on-lent money---

The Vice-President (Prof. Saitoti): On a point of order, Mr. Deputy Speaker, Sir!

Mr. Deputy Speaker: Order! Only about a week or so ago, Turkwell Gorge occupied a lot of time of this House. I believe what there was to be said about it was said. Hon. Obwocha, if you want to discuss the Turkwell Project in the context of what has already been discussed in the House, then the best alternative is to bring a Motion to rescind whatever has been decided. If you want to discuss Turkwell Gorge *per se*, bring a Motion since there is no Motion before the House on the issue.

Mr. Obwocha: Mr. Deputy Speaker, Sir, all I was saying is that the original cost was Kshs3 billion; it escalated to Kshs5 billion, and the on-lent money through KVDA was Kshs8 billion. The Auditor-General has said Kshs5 billion can be accounted for. Kshs3 billion cannot be accounted for. In whose pocket did that money go? That is all I am saying! It is on record in the Public Accounts Committee Reports, and with the Auditor-General.

Mr. Deputy Speaker, Sir, I would like to comment on the proposals made in the Budget by the Minister for Finance on revenue collection, particularly where they have transferred the duties of collecting licence fees from the

Provincial Administration to the Income Tax Department, which is a welcome move. I think we need now to make sure that the officers in the Income Tax Department do their job correctly when collecting revenue, because I do not believe that the target the Minister has set in the Budget of approximately Kshs225 billion will be collected. It is very difficult to achieve that target. If last year alone they were able to collect only about Kshs165 billion, where will the Minister get the other money, to achieve the target that he has set?

I wish to associate myself with other Members who said that the increase in the VAT was unwarranted - from 15 per cent to 18 per cent - because, basically, that will affect the common mwananchi. The Chair and myself know that the current VAT levels have not been achieved because the administration of the VAT has not been properly supervised. There are so many businessmen and women who are avoiding paying the VAT, and you can go to the shopkeepers, wholesalers and other traders and see for yourself the way they keep their books of accounts. There are two sets of books of accounts, one for genuine receipts and the other for bogus receipts of the VAT. That is how they operate, and everybody knows about it, but nobody is willing to take it up. So, I thought that the Minister for Finance would have left the VAT at its current level of 15 per cent and address the issue of the administration of the VAT.

I would like to commend the Minister for giving a bit of relief to the 200,000 lowly-paid employees by way of personal relief. I wish he gave them slightly more relief because of the level of poverty in the country now. But I would like to find out from the Minister on this: How will the Kenya Revenue Authority (KRA) publish their accounts? In his Budget Speech, he said that the KRA will now publish its accounts annually. Is he telling us that the KRA is a parastatal now, or what is its status? We know that the Government audits these accounts through the Ministry of Finance and Planning, but how will the KRA audit their accounts? We want to know exactly what will happen.

Finally, if the Minister for Finance is serious about implementing the current Budget, the Government, in its overall entire policy, must address the issue of corruption. I have heard and read many statements in the media about the Report of the Parliamentary Select Committee on Anti-Corruption. I want to assure Kenyans that we have evidence, and when the Motion comes up, we will give them the evidence. We have not convicted them---

Mr. Deputy Speaker: Order! Mr. Obwocha, we do not know about that Report, and we cannot discuss its details before it is moved in the House, and you know that.

Mr. Obwocha: Mr. Deputy Speaker, Sir, I am not discussing the Report; I am only saying that---

Mr. Deputy Speaker: Order! Do not even refer to it!

Mr. Obwocha: Okay, Mr. Deputy Speaker, Sir---

(A number of hon. Members stood up in their places)

Mr. Deputy Speaker: Order! Mr. Obwocha has still one second.

Mr. Obwocha: Mr. Deputy Speaker, Sir, the one second is over, and I would like to say that you have taken so much of my time, and I regret that I cannot support the Motion.

(Laughter)

Mr. Deputy Speaker: Try tomorrow!

Mr. Musila: Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to add my [Mr. Musila] voice to my colleagues who have made their contributions to the Motion. At the outset, I would like to add my voice to those hon. Members who congratulated the Minister for Finance. I believe that under the present economic circumstances, the Minister did his best.

However, I would like to look at one area; that is the theme of the Budget, which is: Poverty Reduction Through Sustainable Economic Development. I listened to the Minister very carefully, and throughout his speech, I was not able to be convinced that the Minister made any proposals or took any measures that were seriously going to achieve the theme of the Budget. The Minister did say, for example, that the growth of our economy during the year that is ending was more than 1.4 per cent, and gave the reasons for this slow growth as poor infrastructure, corruption and poor enforcement of the law, which is responsible for the increasing insecurity in the country.

I would like to touch on a few issues. First, I would like to talk about the drop outs in our primary schools in Arid and Semi-Arid Lands (ASAL) areas of this country. Last year, I did ask the Minister for Education to give us the figures of pupils who have dropped out from school, and the Minister did make every effort to deny that, in fact, they were dropping out of school. The Ministry has come out now to admit that, in fact, it is true that many children are dropping out of school because of the poverty that is prevailing in the country. There is drought and hunger and, therefore, children in primary schools, particularly, in my Mwingi District, are also dropping out of school. Of course, that is the case with other ASAL districts. I would like to urge the Ministry of Education, Science and Technology to

see to it that those children go back to their schools, because we will lose a whole generation and, therefore, in future, we will not have educated people. The Ministry of Education, Science and Technology has been planning to start the School Feeding Programme for schools in the ASAL districts for the last three months, but it has not been able to take off because of bureaucracy persisting in the Ministry.

The situation is even worse in secondary schools because a large number of students have dropped out because they cannot afford fees. Today, the fees that is being charged in secondary schools cannot be afforded by poor people. Lately, the Minister for Education issued a directive to heads of schools; that they should not send away students from schools for non-payment of fees. I would like to state here that it is not enough for the Minister to issue a directive of that nature to heads of schools; that they should maintain and keep students in secondary schools even without payment of fees, when he knows very well that those schools must maintain the students. What the Minister should be doing is to provide funds, in the form of bursaries to secondary schools, in order to be able to sustain such students.

Mr. Deputy Speaker, Sir, in this year's Budget, the Ministry of Education, Science and Technology proposes to give Kshs500 million as bursaries to secondary schools and universities. That is just a drop in the ocean and we do not know how this amount of money will be allocated. I would like the Minister to look at this as a special case. This is an emergency situation that we are in. The Government must allocate enough money and ensure that we do not have dropouts in secondary schools. In universities, it is the same case.

I would like to take this opportunity to commend the Higher Education Loans Board. It has done a good job, but it is hampered by the fact that it does not have sufficient funds. We should not allow university students to drop out of universities due to lack of fees. That is why I am appealing, again to the Ministry to do what it can to ensure that those students who are there do not drop out, and the Government should provide enough funds to sustain them.

Mr. Deputy Speaker, Sir, again, currently, we are going through a power rationing programme. Many of my colleagues have talked about it and I would not like to labour on it much. There is a very serious situation in some districts. While the Kenya Power and Lighting Company tells us that it is taking care of hospitals and other essential institutions, hospitals in Kitui and Mwingi Districts have no power throughout the day and only get power during the night. The same is happening to all other institutions. For example, the Jua Kali sector in those two districts has no access to power. One wonders how the Minister will reduce poverty in this country when he has impoverished citizens in all those districts. The jua kali people cannot do their businesses. There is more to this power rationing than meets the eye. There is a lot of discrimination in it because there are some districts which have had power blackouts completely. For example, Mwingi and Kitui districts have had complete power black-out. There is no power and so there is no question of power rationing because we get it for only four hours during the night. So, I would like to appeal to the Minister responsible, and I can see him sitting there, hon. Lotodo, to see to it that these two districts are treated like the others. In hospitals there, people are dying and bodies are rotting because there is no power in mortuaries. I hope that the Minister will seriously look into this matter. We cannot allow a situation like this to continue happening.

