

## NATIONAL ASSEMBLY

### OFFICIAL REPORT

Wednesday, 17th June, 1998

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

### PRAYERS

### NOTICE OF MOTION

#### APPROVAL OF TAXATION MEASURES

**The Assistant Minister for Finance** (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, the proposals relating to:-

- (a) Customs Tariff;
- (b) Excise Duties;
- (c) Value Added Tax
- (d) Income Tax; and,
- (e) Miscellaneous Fees and Taxes, contained in the Financial Statement for the year of Account 1998/99 be approved.

### ORAL ANSWERS TO QUESTIONS

*Question No.014*

#### DISPOSAL OF ADC FARMS

**Dr. Kituyi** asked the Minister of State, Office of the President:-

- (a) what the criterion is upon which the Government prioritizes interested people in the sale of ADC farms; and,
- (b) if he is satisfied that this criterion has been followed in the disposal of ADC farms.

**The Minister of State, Office of the President** (Maj. Madoka): Mr. Speaker, Sir, I would like to request that we defer this Question until next week. It is an important Question. There are certain details which we have not yet received to enable us to give a satisfactory answer.

**Dr. Kituyi:** Mr. Speaker, Sir, could the Minister be so generous as to tell the House why he provided me with a written reply if he was not ready to answer the Question?

**Mr. Anyona:** On a point of order, Mr. Speaker, Sir. We have had the practice of Ministers asking for more time to improve on their poor answers, but in the end they come back with the same answers. Last week, I put a Question to the Minister here. He requested for more time in order to investigate and provide a proper answer, but when he came back here, he brought an answer which was worse than the previous one. What guarantee is there that the Minister will now bring an answer that is different from the one we have? If he does not bring a different answer, what will happen to him because that is really misleading the House?

**Mr. Speaker:** Mr. Speaker, Sir, I really hope that he will bring a good answer. The Question is deferred to next week.

*(Question deferred)*

*Question No.074*

#### GOVERNMENT PROJECTS IN WEST MUGIRANGO

**Mr. Obwocha** asked the Minister for Planning and National Development:-

(a) which projects, if any, the Ministry has started and completed in West Mugirango Constituency between 1993 and 1997; and,

(b) which projects, if any, the Ministry does intend to start in West Mugirango Constituency between 1998 and 2002.

**The Assistant Minister for Planning and National Development** (Mr. Sumbeiywo): Mr. Speaker, Sir, I beg to reply.

(a) Taking the district as a unit for the purposes of rural development in accordance with the requirements of the District Focus for Rural Development Strategy, the Government, through my Ministry, spent a sum of Kshs30,561,473 between

the years 1993 and 1997 in assisting various development projects in Kisii North District. These projects included the following:- Construction of new district information and documentation centre; purchase of equipment for the same centre and training of staff for the manning of the same centre; construction of Nyagina Health Centre, which is an on-going project and which was started under the European Economic Community (EEC) macro-project programme; and completion of other eight projects which were started prior to 1993 under the Rural Development Fund Programme.

**Mr. Obwocha:** Mr. Speaker, Sir, it is very sad that the Ministry has tried to hide under the Kisii North District. In the reply the Assistant Minister has given, is he aware that the construction of a new district information and documentation centre is a district affair? Nyagina Health Centre is in Kitutu-Masaba. In fact, the eight projects he has given - Manga Health Centre, Ogango Dispensary, Igena Itumbe, Nyamosi Dispensary, Manga Girls School, Matutu, Ekerenyo and Ngosaga are in Nyamira. All of them are in Kitutu-Masaba, except Igena Itumbe which is in West Mugirango. He mentioned Igena Itembe Health Centre because it is only three feet from my house. It is very sad that no project has been completed between 1993 and 1997 in West Mugirango and none is projected to be completed in the near future.

Could the Assistant Minister tell us how they spent Kshs30 million on projects in Kisii North District and why they have not started any project in West Mugirango?

**Mr. Sumbeiywo:** Mr. Speaker, Sir, as I said earlier in my reply, we undertake projects as recommended by the District Development Committee. So, all these projects were undertaken by my Ministry, as has been mentioned by hon. Member. These are Manga Health Centre, Ogango Dispensary Staff House, Igena Itambe Dispensary block, Nyamosi Dispensary Maternity wing, Manga Girls High school laboratory, Matutu B.A.G. Girls High school, Ikerenyo Water Project and Osango Secondary School. The hon. Member should be very grateful because the Government has undertaken to construct these projects not according to the constituencies, but taking the district as a unit for development. Some of these projects are still on-going.

**Mr. Obwocha:** Mr. Speaker, Sir, my complaint is that it is unfair for the Government to concentrate these projects in two other constituencies and leave out West Mugirango. That is my complaint. I have already told the Assistant Minister that Manga Health Centre is in Kitutu Masaba Constituency, where hon. Anyona comes from. Ogango and Nyamosi are in North Mugirango; Manga-Kegati is in North Mugirango; Matutu, the same; Ekerenyo, the same; and, Konsaga, the same. Then, which projects is he saying are in West Mugirango that I should be grateful for? He wants me to be grateful for taking these projects to other constituencies?

**Mr. Sumbeiywo:** Mr. Speaker, Sir, some of these projects are located within West Mugirango Constituency. So, he has already mentioned the on-going projects.

**Mr. Obwocha:** Mr. Speaker, Sir, could I educate this Member that North Mugirango-Borabu is different from West Mugirango. The Member for North Mugirango-Borabu is hon. Joseph Kiangoi and, the Member for West Mugirango is Henry Obwocha; this man speaking here---

**Mr. Sumbeiywo:** Mr. Speaker, Sir, the hon. Member is calling me this "man". I am an hon. Member of Parliament and, an Assistant Minister. That is what he is calling me!

**Mr. Speaker:** Order! Order! It escaped my mind. Hon. Obwocha, you know that we have no "men" or "women" in this House. We have only hon. Members. So, could you withdraw the use of word "man"?

**Mr. Obwocha:** Mr. Speaker, Sir, that is strictly true because, I love even this man but he is now giving me an unsatisfactory answer. We are great friends and, I call him Elijah, the prophet.

*(Laughter)*

**Mr. Speaker:** Order! Order!

**Mr. Obwocha:** He is hon. Sumbeiywo. I apologise for calling him "this man", but it is because he has brought an unsatisfactory answer to this House.

**Mr. Speaker:** Very well. Mrs. Beth Mugo's Question!

*Question No.166*

DISTRICT HOSPITAL FOR DAGORETTI

**Mrs. Mugo** asked the Minister for Health:-

(a) since Dagoretti Constituency is predominantly peri-urban, with a huge population living without bare minimum medical facilities, what plans he has to construct a district hospital in Waithaka during the 1998/99 Fiscal Year; and,

(b) what happened to the funds earmarked by the African Development Bank (ADB) for the construction of the said hospital.

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

(a) My Ministry does not have any plans to construct a district hospital at Waithaka, in Dagoretti Constituency, during the 1998/99 Financial Year. However, the construction of the district hospital to serve the area, and to alleviate congestion there, will be considered when the current financial situation improves. As of now, my Ministry is not engaging in starting any new projects due to the current financial constraints and, it is focusing on completing on-going projects and consolidating the existing ones.

Hospital services for the South-Eastern areas of Nairobi can be obtained at the Mbagathi District Hospital which is being modified and expanded to meet hospital and referral requirements for the region. Likewise, primary facilities in Nairobi are being rehabilitated to improve services delivery and, Waithaka has such facilities.

(b) The African Development Bank (ADB) has never allocated funds for the construction of a hospital in Dagoretti Constituency. The area was only proposed for a hospital amongst other areas but, a feasibility study conducted by the ADB between March and May, 1993, did not justify the need. The ADB funded health facilities were attracted by areas far removed from our urban centres.

**Mrs. Mugo:** Mr. Speaker, Sir, there were plans to construct a district hospital in Dagoretti which had been fairly discussed by the area leaders.

Mr. Speaker, Sir, Dagoretti is a very large division. It is a peri-urban area and, Mbagathi Hospital is very far away from areas like Dagoretti Market. There is a great need to construct a district hospital. And, whereas I accept that the ADB did not approve the proposal, I would like to know from the Assistant Minister what plans the Ministry has to influence the ADB, or any other institution, to construct the hospital because, it is absolutely needed and necessary.

**Mr. Criticos:** Mr. Speaker, Sir, I appreciate the hon. Member's sentiments that we do need a hospital at Dagoretti, and that Mbagathi is far away. But with the current financial situation of our country, we cannot borrow any other funds from any other institution. There are various health centres at Dagoretti such as Waithaka, Riruta, Ngong Road and Karen which, at the moment, we realise are strained, but I am afraid we cannot do anything further. Our hands in the Ministry are tied.

**Mr. Mwenje:** Mr. Speaker, Sir, now that there is no money, could the Ministry liaise with the Nairobi City Council to upgrade one of the dispensaries in Riruta or in this particular area of Dagoretti to make it a hospital?

**Mr. Criticos:** Mr. Speaker, Sir, the City Council, in conjunction with the Ministry of Health, is currently carrying out a wide-ranging re-appraisal of the delivery of health services at the primary level in Nairobi in general. This is likely to lead to some fundamental changes in the use of facilities and the means of us providing further services like drugs and other facilities expanding on that field rather than expanding on constructions.

**Mrs. Mugo:** Mr. Speaker, Sir, this matter is fairly urgent. I visited Kenyatta National Hospital, which is supposed to be a referral hospital, during the cholera outbreak and three wards had been completely taken over by cholera patients. I think the suggestion by the hon. Mwenje should be taken seriously and we should have a district hospital in Nairobi to take the congestion away from Kenyatta National Hospital.

**Mr. Criticos:** Mr. Speaker, Sir, as I said earlier on, we agree with the hon. Member that we do require another hospital and Kenyatta National Hospital has always been a referral hospital. We are trying to encourage the City Council to upgrade their dispensaries and health centres which, normally, operate for only eight hours instead of working the normal 24 hours which are required which, in turn, strains our health care at Kenyatta

National Hospital during those hours when the Council's health facilities are closed.

*Question No.061*

GRADING OF ROADS IN KISAUNI

**Mr. Maitha** asked the Minister for Local Authorities when the Mombasa Municipal Council will grade the roads from Bwagamoyo, Voroni to Munguja in Kisauni to enable the institutions of the area to be properly served.

**The Assistant Minister for Local Authorities** (Mr. Sasura): Mr. Speaker, Sir, I beg to reply.

The Bwagamoyo, Voroni to Munguja roads in Kisauni have been extensively damaged by the current rains. The Municipal Council of Mombasa has already awarded a contract for the repair of Mwakirunge-Munguja Road which passed through Bwagamoyo and Voroni to Munguja. Works on these roads will start in early July, 1998 and, will be undertaken by Shimanzi Enterprises. The estimated cost is Kshs3 million.

**Mr. Maitha:** Mr. Speaker, Sir, I am satisfied by the answer given by the Assistant Minister. But is he aware that the same contractor was given a contract to recarpet the same road in 1995 for the same amount of Kshs3.5 million? However, he has not recarpeted the road and now he has been re-awarded the tender for the same amount. Is the Minister aware that the same contractor will not even do the job because he received the other money without doing anything?

**Mr. Sasura:** Mr. Speaker, Sir, the total length of the road to be repaired is six kilometres. The Council had to award a variation order because tendering would have been inappropriate due to the urgency of work occasioned by the damage caused by the *El Nino* rains. The contractor was already on site and he offered to do the job at the old price. Fresh tenders would have resulted in higher costs.

**Mr. Maitha:** Mr. Speaker, Sir, what I want to know from the Assistant Minister is that this contractor was given money although he did not do the job. He left the road the way it was. Now the Council is giving him more money. Is the Assistant Minister aware that this contractor is a thief? He is stealing from the Council.

**Mr. Speaker:** Mr. Maitha, we do not do that here. We charge people as thieves in court. Will you use a better word?

**Mr. Maitha:** He is taking money fraudulently.

**Mr. Sasura:** Mr. Speaker, Sir, I am not aware that the contractor is a thief as alleged by hon. Maitha. However, I know that the contractor is on site, he has been around there for long. Whether he recarpeted the same road in 1995, I am not aware, but I assure hon. Maitha that the job will be done satisfactorily. If the same mistake is repeated, it shall be dealt with accordingly.

*Question No.171*

EXPLORATION OF MINERALS IN SAMBURU

**Mr. Leshore** asked the Minister for Natural Resources:-

- (a) whether he is aware that Samburu District is a potential area in the exploration and exploitation of valuable minerals and gemstones;
- (b) what plans he has to urgently explore and exploit the mineral wealth of that area; and,
- (c) which exploration firms have been licensed to exploit the area and under what terms.

**The Assistant Minister for Natural Resources** (Mr. Twaha): Mr. Speaker, Sir, I beg to reply.

(a) The Ministry is aware that there is an indication of the occurrence of valuable minerals and gemstones in Samburu District, particularly gold, rubies and sapphire. However, minable deposits of these minerals are yet to be discovered.

(b) The Ministry has licensed private companies to carry out detailed exploration in the district and once economic deposits are discovered, the companies will be allowed to exploit the deposits in line with the policy of the Government which is to encourage private investment in the mining industry.

(c) The exploration firms that have been licensed to carry out exploration in the district are:

(i) Trade World Kenya Mines Limited which have a joint venture agreement with Anglo-American Prospecting Services PTY Limited.

(ii) Baragoi Mining Company Limited

(iii) Ogpon Gas Ventures Limited

- (iv) Mineral Bombers Limited
- (v) Mr. Cheboi Kipruto Isaack
- (vi) The Mitchell and Associates Mines Limited.

The terms under which exploration licences are issued, are mostly related to the technical work to be undertaken by the firms. The terms include:-

- (i) An undertaking to spend a certain amount of capital specified by the Ministry to ensure proper exploration.
- (ii) To carry out a programme of work specified by the Ministry.
- (iii) To give a map of the licence covered by the area annually.
- (iv) To protect the environment.
- (v) To pay prescribed annual licence fees to the Government.
- (vi) To indemnify the Government against any claims, compensations, nuisances or damages arising out of the licensee's activities.
- (vii) To be wholly responsible for any acts of omission or commission during the licensee's tenure.
- (viii) To submit cursory geological progress reports to the Ministry.

**Mr. Leshore:** Mr. Speaker, Sir, most of these companies are licensed in Nairobi and when they go to carry out their work, they never inform the owners of the land, be they individuals or group ranches. They come and dig holes which they do not cover after finishing their work. What is the Ministry doing to involve the local people in the exploration of these precious stones?

**Mr. Twaha:** Mr. Speaker, Sir, if there are any complaints about environmental damage, the people are free to complain to the Ministry for environmental compensation.

**Mr. Leshore:** On a point of order, Mr. Speaker, Sir. Messrs. Maxwell and Associates and Mines have dug holes bigger than this House. I have been to this area and I can confirm that they have not refilled them. Could the Assistant Minister now take action and force the company to refill those holes?

**Mr. Twaha:** I will first investigate and if I find this to be true, we will take action.

**Mr. Kathangu:** Bw. Spika, kwa miaka mingi tumekuwa tukisikiliza maoni mbalimbali kuhusu kampuni za mafuta ambazo zimekuwa zikitafuta mafuta katika nchi yetu. Tunajua kwamba katika miaka ya 1974 na 1975, tulikuwa tukifanya uchunguzi wa mafuta katika upande wa Samburu na sehemu nyingine karibu na Laisamis. Ningelitaka kujua kutoka kwa Waziri Masaidizi kama kuna uchunguzi wowote unaoendelea kuhusiana na mafuta katika wilaya ya Samburu na vitongoji vyake?