Mr. Deputy Speaker, Sir, finally, the Minister talked about retrenching of civil servants. Indeed, he said that over 30,000 civil servants will be leaving the service very soon. One wonders then, whether the Minister made any proposal on how he would create employment. He only talked about retrenchment in the Civil Service. What is the Minister doing to see that the country, especially the private sector, creates employment so that if 30,000 employees will leave the public sector, the private sector will take in others? There was actually no proposal to ensure that the private sector can create employment. How will it create employment if it has no power?

I would like to give an example of the tourism industry. Only a few years ago, the tourism industry was employing over 200,000 people directly and, perhaps, 500,000 people indirectly, through the taxi business and so on. But because of insecurity, poor infrastructure and many other factors, the industry has continued to go down. Nothing is being done to see to it that this industry, which can overnight employ hundreds of thousands of people, is re-activated. Fortunately, this industry has got very active stakeholders in the form of airlines, tour operators and travel agents. If the Ministry would recognise this industry as a growing industry and did everything possible to ensure that it grows further, we would create a lot of employment. What is happening at the moment is that we have insecurity. We have many lodges, for example, in Maasai Mara. The other day, gangsters attacked Maasai Mara Lodge. We have many lodges in Samburu area. Who would like to travel through Isiolo, which is very insecure, to go to Samburu to rest there over a weekend? The same thing is happening around Mount Kenya. With this insecurity, we cannot have tourism growing and we must take every necessary action to see to it that this is done.

With those few remarks, I beg to support.

Mr. Munyao: Mr. Deputy Speaker, Sir, thank you for giving me this opportunity to also join my colleagues in, at least, putting something on record.

I had the opportunity of listening to the Minister for three hours. He tried to put a square peg in a round hole.

It was actually impossible to square out what he had to square out with the situation at the moment. First, I doubt whether the Minister will get all the revenue that he anticipates to get, which is over Kshs180 billion. This is because this Budget was surely drawn up before the power rationing programme started. I am sure that all the aspirations, the anticipations and all the plans that Minister had of raising money, must be blocked now by the current events. We realise that even now, there are very few imports which will come in for the Minister to raise taxes from. All the same, we wish the Minister good luck in his impossible "trip" of making things work. Budgets are known to create imbalances in development. I hope that the Minister will, with the little amount of money that he will manage to raise from here and there, at least, make sure that he shares it properly to achieve what he intends to achieve.

Mr. Deputy Speaker, Sir, we have talked severally about poverty eradication. So many things have been said, but many of them are just hypotheses and impossible missions. But one sure way of poverty eradication is through supporting agriculture. This has been said by several other speakers, and I feel that I must join in, in explaining and emphasising that if we want to eradicate poverty in this country, the best way would be through supporting agriculture. Look at what is happening with the tea, coffee, cotton, pyrethrum, tobacco, and all the other agricultural products. If the production of these products could be properly developed, surely, about 50 per cent of our job seekers would be retained in the countryside and we would have very few job seekers filtering in to look for industrial jobs in major towns, for example, Nairobi, Mombasa, Kisumu and others. I would, therefore, request the Ministry to put more emphasis on the support of agricultural production. Improving agricultural production will really help to retain our people in the rural areas. I am saying so because I belong to the Departmental Committee on Agriculture, Lands and Natural Resources, which has gone round the country and has seen exactly what is required.

This country can feed itself. We should not look to anybody for any kind of assistance. It was just the other day when I visited Nyanza Province and I was amazed when we toured areas like Ahero and the Nyando River, which never dries up throughout the year. You can imagine, if the water which comes out during the rainy season could be supplied to other areas where it could flow freely, how much food could be grown. This area is fertile for rice growing. The area can feed the whole African continent with rice and other associated food products. It is miserable that when we try to talk about such aspects, there is nothing in the Budget Speech which reflects this.

Mr. Deputy Speaker, Sir, the areas that I am talking about are the Ahero plains, Budalangi in Busia District and Ukambani. These areas used to grow very good cotton but, today, they never grow it. We now rely on imported cotton from Tanzania and other areas, and yet this is a product which we can grow in this country. When shall we ever utilise this area? We only need to get our Government put more emphasis on this aspect and with proper support of the agricultural sector, we will definitely eradicate poverty and create more employment opportunities for our people.

Mr. Deputy Speaker, Sir, when we think about electricity and water shortages in this country, this KANU Government is really letting us down. It is even contravening what God created, because God said: "There shall be light", but the KANU Government says: "There shall be darkness". Which side are we ever going to agree with? This is because it is embarrassing that we are undergoing this darkness due to lack of energy. It is our own creation. Look at a decent project called the Sondu-Miriu Hydro Electricity Project. Slightly over 20 years ago, we started talking about the Sondu-Miriu Hydro Electricity Project. This one development project alone can supply this country five times more power than we need. It can generate about 280 megawatts of power. That is enough for us to even export to other countries. It is good to think about the future. However, when we wake up one day, like we did the other day and said that: "Tomorrow, there will be no light in this country", it surprises everybody. Where have we been to get to that extent of not knowing when lights and water will not be there? For some of these things to be left to the Ministry of Energy and the Ministry of Water Development, to be directing them alone is miserable. For the Nairobi City Council to come and say water will be rationed, and for the Kenya Power and Lighting Company Limited to say that power will be rationed is an offence. Such issues and major decisions must be brought to this House so that it can discuss them. We must be exactly convinced as to what actually created these kind of shortages. How come that when we have got so many rivers in Kenya from which we could tap water, suddenly, we have no water? We cannot not only be relying on the water intake from Murang'a here. We have got so many water resources, and we must be told as a Parliament so that, at least, we ask the Minister concerned questions and he answers them.

Mr. Deputy Speaker, Sir, the other point which I want to talk about, and which has also been touched on by a lot of earlier speakers, is the retrenchment issue. Retrenchment ought to be re-discussed and re-planned. This is because if it is done haphazardly, it will create and even increase corruption in this country. This is because the people whom we are giving notice of retrenchment are the same people who are in authority now. They are the people who are in control of some sectors. My fear is that if it is not done properly, it is going to double corruption. This is because people in the offices are going to feel that this is their last time and, therefore, they have got to loot before they go. This retrenchment process has to be done properly. I am wondering where the wisdom comes from to decide suddenly that if we must retrench, about 3,500 chiefs and assistant chiefs must go. Even if the total number of assistant chiefs in this country is about 6,000, their total earnings are hardly Kshs50 million. The total earnings of chiefs is hardly about

Kshs100 million. This is because these assistant chiefs earn between Kshs3,000 and Kshs5,000, and chiefs about Kshs8,000 per month. If there is any retrenchment process, then let it start with the Provincial Commissioners and District Commissioners since these are the people who are capable and are in positions of even amassing more wealth. Why do we not start with those people? This is because one Provincial Commissioner today costs the Government around Kshs20 million a year, in addition to the facilities they enjoy, like the cars and everything. So, eight chiefs cost the Government about Kshs500,000 and 68 DCs cost the country another Kshs10 billion.

The Minister for Renewable Energy Development (Mr. F.P.L. Lotodo): On a point of information, Mr. Deputy Speaker, Sir.

Mr. Munyao: Do I need it?

The Minister for Renewable Energy Development (Mr. F.P.L. Lotodo): Yes, you need it.

Mr. Munyao: Say it then since I have very little time left.

(Mr. F.P.L. Lotodo proceeded to the Despatch Box)

Mr. Deputy Speaker: Hon. Lotodo, use the microphone nearest to you.

The Minister for Renewable Energy Development (Mr. F.P.L. Lotodo): Mr. Deputy Speaker, Sir, this one is closer to him.

Mr. Deputy Speaker: You have got to note that you are taking up his time. Order! When you walk from where you are to the Dispatch Box for purposes of giving him information, you are actually eating into his time.

The Minister for Renewable Energy Development (Mr. P.F. L. Lotodo): Mr. Deputy Speaker, Sir, I will be very brief. There is no retrenchment of chiefs or their assistants.

Mr. Munyao: Okay. Then this contradiction of the Government is really shocking because it was just last week when the same Government announced that it was going to retrench chiefs and their assistants, and now another Minister who, maybe, was not told comes up and contradicts the Government. Who are we going to believe?

Mr. Deputy Speaker: Order!

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Affey): Mr. Deputy Speaker, Sir, thank you for giving me this opportunity to also contribute to this very vital debate.

First of all, I wish to take this opportunity to congratulate the Minister for Finance for the manner in which he presented this year's Budget Speech. The theme of this year's Budget is geared towards poverty alleviation. However, there are quite a number of sectors that the Minister of Finance overlooked. There is so much emphasis on the manufacturing sector. While we encourage the Minister's statements on that aspect, a very vital section of the economy has been forgotten in this year's Budget. Pastoralism and the pastoral lifestyle is a very important economic activity in this country, and at this time when that particular sector has been ravaged by famine, drought and lack of rain, there has been little in the Budget to address that serious problem.

Mr. Deputy Speaker, Sir, most pastoralists in Kenya today are at risk of becoming poorer because they continue to lose their livestock in large numbers. I know that we really require rain for our people to support their economy, but the only alternative at this time is an outlet for our products. The Kenya Meat Commission should be reopened so that it can provide such an outlet. We know that we have heard several statements from Government sources to the effect that this very important plant will be revived. We expected to find an item in the Budget to that effect, but that has not been done.

We have requested for the establishment of abattoirs in pastoral areas many times, but nothing has been done. Therefore, I would like to appeal to the Minister to reconsider this very much, so that we can have abattoirs established in centres where the economy of the people rely on livestock.

Mr. Deputy Speaker, Sir, I was in my constituency and came back to Nairobi yesterday. We have got a very serious problem in Wajir. Apart from people succumbing to famine, there has been an outbreak of a very strange disease called Kalaazar. At the moment, about 50 patients are hospitalised at the Wajir District Hospital. I have been told by experts that this particular disease costs not less than Kshs20,000 to treat one patient. Today, in North Eastern Province, Kshs20,000 is too much! My appeal to the Minister for Medical Services is to urgently send a team of medical experts to Wajir District to establish the cause of this very strange disease. If we do not check its spreading, we might have another calamity in the district. We already have serious problems with the famine and this disease is likely to pose more danger to the lives of the people of Wajir. I am told that Kalaazar, as a disease, is transmitted by a fly. We have not had such kind of problem in Wajir before. There was only one case reported in 1940, but in the recent times, we have had the disease and we have not been able to establish the cause. The spread rate is very high. I am told that the spleen enlarges, and within 24 hours, somebody can die. Therefore, this is a very serious issue. I am trying to send an emergency signal to the Minister concerned, in consultation with the Minister for Finance. I know that, that might not have been budgeted for.

Mr. Deputy Speaker, Sir, apart from that, I think there is need to establish research centres and stations in North Eastern Province. We do not have one single research station and yet, every year, we get strange diseases.

Mr. Deputy Speaker, Sir, when I looked at the Budget Speech in terms of provinces, there is no serious development activity taking place in North Eastern Province. There are no serious development programmes in the area. I can tell you that if North-Eastern Province was allocated development funds, the hunger we are talking about today, and other problems associated with lack of food, would be a thing of the past. We request the Minister to make deliberate attempts to set aside funds in the current Budget, to start sustainable poverty alleviation programmes. We have got eight regions which have got unique economic contributions. If you ignore one, you will make it a burden to the rest of the country. We have the resources, and all we need is a massive injection of funds to support our programmes.

With those few remarks, I beg to support.

Mr. Murathe: Mr. Deputy Speaker, Sir, this is yet another ritual of the budgetary process which means nothing! Year in year out, we have plans and programmes, but nothing comes out of them! These people have never come back to us and said: "This is what we put in last year. This is what we have achieved!" These people never account for what they collected and spent! They call us to the District Development Committees (DDCs) and tell us: "In Gatanga, you have Kshs18 million for rural electrification," but, at the end of the day, it is zero! When you go to the Ministry of Energy, they tell you they have no money, yet, when you look at the figures, the amount of money collected by the Government in real terms is anything above 90 to 95 per cent. The Government is not capable of coming back to us and saying: "This is how we have spent the money!" There is pure total misallocation of public funds. Could we have a simple accounting programme; something like a balance sheet, to show the intended collection, the actual collection and how it was spent? We are wasting a lot of our time here! Even the Medium Term Expenditure Framework (MTEF) will not work.

Why can these people not base the Budget on constituency allocations? We know our priorities. For the last ten years, nothing has happened in my constituency. Actually, from 1979, there has been no concrete Government development programme in Gatanga. If you could have been giving me something like Kshs10 million a year, I could have had something like Kshs200 million over the ten years. I can prioritise with my people. If you give every constituency Kshs50 million, that is about Kshs250 million over the five years that you are here. You can decide with other pastoralists, that is if you are from Narok, to do a dam. You can build roads or prioritise you own things. Kshs50 million by 200 constituencies is Kshs10 billion only. You are collecting more than Kshs200 billion a year. What do you do with that money? We must have a new budgetary process where we allocate resources in the same manner as the district road committees. You give us our money and we shall sort out our problems in Gatanga. This year, we will spend our Kshs50 million on rural electrification. Next year, we will spend our Kshs50 million on rural water programme. The following year, we will do our feeder roads. Over the five years that I will be here, I can account for the Kshs250 million allocated to Gatanga, and have something to show for it. But because we are giving all the money to the Government, it has nothing to show for it at the end of the day.

When the Government tells you about foreign debt services, 60 per cent goes to dubious security equipment payments and is never accounted for. I have those figures which they never publish here. They keep on saying that they are paying money for security. We will examine those accounts abroad. The state of insecurity is getting worse and 60 per cent of our foreign debt servicing is on security-related issues. Where is the equipment which was bought? Where are the police vehicles which were supplied? Just the other day, four people were killed in Gatanga by thugs who moved from Thika and other markets. There was no police response due to lack of vehicles and communication equipment. I am sure my area is worse than the bandit-prone areas.

Mr. Deputy Speaker, Sir, these people are wasting our time here. When we come out of such hardships, and the Budget does not offer any relief to the marginalised poor people; and then you increase the VAT so that you can enrich the Indians, because they do not pay the VAT, I do not think you have got your priorities right. As a result of lower productivity, you will have lower yields in terms of revenue generation. So, all these big plans that you have laid out here will not be realised.

Mr. Deputy Speaker, Sir, the more you hypothecate your programmes on aids, the more you become miserable.

With regard to the power sector, for the last ten years, we have had good plans which could have made us self-sufficient in electric power. But the financing of those power projects was based on some hypothetical donor-funding or financing from abroad, which was not forthcoming due to bad governance. All those plans are included in every year's Budget. They are zero plans and this has landed us in a situation which we find ourselves in. This over-reliance on free or borrowed money or even grants from the donors is what has landed us in this situation. If we have survived for the last nine years, it is probably high time we tried to look at our own internal resource and generate our own resources internally.

Mr. Deputy Speaker, Sir, there is no point for everybody to blame the management of Kenya Power and Lighting Company (KPLC). We know that KPLC is one of the best managed parastatals in this country. Those companies which have been given to other funny people have all collapsed. It is actually a direct reflection of the bad governance which has stopped funding from the Central Government, which has let down the management. In any case, KPLC does not generate power, it is generated by a company called KenGen. We have not heard the Minister in charge of energy here telling us what they are doing about those people who are running KenGen, but instead they are talking about the distributor, who is the KPLC. This envelope business and sectoral approach to the budgetary process -as our colleague here mentioned in terms of the Arid and Semi-Arid Lands (ASAL); in terms of dams, boreholes and irrigation--- There is not one single item that we have seen in form of dams construction in the agricultural envelope--- We know that we have a lot of rain water which is going to waste instead of using it as a part of the long-term solution to our long-term water problems. I do not know what your priorities are when you talk about the immediate medium and long-term programmes. We need a total overhaul in this Government and particularly the Ministry in charge of planning and more so concerning the implementation of Government plans.