**Mr. Twaha:** Mr. Speaker, Sir, that is wonderful material for another Question. If he could put it to us, I am sure we would give a satisfactory answer.

**Mr. Speaker:** Mr. Twaha, is oil a mineral?

**Mr. Twaha:** Yes, it is!

**Mr. Speaker:** Then why not respond to his question?

**Mr. Twaha:** Mr. Speaker, Sir, the Question was a general one on exploration and exploitation of valuable minerals and gemstones. Oil is a particular mineral and not a general mineral. He wants a detailed answer for that and I do not want to give him a half-baked answer.

**Mr. Ndwigwa:** Mr. Speaker, could the Assistant Minister confirm to this House or deny that the exploration which was conducted by this company was not for the prospecting of any minerals. Indeed, what happened eventually was that nuclear waste was buried in Samburu. Can he confirm or deny that?

**Mr. Twaha:** Mr. Speaker, Sir, I can confirm that I am not aware of that allegation.

**Mr. Shidie:** Mr. Speaker, Sir, in my constituency, just like in the other arid constituencies, we have had so many cancer cases. We did not have occurrences of cancer before, but when the exploration came in, cancer has become very common. So, is the Assistant Minister aware that these companies are burying radioactive materials in these areas instead of carrying out any exploration?

**Mr. Twaha:** Mr. Speaker, Sir, I am not aware.

**Dr. Wako:** Mr. Speaker, Sir, how will the Ministry ensure that Kenyans are protected? It is in the interest of Kenyans that we know why it is that, in our constituencies where exploration has been done, people are dying of cancer and animals are dying of strange diseases. How does the Ministry intend to monitor this exploration and ensure that these holes are dug for the purposes of prospecting for minerals and not for depositing chemicals?

**Mr. Twaha:** Mr. Speaker, Sir, in my answer, I have given the terms under which we issue these licences and one of them is to protect the environment. If any company is found to be violating these terms, the Ministry will then be forced to withdraw those licences.

**Dr. Wako:** On a point of order, Mr. Speaker, Sir. In the terms of reference which the Assistant Minister has already given, there is nothing which says that the people are being protected. The only thing which he has mentioned is the protection of the environment and even for this, we do not know how he intends to enforce it. But we are asking for the protection of the people.

**Mr. Twaha:** Mr. Speaker, Sir, if there are any violations of the environment, or if people's health is endangered, they can report to the District commissioners or security officers.

**Mr. Mwakiringo:** On a point of order, Mr. Speaker, Sir. I come from a mining area. He is just playing around. The question we need answered is: Do your officers visit those areas? You do not expect the common man to go and report yet you have your officers who are supposed to go to the field and see whether there is any environmental effect from that.

**Mr. Speaker:** Order! Just before you speak, I think the hon. Assistant Minister said that Members must go and report to the district commissioner (DC). When a Question has been brought to this House, you, as an Assistant Minister, are senior than any district officer or any civil servant and you are the only one responsible to this House! The DC is not responsible to Parliament, but Ministers are. That responsibility must be discharged.

**Mr. Twaha:** Mr. Speaker, Sir, I did not abdicate my responsibility as an Assistant Minister. The hon. Member had asked me what measures the Government was taking to protect the citizens. The Government protects citizens by having officers in every district who are under the DC. We have police, and other departments of Government which are there to protect the wananchi.

**Hon. Members:** On a point of order!

**Mr. Twaha:** I have not finished. As to the Question of Mr. Basil Mwakiringo---

**Mr. Shill:** On a point of order, Mr. Speaker, Sir. Since a serious allegation has been made by various Members of Parliament about toxic waste being dumped in those areas, could the Assistant Minister promise this House that he will carry out an investigation and report back to this House in two weeks time?

**Mr. Twaha:** Mr. Speaker, Sir, this question about toxic waste is a different question altogether. As for Mr. Basil Mwakiringo's Question, even if we were to employ 30 million Kenyans, men, women and children, we cannot cover every square inch of this country.

**Mr. Maitha:** On a point of order, Mr. Speaker, Sir. Can we have your guidance on the Minister's reply? This House wants to know very sensitive issues from the Assistant Minister. Can he promise to bring the answer? Can we have some guidance from the Chair?

**Mr. Speaker:** What was the complaint about?

**Mr. Maitha:** Mr. Speaker, Sir, it was about toxic waste being dumped in those areas by those people prospecting for minerals.

**Mr. Speaker:** Order! Order! I do not think there is anything that can actually endanger the environment more than toxic waste. I think that is within the Assistant Minister's portfolio.

**Mr. Twaha:** Mr. Speaker, Sir, the Question before the House today is about mining, which involves taking things out of the ground and not putting things into it.

**Mr. Leshore:** Mr. Speaker, Sir, since the Assistant Minister has already indicated that he is not concerned about the people from those semi-arid areas, would he be very kind enough to post geologists to Maralal, Marsabit or Isiolo because a lot of toxic chemicals are buried under that soil? We have been suffering from Blue Tongue disease, *El Nino*, Rift Valley Fever because of that toxic waste. A geologist should visit these areas after every three months.

**Mr. Speaker:** In all fairness to the Assistant Minister, Mr. Leshore, are you suggesting by any chance that the *El Nino*-induced floods were brought about by toxic waste?

(Laughter)

**Mr. Leshore:** Mr. Speaker, Sir, I withdraw that remark about *El Nino*, but the Rift Valley Fever, the blue tongue disease and other very funny diseases which are affecting the livestock and the people in those areas are a result of the dumped toxic waste.

**Mr. Twaha:** Mr. Speaker, Sir, I think the hon. Member should put a Question concerning these diseases to the Ministry of Health.

**Mr. Wamalwa:** Mr. Speaker, Sir, obviously Members are concerned about the dangers of toxic waste in these areas. One hon. Member did ask the Assistant Minister if he could issue a statement clarifying the Ministry's position so that they can assure people of their security. He said that, that does not concern his Ministry. I am just wondering whether the Assistant Minister has ever heard of the principle of collective responsibility. All Ministers

serve the same Government. Is he really in order to pass the buck?

**Mr. Speaker:** Have you ever heard of that principle, Mr. Minister?

**Mr. Twaha:** Yes Sir, I have. I have also heard of the principle of chain of command and division of labour.

*(Laughter)*

**Mr. Katuku:** On a point of order, Mr. Speaker, Sir. This is a serious issue and we cannot have the Assistant Minister going around it in circles. Can you guide us on how to go about this issue? It is a very sensitive issue and he is trying to go around it.

**Mr. Speaker:** Well, I suppose I have guided the House enough. I have given the Members enough time to ask the Assistant Minister Questions, I have also brought to the notice of the Minister where his responsibilities lie. Probably, my best guidance is that, maybe, some other Minister has heard about the concern from the House and maybe he/she will come up and answer the House about this alleged serious threat to human health.

Next Question!

### QUESTIONS BY PRIVATE NOTICE

#### REDEPLOYMENT OF AERODROMES

#### DEPARTMENT EMPLOYEES

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

(a) Is the Minister aware that there are fifty three (53) civil servants of former Aerodromes Department seconded to Kenya Airports Authority and who have not been re-deployed anywhere?

(b) Is he further aware that these employees have not been paid their salaries since April, 1997, and that their three representatives were harassed on 30th March, 1998, when they went to inquire about the fate of their dues at the office of the Head of Public Service?

(c) When will the Government re-deploy the fifty three (53) employees and pay them their salary arrears?

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

(a) I am aware of 52 and not 53 civil servants who are former employees of the Aerodromes Department and who have not been absorbed or re-deployed.

(b) I am further aware that these employees have not been paid their salaries since April, 1997.

(c) Mr. Speaker, Sir, we have discussed this issue and we have taken the following steps. There are 14 of these employees who are on permanent and pensionable terms and these will be retired. They are above 50 years of age. They will be retired paid all their benefits up to the time their retirement is expected. That means they will be paid all their arrears up to April. There are 14 employees who are below 50 years of age, but who will also be retired and paid all their benefits. There are seven who have applied for early retirement and these will also be retired and paid their benefits on abolition of office. There are six who are below 50 years of age and who had also applied for early retirement under the golden handshake. They will also be paid their benefits. There are five who are on temporary terms who are over 50 years of age. They will also be retired and be paid their benefits. There are four on temporary terms who will now be deployed in the Office of the President but two of them have already retired.

**Mr. Sifuna:** Mr. Speaker, Sir, arising from that reply, when the Minister says that they will be retired and paid their dues, can he tell this House whether they have now been paid or not? It is now more than two years since these people have been asking for their payment and nothing has been forthcoming. Could he tell us whether he has paid them or not, and if not, when will they be paid their money?

**Maj. Madoka:** Mr. Speaker, Sir, I said that they will be paid. Therefore, they have not been paid and they will be paid by the end of July.

**Mr. Sambu:** Mr. Speaker, Sir, could the Minister tell the House how many employees were employed by the Kenya Airports Authority (KAA) to serve the new Eldoret Airport? How many new ones were employed and how many were transferred from the other existing airports?

**Maj. Madoka:** Mr. Speaker, Sir, I did not come here prepared to answer that question, therefore, I have no answer.

**Mr. Wamae:** Mr. Speaker, Sir, could the hon. Minister tell us why it has taken so long, until this

Question has been asked, for the Government to move in and consider the fate of these Kenyans? Why did it have to take two years?

**Maj. Madoka:** Mr. Speaker, Sir, it has not taken two years, but I think, the important thing at this stage is to know what steps have been taken. Let us not go back.

**Mr. Sifuna:** Mr. Speaker, Sir, could the Minister tell this House why it has taken so long to pay these people? If he is talking about paying them at the end of July, why have they not been paid since April 1997? How are they going to pay them by July? How is he going to treat these people, because they have not been paid since April and he is talking about paying them at the end of July? What are they going to eat and how are they going to pay their house rents? Are they going to stay at the Office of the President or what is going to happen?

**Maj. Madoka:** Mr. Speaker, Sir, I said that they will be paid by the end of July and, I presume that they will continue staying where they are staying at the moment.

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir, the Minister is evading answering one part of the Question here. These employees who are staying at the headquarters in Embakasi are being harassed. These people are being kicked out of their houses in Embakasi Village. Could the Minister tell us whether he will stop harassing them by kicking them out of their houses and stop employing new people in places of the ones being sacked?

**Maj. Madoka:** Mr. Speaker, Sir, I am not aware of harassment of people and their being kicked out of their houses. But if that is happening, I can assure this House that they will not be kicked out of their houses until their final dues are sorted out.

PENSION PAYMENT TO FORMER  
EMPLOYEES OF KNAC

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

Considering that the Official Receiver and Provisional Liquidator has invited bids from private investors for the purchase of the closed Life Fund of the Kenya National Assurance Company Limited (in liquidation), how are the former employees going to be paid their pension for the period they served the Company?

**The Assistant Minister for Finance (Mr. Arap-Kirui):** Mr. Speaker, Sir, I beg to reply.

The issue of how, or when payment of pension benefits to ex-employees of Kenya National Assurance Company Limited, is now before the High Court, and the matter is, therefore, *sub judice*.

**Mr. Githiomi:** Mr. Speaker, Sir, arising from the answer given by the Assistant Minister, that, the matter is subject to the rule of *sub judice*, could he assure this House that all immovable and movable property of the Kenya National Assurance Company Limited will not be disposed of or sold until the High Court decides on this case?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, as far as I am aware, that is exactly what is going to happen.

*(Mr. Michuki stood up in his place)*

**Mr. Speaker:** Order!

**Mr. Michuki:** I am standing on a point of order.

**Mr. Kanyauchi:** Mr. Speaker, Sir, I think we are now in the realm where the Assistant Minister is deliberately misinforming this House. Only last week, if not this week, I saw in the papers an advertisement for the sale of Kenya National Assurance Company Limited assets, an estate situated on your way to Muthaiga. Yet the Assistant Minister is telling us, here without even batting an eye, that no assets are going to be sold and yet they were advertised only about two to three days ago. Could the Assistant Minister clarify this because this is a very sensitive issue, involving several Kenyans who lost their jobs through dubious means, when the Kenya National Assurance Company Limited was placed under receivership?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, I am not aware of the advertisement the hon. Member is referring to, but I think Members need to be assured that the initial question concerned the pensions of the employees. The pension scheme is, in fact, part of KNAC a superannuation business which is being sold to a new buyer who will be taking up this one, together with all the assets and liabilities relating to pension scheme and the life business. To that extent, the assets we are talking about relate to the pension dues of the staff and also the life business. So, all these are definitely safeguarded and not being sold.

**Mr. Michuki:** On a point of order, Mr. Speaker, Sir. My point of order arises from the fact that this



Question specifically refers to pensions. Is it in order for the Assistant Minister to refer to the rule of *sub judice*, when he does not tell us that the issue in court is about pension? Is he in order?

**Mr. Speaker:** What is the dispute in court, Mr. Kirui?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, as far as I know, it is the ex-employees of the company who have taken the receivers to court regarding the payment of their pension dues and this, in fact, is the matter being questioned in this House.

**Mr. Ndwiga:** On a point of order, Mr. Speaker, Sir. The Assistant Minister is actually misleading this House. The Question here is about the closed Life Fund and that the Receiver has invited bids for the Life Fund. The issue which is in court is about the pensioners and their own pension fund. So, therefore, the Assistant Minister cannot hide behind the rule of *sub judice*. I think the Chair must ask him to answer this question. *Sub judice* is about something totally different; it is about their own pension fund. Here the bids have been invited for the closed Life Fund and we know that one company has already bid and the agreements have been signed. So, the issue is not *sub judice*. He cannot hide behind the *sub judice* rule.

**Mr. Arap-Kirui:** Mr. Speaker, Sir, as I have explained, the closed Life Fund, has two main components; the superannuation business of the defunct Kenya National Assurance Company Limited and part of that superannuation business is the then Staff Pensions Scheme. The other part is the Life Business. This constitutes the closed Life Fund. In fact, if I may say so, I do not understand how the issue which is in court and concerning the Pensions Fund cannot be *sub judice*, since this whole business---

**Mr. Speaker:** If it is the way you have explained, it certainly is.

**Mr. Arap-Kirui:** Thank you, Mr. Speaker, Sir.

**Mr. Maitha:** On a point of order, Mr. Speaker, Sir. He has not answered the question relating to the assets. This is because we have even read in the current issue of *The Star* of how these assets are being distributed. Even the guest house in Nyali has already been taken by somebody. Could he just tell us if these assets are still there and they are going to be safeguarded?