Finally, I would like to talk about the retrenchment which everybody has talked about. You will find that, only the best people will opt to leave the Public Service because there is no incentive for the people who work in the Public Service. A lot of civil servants will opt for the "golden handshake" because they can go to Jua Kali; the informal sector and then you will be left with useless people in the Public Service. What will you have achieved? You will get a more inefficient Public Service, which will not be able to effect the delivery of services. We must find a way to stop the good people from being retrenched; whether it means by motivating them or whether it means by bringing their remuneration at par with these offered in the private sector. You must retain the good people in the Public Service! There is no point of thinking that you are able to get people from the private sector and pay them impossible salaries, like the ones which are being floated here. For example, somebody is a Permanent Secretary (PS) and he is getting Kshs1.8 million while an equivalent PS is getting Kshs80,000. Is there two different types of PSs, whether one is "dreaming" or not?

With those remarks, I beg to support.

The Assistant Minister for Environment and Natural Resources (Mr. Kimkung): Thank you very much, Mr. Deputy Speaker, for giving this opportunity to add one or two points to what other speakers have said.

Mr. Deputy Speaker, Sir, while I support the Motion on the Budget Speech, I would like to say that, the Minister forgot to, at least, mention the plight of farmers and it was never considered at all during the Budget Speech. For instance, the price of diesel remained the same and yet we are talking about farming in this country. As a matter of fact, we have forgotten the agriculturally rich and potential areas of this country. For instance, Mt. Elgon, where there is no infrastructure, and no roads and electricity and yet, Mt. Elgon can feed the whole of North Eastern Province because there is a vast agricultural potential and almost every crop is grown there, including onions, maize, tea and coffee. However, Mt. Elgon has always been forgotten when it comes to the budgeting for roads and other infrastructural facilities.

The soil in Mt. Elgon is very rich and since Independence, the people of Mt. Elgon have never seen an inch of tarmacked roads. In certain areas, when children see a tarmacked road, they probably think that it is a black blanket. I request that, when the Minister formulates the next to ensure that he has included the western part of Kenya because it can produce enough food to feed this country. We will not need to import any food from anywhere because we have enough except that, we do not give incentives to the farmers and we do not construct roads to enable them to market their produce. For instance, my area produces a lot of onions and maize, but they still use donkeys to transport their farm produce overnight to a place called Chwele and people come all the way from Nairobi to dictate the prices. Because people cannot go back with their produce because the donkeys may die on the way they sell the produce at throw-away prices. This happens because the Government does not consider developing infrastructural facilities in such areas.

When there is scarcity of food, those people sell the same produce they kept in the hired empty stores of the National Cereals and Produce Board to the people of Mt. Elgon. They take the same produce from the stores, to Mt. Elgon and sell it as much as five times the price they bought the same produce. So, we must create incentives for our farmers by developing infrastructural facilities to enable them market their produce at a reasonable price. As it is now, the people of Mt. Elgon will not grow maize because they spend much more than they get from their produce.

Mr. Deputy Speaker, Sir, I also want to speak on the issue of teachers. If we are talking about poverty eradication in this country, we must also consider that, our population is never static, but increases by the day. Therefore, there is an increase in school-going children every year and if we do not consider increasing the number of teachers by employing more teachers, then we are not helping anything in poverty eradication. Employing more teachers to cater for the increased number of children in schools is one way of poverty eradication. Therefore, the Budget must consider including, even in a small way, the issue of employing teachers.

With regard to tourism, the Western Circuit has completely been forgotten by the tourism industry. In the

western part of this country, we have a vast tourism potential, for instance, we have wildlife which is in abundance. As a matter of fact, if our tourism industry can work together with the Ugandan tourism industry, since we now have the East

yAfrican Community in place---, we shall reap much more from the tourism sector more than we are doing today.

Mr. Deputy Speaker, Sir, on the issue of security, there is a lot of cross-border cattle raids along the Kenya-Uganda border. I am suggesting that, we increase the number of police stations along the border and the number of officers patrolling the border in order to reduce the cattle rustling that is prevailing along the border at the moment.

[Mr. Deputy Speaker left the Chair]

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

While on the issue of security, it is unfortunate that when we discussed as Members of Parliament, about our own security, we did not suggest--As a matter of fact, we have put hon. Members at great risk, because thugs are looking for their tools of trade and it does not matter how they get them. They can even shoot in order to acquire them.

Dr. Ochuodho: On a point of order, Mr. Temporary Deputy Speaker, Sir. In view of the recommendation of the Assistant Minister, can he to suggest that we withdraw guns that Assistant Ministers and Ministers have in order to reduce their risks?

The Assistant Minister for Environment and Natural Resources (Mr. Kimkung): I declare today - let everybody in this country, including thugs know that I do not know own a gun and I do not need to own one. I was elected by the people and if they do not like me; they will vote me out. They will not shoot me.

Mr. Temporary Deputy Speaker, Sir, I suggest that if the Bill is brought before this House, we must declare to the whole world that--If you feel insecure, there is already a machinery that is operational which allows any Kenyan and not just Members of Parliament, to go to the relevant authorities and request for protection, be it a gun or whatever. I have total confidence in our security system. There are loopholes here and there which need to be addressed, but no gun can protect anybody. If thugs want to get you, they will with or without a gun. Therefore, I suggest that it was wrong to---

With those few remarks, I beg to support.

Mr. Gatabaki: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Assistant Minister--

The Temporary Deputy Speaker (Mr. Musila): Order! Order! Mr. Gatabaki, I have not given you the Floor.

Mr. Gatabaki: On a point of order, Mr. Temporary Deputy Speaker, Sir. Was is it in order for the hon. Assistant Minister to contradict the directive of the President that the police should not use firearms, or excessive force against unarmed people?

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Gatabaki! Had you completed what you were saying, Mr. Assistant Minister?

The Assistant Minister for Environment and Natural Resources (Mr. Kimkung): Yes, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Musila): So, that point of order does not arise.

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

First of all, I would like to comment on some areas where we feel that the Government is over-allocating funds, at the expense of other areas which require more funds. For instance, we have seen that the Office of the President has been allocated over Kshs14 billion, when we have other Ministries which also require funding. Why is the Office of the President getting Kshs14 billion? What are they going to do with it? Are they going to employ DOs or pay more chiefs? What is it for? Other Ministries, like Agriculture, require more funds than the Office of the President so that they can help farmers. Again, the Department of Defence (DOD) has been allocated over Kshs15 billion. Why are we giving those departments such amounts of money? Since our soldiers who are in Sierra Leone are being paid by the United Nations (UN); why are we giving the DOD such a colossal sum of money? I would suggest to this Government that, out of the Kshs15 billion which has been allocated to the DOD, Kshs5 billion should be allocated for water projects in Ukambani. We have only four districts and if each district is allocated Kshs1.25 billion, all areas in Ukambani would have water and will never require any relief food any longer. So, the Government should be serious on its planning. We do not know whether this Government plans, because some money is being allocated to some departments which are being used by some individuals as a conduit to siphon out money. For instance, the

National Security Intelligence Service (NSIS) which has only a few officers who just walk around the City, has been given Kshs3 billion. What is this for? This money should have gone to the regular police to buy cars which will assist them to chase bandits or thugs who are terrorising people in the City, rather than allocating it to that department.

Mr. Temporary Deputy Speaker, Sir, it is time for this Government to be serious on the allocations. When we ask questions, we do not want to be told that this will be done when money will be available. When will money be available? Year in, year out, we vote funds in this Parliament and we are not told that there are some projects which have never been given money. When a former Minister, like Eng. Kiptoon, gave money for maintenance of roads to Members of Parliament, he was sacked.

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

Mr. Wambua: I am sorry, Mr. Temporary Deputy Speaker, Sir, I was trying to thank him for the work he has done---

The Temporary Deputy Speaker (Mr. Musila): He is hon. Eng. Kiptoon and not mere Kiptoon.

Mr. Wambua: Yes, Mr. Temporary Deputy Speaker, Sir. Hon. Eng. Kiptoon suggested that money for roads should go directly to Members of Parliament because he knows that they would use it properly, because they do not want to lose their seats. But he was sacked the following week. Where are we heading to? Those who are pocketing money are the ones who stay in the Front Bench. Let me signal to them that, it is only two years which are left before the elections. They have to be serious---

One of them is that one!

(Dr. Anangwe stood in his place)

The Minister for Medical Services (Dr. Anangwe): On a point of order, Mr. Temporary Deputy Speaker, Sir. I think you heard the hon. [The Minister for Medical Services] Member say that these people who are sitting on the Front Bench are stealing money---

Mr. Wambua: Those hon. Members sitting on the Front Bench!

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

The Minister for Medical Services (Dr. Anangwe): Can he, please, withdraw or identify those who have stolen money and then substantiate?

Dr. Ochuodho: Goldenberg! Is that enough?

The Temporary Deputy Speaker (Mr. Musila): Order! Dr. Ochuodho, I would expect you to behave in an orderly manner. Mr. Wambua, you heard what Dr. Anangwe has asked for---

Mr. Wambua: This is known. If we go to the records, all the people who were mentioned as owing the National Bank of Kenya money are the hon. Members who are in the Front Bench. None of them like Wambua and other Backbenchers have been mentioned for owing such amounts of money, which they have borrowed from the bank and they have not repaid. That is a fact. I have substantiated. Probably, you may be one of them.

(Laughter)

The Minister for Medical Services (Dr. Anangwe): On a point of order, Mr. Temporary Deputy Speaker, Sir. You heard him---

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

Mr. Wambua: You are wasting my time!

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

The Minister for Medical Services (Dr. Anangwe): You heard him allege that those who owe the National Bank of Kenya money are in the Front Bench. Since I am one of the people in the Front Bench, can he substantiate that I owe the National Bank of Kenya some money, please?

Mr. Wambua: You are being scrutinised, we will get your record next year!

(Laughter)

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Wambua! Dr. Anangwe asked you a specific question, whether he is one of those mentioned in the case of National Bank of Kenya and you should say yes or no. Do not talk about next year.

Mr. Wambua: His name has not yet come up, but we do not know. Before the end of this Session, it may come up.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Wambua, you have just said his name has not come, and so you can continue from there.

Mr. Wambua: Thank you very much, Mr. Temporary Deputy Speaker, Sir. We are not prepared to attack other hon. Members, but we are signalling to them. It is only two and half years left now before the next elections, if the President is not going to call for snap elections. So, they should be careful and work perfectly. We are going to form the next Government.

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

Mr. Wambua: What is your point of order for?

The Temporary Deputy Speaker (Mr. Musila): It is not up to you, Mr. Wambua, to ask Mr. Haji. It is for me to ask him to give us his point of order.

The Assistant Minister, Office of the President (Mr. Haji): Is the hon. Member afraid of snap elections? Can he clarify that?

The Temporary Deputy Speaker (Mr. Musila): Continue, Mr. Wambua!

Mr. Wambua: I said, in case the Head of State call snap elections; I did not say that he is going to do so. I do not know why you are worried, hon. Haji. Even if he calls for elections today, Wambua is prepared. Although you were nominated, are you not prepared for elections?

Mr. Temporary Deputy Speaker, Sir, my final contribution is that Ministers should not get annoyed if their names are mentioned in relation to matters raised here, especially when the particular matters are based on facts. We want to correct the Government, so that things can be put right. I would like to cite the issue of the Turkwel Gorge Hydro-electric Power Project which was mentioned here the other day. The company that did the feasibility study for that project never said that, that project was viable. In its report, the company gave its findings on the project, but the Government of Kenya decided to implement the project.

The Assistant Minister for Tourism, Trade and Industry (Mr. Ekirapa): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to raise the issue of Turkwel Gorge Hydro-electric Power Project here, which is before a Committee of this House, before that Committee reports its findings to this House?

Mr. Wambua: Mr. Temporary Deputy Speaker, Sir, I was only giving my opinion; I have not talked much about that issue.

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Wambua, earlier on, the Chair ruled that, that matter be avoided until the Committee reports its findings to this House. So, could you continue with your contribution?

Mr. Wambua: Mr. Temporary Deputy Speaker, Sir, that is all I wanted to say about that matter. I would like to suggest that, out of the Kshs14 billion that has been allocated to the Office of the President, Kshs4 billion should be set aside for famine relief food. We do not like the habit of hon. Nassir coming here to say that nobody will die from hunger when our people are suffering. Our people should get food; it is their right. They are this country's taxpayers. Therefore, instead of the Office of the President putting a lot of money into other uses, because most of the relief food supplies come from that Office, it should have been indicated that Kshs4 billion will be used for famine relief food supply. That money would be going to help its rightful owners.

My final word would be to urge the Minister to be serious. Some Ministers do the wrong things themselves. For example, while some schools in Ukambani are being closed down due to lack of water, the Minister for Education has diverted the water that is meant for those areas to his farm, to water his banana crop.

The Temporary Deputy Speaker (Mr. Wafula): Order, Mr. Wambua! Your time is up. Could you proceed, Mr. Ethuro?

The Assistant Minister for Labour and Human Resource Development (Mr. Ethuro): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this Motion. I would like to start by reassuring the hon. Member who spoke just before me that the Government would like to be re-elected and that we are working extremely hard to ensure that the Opposition does not form the next Government.

Having said that, I would like to point out that the budgeting process is an important element in every governance process. I think Kenya is the only country where the Minister for Finance can talk about promises while talking about indicators that may occur for the first time in four years' time. This is the only country where people are still optimistic at a time when economic surveys show a declining economy. I think something has gone wrong with our planning. We are not making realistic assessment of where we want to go. We keep promising things that we fail to deliver year in, year out.

(Applause)

Mr. Temporary Deputy Speaker, Sir, just before hon. Dr. Ochuodho becomes excited, I would like to reassure him that the intentions of the Government are good. However, the Civil Service is failing us. We have also failed the Civil Service. We are running two parallel systems of Civil Service where we have the "dream" team getting all the goodies while other civil servants get almost nothing. Thus, the morale of staff within the Civil Service is down. I would like to associate myself with the statements made by many of hon. Members that, until civil servants are properly enumerated and, competence is made the key to service delivery in any service, our wishes will remain a dream. We will continue to talk about the "dream" team and the "dream budget". We will even get new terms such as the "Medium-Term Expenditure (MTEF)" for the budgeting process, but we will not deliver. It is time we ran the Government the way individual companies are run if we are to take care of every issue that is coming up.

Mr. Temporary Deputy Speaker, Sir, I would now like to talk about the Kenya Meat Commission (KMC). The development of the pastoralists must be taken seriously, because pastoralists occupy 80 per cent of this country's land mass. Agricultural production reached its peak in the mid-1980s and that is a fact which is based on scientific research. We can no longer increase production in this country by intensification; we can only do so by extensification. That means bringing most of the arid lands into production. The policy of rotation had been very good since the early 1980s. We believed that we would develop ourselves and increase production but, to-date, productivity is still low. I think it is time we learnt where to put our money. We should make our actions consistent with our promises and budgeting.

Many people, including the President, have said that the KMC should be re-opened. The Minister for Agriculture, at many agricultural shows, has promised that the KMC would be opened. As Members of the Parliamentary Pastoral Group, we visited the KMC site on Friday. There is extremely good infrastructure there; the equipment is good. What is the problem in re-opening that facility?

An hon. Member: Tell us!

The Assistant Minister for Labour and Human Resource Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, we suspect that the problem in re-opening the KMC due to the selfishness of some officials in the Ministry of Agriculture, Livestock and Rural Development. The problem emanates from myopic decisions made by officials of the Ministry, who have refused to have a vision for this country.

Dr. Ochuodho: On a point of order, Mr. Temporary Deputy Speaker, Sir, I, really, sympathise with my friend. He is pointing---

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

Dr. Ochuodho: Is the hon. Member in order to keep pointing fingers at civil servants, who cannot defend themselves here when he knows that the problem he is talking about lies with his colleagues? He should speak that way from the Opposition side of this House.