**Mr. Arap-Kirui:** Mr. Speaker, Sir, we cannot avoid, but face the fact that this company is under receivership and, in fact, is in process of liquidation. It had several businesses, one of which is now what is called "the closed Life Fund." It dealt with other businesses like the motor business and other non-life businesses under which it held other assets and these are the assets which are being sold. The closed Life Fund assets and liabilities are the business for which bids have been invited and the assets and liabilities under the closed Life Fund---

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

**Mr. Speaker:** Can we hear him?

**Mr. Arap-Kirui:** The assets and liabilities under the closed Life Fund will be sold together and whoever buys this business--- I do not know anything about any contract being signed because as far as I am aware, the last date for the bids was last Monday, the 15th of June. In which case, I do not expect that there has been any contract signed. So, once the bids have been agreed and the successful bidder identified and the agreement signed, all the assets and liabilities that constitute a closed Life Fund will go to this purchaser and that purchaser will be obliged, under the scheme, to pay the pensioners. But, I think, I have said too much because the matter is *sub judice*.

## POINT OF ORDER

### CLARIFICATION ON APOLOGY

BY MR. SPEAKER

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. Yesterday, the Chair apologised to the House and me for what happened on Budget Day. But the Chair did not specify what it was apologising about and whether it had withdrawn the remarks spoken on the material day. Could the Chair humbly and clearly say why it was apologising and withdraw the remarks made about me on the Budget Day?

**Mr. Speaker:** Order! I am not sure whether you are serious, Mr. Mwenje. When the Chair voluntarily apologised for using very hard language on you, you understood it perfectly, accepted the apology and shook the Chair's hand. So, what else do you want?

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

**Mr. Speaker:** Order! Once an apology has been given to the House, even by an ordinary Member, that closes the chapter. It is even more so, when it is given voluntarily by the Chair, unprompted. So, will you respect the Chair now?

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

**Mr. Speaker:** Order! I now warn you that---

**Mr. Mwenje:** On a point of order, Mr. Speaker, Sir. All I am saying is that, I accepted the apology, but it was not clear and it did not even appear in the Press. Could the Chair now clarify what it was apologising for and withdraw the remarks?

**Mr. Speaker:** I now know your problem; it is, that it did not appear in the *Daily Nation* or the *East African Standard*. It only appeared in the *Kenya Times*. But, I do not write for any of those newspapers. So, there is no way I am going to be the editor of the *East African Standard* or the *Daily Nation*, or direct them on what they should write or not. They heard me very clearly yesterday, and they are now hearing me. Even now, they may still refuse to write that you are on a point of order, and there is nothing I can do about it. We have to live with these things.

**Mr. Muithia:** On a point of order, Mr. Speaker, Sir. This morning, hon. Kathangu made a very serious allegation about thugs having been brought into the precincts of Parliament to harass Members of Parliament during the Budget Day. He promised to substantiate this afternoon. Could he now rise and substantiate?

**Mr. Speaker:** Order! You do not understand the rules of this House. By 3.30 p.m., I must go to the substantive issue. In any case, hon. Kathangu has consulted the Chair, and he knows the discussion between the Chair and himself. He and I are quite happy. So, can we proceed to the next Order?

### COMMITTEE OF WAYS AND MEANS

*(Order for Committee read)*

#### MOTION

THAT MR. SPEAKER DO NOW LEAVE THE CHAIR

*(The Minister for Finance on 11.6.98)*

*(Resumption of Debate interrupted on 17.6.98)*

*(Third Day of Budget Debate)*

**Mr. Speaker:** Mr. Mokku, you were on the Floor! Proceed.

**The Assistant Minister for Water Resources** (Mr. Mokku): Bw. Spika, nilikuwa nikizungumza juu ya Shirika la Posta na Simu ambalo ni la Serikali na linapaswa kufanya biashara kwa kutoa huduma za posta na simu, ili wananchi wafaidike na shirika nalo pia lipate faida. Katika Tarafa ya Merti, huduma ya simu inatatiza wananchi sana. Huduma hiyo hupatikana kwa miezi mitatu kila mwaka. Lakini, miezi mingine yote, wananchi wanakaa bila huduma hiyo. Ningependa kumuomba Waziri anayehusika na shirika hilo awaulize wanaohusika watoe hiyo huduma. Kwa sababu, wananchi wa sehemu hiyo wanataabika. Hata mara nyingine, inawabidi kusafiri hadi Isiolo ili wapate huduma ya simu.

Bw. Spika, kuna mashirika mengi yasiyo ya kiserikali ambayo yamefungua ofisi katika Wilaya ya Isiolo. Lakini, kazi wanayofanya kul, hailingani na idadi ya mashirika haya. Ninashangaa ni kwa nini kuna hali hiyo. Haya mashirika yamepewa ploti na County Council, yana magari ya bei ghali na yamejenga ofisi kubwa, za orofa. Lakini, wananchi hawajui ni kazi gani wanayoifanya. Katika mikutano mingi, viongozi na wananchi kwa jumla, wameyaoomba mashirika hayo yaonyeshe wazi wazi huduma yao katika Wilaya ya Isiolo. Kwa sababu, badala ya kuwahudumia wananchi, wamekuwa mzigo kwao. Mashirika yote sio mabaya, kuna mengine ambayo kazi yao inaonekana, na ni ya kufurahisha. Kwa mfano, Action-Aid, Catholic Mission na Garbatula Development Offices. Lakini, kuna zaidi ya 40 mengine, ambayo yameshangaza wananchi wa Wilaya ya Isiolo. Katika Wilaya ya Isiolo, kuna zaidi ya tarafa sita. Lakini haya mashirika hayataki kutoka katika Tarafa ya Kati ambako kuna lami, maji baridi, stima na simu. Ikiwa lengo lao ni kusaidia, wanafaa kukaa hata mahali ambako hakuna huduma hizo.

Bw. Spika, katika Hoja hii, kuna nia ya kuachisha kazi walimu 66,000. Ningependa kuomba Wizara ya Elimu izingatie sehemu ambako walimu hawa watatolewa, ingawa wote ni wananchi wa Kenya, kwa sababu, kuna upungufu wa walimu katika sehemu fulani. Walimu walioko Turkana, Samburu, Marsabit, Moyale na Isiolo ni wachache sana. Ikiwa tutapunguza idadi hii bila kuwa waangalifu, kuna sehemu ambazo zitakosa walimu.

**Mr. Kiunjuri:** Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to the Budget

Speech. I would personally say that the Budget was really anti-people. If it is implemented the way it was presented in this House it will increase poverty and unemployment. The ideas contained in the Budget are quite good, but the methods to be used to implement them are obviously not sound. If the measures contained in the Budget had been implemented some years back, we would have been assured that the hard economic times we are undergoing currently could not have occurred. We would have saved this country billions of shillings which would have been put into meaningful use. I fail to detect any positive suggestion in the implementation of the Budget. Once again, Kenyans might take the Budget as a document read out to impress them. The Budget was well received by the donors and the elite groups. It might serve its purpose, but the common man is not sure whether it will be of any use to him or not.

The next step that should be taken by the Minister for Finance is to make sure that his measures are implemented the way they appear in the Budget. We have been lagging behind because measures that have been put forward in the past were not implemented. It has taken us too long to implement what we already knew. This has led to the collapse of our economy. The next thing that we should do is to remove the factors which hinder the growth of our economy. Every hon. Member in this House knows them clearly. There is corruption in the country. People divert transit goods into the country. There are some people who have money in foreign countries and they are not likely to bring it back into the country. We are only talking of the condition of our economy but we are not suggesting measures to revamp it.

Mr. Speaker, Sir, I recognise the complaints of Kenyans, especially the teachers. The teachers have a genuine complaint to make. Why should they make it? The salaries of the teachers are not the highest that are paid by the Government. The teachers live on wages. They are the poorest people in this country. They are always in the classroom. They have no time to go out and do their own things. If a headmaster discovers that a teacher in his school has started a kiosk, that will be the end of that teacher's career. What the Government is doing by trying to renegotiate the salaries of the teachers is not beneficial to the teachers. We, as parents, have children, brothers and sisters in schools. We shall not sit down and watch teachers protest in the streets while our sisters and brothers are suffering at home. The retrenchment of teachers - reducing their number by 66,000 - will only increase poverty in this Republic. Already, we have a lot of them in the streets. By retrenching 120,000 teachers at the age of 35-45 years, it will mean that the country will miss resourceful minds. This is the age at which people are very useful, and when they could contribute to this nation a great deal. The retrenchment should be done wisely.

We have heard the measures meant to improve the agricultural sector. But the Government should have concentrated on how the poor man can operate in this country. How can you operate a Budget that does not put more emphasis on the agricultural sector? If it touches on our agricultural sector, does it put more emphasis on how we can improve the infrastructure? The common wananchi rely on the agricultural sector, but they cannot deliver what they have in their farms to the market. I will give an example of my constituency. There is no single good road leading to the market in my town. The main road from the Nanyuki-Nairobi Road is also impassable. No tractor can pass through this road. The Armed Forces barracks are situated in Nanyuki. If war breaks out, not a single lorry of the Armed Forces will be able to reach Nyeri Town, which is 45 kilometres away, in two hours' time. From Nanyuki Town to Nyeri, one is supposed to take 45 minutes, but we are now taking at least one hour and 50 minutes when using a limousine.

Mr. Speaker, Sir, if we have to improve the economy we should come together. Let us realise that every person in this House has a responsibility. Let us respect every hon. Member in this House. Let us not consider the ideas of the old hon. Members to be the best. Ideas should be taken seriously irrespective of the status of the person who has given them. It should not always be assumed that new hon. Members in this House have nothing to contribute. In fact, the new hon. Members might be old in this House in the sense that some of them have been following the proceedings of this House since 1983. I can now say that "I have been in this House for the past 15 years," because I have been following the proceedings of the House since that time. The best way in which we can assist the Government is by, first of all, asking those who are outside and in the Government to come up and assist us in dealing with those who have been implicated in shady deals.

Once again, I am not arguing for the poor because I have been brought up in a poor family. There is no way we shall allow this Government to ruin the economy. There is no poor man who has been involved in the importation of duty-free goods into the country. The Budget itself should have revolved around creation of employment. Let us have more industries established instead of retiring people. By retiring people, the Government clearly indicates that it is broke, and it has no formula to industrialize this country. If it was well managed, we could be talking of industries which could employ people each year, instead of retiring 120,000 people this year.

Finally, I would like to remind the Government to be very sincere. We should hold our problems by their horns. Let the Minister of State, Office of the President in charge internal security ensure that the Police

Force is effective, so that these people are brought to book. The people who have money outside this country should bring it back. That way, the economy will survive.

Thank you.

**Mr. Salim:** Ahsante sana, Bw. Spika, kwa kunipa nafasi hii kuchangia Hoja hii ya Bajeti. Lakini kabla ya kufanya hivyo, ningekuomba Bw. Spika ujue Wabunge wako vizuri ili uweze kuwaita kwa majina yao.

Kwanza, ningependa kumshukuru Waziri wa Fedha kwa kuwasilisha Bajeti yake yenye mambo mazuri sana. Lakini jambo muhimu zaidi ni utekelezaji wa mambo hayo. Mara nyingi, tunapata Bajeti na mapendekezo ya pesa lakini tukifikia utekelezaji, tunakuwa dhaifu sana. Ikiwa Bajeti itasomwa na hakuna utekelezaji, itakuwa haina maana yoyote. Ningeomba Wizara zinazohusika ziangalie sana mambo fulani ambayo yanaihusu nchi hii. Hivi sasa kuna kilio kikubwa juu ya uchumi wa nchi hii. Kuna sekta muhimu sana ambazo zinaweza kusaidia ikiwa zitatiliwa maanani. Kuna sekta muhimu sana ya uvuvi ambayo haikuzungumziwa katika Bajeti hii. Hakuna jambo lolote la kuinua uvuvi katika sehemu mbali mbali za Kenya. Mkoa wa Pwani ambao unaweza kutoa samaki wengi haujasaidiwa na Serikali katika juhudi hizo. Sehemu ya Lamu ninayoiwakilisha Bungeni yategemea zaidi uvuvi. Lakini mpaka sasa hakuna namna au njia yoyote ya kuinua uvuvi wa kawaida. Hili ni jambo la kusikitisha sana. Pendekezo langu ni kwamba, kama vile vifaa vya kilimo havitozwi ushuru, vifaa vya uvuvi vile vile visitozwe ushuru. Katika nchi zingine kama vile Japan, Wizara ya Uvuvi iko chini ya Wizara ya Kilimo. Nchi yetu ina vifaa vingi vya uvuvi, lakini haiko katika ramani ya nchi zinazotoa samaki kwa wingi duniani ilhali Tanzania iko katika nafasi ya 38. Hili ni jambo la kusikitisha sana. Sidhani kama kuna kitu chochote kinachoweza kutuzuia kufanya uvuvi wa kawaida. Tunasoma kila siku kwamba uvuvi katika Ziwa Victoria unadidimia. Ni pendekezo langu kwamba sekta kama hiyo iangaliwe. Mkoa kama Pwani waweza kuleta mafanikio makubwa kwa wananchi wa kawaida na nchi hii kwa jumla.

Ningependa pia kuchangia juu ya usambazaji wa nguvu za umeme katika sehemu za mashambani. Kuna pesa fulani ambazo zimetengwa kwa jambo hili. Ningeomba pesa hizi zipelekwe huko Lamu na sehemu nyingine katika Pwani. Hatujapata kiwango chetu katika mambo haya. Kwa hivyo, Bajeti ikisomwa, lazima ishughulikie kila sehemu katika nchi hii kwa mambo ya maji na mengineyo. Isiwe ni Bajeti inayohusu miji fulani katika nchi hii. Mambo kama haya yanasikitisha na yanawafanya wananchi wajihisi kana kwamba sio wananchi wa nchi hii.

Bw. Spika, kumekuwa na madai mengi ya kulaumu Ofisi ya Rais au hata Rais mwenyewe kwa kutoweza kumchagua Makamu wa Rais. Kifungu kinachompa Rais uwezo wa kuchagua au kutochagua kiko wazi kabisa, na si haki kumlaumu Rais. Sheria ya nchi hii inaeleza wazi wazi vile ambavyo mambo yatakavyokuwa ikiwa hakuna Makamu wa Rais. Katika sheria, tatizo hili limerekebishwa vizuri sana. Pia, sioni kama kuna haja kubwa. Uwezo huo yafaa ubaki kwake kama vile Bunge hili lilivyopitisha. Itatubidi tupitische Mswada katika Bunge hili ili uwezo kama huo uondolewe. Itakuwa si sawa kwa mtu yeyote kulalamika akisema ni lazima Rais amchague Makamu wa Rais.

Ningependa kuzungumzia mambo makubwa ambayo yameleta umaskini katika nchi hii. Kwa mfano, ardhi imekuwa tatizo kubwa katika nchi hii. Kuna watu maskini sana kwa sababu hawana hati za kumiliki ardhi.

Ni muhimu kwa wakulima wa kawaida huko Pwani kupewa hati na kumiliki ardhi ili waweze kupeleka mbele uchumi wa nchi hii. Tukifanya hivyo, nafikiri umaskini utaondolewa. Leo inasikitisha kuona kwamba katika sehemu ya Lamu East, ambayo katika historia ndiyo sehemu ya kwanza kukaliwa na watu kwa miaka 1,200, hakuna hata Mbajuni mmoja anayemiliki ardhi huko. Hili ni jambo la kusikitisha na kuhuzunisha, na linafanya watu wajione kuwa wanyonge sana. Ni muhimu kwa Serikali kuangalia hali ya watu wote kwa usawa. Ikiwa itawabagua wananchi wengine na kuwaona wengine kuwa bora kuliko wengine, kwa kuwapa huduma na mambo mengine, basi vurugu na fujo zitakuwa katika nchi hii.