The Assistant Minister for Labour and Human Resource Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, I am on the Government side of this House by choice, and not by default. There is nothing from the Opposition side that will ever help pastoralists in this country. Until we make decisions and shun some crimes--- The problem has been due to lack of concentration on the pastoral sector. The definition of agricultural land in this country does not include pastoral land. We define agricultural land as areas where we grow sugar, where hon. Dr. Ochuodho comes from; it further includes areas where tea is grown, namely, Limuru and parts Kericho, and where coffee is grown. That definition does not talk about rearing livestock on pastures, or fishing. Lakes Turkana and Victoria could contribute a lot to agricultural production if fishing had been included in the definition of agricultural land. So, I believe that hon. Dr. Ochuodho agrees with me on what I am saying.

I am talking about the KMC and the drought that has hit this country in relation to the original objective of the KMC. Under an Act of Parliament, the KMC will be a tool for managing drought in this country. We are talking of a new millennium that has come with drought and the KMC, with all its equipment intact, lying idle. This is a shame. I will speak about the KMC until the day I will be buried. The KMC has to be opened. There is no contradiction about where I belong and the KMC. This country has to be committed to its people; it has to be committed to the proper use of its resources. Kenyans are dying out there, and we are not rehabilitating the institutions that we created before Independence. Something has to be done, and must be done now.

Mr. Temporary Deputy Speaker, Sir, the Government has done extremely well in creating District Steering Committees to co-ordinate the supply of famine relief food. Indeed, those committees are all embracing. I am, however, surprised to learn that the Government has formed another committee at the top level to oversee the same activity. The former Member of Parliament for Turkana North Constituency, Mr. Ekidor, during whose tenure a lot of relief food supplies meant for the people of Turkana was stolen, has been appointed to serve in that committee. This is a negation of the initial intention of ensuring that relief food supplies are delivered to the needy in a timely fashion. I do not see the role of that other committee, and it should, therefore, be disbanded.

Mr. Temporary Deputy Speaker, Sir, the government has put structures at the district level. I think we should decentralise the whole process of food distribution. Well, the emphasis here is on the district focus, so that everybody will get food. The Arid Lands Resource Management Project is one of the successful projects in Turkana District. It was sponsored by the World Bank and the Government of Kenya. It has really assisted people of Northern Kenya.

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Affey): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Member on the Floor in order to ask for the disbandment of the National Famine Committee? He should ask for the removal of Ekidor from the committee.

The Temporary Deputy Speaker (Mr. Affey): Order! Mr. Affey, that is not a point of order. It is a point of argument.

The Assistant Minister for Labour and Human Resource Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, on the retrenchment of civil servants, I know there are areas in this country where chiefs are not necessary. But where I come from, chiefs and assistants chiefs are very important in the development process. I get worried when I hear that a DC from Rift Valley will be retrenched. I know there will be political influence and they might even do away with Turkana District. I do not support the reintrenchment of civil servants because of the acute unemployment we are experiencing in this country.

Mr. Kariuki: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am wondering whether it is in order for the hon. Member to speak as though there is no collective responsibility in this Government. Why is he criticising the very policies on retrenchment of chiefs and assistant chiefs and yet, he is a party to the Government?

The Temporary Deputy Speaker (Mr. Musila): Order! Mr. Ethuro, is entitled to his opinion.

The Assistant Minister for Labour and Human Resource Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, I think the hon. Member should read previous rulings made in the House because we are allowed to disagree. In any case, I am an hon. Member of this House and I have my own opinion because I represent Turkana people in this House.

Mr. Temporary Deputy Speaker, Sir, the other problem we have in this country is that we do not focus on issues. We are all playing politics. That is why they are telling me that I should be on the other side of the House.

Mr. Temporary Deputy Speaker, Sir, I do not care which side of the House I belong, but about the interests and issues of this country. I envisage that the time will come when we will have no power and water rationing in this country or when we will be able to send our children to schools.

(Applause)

Mr. Temporary Deputy Speaker, Sir, if you read the newspapers today, somebody said: "If you are going to Turkana, you have to write a will and if you have already written one, you have to revise it because of the insecurity." There is a lot of insecurity between Marich and Kainuk. We need to reach our homes at any time without the police escort. It is the sole responsibility of Government to provide security for its citizens. If the police are not enough, there are many youths who can be employed to provide security. I would like to see more of that being done in Turkana District.

Mr. Temporary Deputy Speaker, Sir, I want to thank his Excellency the President for appointing youthful and energetic Ministers. I think this trend is very good for this country. By appointing young men into the Cabinet, it is the only way we will inject new ideas and energy into the management of public affairs. I think we should support those appointments.

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

Dr. Ochuodho: Mr. Temporary Deputy Speaker, Sir, with a light touch, I believe, many of my colleagues understand why I was saying the other colleagues are living between a rock and a hard place.

Mr. Temporary Deputy Speaker, Sir, looking at the Budget Speech, it touched me that there was a lot of emphasis on revenue collection than on expenditure. In my view, the emphasis should have been on expenditure. I think Kenyans pay a lot of tax. We all know that Kenya is one of the most highly taxed countries in the world. I do not think we have a problem with revenue collection. Maybe, we used to, but not any more. In my view, the emphasis should have been concentrated on expenditure. How do we spend the little that we have? This Government collects Kshs230 billion every year. This is a lot of money. But how do we use it? It ends up in the pockets of a very small clique that benefits from most of it. So, I would like to appeal to the Minister to lay more emphasis on how they spend taxes they receive from Kenyans? If I were part of the Government, one thing I would recommend is the need to reduce the number of Ministers. I know a number of my colleagues are not happy with the sacking of Ministers who choose to speak out their minds. What astonishes me most is that, whenever a Minister is sacked from the Cabinet, there is a replacement. Perhaps, the only favour this Government would be doing to Kenyans is that whenever a Minister is sacked, there should be no replacement because we have too many of them to the extent that, there are

hardly ever enough seats in the Front Bench for them when the entire House is sitting. I believe this Government is not serious. One may argue that reducing the number of Ministers may not mean much in monetary terms. But psychologically, it does. This is because if you start by tightening the belts from the top, then Kenyans right down there know that you mean business. Until we tackle the problem from the very top level, not many Kenyans will take us seriously with regard to tightening the belts.

Mr. Temporary Deputy Speaker, Sir, also want to turn to the issue of VAT. It is like the Government was trying to give with one hand and take away with the other, with regard to claims of contributing towards poverty eradication. Whereas, the Government may proudly say that, it would relieve Kenyan by enhancing the income brackets, we forget that there are many unemployed Kenyans, leave alone those who earn anything below Kshs9,000 or similar amounts that the Government now put as a ceiling. In my view, that is what cuts across the board. It affects every one; those at the top and those at the bottom. Perhaps, it affects those at the bottom more. In the recent past, the most "unfriendly" Budget occurred this year. This is because when you increase the VAT by 3 per cent, the very lowly placed people are the ones who feel the pinch most. It is in that regard that I actually do not support the increase of VAT by 3 per cent.

I also want to turn to the issue of famine. Indeed, I want to concur with my colleagues who said the committee is unnecessary or has been wrongly constituted. If at all it must be there, I know the Government has got a Commission on Poverty Eradication. The Government is fond of forming all sort of committees and commissions. But even if it was not for this particular purpose, that Commission should oversee the procurement and distribution of famine relief. If a committee was to be formed, we should have looked across the board. The stakeholders in particular should have been consulted. But if you look at the composition of that committee as announced by the head of State, a good number of its members are mainly sycophants. If the Government wanted to have its own people in that committee like they have done, they could also have allowed a similar number to represent other stakeholders. For example, the NGOs that are involved in the relief food provision and also other civil society.

Mr. Temporary Deputy Speaker, Sir, I also want to talk about the issue of Kshs3.2 billion that in the past one year, the Government allocated to the National Cereals and Produce Board (NCPB) for purchase of maize. One wonders when we have this major problem of famine, where is that maize. To the best of my recollection, the Government gave NCPB more than 3.2 billion for purchase of maize. Where is the maize that the Government bought? Why are we not giving it to the people of Kenya who are starving including the people of Nyanza? Talking about Nyanza, I was very disappointed when the Provincial Administration claimed that the problem of famine in Nyanza is not life threatening. I wonder what their meaning of "life threatening" is. About six months ago, a *gorogoro* of maize was selling at Kshs12, but today as I talk here, it is costs about Kshs55 and the provincial administration acknowledges this fact. When are they going to believe that it is life threatening; or when it costs Kshs100? Comparing Kshs12 with Kshs55, it is about five times more expensive than the maize was about six months ago.

In my view, considering the poverty level of the people of Nyanza and other parts of the country, that is life threatening like it is in several parts of the country that have been acknowledged. It is in that regard that I appeal for relief food for the people of western Kenya as well as Eastern and North-Eastern Provinces, some parts of Coast Province and so on and so forth, so that Kenyans who are faced with famine get some relief food. In any case, when the Head of State says that 80 per cent of Kenyans are faced with starvation, who is it to come from another province to claim that it is not life threatening? Are we saying that the people of Nyanza Province are not part of the 80 per cent of Kenyans, who are faced with famine? Considering the poverty levels, I find it hard to believe that.

Mr. Temporary Deputy Speaker, Sir, on retrenchment, again, I want to add my voice to other colleagues that the timing is very wrong, because we only retrench civil servants and talk of poverty eradication on the other hand. Where is the reconciliation? We know the retirement packages that are normally given out to those people, who are retrenched, are inadequate. It is in this regard that I think that if the Government will retrench civil servants, the first thing it must do is to allow the registration of their union, so that it can bargain for the package that they get, so that they do not get a death cheque instead of a handshake.

Turning to the Minister's promises with regard to dealing with the amendments proposed for the Banking Act, again, it was another case of giving with one hand and taking the same with the other. The Minister talked of putting up an institution that can be used as a clearing house to point out who is credit-worthy and who is not, but it is still tightened on the issue of confidentiality; because he insists that confidentiality should only be allowed through the Central Bank of Kenya (CBK). Why not say: In the opinion of Parliament, if it feels that confidentiality requirement should be breached, that should be the case. For example, the case of the National Bank of Kenya's (NBK) bad debts. The hands of the CBK may be tied when it comes to the issue of letting people know the actual people the Kenya Commercial Bank (KCB)--- Given that the CBK may not be a suitable authority to determine when confidentiality is necessary and when it is not, I think that power should have been given to Parliament, so that when it is necessary in the public interest we get to know the bad debtors, then confidentiality requirement should be allowed to be breached.

On the issue of second hand cars, there is a lot that is confusing, because when I listened to the Minister, and having gone through his Speech, he did not talk about ordinary vehicles for personal use, such as cars and so on and forth. It touches on vehicles of five tonnes and above, but I do not know whether it is the media that is giving the impression that it covers all vehicles, or it is the Minister who changed his mind after reading the Budget Speech. I think it is important for the Ministry to make this clarification. Are we talking about vehicles across the board? Whatever the case might be, when the Government uses old vehicles as an excuse for causing road accidents in our country, one would have thought that the older the vehicle the higher the chances that it would be driven slowly and, therefore, the less the chance of an accident occurring. To call a spade a spade, the cause of the road carnage in this country is bad roads and not old vehicles. I think I concur with the vehicle vendors that if we are going to clamp down a ban on eight year old vehicles, then we should do the same for vehicles that are locally assembled or those that are already in the country. I do not think it is logical to do otherwise.

Mr. Temporary Deputy Speaker, Sir, I would also like to draw your attention to the fact that this is the only Budget in five years that has not given any consideration to Information Technology (IT), although are talking of industrialising by the year 2020. If anything, it has even made it more expensive to have IT products by increment of the VAT and other similar taxes.

So, in that regard, I do not support this Budget.

The Assistant Minister for Tourism, Trade and Industry (Mr. Ekirapa): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to add my voice to my colleagues who have congratulated the Minister for Finance for the manner he presented the Budget for this year.

The Budget formulation this year is a departure from the past, and as was explained by the Minister, we hope that this new system will involve all the stakeholders in the future, so that the formulation of the Budget begins right from the grassroots.

I am not sure whether the statement by Minister this year that all stakeholders were consulted in the formulation of the current Budget is factual, because I think the people who were involved were Parliamentary Committee Members who are responsible in that particular area. I would like to suggest that in the future, consultation goes right to the grassroots, so that people can decide at the district level what their priorities in development are, particularly in reference to development Budget.

Mr. Temporary Deputy Speaker, Sir, the Budget recognises the serious problems that this country has got, especially those related to the down-turn in the economy. The proposed solutions are very encouraging, but the Minister will need to find some ways and means of ensuring that the proposals he makes are strictly adhered to by those who are supposed to implement this Budget. From what I have known in the past, the cash managers in the field and even here in the Ministries Headquarters have been very careless in the manner in which they spend their money. The promise by the Minister that he will ensure that there will be no overspending is very encouraging provided that actions are taken to ensure that anybody who overspends his allocation will be severely punished to make the offence not pleasant to repeat next time.

The Budget also talks about retrenchment of staff. I would like to agree with those who support this approach, and say that it is important, therefore, that those who will be retrenched will be given some kind of training to prepare them for the new life, so that the money they will get from the Government when they leave is used properly.

QUORUM

Mr. Parpai: On a point of order, Mr. Temporary Deputy Speaker, Sir. The House is lacking a quorum. The Assistant Minister is not going to talk to chairs!

The Temporary Deputy Speaker (Mr. Musila): Indeed, there is no quorum. Can you ring the Division Bell?

(The Division Bell was rung)

The Temporary Deputy Speaker (Mr. Musila): Order, hon. Members. We have a quorum now. Mr. Ekirapa, you may continue.

The Assistant Minister for Tourism, Trade and Industry (Mr. Ekirapa): Mr. Temporary Deputy Speaker, Sir, I was saying that in our retrenchment programme we should ensure that those civil servants who are being retrenched are trained to prepare them for a new life outside the Civil Service. I want to disagree with those who are saying that the chiefs and assistant chiefs should be retrenched. This is a very important system of Government that links the central Government with the people on the ground - the populace. Therefore, they must be retained. In certain areas these people perform a very important function, and therefore, I disagree with those who want the chiefs and assistant chiefs retrenched.

In our current system, maybe, those Government officers, who are based at the provincial level are the people who do not seem to have a function at the present time. The Minister should consider retrenching, first of all, the provincial personnel before we even consider going down to the chiefs. There was the question of HIV/AIDs which we have been talking about and hon. Members led by His Excellency the President have taken note of this very serious issue which is killing many people. I would like to propose that the Government ensures that if an employer has got ten or more employees there must be an HIV/AIDs control programme in that establishment. It is the only way we can attack this problem that is afflicting so many of our people.

A lot of issues have been raised on security. The criminals are becoming more and more sophisticated. Policemen are being harassed and some of them killed by the bandits. It is about the time that we retrained our police officers to make sure that they are a match to the criminals. We should arm them with sophisticated weapons so that they can defend themselves in addition to providing security. Some of us leaders are not doing this country any good by inciting people to commit acts of insecurity, encouraging them to disobey the law, to fight their neighbours, *et cetera*. I was reading the HANSARD of last week - I was not present in the House then - where two of my colleagues threatened their neighbours who happen to be my constituents. I want to put it on record that my constituents are peaceful people. They have co-existed with their neighbours for many years. We have no intention of creating problems of insecurity with our neighbours. Our people take exception to the threats that are issued to them every so often that they might be pushed out of some area. If my community is felt to be a pain in the neck of some other people---

Mr. Mwenje: On a point of order, Mr. Temporary Deputy Speaker, Sir. You have heard the hon. Member say that two of his colleagues in this House incited his neighbours. Can he say who these people are and how they did it? If they were speaking on behalf for their people, how can that be called incitement? Is he talking about hon. Munyasia?

The Temporary Deputy Speaker (Mr. Musila): Mr. Mwenje, you should come up with a serious point of order.

Mr. Ekirapa, continue.