Bw. Spika, ni wajibu wa kila mtu kushiriki katika kuendeleza maendeleo ya nchi kama hii. Huduma za afya zimezorota. Barabara hazipitiki na mambo mengi sana si mazuri kama inavyohitajika. Ni wajibu wa kila Wizara, viongozi na watu wote, kushiriki pamoja kupeleka uchumi mbele. Hivi sasa, kilio cha watu wengi ni kwamba mambo hayaendi vyema kama yanavyotarajiwa. Pia, ni wajibu wa Wabunge kushirikiana. Ushirikiano uliopo baina ya Serikali na vyama vingine ni kwa maslahi ya wananchi. Ningependa kuchukua nafasi hii kuwaomba viongozi wasitoe matamshi fulani ambayo yanaweza kusababisha kuanguka kwa sekta mbali mbali za uchumi. Uchumi umeathiriwa zaidi na matamshi ya viongozi kutoka upande wa Serikali na Upinzani. Ikiwa viongozi kama hao hawataweza kuzingatia ni mambo gani wanayoyazungumza, wataleta madhara katika nchi hii.

Kuzorota kwa utalii kumesababishwa na matamshi ya viongozi. Pia magazeti yamechangia kuonyesha hali mbaya. Lazima tufahamu kwamba matatizo yakija, yaja kwa watu wote. Hayachagui hii ni sekta fulani au ile ni sekta fulani. Leo, inasikitisha kuona viongozi hawajali hali ilivyo. Wanasimama wazi wazi kutoa vitisho na kuonyesha serikali za nje kuwa hali ya Kenya ni mbaya, ilhali kuna amani na utulivu. Lakini kuna viongozi wanaojaribu kuonyesha vingine. Mambo kama hayo yamechangia kutokuja kwa watalii au waweka rasilimali katika nchi yetu.

Kwa hayo machache, naunga mkono.

**The Member for Mutitu** (Mr. Kitonga): Mr. Speaker, Sir, I am hon. Muthusi Kitonga, Member for Mutitu, Kitui East. This being my maiden speech, I would like to thank the people of Mutitu for electing me to this august House. I feel honoured to be here and I promise my constituents, and Kenyans in general, that I will give my services without fear or favour. I would also like to thank the KANU Government for the role they played in reviewing electoral boundaries. The Electoral Commission hived off a very substantial part of Kitui Central to Kitui East and by so doing, annoyed the residents of Kitui East, who in turn elected me. So, I thank the Government for assisting me.

*(Laughter)*

Mr. Speaker, Sir, I would like to state that the Budget was well balanced and I do believe that the Government will try to implement all the proposals which were outlined by the Minister. We have also noted that in the Budget, the Government fell short of addressing important issues with regard to security and corruption. On security, the Government is not sincere in providing security to all areas. There is no security in my constituency and part of Endau. We are regularly invaded by the shiftas who kill our people and steal our cattle. We are requesting the Government to look into the issue of insecurity very keenly.

Secondly, I would like the Government to note that when we are in the Opposition, our responsibility is to offer constructive criticism. But every now and then, whenever we offer these criticisms, we are branded anarchists, foreign-funded, submissive, inciters and so forth. But that is not the idea; the idea is to assist this country so that we can have harmony.

Mr. Speaker, Sir, I would also like to say that in the Kenya Government, we have seen that the constitutional and legal order has decayed. It is also outdated and in dire need of total overhaul, but whenever we say this, we are always ignored. Our judicial system is dysfunctional and it is in need of urgent repair because without such, we are bound to collapse. Corruption and economic mismanagement has assumed a cancerous proportion and must be arrested urgently, especially with regard to the issue of tax defaulters. A police officer who takes a bribe is arrested, but business magnates who import sugar tax-free go scot-free. They are here and we know them. Nothing happens to them.

**An hon. Member:** Who are they?

**The Member for Mutitu** (Mr. Kitonga): Mr. Sajjad---

*(Laughter)*

**Mr. Speaker:** By the way---

**The Member for Mutitu** (Mr. Kitonga): Mr. Speaker, Sir, I beg to apologise before I am warned. The issue of reviewing our Constitution must be seriously addressed because if we do not, we shall lose a lot of property and lives as well. There is lack of seriousness in this Government as is evidenced by the Kenya Anti-Corruption Authority which is headed by Mr. Harun Mwau. Every year we hear the same recommendations by the Controller and Auditor-General and no action is taken. So, why do we need such an Authority? It is necessary now that if we want to benefit this country, the Government must employ qualified personnel to manage parastatals without tribal or mediocre considerations. We have noted that in very many sectors the people who are appointed to head these parastatals are mediocre. They are not qualified for those jobs. This is why the parastatals are collapsing. We cannot afford to have those people in the parastatals, let us go by merit.

Mr. Speaker, Sir, we have always been complaining about our ailing economy and Kenyans have got a very good excuse. Whenever we have a problem, we blame it on the *El Nino* phenomenon. This is not the reason.

Even in upcountry, some people do not have toilets. Why is this so? Some allege that their toilets were sunk by the *El Nino* rains. Is that the reason? Let us be genuine in managing this country and see what we can do.

In the same vein, the Government must stop undermining the Constitution. The Constitution provides that we should have a Vice-President. This is a mandatory requirement. The Constitution says: "There shall be a Vice-President---

**An hon. Member:** He should appoint you!

**The Member for Mutitu** (Mr. Kitonga): Mr. Speaker, Sir, I would like to tell that Minister that I am able to be the Vice-President, and he should inform Moi that I am prepared to be the Vice-President in case of any vacuum.

(Applause)

Mr. Speaker, Sir, the Office of the Vice-President is a constitutional office. The Constitution provides that the "President shall appoint the Vice-President---". It is mandatory and he must do that forthwith. To argue otherwise, he is creating a legal absurdity and we cannot go by that. On the same note, we also find that the Constitution states very well that the President shall take oath of office, but it does not specify when. Does that mean that we can have a vacuum, that the country can stay without a President? If there is a problem of appointing the Vice-President, I have volunteered and I will not require a salary.

Mr. Speaker, Sir, it is important that when we are addressing these issues, we should also note that in very many places our roads, especially from Kitui to Mutito, are impassable. We cannot even transport drugs to Mutitu Hospital or Endau Hospital because all the roads are impassable. Last time when I was trying to pursue the issue of the roads with our engineer, I was asked to contribute money for the fuel. Was I elected to this Parliament to contribute my meagre salary to the Government so that they can maintain roads? If the Government cannot maintain the roads, then they should give hon. Members a salary of Kshs500,000 per month or they should resign.

Mr. Speaker, Sir, I would also like to emphasize that very many schools, especially in upcountry have no teachers and yet we are talking about reducing the workforce in the teaching profession. Mutitu Girls Secondary School has a shortage of teachers. If we reduce the number of teachers, who is going to teach our children? Hon. Kirwa is no longer a teacher, but an hon. Member! Who else will teach them? We must address issues affecting this country with very sincere hearts.

With those few words, I beg to support.

**The Assistant Minister for Lands and Settlement** (Mr. Leting): Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to the Financial Statement. First, I would like to congratulate the Minister for Finance for presenting a well balanced Budget in a clear and simple language, which is easy to understand.

This year's Budget was unique in that it deviated from the normal belief that the Minister for Finance only comes here to increase taxes and tell us what the economy of the country is going to look like in the following year. But this year, it was emphasising on corrective economic measures instead of increasing taxes. He ably demonstrated that we can meet here and present a Budget and as long as we take care of certain previous issues---

(Mr. Leting read his speech)

**Mr. Githiomi:** On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Member to read his speech?

**The Assistant Minister for Lands and Settlement** (Mr. Leting): Mr. Speaker, Sir, I am just referring to my notes.

The Budget, as proposed by the Minister, has given us information on what the Government intends to do to have the economy on track. It also tells us which measures will enable us to collect more revenue than before and so forth. I am reminding the Minister that, although he has made several proposals, there are two issues which are likely to frustrate his actions; one of them being corruption and the other one being insecurity. I am mentioning these two issues because the forces that have put us into the economic mess, are still within. Those forces, I am sure, will try to undo what the Minister is trying to do. Therefore, I am hoping that the Minister will take care of that situation so that we can have contingency plans to fight those forces which will try to maintain a *status quo* and continue benefiting the way they have benefitted unfairly. The other one---

**Mr. Kanyauchi:** Mr. Speaker, Sir, the hon. Member on the Floor is talking about something which is of great concern to most of us. He is talking about forces which would like to maintain the *status quo* without proper changes being put into place. I would like the hon. Member to elaborate and actually shed some light on the forces which he is referring to because this is of great importance to the Kenyan society.

**The Assistant Minister for Lands and Settlement** (Mr. Leting): Mr. Speaker, Sir, I had given the example of corruption. When you talk of corruption, all of us agree that corruption is still with us and it is being fought. Why is it that it has taken so long to fight it? It has taken long to fight it because those who fight it experience resistance from within the system. Those are the forces that I am referring to.

We have all agreed that for the economy to come back to where it was, security must be improved. Also, if security improves, we will spend less money in beefing up security. I am saying that the Minister's proposals

were good but he should be aware that there are many people who will try to inhibit the implementation of these proposals.

I would also like to congratulate the Minister for proposing the appointments of Financial Controllers. This is going to help a great deal in the management and disbursement of funds in various Ministries. The only thing I would like to say is that, when appointments are made, preference should be given to people from the private sector because they are more productive. I am also sure that there are some people within the Public Service who would be equally productive.

The other point mentioned by the Minister is that of giving help to the small-scale farmers in the agricultural sector. I would urge the Minister to move fast because at the moment the small-scale farmers are suffering because of various reasons. The small-scale farmer has suffered so much because of the high cost of agricultural inputs such as fertilizers and seeds. It is not clear how the Minister is going to do this, but since he has mentioned it, maybe, it will be done as soon as possible. Another point is that of importation of maize, sugar and wheat with the intention of raising duty so that the commodity can compete favourably with the locally produced crops. Maybe, the Minister, in conjunction with the Minister for Agriculture, should consider consulting with the farmers first. I am a farmer, but the moment the Minister announced that there would be importation of these commodities, prices of maize dropped from Kshs1,200 per bag to Kshs900 per bag the following day. If people had known this, they would have disposed of their maize much earlier. There should be a machinery where both parties; the producers and the importers, are consulted and the appropriate action taken to satisfy both parties. I am glad that in the Minister's Budget he has proposed measures to fight the effects of the *El Nino* weather phenomenon. I will urge the Minister, in conjunction with the appropriate Ministers, to make sure that funds put aside to fight the *El Nino* effects are distributed equally. It is clear that the poor conditions of roads affect the entire country. *El Nino* does not discriminate any area, including the normally dry North Eastern Province and Kitui. Let every district get a bit of this money. There are some districts where we have not seen any roads being repaired since the *El Nino* ended last year. In a district like Nandi, for example, all the murrum roads are impassable. Wananchi try to hire machines from the Ministry of Public Works and Housing to repair the roads, but they are told that they are not in order.

**Mr. Mwenda:** Thank you, very much, Mr. Speaker, Sir, for giving me this chance.

First, I wish to point out that hon. Nyachae, in his maiden Budget Speech, set out various statements of intent. He set out various proposals which are intended to help in spurring the growth of the economy of this country. However, these statements of intent, however good and nice sounding they are, if there is no will or determination to have them implemented fully, will come to nought.

The Minister appears to have false hopes on the Anti-Corruption Authority in regard to the curbing or reducing the level of corruption in this country. The Anti-Corruption Authority cannot justify its existence. Since its establishment, which was done as one of the conditions given by the World Bank and the IMF, we have not seen any result or any positive action taken by the Anti-Corruption Authority other than sitting there and writing thousands of letters threatening action and talking like a policeman. Really, nothing is being done by the Anti-Corruption Authority. They sit in those offices and draw salaries month after month which are not justified by any performance on their part.

So, what I would ask the Minister and the entire Government to do, is to ensure that even if they were not pleased with the establishment of the Anti-Corruption Authority, now that they have bent down and agreed to its establishment, they should go ahead and ensure that it does not become a guzzler of public funds for nothing so that those who are involved in corrupt deals are arrested and shunned so that this country can move from its present economic morass.

Mr. Speaker, Sir, the other body that the Minister appeared to have hopes on is the Kenya Revenue Authority. The Kenya Revenue Authority has been at the centre of controversy, and for good cause, because it is charged with the responsibility of collecting revenue. We are talking about a budget deficit. We are talking about the Government spending more than what it is collecting. This is instrumental to the growth of any economy. No organisation can spend more than what it is collecting and expect to survive. It cannot survive. It will definitely come down and collapse. The proposal on the Kenya Revenue Authority, to grant it autonomy and independence, is laudable and plausible. However, independence alone will not be able to make the Kenya Revenue Authority efficient. We must ensure that competent and qualified personnel or people with the determination to rectify the mess that has been at the Kenya Revenue Authority are appointed to those positions, otherwise, we shall go back to the same position where revenue was not being collected. People who are known to evade tax are not being pursued or being arrested. No other form of action is taken against them.

Mr. Speaker, Sir, there is one proposal that the Minister made about the Kenya Revenue Authority; that those who distribute the amount of money payable to the Authority will be required to deposit that money before

they go to court to file a case. That suggestion will land the Minister into problems for the simple reason that the Kenya legal system which is borrowed from Britain is premised on the basis of innocence until one is proved guilty. You cannot tell a citizen of this country that, he cannot go to court, because you are against him, until he deposits this money. The presumption of innocence runs throughout the legal system of this country unless the Government itself changes the legal system to revert to the French system where you are told that you are guilty until you prove yourself innocent. So, that proposal will put the Minister into problems unless various amendments to the law are actually put into effect.

Mr. Speaker, Sir, we are talking about eradication of poverty in this country. We cannot talk about eradication of poverty without talking about investments both local and foreign. But, what do we read in newspapers day in, day out? "Businessman "A" was shot dead as he was walking from his shop." "A herdsman was shot dead as he was looking after his animals. A tourist was shot dead as he was walking from his hotel." This is not good news to read. It is not good news for any investor; may he be local or foreign. So, what the Government needs to do is to ensure that security is improved to an agreeable position in this country.

The tourism industry is completely dead. The National Parks have become havens of bandits. For instance, the vast and expansive Meru National Park is now in ruins. There are no roads. There are no tourists, whether local or foreign, who would want to see the hippopotamuses and the elephants there. This is because one tourist was shot dead. So, you cannot talk about investments and improving tourism without improving the security situation in this country. If that is done, and that requires political will, I believe that it will improve this country's image. It is not the Minister's job alone. It is a collective responsibility for the entire Government. All that the Minister for Finance is required to do is to put forth proposals, statements of intent, which he has done with great clarity of mind, so that the Government can now take over and go forward and implement the proposals.

Mr. Speaker, Sir, talking about the VAT, I must thank the Minister for reducing it from 17 per cent to 16 per cent. The effect of this will definitely be the reduction of prices of retail commodities and that will be for the benefit of the common mwananchi. The Minister also did not raise the Road Maintenance Levy in effect meaning that the petroleum products and cost of fuel and transport charges by the matatus and other public vehicles will remain unchanged for the time being. This is contrary to what we have been treated to in the past two years. In fact, Kenyans were listening to the radio when the Budget was being read just to hear what has gone up. They were used to hearing that prices of beer and cigarettes have gone up. This is a complete departure from the past Budget Speeches that we have been receiving in this country, and the Minister must get credit for that.

Mr. Speaker, Sir, on agriculture, there was suspension of Presumptive Tax. There was a waiver on fertiliser and plastic sheets particularly for the horticultural farmers. This is good. This is laudable and plausible because if the economy of this country is highly dependent on agriculture, even the manufacturing sector is highly dependent on agriculture and good infrastructure. So, when these duties are suspended, then the common mwananchi has the direct benefit from the Budget and the Government policies put in place.

Mr. Speaker, Sir, for this reason, I beg to support.

**Mr. Speaker:** I want somebody from this side who has not made his maiden speech.

**Dr. Ali:** Mr. Speaker, Sir, I have made my maiden speech, but I can still contribute to the Budget.

Thank you, Mr. Speaker, Sir. I want to contribute to the Budget Speech, even if I am not an economist. Several Members have repeatedly been talking about corruption. I think corruption is there to stay in our midst, unless something is done. The first thing to be done is to remove the Anti-Corruption Authority Chairman, Mr. Harun Mwau, from the chairmanship and somebody else who is more competent should do the job. This Authority is not doing anything. The Police Force and the Anti-Corruption Authority should be enhanced to at least, make sure that these are institutions which can be relied upon. If an institution cannot do the job for which it was constituted, I do not see why they should waste public funds.

Mr. Speaker, Sir, the Minister for Finance talked of the creation of the position of Financial Controller in every Ministry. My contention is that there are already people of that category in the Ministries. We have internal auditors who are attached to the Treasury. But they do not do much! They are part of the corruption, because one way or another, if a civil servant does not get enough money, then he will have to think of ways of getting what is there. So, the Financial Controllers should have security of tenure, so that if they turn down orders from the Permanent Secretaries, they will not be sacked. Otherwise, without the security of tenure, they will all collude and share the loot. So, Financial Controllers will not be of any use because, as far as I am concerned, internal auditors have been there. The President scrapped the position one time and re-instituted it again. They are supposed to look after the finances of all Ministries and departments from the provincial level downwards. They have not been able to control the corruption.

Another issue is that, unless provincial and district treasuries are detached from the Provincial



Administration, nothing can happen. If you are a departmental head and you are given some money, then you should take the responsibility to handle that money so that if you mess around with it, you will be taken to court. You are the AIE holder and you have the authority to incur expenditure. But somebody else has to do the job for you. For instance, if you want to send some vehicle somewhere for some official duty and the District Commissioner is not happy with it, or the accountant is not happy with it, you are told that there is no money. So, what is the use of bringing some other person again from the Treasury, somewhere in the Ministry headquarters who will not do anything? Let the money be handled by the person who is in charge of that Ministry, be it Ministry of Health, Agriculture, Public Works and Housing, *et cetera*, it is your responsibility; the money is under you and if you mess around with it, you are taken to court. But if it has to go through several other systems and then, you have to look for some other ways to get that money, I think the whole problem will not be solved and we shall be going back to square one. If we go back to the way things were in the 1960s, possibly, things might be better.

Mr. Speaker, Sir, let me touch on the issue of teachers. Every other two or three years, a head-count exercise on teachers is conducted by the Ministry in a bid to flush out what they call ghost teachers. Who is taking the salaries of those ghost teachers?

**An hon. Member:** They are not there!

**Dr. Ali:** Then why talk about it if they are not there? Now, the Government wants to reduce the ones who are there. In my constituency, I think the number of teachers is hardly twenty! We have about five schools and then we are told the number of teachers must be proportional to that of the pupils. At one time, I was not here then, the hon. Shikuku argued that there was no point of increasing the number of Parliamentary seats. He went on to ask whether the extra Members were going to represent gazelles or trees. Now, we have this population problem, that is what I am coming to. If in a school we have 20 students, like in my constituency, I would say that is a very good number. But if you talk of proportionality of a teacher to 40 students, obviously my constituents will suffer. So, Mr. Minister, please, check on areas like where I come from.

**The Minister for Finance** (Mr. Nyachae): Address the Chair.

**Dr. Ali:** I am not addressing you, but the Chair. You are the Minister; do not look at me. That is why we are discussing your Budget, which you presented to the House. So, those issues should be addressed.

Mr. Speaker, Sir, touching on teachers' salaries, I would rather discuss the reduction of the number of teachers but not the reduction of their salaries. This is an issue I am totally opposed to as an individual. This is because teachers formerly used to be very respectable people in the society. At the moment, this is not the case any more. In the old days, when you saw a teacher approaching, you would look down in respect. But these days, it is the opposite. They have gone down the ladder completely. So, let us look at other ways of revamping the economy, instead of thinking about stopping the increment of teachers' salaries.

Mr. Speaker, Sir, let me touch on what used to be referred to as the Northern Frontier Districts, or the arid lands. Over 80 per cent of the Kenyan land mass is either arid or semi-arid. That land is not, as people would like to believe, a desert. This is arable land which can be utilised to enhance the food security of this country. If something is done about those areas, then, obviously, we do not need to import most of these foodstuffs. So, why did the Budget not mention anything about those areas? Why are there no irrigation schemes in those areas? How are we going to survive? Are we always going to be referred to as bandits or shiftas? This is terrible! It is a pity! Something has to be done. People in those areas are primarily livestock farmers. Why is the Government ignoring the pastoral communities? Something should be done about the livestock sector. There is some institution called Livestock or Pastoralist Centre, or whatever the name it is called, but they have no money! They cannot help the pastoralists. Somebody could be having a herd of about 200 to 300 cattle, but he looks after them without any knowledge about animal husbandry and one day, drought comes and kills all of them. The Kenya Meat Commission (KMC) has gone down the drain and nobody has been held responsible for it. Those who were sharp enough to know about the existence of the KMC brought their animals there and they have not been paid until now. What is the Government going to do about the KMC? Is it going to be another white elephant or is it going to be sold, so that whoever buys it can manage it properly?

Mr. Speaker, Sir, there is nothing like a road in my constituency. How am I supposed to go there? How are my people supposed to come and join other Kenyans in nation building? This is impossible.

**Mr. Gitonga:** On a point of order, Mr. Speaker, Sir. The hon. Member is asking how he is supposed to go to Wajir. How did he come here in the first place?

(Laughter)

**Mr. Speaker:** What is your name, Sir?

**Mr. Gitonga:** My name is hon. Gitonga.

**Mr. Speaker:** Mr. Gitonga, question time is long gone. You are totally out of order. Ignore him! Proceed.

**Dr. Ali:** I can still answer him. When I am travelling from here to my constituency, I take a flight from Wilson Airport to Moyale, and I foot from Moyale to Gute, which is 30 miles away.

**Mr. Munyasia:** Mr. Speaker, Sir, like many other hon. Members who have spoken before me, I would like to laud the Budget Speech that hon. Nyachae read to us last week. There is only one disturbing statement in that particular Speech. As an old teacher and a trade unionist, I wish to inform the Minister for Finance that, that particular statement regarding the teachers might cause a lot of trouble for this country.

It is stated in the Budget Speech that the pupil-teacher ratio has reduced. I was looking through to see where I could get information to show really that the pupil-teacher ratio has reduced and I see that statement is unsubstantiated. It reminded me of a statement that a former Minister for Education and Human Resource Development made in the very early part of the five years of the Seventh Parliament when we were speaking against the school milk programme and saying that it should be replaced by a text books programme. The Minister kept on reassuring us that the school milk programme had led to increased enrolment in our schools, only for him to admit at the end of the Seventh Parliament, that pupils enrolment in schools had, indeed, reduced.

**The Minister for Finance** (Mr. Nyachae): On a point of order, Mr. Speaker, Sir. The hon. Member is misleading the House by saying that the statement on teachers is not substantiated by facts. I think he has not seen the latest statistics which have been compiled by the Kenya Bureau of Statistics.

**Mr. Munyasia:** Mr. Speaker, Sir, even that statement is still unbacked because instead of the Minister telling us what the teacher-pupil ratio is, he is telling us that there are statistics somewhere. This is what I was complaining about.

Mr. Speaker, Sir, when you go to any primary school in the rural areas - I represent a rural constituency in this House - and you ask for a class teacher to tell you how your daughter Jane, or any other student is doing, the teacher will go to the office to get the record book in order to show you what the child got in the previous test. I will tell him: "I already have got the test papers showing what my daughter got." So, it does not help telling me what the child got in the test. The reason why they cannot tell you off-head how Jane, or any other pupil is doing, is that the classes that they are teaching are too wide. So, when we are told that the pupil-teacher ratio has decreased, I do not know what they are talking about because, practically, I know that the classes are growing larger and larger. That is one reason why it will be irresponsible for this Government to reduce the number of teachers. The Government should consider giving quality education, which is much more important than people being able to pay for it.

Mr. Speaker, Sir, we are also told that the salary increases that were agreed on between teachers and the Government cannot be implemented, and yet the KNUT had been so lenient as to accept that payment of the increases be spread over a period of five years. This has never happened anywhere, but the KNUT had accepted it. Yet the Government is saying that agreement must now be rescinded. This does not go down well with what we understand by the term "retrenchment". Retrenchment means reducing the number of workers in order to enhance the salaries of those that are left. How do you reduce the number of teachers by 66,000 from only 260,000 and then you reduce the salaries of those teachers who will be left? That does not go together with the principles of retrenchment.

But what is much more difficult for the Minister is: Under which law is he going to open re-negotiations with teachers? There is no such a law. I am a trade unionist and I have read the Teachers Service Commission Act. I know all that it says about salary increases. Once they are agreed on, there is no way the Government will reduce them. So, under what law is the Minister going to open renegotiations with teachers?

We have been told that the Minister was very kind to those who drink beer and smoke cigarettes because he did not touch them. I would have thought that if the Minister is really finding it difficult to pay the teachers, he would have added just Kshs2 or Kshs3 more to the price of a bottle of beer or a packet of cigarettes because users of these commodities were expecting it anyway. The Minister would not have shocked anyone because they were expecting to be taxed on those items. They never complain even if taxes on those items are raised. All that the drinkers of beer need is the availability of the beer, and not so much of the price. That is why when you go to the so-called high class hotels, you find that a bottle of the Tusker brand of beer is sold at Kshs150, although the Kenya Breweries Limited sells it at only Kshs35. If the Minister found it very difficult to agree with teachers on the renegotiation of their salary increases, he could have levied Kshs3 on a bottle of beer or a packet of cigarettes in order to raise money for teachers salaries. I thought it would have been a very easy matter.

Mr. Speaker, Sir, I would also like to talk about security in this country. I come from an area which has been constantly hit by insecurity right from 1991. At one time, we had tribal clashes. After that we had the February Resistance Army (FERA) affair and now there are other things. Thugs are coming around, killing peoples' cows and cutting them into pieces of meat. The Government is not doing anything to protect our people.

Those thugs have gone even further. They are now even attacking chiefs, tying their hands behind their backs and leading them to places to call out some of the prominent people in their areas. This is happening because when people hear the voice of a chief they open their doors. This is happening not only in Sirisia, but in the other parts of Bungoma District.

The Government should not think of retrenching the police because there is a great need to increase them, especially in Bungoma District. There has been one terrible thing regarding security. The FORD(K) Chairman of Nalondo Location was attacked at night by a number of thugs. They pulled him out of his house and cut him into pieces. His neighbour is a chief. So, after the thugs had left, the family of the deceased went to wake up the chief, but he was too frightened to get up. He had to wait until the following day. Interestingly, when the chief came to the scene of the crime and saw what had happened to the Chairman of FORD(K) in Nalondo Location, all that he could say was that, that was a terrible thing to have happened and then he went back to his house. He did not think that the matter needed to be reported to a police station. This makes me think that some of the insecurity which some of our people are suffering might be condoned by those people who are supposed to protect them.

I went over to the police to demand that that particular chief be regarded as a suspect. He was picked up the following day by the police, and I thank them for that. But then, immediately thereafter, the DC went to order that the chief be released simply because he had been locked up while in official uniform. The DC said that you cannot take a chief into custody when he is still in Government uniform. What was more important? Was it the investigation of the death or respect for Government uniforms? The issue of insecurity leads me to even think that some of the people in charge of maintaining security in Bungoma must be transferred. This is because we cannot look to them for support.

Mr. Speaker, Sir, I also wish to talk about the Ministry of Public Works and Housing. I am happy that the border between my constituency and Uganda has now been opened; that is the Luakhakha border point. The roads linking us with our sister East African country of Uganda, are in a terrible state---

Mr. Speaker, I beg to support.

**The Member for Kandara** (Eng. Toro): Thank you, Mr. Speaker, Sir, for catching my eye at long last---

**Mr. Speaker:** I do not catch yours; you catch mine.

*(Laughter)*

**The Member for Kandara** (Eng. Toro): Mr. Speaker, Sir, my name is Engineer Joshua Toro. I represent Kandara Constituency in Maragwa District. This is the first time I am standing here and, therefore, this is my maiden speech in this august House.

I would like to remind the Press that during the Budget Speech, Mr. Murathe, who walked out of the House, was erroneously refereed to as the Member of Parliament for Kandara Constituency. The correct position is that Mr. Murathe represents Gatanga Constituency, and I am the representative of Kandara Constituency.

I would like to take this opportunity to thank my constituents for electing me to this House. I know they have been wondering why I have not talked but today, it will be on record that I have, finally, made my maiden speech.

Mr. Speaker, Sir, the Budget, as presented by the Minister for Finance--- I am happy that I am making my maiden speech when he is present. To say the least, the Budget is good if it is not a public relations exercise. The Minister for Finance is a very serious Member of this House. But I wonder whether the other members of the Cabinet share his ideals when it comes to turning the economy round. I am saying this because there has been a systematic dismantling of the economy by those in the Government and parastatal chiefs. This has continued to happen despite consistent complaints by Members of this House, especially those from the Opposition, about the evils that were being committed by the Government. This continued and, now, we are talking about a collapsed economy. This economy needs be tackled by all and sundry.

Mr. Speaker, Sir, we know very well that no Government institution is functioning properly these days. We need to pull our socks and make institutions function. It is not enough for the Minister for Finance to give his Financial Statement and then we go back and say it is a good Budget and then, we sit down and expect miracles. Miracles do not happen; they are performed. More funds have been allocated to the infrastructure and, especially, the roads. Personally, as the shadow Minister for Public Works and Housing, I would say that the funds allocated

for roads are not enough. I wish the Minister for Finance had allocated more funds. This is because, we have reached a point where people cannot move because vehicles cannot move. This means that our economy, which is based on agriculture, is at a standstill. I come from an area where we depend on coffee, tea and horticultural crops. At the moment we have marketing problems of those commodities because of the collapse of the road network. The Kshs6.5 billion allocated for roads maintenance, in my opinion, is not enough. The Kshs5.2 billion used for road maintenance in the 1997/98 Financial Year did not do much. It was spent but, today, we cannot see the fruits of what was used. In fact, if you ask Kenyans, they will say there was no money allocated for road maintenance. This is because they cannot see any work that was done. The little job that was done was marred by corruption. Tenders were awarded to contractors who did shoddy jobs and, in the end, nothing stands at the moment. The little job that was done was washed away by the *El Nino* rains and, today we cannot correctly say that the jobs were done properly.