The Assistant Minister for Tourism, Trade and Industry (Mr. Ekirapa): Mr. Deputy Speaker, Sir, that is not a point of order. I was referring to the HANSARD for last week. If the hon. Member cares he can read it. I am referring to hon. Munyasia and hon. Wanjala. They were in this House and they made those threats. I want to say that--

The Temporary Deputy Speaker (Mr. Musila): Order, Mr. Ekirapa! You know you do not mention hon. Members adversely unless through a substantive Motion. I just heard you mention the names of hon. Munyasia and hon. Wanjala. You are completely out of order and you must withdraw that remark.

The Assistant Minister for Tourism, Trade and Industry (Mr. Ekirapa): Mr. Temporary Deputy Speaker, Sir, I withdraw, but I was answering the question by hon. Mwenje. Nevertheless, the point I am making is that as leaders, we have to be very careful about what we tell our people. It is not good for this country, for leaders to keep on inciting and threatening their neighbours. Let me continue and discuss the points that these particular hon. Members were concerned about. It is not a matter for this House. These are administrative matters, for the Government. It will not take us anywhere if we issue them in this House. We are simply inciting our people. The district headquarters that is being talked about is on the map and everybody knows where the boundary is. The Busia District Commissioner's office and house are in Teso District. I want to put that on record so that those people who are not sure can check whether it is factual or not.

Mr. Temporary Deputy Speaker, Sir, let me talk about agriculture which is an issue that I also feel that the Minister has not given sufficient funding to. Agriculture is the key resource for our people. It brings employment, food, *et cetera*. I hope that the Minister will look at the possibility of increasing funding for agriculture to enable our farmers to procure equipment for preparing their land and provide seeds and also marketing.

With those few remarks, I wish to support.

Mr. Parpai: Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to contribute to the Motion. The other day, I listened to the Minister for Finance reading his Budget Speech, and I got impressed by a few phrases here and there, but a lot of issues were not addressed. Many of those issues which have not been addressed are those which have been ignored ever since the colonial times. I also heard the Minister talking of attempts to provide incentives to the private sector so that they can double and sustain productivity, and be able to compete with their international competitors, now that the Kenyan market has been liberalised. However, when he got to the point of reducing taxes on raw materials, and at the end of every statement that he made--- When he came to the point of raising funds to finance all those programmes to be undertaken during the year, he raised the VAT by three per cent in almost everything, which is punitive because it affects almost everybody.

Even if he was trying to make us come nearer to where the other East African countries are in terms of taxes,

in this country, we are heavily taxed, and our incomes have been depressed. The poor man or woman is hardly surviving, and he or she is leading a difficult life. I tend to agree with the hon. Members, who spoke before me, that what is required as far as that issue is concerned is proper administration, collection and utilisation of the money collected. Many of us, who are supposed to be paying taxes, are not paying taxes, and many of them are doing so with the knowledge of the tax collectors. In some audit reports and in the reports of some Committees of the House, some names of tax evaders have been mentioned, but no action had been taken, which is quite shameful.

I also heard and read in the media that taxes have been waived on maize importation, but I do not know for how long the waiver will be there. I do not know whether it will be indefinitely, because at least, I know that there was no limit which was given. We are used to situations where when maize belonging to very important and well-connected Kenyans are on the high seas, somebody in the Ministry of Agriculture and Rural Development is made to make a recommendation, or write a report and state that there would be a shortage of maize in Kenya, and, therefore, a waiver is made to give way for that maize to get into the market. I am just hoping that this time round, the waiver was placed for the purpose of the drought and famine situation that we are in now, but the Government should be told that we, as farmers and producers of maize, know very well that many times those waivers have been placed just for the sake of the personalities that I have mentioned.

Mr. Temporary Deputy Speaker, Sir, I tend to disagree with those who say that some of those waivers are well-intentioned. The Kenyan farmers require a lot of protection, and as you know very well, farmers in other countries like South Africa, have a lot of subsidies, and, therefore, when maize gets a market outside their country, in fact, those farmers get some place to off-load whatever surplus they have. We, in Kenya, are experiencing so many hours of darkness, and in some estates in Nairobi, it is not a case of power rationing. The situation there is very interesting as lights come at 11.30 p.m. when one is asleep and go off at 6.30 a.m. when you are waking up. Now, you ask yourself: Why, in the first place, should we have those lights on? In fact, that situation should not be blamed on God, and the Government should take responsibility. It is the Government which has not done proper planning of its energy sector, because had it done so, at least, we would be rationing power for a few hours.

Mr. Temporary Deputy Speaker, Sir, there is a very interesting scenario, where the Government talks of having liberalised the energy sector, but when you look at the aspect of licensing, it is the officials of the Ministry of Energy, who sit together to consider and approve the feasibility studies and the siting of wherever an investor in the energy sector wants to invest. They sit with the employees of Kenya Generating Company (KenGen) and the Kenya Power and Lighting Company Ltd (KPLC), and they are the people who those investors are supposed to compete with. Therefore, what justification is there for that to happen? In fact, I even fear that the KPLC and the KenGen would pirate the ideas that are placed before them.

Mr. Temporary Deputy Speaker, Sir, because I can see my time is running out very fast, I would like to say that this Budget has forgotten the pastoralists. I have not heard the Minister for Finance talking of how and when the Kenya Meat Commission (KMC), my colleagues said, will be re-opened, or as to how much money has been allocated for boreholes and dams, especially now that we are experiencing drought and famine. Since that issue has been dealt with by my colleagues, I want to appeal to the Government, and much more the Kenya Wild Service (KWS) to do something. Now that the pastoralists are suffering, because they have no pasture, they have to accommodate us now, because we have accommodated them for quite some time.

Mr. Temporary Deputy Speaker, Sir, I have in my mind the point that in Loitokitok, where I come from, there is no more grass in our group ranches, apart from grass that is left in the national parks. We are asking the KWS thus: Now that we have been accommodating their animals for quite some time, let them now also accommodate our cows in their national parks; not only do we want them to accommodate us, we also want them to provide us with water. We have provided their animals with water and grass, and so, why should they not provide our livestock with water and grass? We also want them to provide us with acaricides in order to dip our animals, because even if we do not have dips, we can spray it on our livestock. I am saying that because you must have read in the newspapers that animals which have gone to Mt. Kenya have died because of ticks, and in fact, that is worrying because some farmers have even committed suicide after losing their animals. So, we are asking the KWS thus: Now that we have allowed their animals to roam about in our shambas, can they now allow our livestock to roam in their areas? That is not an appeal, but a condition, because if they do not accept, then, they would have to chose either to fence off their animals, or allow our livestock to roam in the national parks, like we have also allowed their animals to roam in our areas.

Mr. Temporary Deputy Speaker, Sir, let me now talk very fast about retrenchment in the Public Service. When I heard the Minister for Finance talking of the number of civil servants who will be retrenched, I did not hear him talking on how he will terminate the services of those who are on contracts, because we have many civil servants and employees in the parastatals who are employed on contracts.

Mr. Temporary Deputy Speaker, Sir, if anybody has to go first, it is those people who are over-aged. In fact, those are the people who are spoiling the economy of this country, and they are there because of other considerations,

like they are friends of the power-that-be. They are the people who are messing up this country, and who have put this economy where it is today. We do not want their expertise, because if there was any help that they would give to this country, they would have given during all those years they have been there. So, those employees must be retrenched first before our young men and women are picked on for retrenchment.

Mr. Temporary Deputy Speaker, Sir, I get annoyed when I hear some of my colleagues commending some heads of institutions and Ministries, that have let us down. These are the institutions that are riddled in corruption. In fact, they are more corrupt than anybody else in this country. Those are the people who must be retrenched first.

I was surprised today when I saw a list where the Government has suggested that for professionals, the criterion will be "first-in, last-out". This implies that a young man who was employed three or four years ago will be retrenched before a man who has been in service for 20 years. What does that mean?

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Musila): Is there no-one who wishes to contribute?

An hon. Member: No!

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Musila): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday, 28th June, 2000, at 9.00 a.m.

The House rose at 6.25 p.m.