Mr. Speaker, Sir, engineers in the Ministry of Public Works and Housing are well trained but the problem we have now is that they cannot do their job well because, politically correct contractors are having a field day. These engineers dare not disapprove whatever shoddy job the contractors do. Contracts are awarded, and the engineers are just told to go and supervise the work but not to comment on the work. They are just there to be seen, not to be heard. Unless this attitude changes, the engineers will not be able to deliver their technical expertise in maintenance or construction of our roads.

It is time the Ministry of Public Works and Housing became serious in awarding tenders. For many years, there has been a tendency to erode the procedures of awarding contracts in the Ministry of Public Works and Housing. I am afraid to say that some people who were involved in irregular awarding of tenders in Government Ministries and parastatals are in this august House with us. It is a shame that some of them are in the forefront saying that we should do away with corruption when, in fact, they are the ones who started corruption. It is a question of preaching water and drinking wine. These people are well known, and the least they can do is that when we talk about corruption, they should keep quiet. Let us tell them---

**The Minister for Finance** (Mr. Nyachae): On a point of order, Mr. Speaker, Sir. I am not questioning the hon. Member's views on the Budget, but I heard him state that some people who have been involved in corrupt awarding of tenders for road works are here in this House. This means that there are corrupt people in this House and that the hon. Member knows them. I think it is proper that the corrupt hon. Members who are in this House be known.

**Mr. Speaker:** May I say that, in fact, I was wrong to even allow you to stand on a point of order in the first place. This is the hon. Member's maiden speech. Let him have his field day. Have your field day, Mr. Toro!

**The Member for Kandara** (Eng. Toro): Mr. Speaker, Sir, could I be added a few more minutes because I was interrupted by the hon. Minister for Finance?

**Mr. Speaker:** That, I will not do. Proceed!

**The Member for Kandara** (Eng. Toro): It is high time that contracts in the Ministry of Public Works and Housing and other Ministries were taken seriously to avoid corruption when tenders are being awarded.

Mr. Speaker, Sir, in my opinion, the teachers' salaries should not be re-negotiated. The Kenyan economy collapsed even before the teachers were awarded the salary increase. The huge domestic debt was there even before the teachers were given their pay increases. We are going to face a crisis here because the teachers will go on strike again and that should be avoided. Some of us will be supporting the teachers when it comes to the issue of re-negotiating their salary increment. If the increment was not a political expediency exercise, then the Government should stick to what was agreed upon and let the teachers earn what is due to them. The Minister for Finance should look for money from elsewhere to pay the teachers.

With those remarks, I beg to support.

**The Assistant Minister for Water Resources** (Mr. Chanzu): Mr. Speaker, Sir, I wish to support the Budget Speech which was presented by the Minister for Finance on Thursday, 11th June, 1998.

I wish to congratulate the Minister for presenting a very highly balanced Budget because the economy has been undergoing a lot of difficulties. The Budget aimed at cutting down expenditure for the purpose of containing the rate of inflation and interest rates so that the economy can pick up.

I also wish to take this opportunity to thank those who arranged the two economic meetings which took place in Mombasa and Mbagathi, respectively. I think the recommendations which came out of the Mbagathi meeting formed the basis of what the Minister for Finance read to us last week on Thursday during the Budget. What the Minister presented to the House last week, like achieving seven per cent or more rate of economic growth, will only be achieved through the concerted efforts of everyone. The achievement of such a growth rate will be based on the performance of the various sectors in this country. We need to exercise a lot of efficiency and

effectiveness in order for this to be achieved. We need also to be committed in order to be able to achieve what has been planned. We also need to work very hard. Though Kenyans are known to work very hard, they will need encouragement from the leaders to work even harder. The measures towards the eradication of corruption must also be looked at in detail, just as hon. Members have done here. We must go deeper into finding ways of eradicating corruption in order to operate within the Budget proposals that were read to us. Mr. Speaker, Sir, I wish to caution the Government to avoid duplication. There will be functions which will be created but we must be very careful that we do not duplicate these functions and we do not make very heavy set-ups which will eat into what we intend to save. The austerity measures that were outlined are okay but implementation becomes a problem at times. If the policy on Government housing had been dealt with earlier and planned very well, we would have saved a lot of money. There is a lot of money which goes into paying rent for these privately rented houses. There are many motor vehicles lying around in Government yards but I do not know how much we can achieve out of the boarded vehicles and the reduction of telephone lines.

*[Mr. Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, the teachers' salaries is a very sensitive issue. I only hope that there will be some kind of rationalisation. There are also some areas where we are lacking teachers. I hope this will also be taken into consideration when this down-sizing is being carried out.

Mr. Temporary Deputy Speaker, Sir, I think we should concentrate most of our resources in areas like infrastructure, the road network, telecommunication network, water and electricity. If all these are attended to, we should be able to achieve our industrialisation target by the year 2020. So, if we can put enough resources in those areas, including the health services, this should be able to assist us to reduce unemployment and poverty in the long run. This will also help the tourism sector. To improve tourism, I think we need to invest more resources in security and the services that we render so that we can attract more tourists into our country.

Mr. Temporary Deputy Speaker, Sir, the Minister also reduced VAT from 17 to 16 per cent which is a welcome idea. But the levying of VAT should be due after 30 days from the date of invoicing. There are some institutions like professional organisations who put up their invoices and they are not paid even within those 30 days. I wish to request the Minister for Finance to ensure that the time of time of levying the VAT should be the time when payments are made and not when the invoices are levied.

The other issue is priorities on completion of stalled projects. We have got a number of projects in this country which are earning the Government a bad name. Several district headquarters which were started in the late 1980s and early 1990s are earning the Government a bad name. I would wish that the Minister gives priority to these ones so that services can be rendered to the people.

Mr. Temporary Deputy Speaker, Sir, agriculture is an important sector in our economy and it is good that the Minister proposed to waive taxes on fertilizer and so on. We would like to suggest that importation of items which we can produce here like food crops and so on, should never get any duty waiver.

Mr. Temporary Deputy Speaker, Sir, we should also put more in animal husbandry because most of our people in the rural areas own very small holdings of farms. Most of them want to practise zero-grazing because of the minimal acreage of land they own. If we can encourage this, I think this will improve the economy of this country.

Mr. Temporary Deputy Speaker, Sir, rural electrification of the country should also be intensified in order for us to develop small-scale industries which can help our people.

With those few remarks, I beg to support.

**The Member for Kigumo** (Mr. O.K. Mwangi): Thank you, Mr. Temporary Deputy Speaker, Sir. My name is hon. Kihara Mwangi, Member for Kigumo constituency, in Maragwa District. For those who do not know where Kigumo is, it happens to be the constituency which was represented by the late Mzee Jomo Kenyatta. It was his first representation in this House. I am, therefore, greatly honoured to represent the same constituency. May I take this opportunity, as my maiden speech in this House, to thank God for helping me to be elected into this august House. I would also like to thank my constituents who found it fit to elect me to represent them in this House and I hope that I will represent them ably.

While contributing to this year's Budget Speech, I would also like to thank all Kenyans, particularly the so called "common man", for having very heavy-duty absorbers to sustain the weight of oppression by the current KANU Government. While we stand in this House debating about turning the economy around, we are helping the

same Government which has devastated the economy and depleted the country to the extent that it is almost going to the dogs. I am particularly perturbed to note that this Government seems to think that Kenyans have a pressure that is difficult to exhaust, the reason being that it has handed down the financial burden to Kenyans on almost everything, from oil to education in the name of cost sharing. The Government has abdicated its responsibility to provide services to its people.

In fact, the Government has behaved as though it is a foreign Government in occupation. It does not seem to care for its people. One wonders whether it is a Government that is actually going to turn the same economy around. Even though the Minister for Finance has presented a Budget that seems to be very palatable, I wonder whether there is a political will to turn round the economy. When I look at education, it is pathetic that the whole burden has been laid upon the parents. The headmasters have become semi-gods. They are the ones to decide on what fees to charge the parents and the Government does not seem concerned whatsoever about these. I have noticed that the headmasters have even included in their fees structures, a commodity called Harambee. Then you wonder why they are still calling for Harambees for some of these schools which were constructed in the 1920s and 1940s. The Harambee has been corrupted to such an extent that every child, even those who have not been born, once booked into a nursery school, contributes for Harambee and the Government seems to be very happy about this.

If you go into the schools today, you will find that some of them have got more capacity than the children they cater for. More children are staying at home because of the fees that is being demanded by the headmasters, particularly in the form of Harambee. I wonder what Harambee means because it should mean a voluntary contribution towards a particular project. But schools which are not even involved in any development activity are still charging Harambee. I would like the Minister for Education to look into this because it is like a cancer in most schools.

Mr. Temporary Deputy Speaker, Sir, if you look at the development of the infrastructure, you will find that the public has been burdened by almost every aspect of development. If we want to construct a cattle dip for our cattle, that must be done by members of the public. If you want to construct a chief's camp, it is members of the public who have to do it. The Government is crying, saying that it does not have any money, when they continue to create new districts, divisions, locations and sub-locations. When they do that, it is pathetic to note that they say that the Government has no funds to build the district headquarters, so the public can go and contribute money to build the district headquarters.

I am talking about this because I am currently in a new district called Maragwa, and we have been told to build our district headquarters and the Government is not concerned. We wonder why the Government found it necessary to give us the district. We had not asked for a district ourselves. They came and gave us a district for which they were not prepared to build a district headquarters.

If you look at the security aspect of the country, then you will wonder whether this Government is for this country, because the Government creates insecurity in some areas and then comes around trying to quell that insecurity hoping that it will create popularity by coming and quelling it. This is what happened in Molo. I am confident that the Government had a hand in what happened in Molo and Laikipia and I wonder whether a Government that is patriotic to its country can actually behave like that. I am, therefore, wondering whether, when we talk about the Government turning around the economy, it is capable of doing that. In fact, it should resign because I do not believe that those who perpetuated the depression of this country to the level where we are, can now come and give a remedy. A doctor who injects a patient with poison cannot be expected to prescribe a remedy. We have been told by the Minister for Finance that the economy is in the ICU and I believe that---

**The Minister for Finance** (Mr. Nyachae): On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Member for Kigumo** (Mr. O.K. Mwangi): No! I am making my maiden speech! You cannot interrupt me. I hope, Mr. Temporary Deputy Speaker, Sir, you will protect me.

Mr. Temporary Deputy Speaker, Sir, coming to the Budget, although it was thus well presented, I tend to believe that this was just a public relations exercise. It was window dressing, because I do not think the Minister is serious. He has not made a provision whatsoever, on how he is going to tackle unemployment when we know that, that is the cancer that is eating our people. Schools, colleges and universities continue producing graduates who cannot find employment. These children go to school, the parents spend so much money. The parents live from hand to mouth and then at the end of the day, when the children come from college, they just go back to their mothers and the mother is expected to continue feeding them. There are some people in this Government who tend to think that because they are rich, or because they have stashed a lot of money in foreign banks, Kenya is, therefore, rich.

Mr. Temporary Deputy Speaker, Sir, I am very perturbed to note that half of the citizens of this country live below the poverty line and the Government does not even care to address the question of unemployment. I

would have expected the Minister to close down the schools and colleges to wait until the economy has improved, so that when the students come out, they can then find some places to go. But now the colleges and schools continue to produce graduates who have nowhere to go. The Minister has failed to address even the fiscal policy to indicate where the small man can have access to finance to enable him create his own employment because the interest rates are so high. In fact, the Government has even gone further to cut off the hands of the small farmer who wants to do his own business. They borrow money from abroad at six per cent, they lend it to the common man at 30 per cent and this is the economy we are talking about turning around.

Mr. Temporary Deputy Speaker, Sir, I wish I could have more time.

**Mr. Munyasia:** On a point of order, Mr. Temporary Deputy Speaker, Sir. I am seeking your guidance. Could this House be told which Standing Order does give immunity to a Member who is making a maiden speech to violate Standing Orders at will? I have seen people protected here when they make terrible violations of the Standing Orders, and we are told that, "since it is a maiden speech, you cannot stand on a point of order".

**Mr. Kanyauchi:** Thank you, Mr. Temporary Deputy Speaker, Sir. I wish to start by saying that the Budget which was presented to this House is what I would term "economy friendly." It was economy friendly in the sense that, to a very large extent, it has tried to focus on the economy. Granted that there were a few irrelevancies which mainly dealt with good governance and which were more or less political rhetoric, but because it was presented by a politician, I will give him the benefit of the doubt.

I wish to comment on a few issues, the first one being the Kenya Revenue Authority (KRA). What I wish to say is that, it is high time the Government, and particularly the Ministry of Finance, knew that all over the world now, there is a tendency for governments to be run like private companies. That is to say, if you cannot see profits at the end of the day, then really you have no business governing. This is the tendency all over the world. Things are changing and the Minister for Finance must know, which I hope he does. In terms of economy, the Ministry of Finance is the nerve centre of the country. So, this is a very important Ministry to begin with and the Budget is a very important tool.

Mr. Temporary Deputy Speaker, Sir, there are two matters which I would like to bring to your attention as regards the Kenya Revenue Authority. The main problem is that, not everybody who is supposed to pay their taxes does so. There is massive tax evasion and I am convinced that if every person who is supposed to pay their taxes were to do so, we would not have the deficits that we have at the moment. So, I wish to propose to the Minister, who fortunately is in the House today, to ensure that the overall boss of Kenya Revenue Authority is not a political appointee. Secondly, he should also have security of tenure. This will enable him do his duties diligently, and ensure that most of the loopholes are effectively sealed. But, as long as the boss of the Kenya Revenue Authority is a political appointee, he will most likely want to listen to some political manoeuvres. This should be avoided at all costs.

Mr. Temporary Deputy Speaker, Sir, the Minister reduced VAT from 17 per cent to 16 per cent. My own submission is that, this is not good enough. In fact, VAT should be removed all together. This is because, VAT goes down to the common mwananchi, many of whom, as the Minister knows, do not even have jobs. So, to burden them with extra taxes of up to 16 per cent is not in good taste. The Minister should have removed VAT. I hope he will think about this in the next budget. I would also like to inform him, that there are very few countries which are charging VAT, but they are doing very well in terms of revenue collection and generation.

Mr. Temporary Deputy Speaker, Sir, I would like to touch on the issue of increase of private investments. In my own view, the Minister should have addressed the issue of liberalization in a much better way. Since we are a fairly young country, liberalization should be done selectively. If it is liberalization which can help boost the economy, like the airwaves, it should be done without much ado. But when it comes to liberalization, for example, of agricultural products, we should go back to the drawing board and do it in a selective manner. This will ensure that goods which are produced locally do not meet unfair competition from goods which come from all over the world at subsidised rates, notably, South Africa.

Mr. Temporary Deputy Speaker, Sir, as regards the teachers' salary. I would like to draw the attention of the Minister to the fact that, under the law, once an agreement has been signed, there is no way you can turn around and renegotiate. For instance, we know hon. Members of Parliament have a salary of about Kshs30,000. If he tries to renegotiate this salary to Kshs20,000 we would resist. Now, the issue of teachers salaries is what you would call *a fait accompli*. It cannot be open to further negotiation even by the teachers. In law, once **[Mr. Kanyauchi]**

a document has been signed, sealed and delivered, that is the end of the matter. The Minister should look at ways and means of paying the teachers. It is common knowledge that teachers in this country, and all over the world, are some of the most poorly paid persons. So, let us be realistic and look at how we can generate revenue, but not talk about re-opening a matter which cannot be reopened.

Mr. Temporary Deputy Speaker, Sir, the establishment of Principal Finance Officers who are supposed to serve in two Ministries will be a failure. In the early 1980s there was something called "Special DOs" and it was not possible for them to do a good job. The reason is simple. Like it was said in the Bible, it is not possible to serve two masters at a time. To begin with, there will be conflict of interests. Will these officers be in the Ministry of Finance or other Ministries? Secondly, they will also have conflict of interests with Permanent Secretaries, in the sense that their roles will overlap. This will not augur well for what we have started to do; that is, to ensure proper management of finances. So, the Minister should look into this and come up with something better than this.

Mr. Temporary Deputy Speaker, Sir, there is a surcharge which the Minister increased on second-hand vehicles. The Minister knows that salaries in the third world, and particularly in Kenya, are really low. It should be the intention of the Government, despite the low salaries, to encourage people to be enterprising; for example, by owning small cars. I know that many people are able to buy cars from Dubai for US\$2,000, which is about Kshs120,000. This is really commendable. But, to now come and charge another US\$1,000 on top of this, is really unreasonable.

**Mr. Koske:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to make my contribution on the Budget Speech. Before, I make my contribution, I would like to thank the Minister for having presented a good Budget.

There are a few issues that I would like to raise, which he did not touch when he read the Budget. I welcome the waiver that he gave to those people who have not declared their income, so that they can be able to buy income bonds and get a break from paying the penalty fees that they were supposed to be charged. However, there is one area that the Minister did not touch. If he had addressed it fully, some of these deficits that we are incurring could actually have been met. This is the penalty charged on those people who are not able to pay duty on their vehicles upon importation. Many vehicles in this country, either for commercial or private purpose, have not been registered.

Mr. Temporary Deputy Speaker, Sir, some people import vehicles hoping that they will make arrangements to pay for the duty. However, when the vehicles are released from the port they are usually charged a 3 per cent penalty every month and many people end up not being able to afford this amount of money. So, I would humbly request the Minister to give a waiver to these people so that they are able to register these vehicles and in the process, we shall be able to collect some money. Since the Minister is here, I kindly request him to re-look into the issue of waiving this penalty so that these people are in a position to pay for the duties charged on their vehicles and register their vehicles.

Another issue which I would like to raise is that of VAT. While welcoming the Minister's reduction of the VAT rates that we are supposed to pay on our goods, I think there are some areas that the Kenya Revenue Authority should actually address seriously. I am talking about the VAT that is charged on most of the spares, be they industrial spares or motor vehicle spares. For those of us who buy spares from the spare shops, we realise that the dealers have two types of receipts. When the VAT examiners are around, these people will give you a receipt and charge you VAT. When the examiners are not there, they do not charge VAT on these items. I am proposing that VAT on these spares be collected at the source so that when the dealers are selling their spares, they pass on the cost to the buyers. Unless we do that, at the end of the day, the Government is going to lose a lot of money. I know that the Government loses a lot of money because the VAT that is chargeable is not usually collected. If all this revenue is collected, the tax-payers will end up paying less VAT and that will be a relief to all of us.

I would also like to touch on the plight of teachers. Being a former teacher, I really sympathise with them. When the Government says that they are going to renegotiate the teachers' salary increments, one wonders whether the Government has their interest at heart. At the end of the day, teachers remain amongst the poorest paid people in this country. In my view, I think the best way forward for the Government is to undertake a rationalisation process by the Teachers Service Commission so that the excess teachers, whom I know exist, are trimmed and in the process money will be saved rather than renegotiating the salary increments while we know that these teachers do not get enough money. If you take a case of a P3 teacher or even any primary school teacher, with the kind of school fees that we pay and the resultant money contributed in the form of Harambee and building funds, you will find that the same teachers who are expected to teach our children are not able to educate their children. I think the Government should be looking at ways of motivating the teachers instead of renegotiating the salary increments.

I would also like to say something about the Finance Minister's proposal that he will take Kshs1.50 from the Petroleum Levy Fund to raise money, which will be used to repair our roads. While we welcome the proposal, ways and means should be looked into to ensure that the money is used for the maintenance of roads. For those of us who use the Nairobi-Eldoret Road, or Nairobi-Nakuru Road, you will agree with me that the road was constructed the other day. If that road was maintained, it would last for a long time. This would have, indeed,



benefited this country. Unfortunately, if you use the road now, you will discover that it is full of potholes. It is high time the Government realised that it should use this money to repair the roads. The Government should look into ways and means of maintaining the rural access roads. Most of the crops that are grown by farmers in the high potential agricultural areas do not reach the market. The main reason is that once the road has been murrammed, which is the normal form of maintenance, it takes a long time before it is repaired. Since the maintenance is very poor, the Government ends up using a lot of money to repair the road.

If this money was collected and used for the intended purpose, I believe that the country would not have food deficit. This is because there are some high potential agricultural areas, which are not served well by any road. That is why we are saying that even if the Government is not able to tarmac all the roads in this country, ways and means should be looked into to maintain the rural access roads. This will enable farmers to have access to the markets. It is pointless to encourage farmers to grow a lot of food or cash crops in order to earn some income when at the end of the day, the crops rot in their farms. It does not make any economic sense to encourage farmers to grow many crops, and yet, when the crops are harvested, they cannot be transported to the market. The roads should be maintained to enable the farmers transport their produce to the market.

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

**Mr. P.S. Kihara:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. First of all, I would like to congratulate the Finance Minister for drawing up the Budget in spite of the difficulties this country faces at the moment.

After the Mombasa economic forum, I did not think that the Minister would be able to draw up the Budget. For this Budget to bear fruit, the Minister for Finance will definitely require a lot of goodwill from his colleagues. The biggest problem the Minister will encounter is that, there are too many holy cows within the Government. There are so many holy cows in the Civil Service who feel that the measures the Minister for Finance is proposing will not apply to them.

When the current Minister for Finance was the Chief Secretary, in 1979 and 1980, he introduced the blue and green number plates for parastatals and local authorities vehicles, respectively. He did this with our assistance. But even after the introduction of the blue and green number plates for the vehicles, the misuse of the motor vehicles continued. The Minister for Finance has introduced measures to help cut down expenditure through the control in the number of Government vehicles given to Government officials. I hope those holy cows will understand the situation we are in today. Therefore, they should not flout the rules with regard to usage of Government vehicles, telephones and furnishing of offices. I come from Naivasha Town and every Friday afternoon, I see huge cars carrying the wives and children of Ministers, Permanent Secretaries and heads of parastatals, headed for their homes in the Western Province. I hope that this is going to be a thing of the past. I hope that from where I sit on Friday afternoon in Naivasha Town, I will not see Government cars carrying the wives and children of Ministers and Permanent Secretaries. If I do, I will tell the Minister that the trend is still continuing.

**The Minister for Finance** (Mr. Nyachae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is hon. Kihara implying that those of us who drive to the western part of this country are the only people who misuse Government vehicles? He says that he sees Government vehicles pass through Naivasha Town on their way to Western Province every Friday afternoon. What about the other places?

**The Temporary Deputy Speaker** (Mr. Imanyara): I think the hon. Member was giving an example of how Government vehicles are misused. Please, continue, Mr. Kihara.

**Mr. P.S. Kihara:** Mr. Temporary Deputy Speaker, this is so because that is where I live, and I am able to see Government vehicles being misused. Maybe, if I lived in Thika Town, I would see the same thing happening there. Unfortunately, I live in Naivasha Town and I see Government vehicles carrying the wives and children of Ministers and Permanent Secretaries on their way home every Friday afternoon.

The Civil Service is inefficient and bloated. I believe the Minister for Finance will agree with me that we can do with half of the current number of civil servants. We want to assist the Minister to cut down costs. He did everything he could to improve the Civil Service when he was the Chief Secretary. We first heard about a head count when he was holding that position. Let us see how we can reduce the number of civil servants and reduce the number of Government Ministers too. In fact, 28 Ministers are too many to serve the Government. Worse still, the Minister for Finance and I, know that Assistant Ministers are doing nothing.

*(Applause)*

The creation of new districts has been mentioned in this House by hon. Members. I hope that this issue will come to an end. We have too many new districts in the country at the moment.

Mr. Temporary Deputy Speaker, Sir, I would like to touch on the Social Democratic Party (SDP) Presidential candidate's subject concerning the Presidential jet. We might consider Mrs Ngilu's suggestion, that the Presidential jet should be sold, so that some revenue can be generated. I do not see how this jet is serving this country.

Yesterday, we had a delegation of British Members of Parliament who were amazed by the large number of foreign embassies that we have. I would like to suggest to the Minister to cut them down because they are money guzzlers. We should not pretend that we are a rich country. We have countries in other parts of the world which have one ambassador accredited to many countries. There is no reason why we should have an ambassador in Uganda, Tanzania, Rwanda and Zimbabwe. The Caribbean countries have one ambassador for the whole of Africa. Why not do the same?

Mr. Temporary Deputy Speaker, Sir, the Corporate Tax used to be reduced by 2 per cent every year. But this year, nothing has happened. We thought that it could come down from 32 per cent to 30 per cent. There has been a reduction of the Civil Service, health, water and sanitation, and education budgets. I also think that money can be saved from the Office of the President to support the social service budget. The budget for the Office of the President is very high.

On agriculture, the Budget has not addressed the issue of enabling farmers, particularly on food production. I think we need food production. Those who are growing flowers are wealthy people and can afford to buy their polythene sheeting. Let us enable the farmers who are producing food for this country. Let us think of something which can replace what we used to have the Guaranteed Minimum Returns GMR. You cannot expect the farmers to underwrite their losses in order to feed Kenyans. We think that the Government should enable the farmers to produce food for this country to avoid famine.

The Budget did not address the question of poverty and unemployment. We require to create an enabling environment for people to employ themselves. We should provide them with power in the rural areas, so that they can involve themselves in small-scale industries out there. We should give them good infrastructure, so that they can reach the markets to sell their wares. Unemployment and poverty are the most serious issues that we are facing in this country. I hope that these two serious issues will be addressed, since they were not addressed in the Budget.

The teachers' salaries should not be re-negotiated. I would like to stand by the teachers and tell them not to budget. They went to Kabarak and sang, "Ahsante sana, ahsante sana". How can we turn around and tell them that they will not receive the money after they sang at Kabarak? Let the teachers demand their rights.

Mr. Temporary Deputy Speaker, Sir, we have destroyed tourism with our own hands. I do not agree that the roads have destroyed tourism. Tourists will come to Kenya with bad roads. What has spoiled our tourism is insecurity. We must address the question of security very seriously. I think it is the other very important issue. I would like to remind you that lions and elephants are not only in Kenya. They are there in Zimbabwe, South Africa, Botswana and Zambia. If we destroy tourism and tourists do not come to Kenya, we will take many years to lure them back. So, let us not destroy tourism. In the process of destroying tourism, we have also destroyed sections of our agriculture. For example, pig farmers cannot sell their bacon and sausages and yet, this is the food that is consumed by tourists. The Farmer's Choice Factory is about to close down because it cannot process all the pigs that the farmers are rearing.

Mr. Temporary Deputy Speaker, Sir, on the question of corruption, I think there have been too many kick-back-motivated projects. We know that some of the projects were not necessary. If you look at the Nyayo Bus Building Complex, you will wonder. The Kenya Bus Services is a bigger company and it does not have such a complex. The fellow who initiated these projects got his kick-back and forgot about the project. The buildings are now rotting there. Let us find a way of scrutinising these projects before they are implemented. The Public Investments Committee of Parliament should look at the major projects and decide whether they are viable or not. We should not have major projects all over the country which are never completed.

Finally, I would like to touch on the Constitution. Bad governance is responsible for the mess that we are in. We hope that we are going to address the question of the Constitution very seriously, in order to introduce good governance.

With those few remarks, I beg to support.

**Mr. Muithia:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute to this Motion. I have been waiting to do so since morning. I would like to praise the Minister for Finance for having bravely gone through the financial darkness to try and salvage the economy, and see how we are going to perform in the next one year. I also sympathise with him because he has left very many areas which are money guzzlers, and which need to be looked into. I hope that he is going to go through his Budget Speech with a brush, to add a few of these items.

Everybody has talked about the teachers' salaries. The salaries should not be an issue in this country. Teaching is one of the most important service industry, we have in this country. We read in the papers that pupils no longer go to school. The drop rate of enrolment has come down from 98 per cent to somewhere around 70 per cent.

### QUORUM

**Mr. Michuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is there a quorum in the House?

**The Temporary Deputy Speaker** (Mr. Imanyara): No, we do not have a quorum. Ring the Division Bell.

*(The Division Bell was rung)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! We have a quorum now. You may proceed, Mr. Muihia.

**Mr. Muihia:** Mr. Temporary Deputy Speaker, Sir, I was talking about teaching being one of the most important sectors of this country. When we keep on talking about the teachers' salaries, we should ask ourselves whether we have enough teachers. The teachers salaries should not be discussed, but it should be enhanced. The Minister also talked about the Government's intention of not housing its civil servants.

*(The Hon. Members consulted loudly)*

**The Temporary Deputy Speaker** (Mr. Imanyara): Order! Would the hon. Members give the hon. Member on the Floor a hearing. We have a quorum now and the business of the House continues.

**Mr. Muihia:** Mr. Temporary Deputy Speaker, Sir, most civil servants earn meagre wages. The Government has been housing some of them. For example, a university graduate gets a house allowance of about Kshs3,000 and his total net pay is Kshs10,000. The houses they have been living in are rented by the Government for Kshs10,000 to Kshs15,000. If the Government is not going to house the civil servants, do we expect them to live in Korogocho and Mathare slums? Hon. Members of this House in the Front Bench; the Permanent Secretaries and the Ministers are still in the current Government renting category of Kshs45,000. The Speaker of this House is housed on a Government rented house worth Kshs100,000 per month. The Permanent Secretaries and Ministers are living in houses rented at between Kshs60,000 and Kshs100,000 per month. The Minister said that he is not going to house civil servants and at the same reduce Civil Service, then the Government should raise enough funds to compensate her employees for what has been lost at the current rates. The policy of housing employees should be enhanced by the Government. The Government should build more houses for its civil servants and the parastatals staff. But the Government has been going round dishing those houses to the politically-correct individuals. I do not think it is right not to house civil servants.

Mr. Temporary Deputy Speaker, Sir, on the issue of allowances for hon. Members for the purchase of motor vehicles, I do not know where we can get a four-wheel drive vehicles to go up those roads which has less than 3,000 cc. The Minister should look into the allowance and give hon. Members more money to enable them buy cars with more than 3,000 cc.

On agriculture, we must encourage the establishment of a farmers' bank, so that the bank can borrow from offshore for on-lending to the small-scale farmers. We have a case in point where the KPCU which is supposed to help coffee farmers borrow money from commercial banks at commercial rates, and then lends on to farmers at 40 per cent interest rate. That parastatal is not helping the farmers at all. Therefore, we should encourage the establishment of a farmers' bank, starting with the proposed coffee farmers' bank, so that they can borrow at 7 per cent and lend to the small-scale farmers at 12 per cent.

I am very happy that the Minister removed the 2 per cent Presumptive Tax. This is going to help small-scale farmers. Large-scale farmers are supposed to declare their income so that they can pay taxes. Before, small-scale farmers were being charged 2 per cent at the gross figure which they sold.

The Minister suggested the creation of the office of Financial Controllers in the Ministries and Departments to replace the PF&EOs who were supposed to be doing exactly what the new Financial Controllers will be doing. Where is the Minister going to get those angels to be baptised "Financial Controllers" so that they do not repeat the mistakes?

Unless they are going to work independently of the Permanent Secretaries, then they are going to fall in the same problem of the PF& EOs, who have always been directed by the Accounting Officers to loot the coffers of this Government.

Mr. Temporary Deputy Speaker, Sir, another important issue which the Minister touched on is the resumption of discussions with the donors. The donors are ready to salvage this country, but they are asking for specific action to be taken. Why have we not prosecuted all those persons implicated in the various financial scandals? We have so many cases pending. The Report of the Controller and Auditor-General has been tabled in this House every year, but no action has been taken. If we are going to be serious, we have to make this House and the Ministers relevant, so that they can work independently from influence of other forces. One man wakes up in the morning and creates a district for political expediency. He also rules that an airport must be constructed, irrespective of whether it has parliamentary approval or not. Further, he wakes up one morning and says that he wants a Presidential jet and it is bought. Supposing all that money which was injected into the Eldoret International Airport, the bullet factory and the Presidential jet was given to the small-scale farmers in the North Rift to grow flowers; we would be having tremendous wealth in this country. Let this House be respected.

The House Committees and Departmental Committees must be given the power to summon anyone, including the President, if he flouts the rules of this House. We may talk here for many years, but until this is done, the buck will remain and will stop at the Presidency. The only alternative would be to get the President out of the position of power. We have the Ministry of Research, Technical Training and Technology which is initiating programmes at the grassroots level. That should be enhanced if we have to be industrialised by the year 2020, and the people should be given funds to produce goods for export.

**The Minister for Natural Resources** (Mr. F. P. L. Lotodo): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to join my colleagues, who have spoken on the Budget. I stand to support the Budget. From the onset, I want to talk about these second-hand vehicles which are supposed to come from Dubai and Japan. I want to appeal to the Minister for Finance to forgive these Kenyans who are actually low income earners. They did not expect that they would be taxed Kshs30,000 on arrival of their vehicles. Now that they are supposed to pay that much, it means that the vehicles will remain in Mombasa and they will be auctioned. This is why I would like to make a special appeal to the Minister to accede to this request. We do not know how many vehicles are in the high seas. There could be 300, 2,000 or 4,000, but we do not know the correct figure and this is something that we did not put in the Budget. We are praying that if they come, we shall tax them so much.

Mr. Temporary Deputy Speaker, Sir, my second point is about Turkwel Gorge Hydro-Electric Power Station. This power station happens to be in my constituency. It is the latest hydro-electric power station in the country. It was constructed and "swallowed" quite a number of farms. We lost bee hives, huge tracts of land, but we have not been compensated by the so-called Kerio Valley Development Authority (KVDA). We are now being told that the Kenya Power and Lighting Company is supposed to compensate us. We have no agreement with the Kenya Power and Lighting Company and KVDA is dying. It is collapsing. At one time last year, a Member of Parliament from Sigor brought a Motion asking the Minister to do away with KVDA or sack somebody, that is its Managing Director. The KVDA is supposed to serve nine districts, namely: Turkana; Samburu; Koibatek; Baringo; Keiyo; Marakwet; West Pokot; Uasin Gishu and Trans-Nzoia, but there is no single project, no matter how small it maybe, in any of those nine districts. I am told KPLC gives KVDA Kshs45 million every year. I would like the Minister at the end of this Budget, to tell us what happens to the Kshs45 million. Is the money shared equally among the nine districts at the rate of Kshs5 million per district, or does it go and pay salaries for the staff? But what do the staff of KVDA do for us?

Mr. Temporary Deputy Speaker, Sir, if the KVDA was formed for a certain purpose which it is not serving, then it should be done away with.

**Mr. Kariuki:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for a Minister of the Government to talk about the Government as if he does not belong to it? Is there no collective responsibility? If anything, should he not be the one responding to questions rather than asking the Minister questions about an Authority that he is a party to?

**The Minister for Natural Resources** (Mr. F. P. L. Lotodo): Mr. Temporary Deputy Speaker, Sir, I do not know why the Member for Kiharu does not understand the smallest thing. I am making a proposal that in future, such a thing should not be there. I am speaking as the MP for Kapenguria.

Mr. Temporary Deputy Speaker, Sir, touching on our roads, this phenomenon called *El Nino* did not spare a single district in this Republic. We cannot reach every part of our constituency. The roads, bridges, culverts and drifts have gone. They are not there. Not each of us has got a four wheel drive vehicle. We cannot be carrying shovels and

mattocks. I would like the Minister in charge of roads to send money for roads to every district. He should not wait

for us to invite him. We have over 62 districts. He will not have time to reach each district.

Mr. Temporary Deputy Speaker, Sir, finally, when we have a huge project in any part of this country, like Kindaruma and Turkwel Gorge, I propose that the people around that project should benefit from it. The power cables from Turkwel Gorge fly over West Pokot, Markawet and Keiyo and they land at Lessos in Nandi district. I understand that there should be a line going back again to Turkwel Gorge and there should be step-down transformers all over. This has not happened. I would remind the Minister for Finance that we, residents of West Pokot, Marakwet and Keiyo districts, need the power. It serves no purpose for the power to be in our area and yet, we do not benefit from it. We have centres where the power flies over and we need the power in those centres. We need our young people to be doing some welding. I would like the Minister to consider including that proposal in the next Budget if he will be there.

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

**Mr. Murathe:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I want to say one or two things about this Budget.

Mr. Temporary Deputy Speaker, Sir, first of all, I do not think I want to congratulate the Minister on his Budget presentation of last week. This is because first of all, this Budget is full of contradictions because the Minister seems to very clearly identify what the problems are. The Minister seems to know what needs to be done, but he does not seem to be clear about how this needs to be done. The Minister is talking about reducing domestic borrowing. The Minister was given options when he attended a forum in Mombasa. For example, he should externalise the three quarter per cent of domestic debts. However, the Minister turned round and said that this is a very risky business because it involves foreign currency. We know the real reasons why the Minister does not wish to externalise the debts. It is because there are a lot of people who are benefitting from the very high interest rates and if the Minister would care to present to this House the breakdown of the banks, the institutions and the individuals involved who trade in Treasury Bills, you will be surprised. You will realise that, there will be people who will not be happy if the interest rates were to come down, because they are making a lot of money doing nothing. They are trading with Treasury Bills at the rate of 28 per cent interest rate. We know how that money was raised in the first instance, when Treasury Bills interest rates went up to 70 and 80 per cent and people made a kill on that. If you invest Kshs100 billion, you are making Kshs27 billion every year and that is kshs2 billion paper money a month. That is unproductive money, doing nothing other than denying the business community and Kenyans in general, access to credit for money with which to engage in productive economic activities.

The next contradiction is about the improvement of infrastructure. How do you do this, when everything in the Minister's Budget is about reducing expenditure on infrastructure? With the sort of money we have already, there are no roads. The current Budget is a reduction of the money available to construct roads, to give power to the people and to have an enabling environment. I have been looking at that Budget and the Minister is talking about improving delivery of Telecommunications, power, water supply *et cetera*. The Minister is talking about reducing costs of making telephone calls in Government offices. If you went to a place like Dubai, telephones are free for the public. You make calls for nothing. Communication is about the most important thing that brings about economic development. The Minister is asking us to go to Government offices and that clerk I am to see in the Ministry of Lands and Settlement, who then wants to talk to another person in the Ministry of Local Authorities cannot make that telephone call to communicate about rates. Clearly, I understand about accountants saving penny and losing the bigger picture, and it is important because we appreciate the Minister's efforts in trying to instill discipline and avoid waste. But clearly, we should not even be talking about some of these things. We are talking about people in the public service making free calls in other countries. That is what we should be aspiring to do. Not walking into a Government office and you cannot make a phone call, because the level nine is gone and you have to wait for the operator to connect you. I think we must look for other ways in which the Government can collect money and the Minister has several options open to him, to improve revenue collection.

Mr. Temporary Deputy Speaker, Sir, the other area that he talked about is the improvement of the efficiency of the Civil Service. How do you improve the efficiency of a civil service which is highly under-paid, highly demoralised and highly corrupt? One of the areas which we have identified and I think this has been proved to be correct, is that, where you pay people better, they tend to work better. We have seen incidences where Government agencies are now being formed, like the Kenya Revenue Authority, where people are better paid and are, therefore, expected to perform better. In this instance, the Minister is talking about a freeze in civil service emoluments. The Minister is even talking about reducing their number. So, these people are not even sure whether they will be working the next day. They are going to be highly demoralised. In Mozambique, where they have a very high level of inefficiency and corruption in the Civil Service, they have now hired people from Britain to go and collect taxes for them. In other words, you sent out the white man during the struggle for independence, then you bring him back to collect your revenues because he is incorruptible. But I do not know how much money they

are going to pay those people, because I have seen what happens. When they bring expatriates in this country, even if you are in the same job grade with them, you will be getting your Kshs10,000 or Kshs20,000 while they are paid to the tune of Kshs500,000.

The Minister has also talked about improving relations with development partners and he mentioned something about the country's credibility rating. Why I am saying it is full of contradictions, is because we are talking to development partners who have clearly identified where the problem is and the Minister knows where the problem is. When you present a Budget to this country, you must be convinced that this is what is wrong with this country and this is what needs to be done and this is how it is going to be done and you must have the courage to do that. But if you take two steps forward and two steps backwards because you do not know what is likely to happen the next day, then I think we are not being completely honest with ourselves; we know where the problem is. If you are running a fully stocked shop and you hire a manager who comes and runs down that shop and there is no money into the till and you want to put money back into the till and stocks back into the shop, you fire the manager. We know what needs to be done in this country. It can only get out of this problem if we fire the manager. There is no way we are going to get people to put money back into the till. Development is about people. It is not an abstract thing. It is about how people live, about food, about clothing and shelter. Everybody has spoken here about how that Budget has got no incentives for food production. I do not want to dwell on it. If you talk about clothing, this is a mitumba country. People cannot afford new clothes because the textile factories have been destroyed. We are now talking about second hand clothes. Talking about shelter, I did not hear anything in that Budget which addressed itself to the issue of housing or what needs to be done about those people in Mathare and Kibera slums. I saw nothing in that Budget that even encouraged the private sector to invest in the housing industry. I do not know how this country hopes to get out of the economic quagmire it is in, whereas the Minister himself, has admitted that the growth rate of this country is 2.3 per cent. It is the lowest in this part of the Universe, even lower than the African average of 3.8 per cent and lower than the global average of 4.8 per cent. Yet, we go around telling people how Kenya is advanced and how we are ahead of other people.

Mr. Temporary Deputy Speaker, sir, let us be honest to our people and tell them about the situation as it is. We were lucky to have the East African countries present their Budgets simultaneously. Uganda's Budget was \$750,000; Tanzania, \$1 billion and Kenya, \$3 billion. Twenty five per cent of our revenue goes into Government; yet, a mobile telephone, which the Minister is so concerned about, is \$150 in Uganda and in Kenya, it is \$1,500.

Mr. Temporary Deputy Speaker, Sir, let us be serious on resuscitating our economy. If we are talking about an economy which is three times as big as Ugandan's, or as healthy as it should be, then we have to be more serious. In Uganda, for example, the sukuma wiki dealers are using mobile phones, but ordinary Kenyans cannot use them because they are exclusively used by officers in Job Group "R" and above. These are directors, under secretaries and Permanent Secretaries.

Finally, I would like to say one or two things about the teachers' salaries. First, the Government should not renegotiate their salaries. Let us look for other ways of raising the revenue in order to pay them.

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

**Mr. Ayoki:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute on the Budget Speech. My name is hon. Winston Ayoki. I would like, first of all, to congratulate the Minister for Finance for having tabled a very "friendly" Budget. I support the Budget Speech partially, because I do not like the statement on teachers' salaries. The Government should not renegotiate teachers' salaries. I also support it partially, because the Minister, while presenting his Budget, did not talk about unemployment and rampant poverty in the country.

Mr. Temporary Deputy Speaker, Sir, the Minister also talked about appointing financial controllers in every Ministry in the assumption that they will wipe out corruption in the Ministries. Unless they are angels, I do not see how they will eradicate corruption in the country. The Government will appoint the same officers who are serving in various Ministries and who, probably, have been party to the economic mismanagement in the country. Instead of appointing financial controllers in our Ministries, I feel that the eradication of corruption should be assigned to the Anti-Corruption Authority.

The other area which was not adequately addressed in the Budget Speech is tax evasion. Tax evaders are known, but both the Kenya Revenue Authority (KRA) and the Anti-Corruption Authority are doing nothing to arrest them. I would suggest that the Government should take a bold step and collect all revenues that we need for development.

The Minister talked about reduction of teachers, but I would like to remind the Government that, at no time will Kenya have enough teachers. The assumption that there are excess teachers in our learning institutions is not true. Otherwise, the recent head count of teachers was not accurate. It will not be a good idea for the Minister to reduce the number of teachers.

Mr. Temporary Deputy Speaker, Sir, the teachers' salaries is a concluded case. It should not even be touched or talked about because the teachers are the least paid professionals in the Kenyan Government. In fact, what they are getting is not even enough to buy them a bicycle and most of them have to walk on foot. So, if their salaries are reviewed, what do we expect them to do, and yet, without the services rendered by the teachers, this country would be in deep problems. Education is an investment for the future of this country and the teachers should be paid adequately.

Mr. Temporary Deputy Speaker, Sir, the Budget was quite balanced despite all the omissions. But, it will require a political will for it to be translated into reality. It is the political will which is lacking; dedication and resolve of the officers who are charged with the responsibility of translating the Budget into reality. If they do not translate the Budget into reality, then it will just be as meaningless as the past Budgets have been.

Mr. Temporary Deputy Speaker, Sir, corruption in Kenya is so rampant that it should be code-named "*El Nino*". More often than not, we use the *El Nino* induced rains as an excuse to cover up our corrupt practices. The *El Nino* rains came last year and yet, we are blaming everything on them. For example, in most parts of this country, the roads are impassable and some of them have never been graded for the last 10 years, long before the *El Nino* induced rains, and yet, we find it easy to blame *El Nino* induced rains.

Mr. Temporary Deputy Speaker, Sir, the Budget did not address the issues of unemployment and rampant poverty in the country. Unless there is also a political will to get some ways of employing the youth who are now roaming around in the countryside or even in Nairobi here, the Budget will not have solved the problems which this country faces. Looking at the expenditures in the Estimates, I realise that there are certain areas in this country, particularly where I come from, that is Lou Nyanza, which have been marginalized. The Budget does not give us enough money to even repair the roads. There are no new development projects being initiated while the old ones have just been given a token amount. So, I would say that parts of this country which, at one time, were being referred to as "siasa mbaya maisha mabaya" are still being marginalised with regard to development. I believe that things should now change as we are approaching the year 2000. If some parts of the country are left behind, they will drag the whole country down in development efforts and we will not move forward.

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Imanyara): Order, hon. Ayoki! Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Thursday, 18th June, 1998, at 2.30 p.m.

The House rose at 6.30 p.m.